

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2022

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report: N/A

Commission File Number: 001-41339

SWVL HOLDINGS CORP

(Exact name of Registrant as specified in its charter)

Not Applicable  
(Translation of Registrant's name into English)

British Virgin Islands  
(Jurisdiction of incorporation or organization)

The Offices 4, One Central  
Dubai World Trade Centre  
Dubai, United Arab Emirates  
(Address of principal executive offices)

Mostafa Kandil  
Swvl Holdings Corp  
The Offices 4, One Central  
Dubai World Trade Centre  
Dubai, United Arab Emirates  
Telephone Number: +971 42241293  
(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares, par value \$0.0025 per share	SWVL	The Nasdaq Capital Market
Warrants	SWVLW	The Nasdaq Capital Market

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

---

**Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None**

---

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

Outstanding as of December 31, 2022: 5,561,043 Class A Ordinary Share and 17,433,253 warrants.

Outstanding as of October 30, 2023: 6,791,605 Class A Ordinary Shares and 17,433,253 warrants.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ No ☒

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, anon-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected to use the extended transition period for complying with any new or revised financial accounting standards<sup>†</sup> provided pursuant to Section 13(a) of the Exchange Act. ☐

<sup>†</sup> The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting over Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

US GAAP <input type="checkbox"/>	International Financial Reporting Standards as issued by the International Accounting Standards Board <input checked="" type="checkbox"/>	Other <input type="checkbox"/>
----------------------------------	---	--------------------------------

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow. Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

---

---

**SWVL HOLDINGS CORP**  
**TABLE OF CONTENTS**

<a href="#">INTRODUCTION</a>	1
<a href="#">CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</a>	2
<a href="#">FREQUENTLY USED TERMS</a>	3
<a href="#">PART I</a>	4
<a href="#">ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS</a>	4
<a href="#">ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE</a>	4
<a href="#">ITEM 3. KEY INFORMATION</a>	4
<a href="#">ITEM 4. INFORMATION ON THE COMPANY</a>	37
<a href="#">ITEM 4A. UNRESOLVED STAFF COMMENTS</a>	49
<a href="#">ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS</a>	49
<a href="#">ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES</a>	69
<a href="#">ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS</a>	74
<a href="#">ITEM 8. FINANCIAL INFORMATION</a>	78
<a href="#">ITEM 9. THE OFFER AND LISTING</a>	79
<a href="#">ITEM 10. ADDITIONAL INFORMATION</a>	79
<a href="#">ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</a>	90
<a href="#">ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES</a>	91
<a href="#">PART II</a>	92
<a href="#">ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES</a>	92
<a href="#">ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS</a>	92
<a href="#">ITEM 15. CONTROLS AND PROCEDURES</a>	92
<a href="#">ITEM 16. [RESERVED]</a>	93
<a href="#">PART III</a>	95
<a href="#">ITEM 17. FINANCIAL STATEMENTS</a>	95
<a href="#">ITEM 18. FINANCIAL STATEMENTS</a>	95
<a href="#">ITEM 19. EXHIBITS</a>	96

## INTRODUCTION

On March 31, 2022, Swvl Holdings Corp (“Holdings”), formerly known as Pivotal Holdings Corp, a British Virgin Islands business company limited by shares incorporated under the laws of the British Virgin Islands, consummated the transactions contemplated by the Business Combination Agreement (the “Business Combination Agreement”), dated as of July 28, 2021, as amended, by and among Holdings, Queen’s Gambit Growth Capital, a Cayman Islands exempted company with limited liability (“SPAC”), Swvl Inc., a British Virgin Islands business company limited by shares incorporated under the laws of the British Virgin Islands (“Swvl”), Pivotal Merger Sub Company I, a Cayman Islands exempted company with limited liability and wholly owned subsidiary of Holdings (“Cayman Merger Sub”) and Pivotal Merger Sub Company II Limited, a British Virgin Islands business company limited by shares incorporated under the laws of the British Virgin Islands and wholly owned subsidiary of SPAC (“BVI Merger Sub”), pursuant to which Swvl became a wholly owned subsidiary of Holdings. On April 1, 2022, Swvl’s ordinary shares (“Ordinary Shares”) and public warrants (“Warrants”) (together, the “Swvl Securities”) began trading on the Nasdaq Global Market under the symbols “SWVL” and “SWVLW”, respectively. In July 2023, Swvl received approval from the Nasdaq Stock Market LLC of its request to transfer the listing of its Ordinary Shares and Warrants to the Nasdaq Capital Market from the Nasdaq Global Market, and effective July 19, 2023, the Ordinary Shares and Warrants are traded on the Nasdaq Capital Market.

Unless otherwise stated or the context otherwise requires, for the purposes of this Report, “Swvl”, “we”, “us”, “our”, or the “Company” refer to the business of Holdings and its subsidiaries.

In addition, on January 25, 2023, Swvl implemented a one-for-25 reverse stock split of its Ordinary Shares. Unless the context expressly dictates otherwise, all references to share and per share amounts referred to in this annual report on Form 20-F give effect to the reverse stock split.

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Report contains or may contain forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), that involve significant risks and uncertainties. All statements other than statements of historical facts are forward-looking statements. These forward-looking statements include information about our possible or assumed future results of operations or our performance. Words such as “anticipate,” “appear,” “approximate,” “believe,” “continue,” “could,” “estimate,” “expect,” “foresee,” “intends,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “seek,” “should,” “would” and variations of such words and similar expressions (or the negative version of such words or expressions) may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. The risk factors and cautionary language referred to in this Report provide examples of risks, uncertainties and events that may cause actual results to differ materially from the expectations described in our forward-looking statements, including among other things, the items identified in the section of this Report entitled “Item 3.D. Risk Factors.”

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Report. Although we believe that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. These statements involve known and unknown risks and are based upon a number of assumptions and estimates which are inherently subject to significant uncertainties and contingencies, many of which are beyond our control. Actual results may differ materially from those expressed or implied by such forward-looking statements. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

## FREQUENTLY USED TERMS

Unless the context otherwise requires, references in this Report to:

- “B2B” are to “business to business”;
- “B2C” are to “business to consumer”;
- “bookings” are to seats that have been reserved by riders on a ride;
- “Business Combination Agreement” are to that certain Business Combination Agreement, dated as of July 28, 2021, by and among Swvl Inc., SPAC, Holdings, Cayman Merger Sub and BVI Merger Sub, as amended;
- “Business Combination” are to the transactions effected by the Business Combination Agreement;
- “BVI” are to the British Virgin Islands;
- “BVI Companies Act” are to the BVI Business Companies Act (As Revised);
- “captains” are to drivers using Swvl’s platform;
- “Exchange Act” are to the Securities Exchange Act of 1934;
- “Holdings” are to Swvl Holdings Corp, a British Virgin Islands business company limited by shares incorporated under the laws of the British Virgin Islands, formerly known as Pivotal Holdings Corp, and unless otherwise stated or the context otherwise requires, for the purposes of this Report, “Swvl”, “we”, “us”, “our” and the “Company” refer to the business of Holdings and its subsidiaries;
- “IFRS” are to International Financial Reporting Standards as issued by the IASB;
- “Ordinary Shares” are to Swvl’s Class A Ordinary Shares, par value \$0.0025 per share listed on the Nasdaq Capital Market under the trading symbol “SWVL”;
- “Nasdaq” are to The Nasdaq Stock Market LLC;
- “riders” are to persons filling seats on rides;
- “Sarbanes-Oxley Act” are to the Sarbanes-Oxley Act of 2002;
- “seats” are to physical spaces on rides that can be booked by riders;
- “SEC” are to the Securities and Exchange Commission;
- “Securities Act” are to the Securities Act of 1933, as amended;
- “service provider” are to any employee, officer, director, individual independent contractor or individual consultant of Swvl or any Swvl Subsidiary;
- “Sponsor Warrants” are to Swvl’s private warrants initially issued in a private placement to Queen’s Gambit Holdings, LLC.
- “Swvl Board” are to the board of directors of Swvl Holdings Corp.
- “Swvl Securities” are to Swvl’s Ordinary Shares and Warrants.
- “Warrants” are to Swvl’s public warrants listed on the Nasdaq Capital Market under the trading symbol “SWVLW.”

**PART I**

**ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

**A. Directors and Senior Management**

Not applicable.

**B. Advisors**

Not applicable.

**C. Auditors**

Not applicable.

**ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

Not applicable.

**ITEM 3. KEY INFORMATION**

**A. [Reserved]**

**B. Capitalization and Indebtedness**

Not applicable.

**C. Reasons for the Offer and Use of Proceeds**

Not applicable.

**D. Risk Factors**

**Summary**

An investment in our securities involves substantial risks and uncertainties that may adversely affect our business, financial condition and results of operations and cash flows. Some of the more significant challenges and risks relating to an investment in our company include, among other things, the following:

- Swvl's limited operating history and rapidly evolving business make it particularly difficult to evaluate Swvl's prospects and the risks and challenges Swvl may encounter.
- Swvl faces competition and could lose market share to competitors, which could adversely affect Swvl's business, financial condition and operating results.
- The mass transit ridesharing market is still in relatively early stages of growth and if the market does not continue to grow, grows more slowly than Swvl expects or fails to grow as large as Swvl expects, Swvl's business, financial condition and operating results could be adversely affected.
- If Swvl fails to cost-effectively attract and retain qualified drivers to use its platform, or to increase utilization of Swvl's platform by Swvl's currently contracted drivers, Swvl's business, financial condition and operating results could be harmed.
- If Swvl fails to cost-effectively attract and retain new riders or to increase utilization of its platform by existing riders, Swvl's business, financial condition and operating results could be harmed.

- Swvl depends on its key personnel and other highly skilled personnel, and if Swvl fails to attract, retain, motivate or integrate its personnel, Swvl's business, financial condition and operating results could be adversely affected.
- Swvl's reputation, brand and the network effects among the drivers and riders using Swvl's platform are important to its success, and if Swvl is not able to maintain and continue developing its reputation, brand and network effects, its business, financial condition and operating results could be adversely affected, and the recent market exits might impact the reputation and brand for Swvl in the markets they operated in with their original brand name and was exited later.
- Swvl's company culture has contributed to its success and if Swvl cannot maintain this culture as it grows, its business, financial condition and operating results could be harmed.
- Swvl's growth strategy will subject it to additional costs, compliance requirements and risks, and Swvl's expansion plans may not be successful.
- Swvl has not historically maintained insurance coverage for its operations. Swvl may not be able to mitigate the risks facing its business and could incur significant uninsured losses, which could adversely affect its business, financial condition and operating results.
- There is no guaranty that we will be able to generate the revenue necessary to support our cost structure or obtain the level of financing necessary for our operations.
- Our ongoing divestment of old businesses and services is inherently risky, and could disrupt our current operations. We may not be able to realize the intended and anticipated benefits from our divestments, which could affect the value of these decisions to our business and our ability to meet our financial obligations and targets in the short or medium term.
- Any actual or perceived security or privacy breach could interrupt Swvl's operations and adversely affect its reputation, brand, business, financial condition and operating results. Swvl has previously experienced a data breach that resulted in the exposure of its customers' personal information.
- If Swvl fails to effectively predict rider demand, to set pricing and routing accordingly or to run routes that are consistent with the availability of drivers using its platform, Swvl's business, financial condition and operating results could be adversely affected.
- If Swvl is not able to successfully develop new offerings on its platform and enhance its existing offerings, Swvl's business, financial condition and operating results could be adversely affected.
- Swvl's metrics and estimates, including the key metrics included in this Report, are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may harm Swvl's reputation and negatively affect Swvl's business, financial condition and operating results.
- Any failure to offer high-quality user support may harm Swvl's relationships with users and could adversely affect Swvl's reputation, brand, business, financial condition, and operating results.
- Systems failures and resulting interruptions in the availability of Swvl's website, applications, platform, or offerings could adversely affect Swvl's business, financial condition, and operating results.
- Swvl has identified material weaknesses in its internal control over financial reporting. If for any reason Swvl is unable to remediate these material weaknesses and otherwise to maintain proper and effective internal controls over financial reporting in the future, Swvl's ability to produce accurate and timely consolidated financial statements may be impaired, which may harm Swvl's operating results, Swvl's ability to operate its business or investors' views of Swvl

- Uncertainties with respect to the legal systems in the jurisdictions in which Swvl operates, including changes in laws and the adoption and interpretation of new laws and regulations, could adversely affect Swvl's business, financial condition and operating results.
- As Swvl expands its offerings, it may become subject to additional laws and regulations, and any actual or perceived failure by Swvl to comply with such laws and regulations or manage the increased costs associated with such laws and regulations could adversely affect Swvl's business, financial condition, and operating results.
- Failure to protect or enforce Swvl's intellectual property rights could harm Swvl's business, financial condition and operating results.
- Claims by others that Swvl infringed their proprietary technology or other intellectual property rights could harm Swvl's business, financial condition and operating results.
- Changes in laws or regulations relating to privacy, data protection or the protection or transfer of personal data, or any actual or perceived failure by Swvl to comply with such laws and regulations or any other obligations relating to privacy, data protection or the protection or transfer of personal data, could adversely affect Swvl's business.
- Swvl's business would be adversely affected if the drivers using its platform were classified as employees.
- Swvl may not be able to maintain the listing of its securities on Nasdaq.
- Swvl's management team has limited experience managing a public company, which may result in difficulty adequately operating and growing Swvl's business.
- Swvl is an "emerging growth company", and the reduced disclosure requirements applicable to emerging growth companies may make Swvl Securities less attractive to investors. As a foreign private issuer, Swvl is not subject to U.S. proxy rules and is subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.
- The other risks and uncertainties are discussed in this "Risk Factors" section.

#### **Risks Related to Operational Factors Affecting Swvl**

***Swvl's limited operating history and evolving business make it particularly difficult to evaluate Swvl's prospects and the risks and challenges Swvl may encounter.***

While Swvl has primarily focused on mass transit ridesharing services since Swvl launched in 2017, Swvl's business continues to evolve. Beginning in 2020, Swvl reevaluated and adjusted its pricing methodologies and expanded its business offerings to include transport as a service ("TaaS") and (in the future) software as a service ("SaaS"). While it is difficult to evaluate the prospects and risks of any business, Swvl's relatively new and evolving business makes it particularly difficult to assess Swvl's prospects and the risks and challenges it may encounter. Risks and challenges Swvl has faced or expects to face include its ability to:

- forecast its revenue and budget for and manage expenses;
- attract new qualified drivers and new riders to use its platform and have existing qualified drivers and riders continue to use its platform in a cost-effective manner;
- comply with existing or developing and new or modified laws and regulations applicable to Swvl's business and the data it processes, including in jurisdictions where such regulations may still be developing or changing rapidly;
- plan for and manage expenditures for Swvl's current and future offerings, including expenses relating to Swvl's growth strategy;

- deploy and ensure utilization of the vehicles operating on Swvl's platform;
- anticipate and respond to macroeconomic changes and changes in the markets in which Swvl operates;
- maintain and enhance the value of Swvl's reputation and brand;
- effectively manage Swvl's growth and business operations;
- successfully expand Swvl's geographic reach;
- successfully expand Swvl's TaaS business and launch Swvl's SaaS business;
- hire, integrate and retain talented personnel; and
- successfully develop new platform features and offerings to enhance the experience of riders, drivers and corporate customers (as well as schools and municipalities).

If Swvl fails to address the risks and difficulties that it faces, including those associated with the challenges listed above as well as those described elsewhere in this "Risk Factors" section, Swvl's business, financial condition and operating results could be adversely affected. Further, because Swvl has limited historical financial data, operates in a rapidly evolving market and its growth strategy is premised on international expansion, any predictions about Swvl's future revenue and expenses may not be as accurate as they would be if Swvl had a longer operating history or operated in a more predictable market. If Swvl's assumptions regarding these risks and uncertainties, which Swvl uses to plan and operate its business, are incorrect or change, or if it does not address these risks successfully, Swvl's operating results could differ materially from its expectations and Swvl's business, financial condition and operating results could be adversely affected.

***Swvl faces competition and could lose market share to competitors, which could adversely affect Swvl's business, financial condition and operating results.***

Swvl believes that its principal competition for ridership is public transportation services. Swvl's business model is premised in part on promoting the safety, efficiency and convenience of its offerings to convert public transportation users into riders on Swvl's platform. While Swvl has previously been successful in attracting and retaining new riders, public transportation is often available at a lower price and with a greater variety of routes than the rides Swvl offers. In addition, public transportation operators in Swvl's markets may in the future make improvements or implement measures to enhance the safety, efficiency and convenience of their networks. If current and potential riders do not view the advantages of Swvl's platform as outweighing the difference in price, or if the successful introduction of such improvements or measures weakens the competitive advantages of Swvl's offerings, Swvl may be unable to retain existing riders or attract new riders and its business, financial condition and operating results may be adversely affected.

Swvl also faces competition from other traditional transportation companies in regard of their business to business offerings in addition to other ridesharing companies and car hire and taxi companies. The xridesharing market in particular is intensely competitive and is characterized by rapid changes in technology, shifting rider needs and preferences and frequent introductions of new services and offerings. Swvl expects competition to increase, both from existing competitors and new entrants in the markets in which Swvl operates or plans to operate, and such competitors may be well-established and enjoy greater resources or other strategic advantages. If Swvl is unable to anticipate or successfully react to these competitive challenges in a timely manner, Swvl's competitive position could weaken, or fail to improve, and Swvl could experience a decline in revenue or growth stagnation that could adversely affect Swvl's business, financial condition and operating results.

Certain of Swvl's current and potential competitors have greater financial, technical, marketing, research and development and other resources, greater name recognition, longer operating histories or a larger global user base than Swvl does. Such competitors may be able to devote greater resources to the development, promotion and sale of offerings and offer lower prices in certain markets than Swvl does, which could adversely affect Swvl's business, financial condition and operating results. These and other factors may allow Swvl's competitors to derive greater revenue and profits from their existing user bases, attract and retain qualified drivers and riders at lower costs or respond more quickly to new and emerging technologies and trends. Current and potential competitors may also establish cooperative or strategic relationships, or consolidate, amongst themselves or with third parties that may further enhance their resources and offerings.

Swvl believes that its ability to compete effectively depends upon many factors both within and beyond Swvl's control, including:

- the popularity, utility, ease of use, performance and reliability of Swvl's offerings;
- Swvl's reputation, including the perceived safety of Swvl's platform, and brand strength;
- Swvl's pricing models and the prices of its offerings;
- Swvl's ability to attract and retain qualified drivers and riders to use its platform;
- Swvl's ability to develop new offerings, including the expansion of its TaaS business and launch of its SaaS business;
- Swvl's ability to continue leveraging and enhancing its data analytics capabilities;
- Swvl's ability to establish and maintain relationships with strategic partners and third-party service providers;
- Swvl's ability to deploy and ensure utilization of the vehicles operating on its platform;
- changes mandated by, or that Swvl elects to make to address, legislation, regulatory authorities or litigation, including settlements, judgments, injunctions and consent decrees;
- Swvl's ability to attract, retain and motivate talented employees;
- Swvl's ability to raise additional capital as needed; and
- acquisitions or consolidation within Swvl's industry.

If Swvl is unable to compete successfully, Swvl's business, financial condition and operating results could be adversely affected.

***The mass transit ridesharing market is still in relatively early stages of growth and if the market does not continue to grow, grows more slowly than Swvl expects or fails to grow as large as Swvl expects, Swvl's business, financial condition and operating results could be adversely affected.***

Post COVID-19, the mass transit ridesharing market was growing, but it is still relatively new, and it is uncertain to what extent market acceptance will continue to grow. Swvl's success depends to a substantial extent on the willingness of people to widely adopt mass transit ridesharing. If the public does not perceive Swvl's offerings as beneficial, or chooses not to adopt them as a result of concerns regarding public health or safety, affordability or for other reasons, then the market for Swvl's offerings may not further develop, may develop more slowly than Swvl expects or may not achieve the growth potential Swvl expects. Any of the foregoing risks and challenges could adversely affect Swvl's business, financial condition and operating results.

***If Swvl fails to cost-effectively attract and retain qualified drivers to use its platform, or to increase utilization of Swvl's platform by existing drivers using its platform, Swvl's business, financial condition and operating results could be harmed.***

Swvl's continued growth depends in part on its ability to cost-effectively attract and retain qualified drivers who satisfy Swvl's screening criteria and procedures to use its platform and to increase utilization of Swvl's platform by existing drivers.

To attract and retain qualified drivers to use its platform, Swvl has, among other things, offered bonus payments and other incentives to high-performing drivers, and historically provided financial assistance to support drivers during the COVID-19 pandemic. If Swvl does not continue to provide drivers with compelling opportunities to earn income and other incentive programs for using its platform, or if drivers become dissatisfied with Swvl's requirements for drivers to use its platform, Swvl may fail to attract new drivers to use its platform, retain current drivers to use its platform or increase their utilization of its platform, or Swvl may experience complaints, negative publicity, or services disruptions that could adversely affect its users and its business.

The incentives Swvl provides to attract drivers could fail to attract and retain qualified drivers to use its platform or fail to increase utilization of its platform by existing drivers, or could have other unintended adverse consequences. In addition, changes in certain laws and regulations, labor and employment laws, licensing requirements or background check requirements, may result in a shift or decrease in the pool of qualified drivers, which may result in increased competition for the services of qualified drivers or higher costs of recruitment, operation and retention with respect to drivers providing services through the Swvl platform. Other factors outside of Swvl's control, such as the COVID-19 pandemic or other concerns about personal health and safety, or concerns about the availability of government or other assistance programs if drivers continue to drive using Swvl's platform, may also reduce the number of drivers available through Swvl's platform or utilization of Swvl's platform by drivers, or impact Swvl's ability to attract new drivers to use its platform. If Swvl fails to attract qualified drivers to use its platform on favorable terms, fails to increase utilization of its platform by existing drivers or loses qualified drivers using its platform to competitors, Swvl may not be able to meet the demand of riders, including maintaining competitive prices for riders, and Swvl's business, financial condition and operating results could be adversely affected.

***If Swvl fails to cost-effectively attract and retain new riders or to increase utilization of its platform by existing riders, Swvl's business, financial condition and operating results could be harmed.***

Swvl's success depends in part on its ability to cost-effectively attract and retain new riders and increase utilization of Swvl's platform by current riders. Riders have a wide variety of options for transportation, including public transportation, taxis and other ridesharing offerings. Rider preferences may also change from time to time with the advent of new mobility technologies, different behaviors and attitudes towards the environment and new urban planning practices (including increased focus on public transportation and public-private partnerships with respect to mobility). To expand its rider base, Swvl must appeal to new riders who have historically used other forms of transportation or other ridesharing platforms. Swvl believes that its paid marketing initiatives have been critical in promoting awareness of Swvl's brand and offerings, which in turn leads to new riders using Swvl for the first time and drives rider Utilization (calculated as Total Bookings divided by Total Available Seats, over the period of measurement). Further, as Swvl continues to expand into new geographic areas, it will be relying in part on referrals from existing riders to attract new riders. However, Swvl's brand and ability to build trust with existing and new riders may be adversely affected by complaints and negative publicity about Swvl, its offerings, its policies, including its pricing algorithms, drivers using its platform, or its competitors, even if factually incorrect or based on isolated incidents. Further, if existing and new riders do not perceive the transportation services provided by drivers using Swvl's platform to be reliable, safe and affordable, or if Swvl fails to offer new and relevant offerings and features on its platform, Swvl may not be able to attract or retain riders or to increase their utilization of its platform.

As Swvl continues to expand into new geographic areas, it will be relying in part on referrals from existing riders to attract new riders, and therefore must ensure that its existing riders remain satisfied with its offerings. If Swvl fails to continue to grow its rider base, retain existing riders or increase the overall utilization of its platform by existing riders, Swvl's business, financial condition and operating results could be adversely affected.

***Swvl depends on its key personnel and other highly skilled personnel, and if Swvl fails to attract, retain, motivate or integrate its personnel, Swvl's business, financial condition and operating results could be adversely affected.***

Swvl's success depends in part on the continued service of its co-founder and Chief Executive Officer, senior management team, key technical employees and other highly skilled personnel, and on Swvl's ability to identify, hire, develop, motivate, retain and integrate highly qualified personnel for all areas of its organization. In addition, in 2022, Swvl began to implement a portfolio optimization program to reduce costs, which included the reduction of headcount across Swvl's business. Swvl may not be successful in attracting and retaining qualified personnel to fulfill its current or future needs. Swvl's competitors may be successful in recruiting and hiring members of Swvl's management team or other key employees, and it may be difficult to find suitable replacements on a timely basis, on competitive terms, or at all, particularly after Swvl began implementing its cost reduction plan. If Swvl is unable to attract and retain the necessary personnel, particularly in critical areas of its business, Swvl may not achieve its strategic goals.

Swvl faces intense competition for highly skilled personnel. To attract and retain top talent, Swvl has had to offer, and Swvl believes it needs to continue to offer, competitive compensation and benefits packages. Job candidates and existing personnel often consider the value of the equity awards they receive in connection with their employment. If the perceived value of Swvl's equity or equity awards declines or Swvl is unable to provide competitive compensation packages, Swvl's ability to attract and retain highly qualified personnel may be adversely affected and Swvl may experience increased attrition. Swvl may need to invest significant amounts of cash and equity to attract and retain new employees and expend significant time and resources to identify, recruit, train and integrate such employees, and Swvl may never realize returns on these investments. If Swvl is unable to effectively manage its hiring

needs or successfully integrate new hires, Swvl's efficiency, ability to meet forecasts and employee morale, productivity and retention could suffer, which could adversely affect Swvl's business, financial condition and operating results.

***Swvl's reputation, brand and the network effects among the drivers and riders using Swvl's platform are important to its success, and if Swvl is not able to maintain and continue developing its reputation, brand and network effects, its business, financial condition and operating results could be adversely affected, and the recent market exits might impact the reputation and brand for Swvl in the markets they operated in with their original brand name and was exited later.***

Swvl believes that building a strong reputation and brand as a safe, reliable and affordable platform and continuing to increase the strength of the network effects among the drivers and riders using Swvl's platform (i.e., the advantages that derive from having more drivers and riders using Swvl's platform) are critical to its ability to attract and retain qualified drivers and riders. The successful development of Swvl's reputation, brand and network effects depends on a number of factors, many of which are outside Swvl's control. Negative perception of Swvl or its platform may harm Swvl's reputation, brand and network effects, including as a result of:

- complaints or negative publicity about Swvl or drivers or riders on its platform, its offerings or its policies and guidelines, including Swvl's practices and policies with respect to drivers, or the ridesharing industry, even if factually incorrect or based on isolated incidents;
- illegal, negligent, reckless or otherwise inappropriate behavior by drivers, riders or third parties;
- a failure to offer riders competitive pricing and convenient service;
- a failure to provide the range of routes, dynamic routing, and ride types sought by riders;
- actual or perceived inaccuracies in demand prediction and other defects or errors in Swvl's platform;
- actual or perceived disruptions in Swvl's platform, site outages, payment disruptions or other incidents that impact the reliability of Swvl's offerings;
- failure to protect Swvl's customer personal data, or other privacy or data security breaches;
- litigation involving, or investigations by regulators into, Swvl's business;
- users' lack of awareness of, or compliance with, Swvl's policies;
- Swvl's policies or changes thereto that users or others perceive as overly restrictive, unclear or inconsistent with Swvl's values or mission or that are not clearly articulated;
- a failure to enforce Swvl's policies in a manner that users perceive as effective, fair and transparent;
- a failure to operate Swvl's business in a way that is consistent with Swvl's stated values and mission;
- inadequate or unsatisfactory user support service experiences;
- illegal or otherwise inappropriate behavior by Swvl's management team or other employees or contractors;
- negative responses by drivers or riders to new offerings on Swvl's platform;
- a failure to balance the interests of driver and riders;
- accidents or other negative incidents involving the use of Swvl's platform;

- perception of Swvl's treatment of employees or contractors and Swvl's response to employee sentiment related to political or social causes or actions of management;
- political or social policies or activities; or
- any of the foregoing with respect to Swvl's competitors, to the extent such resulting negative perception affects the public's perception of Swvl or its industry as a whole.

If Swvl does not successfully maintain and develop its brand, reputation and network effects and successfully differentiate its offerings from the offerings of competitors, Swvl's business may not grow, Swvl may not be able to compete effectively and it could lose existing qualified drivers or existing riders or fail to attract new qualified drivers or new riders to use its platform, any of which could adversely affect Swvl's business, financial condition and operating results.

***Swvl's company culture has contributed to its success and if Swvl cannot maintain this culture as it grows, its business, financial condition and operating results could be harmed.***

Swvl believes that its culture, which promotes proactivity, taking ownership and putting riders and drivers first has been critical to its success. Swvl faces a number of challenges that may affect its ability to sustain its corporate culture, including:

- failure to identify, attract, reward and retain people in leadership positions in Swvl's organization who share and further Swvl's culture, values and mission;
- Swvl's rapid growth strategy, which involves increasing the size and geographic dispersion of Swvl's workforce;
- shelter-in-place orders in certain jurisdictions where Swvl operates that have required many of Swvl's employees to work remotely, as well as return to work arrangements and workplace strategies;
- the inability to achieve adherence to Swvl's internal policies and core values, including Swvl's diversity, equity and inclusion practices;
- competitive pressures to move in directions that may divert Swvl from its mission, vision and values;
- the continued challenges of the rapidly-evolving mass-transit ridesharing industry;
- the increasing need to develop expertise in new areas of business and operate across borders;
- potential negative perception of Swvl's treatment of employees or Swvl's response to employee sentiment related to political or social causes or actions of management; and
- the integration of new personnel and businesses from potential acquisitions.

If Swvl is not able to maintain its corporate culture, Swvl's business, financial condition and operating results could be adversely affected.

***Swvl's growth strategy will subject it to additional costs, compliance requirements and risks, and Swvl's plans may not be successful.***

Swvl intends to pursue steady growth strategy to expand its operations into new international markets. Swvl growth strategy for 2023 focuses on growth with keeping expansion cost in balance, as well as keeping a lot of operation functions centralized to help with cost management.

Swvl implemented a rapid growth strategy the first half of 2022, acquiring multiple entities to expand operations into new international markets, Swvl aimed to expand its Swvl Retail (as defined below) and Swvl Travel (as defined below) offerings in countries in the Middle East and Latin America, and to introduce its Swvl Business offerings in countries in Latin America, Western Europe and Southeast Asia, Operating in a large number of countries requires significant attention of Swvl's management to oversee operations over a broad geographic area with varying legal and regulatory environments, competitive dynamics and cultural norms and customs and places significant burdens on Swvl's operations, engineering, finance and legal and compliance functions. Swvl

incurred significant operating expenses as a result of its international presence and its expansion plans was subject to a variety of challenges, including:

- recruitment and retention of talented and capable employees in foreign countries while maintaining Swvl's company culture in each of its markets;
- competition from local incumbents with existing knowledge of local markets that may market and operate more effectively and may enjoy greater local affinity or awareness;
- differing rider and driver demand dynamics, which may make Swvl's offerings less successful;
- the need to adapt to new markets, including the need to localize Swvl's offerings and marketing efforts to the preferences of local riders and drivers;
- public health concerns or emergencies, including the COVID-19 pandemic and other highly communicable diseases or viruses;
- compliance with varying laws and regulatory standards, including with respect to data privacy, cybersecurity, tax, trade compliance, environmental and other vehicle standards and local regulatory restrictions;
- the risk that local laws and business practices favor local competitors;
- compliance with the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA") and similar laws in other jurisdictions;
- obtaining any required government approvals, licenses or other authorizations;
- varying levels of Internet and mobile technology adoption and infrastructure;
- currency exchange restrictions or costs and exchange rate fluctuations;
- political, economic, or social instability, which may cause disruptions to Swvl's business;
- operating in jurisdictions with reduced, nonexistent or unenforceable protection for intellectual property rights or where Swvl does not have registered intellectual property rights in its brand and/or technology; and
- limitations on the repatriation and investment of funds as well as foreign currency exchange restrictions.

Swvl's limited experience in operating its business in multiple countries increases the risk that any potential expansion efforts that Swvl may undertake will not be successful and that historically led to Swvl exit certain markets they were operating in due to difficulties in those markets and the funding available to maintain operation and growth. Swvl intends to invest substantial time and resources to expand its operations internationally. As a result, if Swvl is unable to manage these risks effectively, Swvl's business, financial condition and operating results could be adversely affected.

***If Swvl fails to effectively manage its growth and optimize its organizational structure, Swvl's business, financial condition and operating results could be adversely affected.***

Since its launch in 2017, Swvl has experienced rapid growth in its business, revenues and the number of users on its platform. Swvl expects this growth to be slower than prior periods, focusing on profitability of the new expansions or growth in existing markets given the current market conditions which increase the cost of capital to support growth activities.

This growth has placed, and will continue to place, significant demands on Swvl's management and Swvl's operational and financial infrastructure. The steps Swvl takes to manage its business operations, including policies for employees, and to align Swvl's operations with Swvl's strategies for growth, may adversely affect Swvl's reputation and brand and its ability to recruit, retain and motivate highly skilled personnel.

Swvl's ability to manage growth and business operations effectively and to integrate new employees, technologies and acquisitions into its existing business will require Swvl to continue to expand its operational and financial infrastructure and to continue to retain, attract, train, motivate and manage employees. Continued growth could strain Swvl's ability to develop and improve its operational, financial and management controls, enhance its reporting systems and procedures, recruit, train and retain highly skilled personnel and maintain user satisfaction. Additionally, if Swvl does not effectively manage the growth of its business and operations, then Swvl's reputation, brand, business, financial condition and operating results could be adversely affected.

***Swvl has not historically maintained insurance coverage for its operations. Swvl may not be able to mitigate the risks facing its business and could incur significant uninsured losses, which could adversely affect its business, financial condition and operating results.***

Swvl does not currently maintain any insurance policies to cover general business liabilities, business interruptions, crime, losses of key personnel or security breaches and incidents relating to its network systems or operations. As a result, any losses arising from or relating to, among other things, personal injury, property damage, labor and employment disputes, commercial disputes, fraudulent transactions or other criminal activity, business interruptions, noncompliance with applicable laws and regulations, infringement or misappropriation of intellectual property or security or privacy breaches, or the successful assertion of one or more claims against Swvl related to any of the foregoing, could require Swvl to service such losses or claims using internal resources, which would have an adverse effect on Swvl's business, financial condition and operating results.

Swvl's business depends on insurance coverage which is independently required to be maintained by the drivers using its platform.

Swvl is in the process of obtaining coverage for general business liabilities and cyber insurance. Swvl is also evaluating whether other types of insurance coverage may be appropriate for its business, such as transportation network company insurance. Nevertheless, Swvl may not obtain enough insurance to adequately mitigate the operations-related risks it faces, and some operations-related risks may not be covered at all. Swvl may have to pay high premiums, self-insured retentions or deductibles for the coverage Swvl does obtain. Swvl also may be unable to obtain cyber insurance coverage in certain countries at commercially reasonable rates or at all, and it may experience losses as a result. Additionally, if any of Swvl's insurance providers becomes insolvent, such providers could be unable to pay any operations-related claims that Swvl makes. Certain losses may be excluded from insurance coverage.

Swvl maintains and provides medical insurance for all drivers and riders using its platform only in Egypt. To do so, Swvl relies on a limited number of third-party insurance service providers to service related claims. If any of Swvl's third-party insurance service providers fails to service claims to Swvl's expectations, discontinues or increases the cost of coverage or changes the terms of such coverage in a manner unfavorable to drivers, riders or to Swvl, Swvl cannot guarantee that it would be able to secure replacement coverage or services on reasonable terms in an acceptable time frame or at all. If Swvl cannot find alternate third-party insurance service providers on acceptable terms, Swvl may incur additional expenses related to servicing such ride-related claims using internal resources.

Insurance providers have raised premiums and deductibles for many types of claims, coverages and for a variety of commercial risk and are likely to do so in the future. As a result, Swvl's insurance and claims expense could increase, or Swvl may decide to raise its deductibles or self-insured retentions when policies are renewed or replaced to manage pricing pressure. Swvl's business, financial condition and operating results could be adversely affected if (i) cost per claim, premiums or the number of claims significantly exceeds Swvl's historical experience, (ii) Swvl experiences a claim in excess of Swvl's coverage limits, (iii) Swvl's insurance providers fail to pay on Swvl's insurance claims, (iv) Swvl experiences a claim for which coverage is not provided, (v) the number of claims and average claim cost under Swvl's deductibles or self-insured retentions differs from historic averages or (vi) an insurance policy is cancelled or not renewed.

***There is no guaranty that we will be able to generate the revenue necessary to support our cost structure or obtain the level of financing necessary for our operations.***

We have incurred significant losses and negative cash flows from operations and incurred losses of \$123.57 and \$141.48 for the years ended December 31, 2022 and 2021, respectively. During the years ended December 31, 2022 and 2021, we had negative cash flows from operations of \$117.46 and \$62.13, respectively. We have funded our operations to date mainly through equity financing.

In 2023, we revised our capital structure to be funded through working capital and cashflows generated from operations, we are profitable in the largest operating market and aiming to achieve profitability and positive cashflow for the Group by end of 2023. We started also exploring opportunities for external debt financing from Banks and Financial institutions to obtain funding required to continue our operations. We monitor our cash flow projections on a current basis and take active measures to accelerate the working capital cycle. However, these cash flow projections are subject to various uncertainties concerning their fulfilment such as the ability to increase revenues by attracting and expanding its customer base or reducing cost structure. If we will not succeed in generating sufficient cash flow or completing additional financing, then it will need to continue our cost reduction plan that has been started. Our transition to profitable operations is dependent on generating a level of revenue adequate to support our cost structure. We expect to fund operations using cash on hand, through operational cash flows and raising additional proceeds. There are no assurances, however, we will be able to generate the revenue necessary to support our cost structure or that we will be successful in obtaining the level of financing necessary for its operations.

An inability to generate positive cash flow from operating activities for the near term may adversely affect our ability to raise needed capital through external debt for our business on reasonable terms, or at all, diminish supplier or customer willingness to enter into transactions with us, and have other adverse effects that may decrease our long-term viability. There can be no assurance that we will achieve positive cash flow in the near future or at all.

In May 2022, the Swvl Board resolved to implement a Portfolio Optimization Plan that focus on profitability by reducing costs and focus on high margin operations, There was a reduction in headcount by 32% and operations was reduced in multiple locations. The Swvl Board continue to monitor and follow the plan implementation, which lead to another additional wave of measures implemented on November 2022 that reduced headcount and completely discontinued operations in multiple locations, leaving only the locations that are cashflow positive and profitability was foreseeable in short term plans. The Company has also given termination notices to multiple vendors and contractors that provide services to the group. As a result, Swvl's revised budget is expected to reduce the group's monthly net cash used in operating activities, which reduces the expenses and cash requirements for the continued operation of the business. Moreover, the implementation of the Portfolio Optimization Plan or related initiatives may have adverse consequences on our employee morale, our culture, and our ability to attract and retain employees. In addition, from time to time, there may be changes in our senior management team that may be disruptive to our business. If our senior management team fails to work together effectively and to execute its plans and strategies, our business, financial condition, and results of operations could be adversely affected.

***Our ongoing divestment of old businesses and services is inherently risky, and could disrupt our current operations. We may not be able to realize the intended and anticipated benefits from our divestments, which could affect the value of these decisions to our business and our ability to meet our financial obligations and targets in the short or medium term.***

We have and expect to continue to divest existing services and exit certain countries and regions to enhance our operating infrastructure, to fund our operations, and to respond to competitive pressures. Entering into these types of arrangements entails many risks, any of which could materially harm our business, including: the diversion of management's attention from other business concerns; the incurring of significant transaction costs; the loss of key employees; and unanticipated local or federal regulatory challenges that could cause us to fail to realize the anticipated benefits of such divestment. Any of the foregoing or other factors could harm our ability to achieve anticipated levels of profitability from divested businesses or to realize other anticipated benefits of divestments.

We may not be able to identify or consummate any future divestments on favorable terms, or at all. If we do effect a divestment, it is possible that the financial markets or investors will view the transaction negatively. No assurance can be given that such divestment will be successful and will not adversely affect our financial condition and operating results.

***Illegal, improper or otherwise inappropriate activity of riders, drivers or other users, whether or not occurring while utilizing Swvl's platform, could expose Swvl to liability and harm its business, brand, financial condition and operating results.***

Illegal, improper or otherwise inappropriate activities by riders, drivers or other users, including the activities of individuals who may have previously engaged with, but are not then receiving or providing services offered through, Swvl's platform could adversely affect Swvl's brand, business, financial condition and operating results. These activities may include assault, theft, unauthorized use or sharing of rider or driver accounts and other misconduct. Such conduct could expose Swvl to liability or adversely affect Swvl's brand or reputation.

While Swvl has taken measures to guard against these illegal, improper or otherwise inappropriate activities, these measures may prove inadequate to prevent such activities or Swvl may not be successful in implementing them effectively. Although Swvl

requires certain qualification processes for drivers using its platform, including submission of criminal record checks in certain jurisdictions, these qualification processes may not expose all potentially relevant information and may be limited in certain jurisdictions according to national and local laws, and Swvl may fail to conduct such qualification processes adequately or identify information that could be relevant to a determination of driver eligibility.

Further, any negative publicity related to the foregoing, whether an incident occurred on Swvl's platform, on Swvl's competitors' platforms, or on any ridesharing platform, could adversely affect Swvl's reputation and brand or public perception of the ridesharing industry as a whole, which could negatively affect demand for Swvl's platform and potentially lead to increased regulatory or litigation exposure. Any of the foregoing risks could harm Swvl's business, financial condition and operating results.

***Changes to Swvl's pricing could adversely affect its ability to attract or retain qualified drivers and riders to use its platform.***

Demand for Swvl's offerings is sensitive to the price of rides. Many factors, including operating costs, legal and regulatory requirements or constraints and Swvl's current and future competitors' pricing and marketing strategies, could significantly affect Swvl's pricing strategies. Competitors may offer, or may in the future offer, lower-priced or a broader range of offerings or use marketing strategies that enable them to attract or retain qualified drivers and riders at a lower cost than Swvl does.

Swvl uses pricing algorithms to set prices depending on the route, time of day and expected rates of Utilization. In the past, Swvl has made pricing changes and spent significant resources on marketing rider incentives, and there can be no assurance that Swvl will not be forced, through competitive pressures, regulation or otherwise, to reduce the price of rides for riders, to increase the rates Swvl offers for driver services or to increase Swvl's marketing and other expenses to attract and retain qualified drivers and riders using its platform.

Furthermore, the economic sensitivity of drivers and riders using Swvl's platform may vary by geographic location, and as Swvl expands into new markets, its pricing methodologies may not enable it to compete effectively in these locations. Local regulations may affect Swvl's pricing in certain geographic locations, which could amplify these effects. For example, Swvl and other ridesharing companies have made commitments to the Egyptian Competition Authority not to set prices below certain profitability benchmarks with respect to their B2C ridesharing offerings in Egypt. Swvl has launched, and may in the future launch, new pricing strategies and initiatives, such as subscription packages and driver or rider loyalty programs. Swvl has also modified, and may in the future modify, existing pricing methodologies, such as its up-front pricing policy. Any of the foregoing actions may not ultimately be successful in attracting and retaining qualified drivers and riders.

***Any actual or perceived security or privacy breach could interrupt Swvl's operations and adversely affect its reputation, brand, business, financial condition and operating results. Swvl has previously experienced a data breach that resulted in the exposure of customer information.***

Swvl's business involves the collection, storage, transmission and other processing of Swvl's users' personal and other sensitive data. An increasing number of organizations, including large online and off-line merchants and businesses, other large Internet companies, financial institutions and government institutions, have disclosed breaches of their information security systems and other information security incidents, some of which have involved sophisticated and highly targeted attacks. Because techniques used to obtain unauthorized access to or to sabotage information systems change frequently and may not be known until launched, Swvl may be unable to anticipate, detect or prevent these attacks. Swvl has previously experienced a data breach. In July 2020, unauthorized parties gained access to a Swvl database containing identifiable information of its riders by exploiting a breach in certain third-party software used by Swvl. While such breach has not had a material impact on Swvl's business or operations and Swvl has since implemented measures designed to restrict any similar data breach, unauthorized parties may in the future gain access to Swvl's systems or facilities through various means, including gaining unauthorized access into Swvl's systems or facilities or those of Swvl's service providers, partners or users on Swvl's platform, or attempting to fraudulently induce Swvl's employees, service providers, partners, users or others into disclosing rider names, passwords, payment card information or other sensitive information, which may in turn be used to access Swvl's information technology systems, or attempting to fraudulently induce Swvl's employees, partners or others into manipulating payment information, resulting in the fraudulent transfer of funds to criminal actors. In addition, users on Swvl's platform could have vulnerabilities on their own mobile devices that are entirely unrelated to Swvl's systems and platform, but could mistakenly attribute their own vulnerabilities to Swvl. Further, breaches experienced by other companies may also be leveraged against Swvl. For example, credential stuffing and ransomware attacks are becoming increasingly common, and sophisticated actors can mask their attacks, making them increasingly difficult to identify and prevent. Certain efforts may be state-sponsored or supported by significant financial and technological resources, making them even more difficult to detect.

Although Swvl has developed systems and processes that are designed to protect users' data, prevent data loss and prevent other privacy or security breaches, these measures cannot guarantee security. Swvl's information technology and infrastructure may be vulnerable to cyberattacks or security breaches, and third parties may be able to access Swvl's users' payment card data and other personal information that are accessible through those systems. Swvl is still a growing company and may not have sufficient dedicated personnel or internal oversight to detect, identify, and respond to all privacy or security incidents. Additionally, as Swvl expands its operations, including sharing data with third parties or continuing the work-from-home practices of its employees (including increased use of video conferencing), Swvl's exposure to cyberattacks or security breaches may increase. Further, employee error, malfeasance or other errors in the storage, use or transmission of personal information could result in an actual or perceived privacy or security breach or other security incident. Although Swvl has policies restricting the access to the personal information it stores, these policies may be breached or prove inadequate.

Any actual or perceived breach of privacy or security could interrupt Swvl's operations, result in Swvl's platform being unavailable, result in loss or improper disclosure of data, result in fraudulent transfer of funds, harm Swvl's reputation and brand, damage Swvl's relationships with strategic partners and third-party service providers, result in significant legal, regulatory and financial exposure and lead to loss of driver or rider confidence in, or decreased use of, Swvl's platform, any of which could adversely affect Swvl's business, financial condition and operating results. Any breach of privacy or security impacting any entities with which Swvl may share or disclose data could have similar effects. Further, any cyberattacks or security and privacy breaches directed at Swvl's competitors could reduce confidence in the ridesharing industry as a whole and, as a result, reduce confidence in Swvl.

Additionally, responding to any privacy or security breach, including defending against claims, investigations or litigation in connection with any privacy or security breach, regardless of their merit, could be costly and divert management's attention. Swvl does not currently maintain any insurance to cover security breaches and incidents or losses relating to its network systems or operations. As a result, the successful assertion of one or more large claims against Swvl could have an adverse effect on Swvl's reputation, brand, business, financial condition and operating results.

***Defects, errors or vulnerabilities in Swvl's applications, backend systems or other technology systems and those of third-party technology providers could harm Swvl's reputation and brand and adversely impact Swvl's business, financial condition and operating results.***

The software underlying Swvl's platform is highly complex and may contain undetected errors or vulnerabilities, some of which may only be discovered after the code has been released. The third-party software that Swvl incorporates into its platform may also be subject to errors or vulnerability. Any errors or vulnerabilities discovered in Swvl's code or third-party software could result in negative publicity, loss of users, loss of revenue and access or other performance issues. Such vulnerabilities could also be exploited by malicious actors and result in exposure of data of users on Swvl's platform, or otherwise result in a data breach. Swvl may need to expend significant financial and development resources to analyze, correct, eliminate or work around errors or defects or to address and eliminate vulnerabilities. Any failure to timely and effectively resolve any such errors, defects or vulnerabilities could adversely affect Swvl's business, financial condition and operating results as well as negatively impact Swvl's reputation or brand.

***Swvl relies on various third-party product and service providers and if such third parties do not perform adequately or terminate their relationships with Swvl, Swvl's costs may increase and its business, financial condition and operating results could be adversely affected.***

Swvl's success depends in part on its relationships with third-party product and service providers. For example, Swvl relies on third-parties to fulfill various marketing, web hosting, payment, communications and data analytics services to support Swvl's platform. If any of Swvl's partners terminates its relationship with Swvl, or refuses to renew its agreement on commercially reasonable terms, Swvl would need to find an alternate provider, and may not be able to secure similar terms or replace such providers in an acceptable time frame. While Swvl does not own or operate vehicles, in the event that vehicle manufacturers issue recalls or the supply of vehicles or automotive parts is interrupted, affecting the vehicles operating on Swvl's platform, the availability of vehicles on Swvl's platform could become constrained.

In addition, Swvl's business may be adversely affected to the extent the software and services used by Swvl's third-party service providers do not meet expectations, contain errors or vulnerabilities, are compromised or experience outages. Swvl cannot be certain that its licensors are not infringing the intellectual property rights of others or that the suppliers and licensors have sufficient rights to the technology in all jurisdictions in which Swvl may operate. If Swvl is unable to obtain or maintain rights to any of this technology because of intellectual property infringement claims brought by third parties against suppliers, licensors or Swvl itself, or if Swvl is unable to continue to obtain the technology or enter into new agreements on commercially reasonable terms, Swvl's ability

to develop its platform containing that technology could be severely limited and its business could be harmed. If Swvl is unable to obtain necessary technology from third parties, it may be forced to acquire or develop alternate technology, which may require significant time and effort and may be of lower quality or performance standards. This would limit and delay Swvl's ability to provide new or competitive offerings and increase Swvl's costs. If alternate technology cannot be obtained or developed, Swvl may not be able to offer certain functionality as part of its offerings, which could adversely affect Swvl's business, financial condition and operating results.

Any of these risks could increase Swvl's costs and adversely affect Swvl's business, financial condition and operating results. Further, any negative publicity related to any of Swvl's strategic partners and third-party service providers, including any publicity related to quality standards or safety concerns, could adversely affect Swvl's reputation and brand, and could potentially lead to increased regulatory or litigation exposure.

***If Swvl fails to effectively predict rider demand, to set pricing and routing accordingly or to run routes that are consistent with the availability of drivers using its platform, Swvl's business, financial condition and operating results could be adversely affected.***

Swvl relies on its proprietary technology to predict and dynamically update routing in response to changes in demand, to optimize pricing in response to such demand and to maximize per-vehicle Utilization. If Swvl is unable to effectively predict and meet rider demand and to update its routing and pricing accordingly, Swvl may lose ridership and its revenues may decrease. In addition, riders' price sensitivity varies by geographic location, among other factors, and if Swvl is unable to effectively account for such variability in its pricing methodologies, its ability to compete effectively in these locations could be adversely affected. Swvl's success also depends, in part, on its ability to match route plans with the availability and preferences of the drivers using its platform. If Swvl is unable to determine and allocate routes in a manner consistent with the availability and preferences of such drivers, drivers may reduce or discontinue their participation on Swvl's platform and may use competitors' platforms. Any of the foregoing risks could adversely impact Swvl's business, financial condition and operating results.

***If Swvl is not able to successfully develop new offerings on its platform and enhance its existing offerings, Swvl's business, financial condition and operating results could be adversely affected.***

Swvl's ability to attract new qualified drivers and new riders, retain existing qualified drivers and existing riders and increase utilization of its offerings will depend in part on its ability to successfully create and introduce new offerings and to improve upon and enhance existing offerings. As a result, Swvl may introduce significant changes to its existing offerings or develop and introduce new and unproven offerings. If any of Swvl's new or enhanced offerings are unsuccessful, including as a result of any inability to obtain and maintain required permits or authorizations or other regulatory constraints or because they fail to generate sufficient return on Swvl's investments, Swvl's business, financial condition and operating results could be adversely affected.

Furthermore, new driver or rider demands regarding platform features, the availability of superior competitive offerings or a deterioration in the quality of Swvl's offerings or ability to bring new or enhanced offerings to market quickly and efficiently could negatively affect the attractiveness of Swvl's platform and the economics of Swvl's business, requiring it to make substantial changes to and additional investments in its offerings or business model. In addition, Swvl frequently experiments with and tests different offerings and marketing strategies. If these experiments and tests are unsuccessful, or if the offerings and strategies Swvl introduces based on the results of such experiments and tests do not perform as expected, Swvl's ability to attract new qualified drivers and new riders, retain existing qualified drivers and existing riders and maintain or increase utilization of Swvl's offerings may be adversely affected.

Swvl's market is characterized by rapid technology change, particularly across the anticipated SaaS and TaaS offerings, which require it to develop new products and product innovations, and any delays in such development could adversely affect market adoption of Swvl's products and its financial results. Developing and launching new offerings or enhancements to the existing offerings on Swvl's platform, such as Swvl's launch of its TaaS offering in 2020 and its anticipated launch of its SaaS offering for use by corporate customers and other third parties, involves significant risks and uncertainties, including risks related to the reception of such offerings by existing and potential future drivers and riders, increases in operational complexity, unanticipated delays or challenges in implementing such offerings or enhancements, increased strain on Swvl's operational and internal resources (including an impairment of Swvl's ability to accurately forecast rider demand and the number of drivers using Swvl's platform) and negative publicity in the event such new or enhanced offerings are perceived to be unsuccessful. Swvl intends to continue to scale its business rapidly, and significant new initiatives have in the past resulted in, and in the future may result in, operational challenges affecting Swvl's business.

In addition, developing and launching new offerings and enhancements to Swvl's existing offerings may involve significant up-front capital investments. Such investments may not generate a positive return on investment. Further, from time to time Swvl may reevaluate, discontinue and/or reduce these investments and decide to discontinue one or more of its offerings. Any of the foregoing risks and challenges could negatively impact Swvl's ability to attract and retain qualified drivers and riders, its ability to increase utilization of its offerings and its visibility into expected operating results, and could adversely affect Swvl's business, financial condition and operating results. Additionally, Swvl's near-term operating results may be impacted by long-term investments in the future.

***Swvl may require additional capital to support the growth of its business, which capital may not be available on terms acceptable to it, or at all. To the extent Swvl obtains additional capital through future issuances of Swvl Securities, such issuances could dilute the interests of existing shareholders.***

Since commencing operations in 2017, Swvl has funded its operations and capital expenditures primarily through equity issuances, convertible note issuances, by the end of 2022 along with the economic downturn, Swvl shifted dependency to rely more on cash generated from operations rather than equity issuances to avoid dilution to shareholders. To support and grow its business, Swvl must have sufficient capital.

On March 22, 2022, we entered into an equity line financing (the "B. Riley Facility") pursuant to a common stock purchase agreement with B. Riley Principal Capital, LLC ("B. Riley") pursuant to which B. Riley committed to purchase up to \$471.7 million of Ordinary Shares, subject to certain limitations and conditions set forth in the purchase agreement. The Ordinary Shares that may be issued under the purchase agreement may be sold by us to B. Riley at our discretion from time to time over an approximately 24-month period commencing on the date that a related resale registration statement is declared effective by the SEC. The purchase price for the shares that we may sell to B. Riley will fluctuate based on the price of our Ordinary Shares. Depending on market liquidity at the time, sales of such shares may cause the trading price of our Ordinary Shares to fall. As consideration for B. Riley's commitment under the purchase agreement to purchase our Ordinary Shares, we issued 386,971 Ordinary Shares to B. Riley and such Ordinary Shares are fully earned and non-refundable, even in the event we do not sell any Ordinary Shares to B. Riley under the purchase agreement. After B. Riley has acquired the shares, B. Riley may resell all, some, or none of those shares at any time or from time to time in its discretion. Therefore, our sales to B. Riley could result in substantial dilution to the interests of other holders of our Ordinary Shares. Additionally, the sale of a substantial number of shares of our Ordinary Shares to B. Riley, or the anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a price that we might otherwise wish to effect sales.

From the agreement inception on March 22, 2022 till the date of this document, the total shares sold to B. Riley was 492,707 (12,317,676 pre-reverse split) for total cash proceeds of \$10,517,696 with an average share price of \$1.754.

Swvl may issue additional Swvl Securities in the future. For example, Swvl may issue additional Swvl Securities under an employee incentive plan, in the public market, a private placement or as part of an acquisition in which the seller receives Swvl Securities as consideration. The issuance of additional Swvl Securities by Swvl may significantly dilute the equity interests of existing Swvl shareholders; could cause a change in control if a substantial number of Swvl Securities are issued, which may adversely affect prevailing market prices for Swvl Securities.

Swvl's ability to obtain financing in the future will depend upon, among other things, Swvl's development efforts, business plans and operating performance and the condition of the capital markets at the time Swvl seeks such financing. Swvl cannot be certain that additional financing will be available to it on favorable terms, or at all. If Swvl is unable to obtain adequate financing or financing on terms satisfactory to it or within the timeframe it requires, its ability to continue to support its business growth and to respond to business challenges could be significantly limited, and Swvl's business, financial condition and operating results could be adversely affected.

***Swvl's metrics and estimates, including the key metrics included in this Report, are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may harm Swvl's reputation and negatively affect Swvl's business, financial condition and operating results.***

Swvl regularly reviews and may adjust its processes for calculating the metrics used to evaluate growth, measure performance and make strategic decisions. These metrics, including Utilization, avoided emissions and driver retention rates, among others, which are calculated using internal company data and have not been evaluated by a third-party. Swvl's metrics may differ from estimates published by third parties or from similarly titled metrics of Swvl's competitors due to differences in methodology or the

assumptions on which Swvl relies, and Swvl may make material adjustments to its processes for calculating its metrics in order to enhance accuracy, because better information becomes available or for other reasons, which may result in changes to such metrics. The estimates and forecasts Swvl discloses relating to the size and expected growth of Swvl's addressable market may prove to be inaccurate. Even if the markets in which Swvl competes meet the size estimates and growth Swvl has forecasted, Swvl's business could fail to grow at similar rates, if at all. Additionally, while Swvl may at times create and publish metrics or other disclosures regarding environmental, social and governance ("ESG") matters, many of the statements in those voluntary disclosures are based on expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain given the long timelines involved and the lack of an established single approach to identify, measuring, and reporting on many ESG matters. If investors or analysts do not consider Swvl's metrics to be accurate representations of its business, or if Swvl discovers material inaccuracies in its metrics, then Swvl's business, financial condition and operating results could be adversely affected.

***Swvl's marketing efforts to help grow its business may not be effective.***

Promoting awareness of Swvl's offerings is important to Swvl's ability to grow its business and to attract new qualified drivers and riders and can be costly. Swvl believes that much of the growth in its rider base and the number of drivers using its platform is attributable to its paid marketing initiatives. Swvl's marketing efforts currently include offline marketing (such as billboard advertisements and in-person promotional events), online marketing (such as social media and Internet-driven advertising campaigns), and partnerships with other businesses, through which Swvl offers promotions and other incentives to the customers of such businesses. As Swvl expands its business into new markets, its marketing initiatives may become increasingly expensive, and generating a meaningful return on those initiatives may be difficult. Even if Swvl successfully increases revenue due to its paid marketing efforts, such an increase may not offset the additional marketing expenses Swvl incurs.

If Swvl's marketing efforts are not successful in promoting awareness of Swvl's offerings or attracting new qualified drivers, riders, or corporate customers, or if Swvl cannot cost-effectively manage its marketing expenses, Swvl's operating results and financial condition could be adversely affected. If Swvl's marketing efforts successfully increase awareness of its offerings, this could also lead to increased public scrutiny of its business and increase the likelihood of third parties bringing legal proceedings against Swvl. Any of the foregoing risks could harm Swvl's business, financial condition, and operating results.

***Any failure to offer high-quality user support may harm Swvl's relationships with users and could adversely affect Swvl's reputation, brand, business, financial condition, and operating results.***

Swvl's ability to attract and retain drivers, riders and corporate customers to use its platform depends partly on the ease and reliability of its offerings, including its ability to provide high-quality support. Riders, drivers and other users of Swvl's platform depend on Swvl's support services to resolve any issues relating to its offerings, such as issues relating to payments or reporting a safety incident. Swvl's ability to provide adequate and timely support is dependent on its ability to automate support services for simple issues (such as route inquiries) and, for other issues, to retain and deploy third-party service providers who are qualified to support users and sufficiently knowledgeable regarding Swvl's offerings. As Swvl continues to grow its business and improve and expand its offerings, it will face challenges in providing quality support services at scale. As Swvl expands its offerings into new territories, it will be required to provide support services specific to its offerings and the needs of users in the applicable market. Any failure to provide high-quality user support, or a market perception that Swvl does not offer high-quality support, could adversely affect Swvl's reputation, brand, business, financial condition and operating results.

***Systems failures and resulting interruptions in the availability of Swvl's website, applications, platform, or offerings could adversely affect Swvl's business, financial condition, and operating results.***

Swvl's systems, or those of the third parties upon which Swvl relies, may experience service interruptions or degradation because of hardware and software defects or malfunctions, distributed denial-of-service and other cyberattacks, human error, earthquakes, hurricanes, floods, fires, natural disasters, power losses, disruptions in telecommunications services, fraud, military or political conflicts, terrorist attacks, computer viruses, ransomware, malware or other events. Swvl's systems may also be subject to break-ins, sabotage, theft and intentional acts of vandalism, including by Swvl's employees. Some of Swvl's systems are not fully redundant, and Swvl's disaster recovery planning may not be sufficient for all eventualities. Any business interruption insurance that Swvl obtains in the future may not be adequate to cover all of Swvl's losses that may result from interruptions in Swvl's service due to systems failures and similar events.

Swvl may experience system failures and other events or conditions from time to time that interrupt the availability or reduce or affect the speed or functionality of Swvl's offerings. These events could result in loss of revenue. A prolonged interruption in the availability or reduction in the availability, speed, or other functionality of Swvl's offerings could adversely affect Swvl's business and reputation and could result in the loss of users. Moreover, to the extent that any system failure or similar event results in harm to the users using its platform, Swvl may make voluntary payments to compensate for such harm or the affected users could seek monetary recourse or contractual remedies from Swvl for their losses and such claims, even if unsuccessful, would likely be time-consuming and costly for Swvl to address.

***Swvl's business could be adversely impacted by changes in users' access to the Internet and mobile devices or unfavorable changes in, or Swvl's failure to comply with, existing or future laws governing the Internet and mobile devices.***

Swvl's business depends on users' access to its platform via the Internet and mobile devices. Swvl operates in and plans to expand into markets that may have low levels of Internet penetration or provide limited Internet connectivity in some areas. The price of mobile devices and Internet access may limit Swvl's potential growth in such markets. Internet infrastructure in such markets may not support, and may be disrupted by, continued growth in the number of Internet users, their frequency of use or their bandwidth requirements. Any such failure in Internet or mobile device accessibility, even for a short period, could adversely affect Swvl's business, financial condition, or operating results.

Swvl is subject to several laws and regulations specifically governing the Internet and mobile devices that are constantly evolving. Existing and future laws and regulations, or changes thereto, may impede the growth and availability of the Internet and Swvl's offerings, require Swvl to change its business practices, or raise compliance costs or other costs of doing business. These laws and regulations, which continue to evolve, cover taxation, privacy and data protection, pricing, copyrights, mobile and other communications, advertising practices, consumer protections, online payment services, and the characteristics and quality of offerings, among other things. Any failure, or perceived failure, by Swvl to comply with any of these laws or regulations could result in damage to Swvl's reputation and brand, a loss of users, and fines or proceedings by governmental agencies, any of which could adversely affect Swvl's business, financial condition and operating results.

***Swvl relies on mobile operating systems and application marketplaces to make its mobile applications available to the drivers and riders using its platform. If Swvl does not effectively operate with or receive favorable placements within such application marketplaces and maintain high user reviews, Swvl's usage or brand recognition could decline and Swvl's business, financial results and operating results could be adversely affected.***

Swvl depends in part on mobile operating systems, such as Android and iOS, and their respective application marketplaces to make its applications available to drivers and riders using its platform. Any changes in such systems and application marketplaces that degrade the functionality of Swvl's applications or give preferential treatment to competitors' applications could adversely affect the usage of Swvl's platform. If such mobile operating systems or application marketplaces limit or prohibit Swvl from making its applications available to drivers and riders, make changes that degrade the functionality of Swvl's applications, increase the cost of using its applications, impose terms of use unsatisfactory to Swvl or modify their search or ratings algorithms in ways that are detrimental to it, or if the placement of competitors in such mobile operating systems' application marketplaces is more prominent than the placement of Swvl's applications, overall growth in Swvl's rider or driver base could slow. Swvl's applications have experienced fluctuations in number of downloads in the past, and Swvl anticipates fluctuations in the future. Any of the foregoing risks could adversely affect Swvl's business, financial condition and operating results.

As new mobile devices and mobile platforms are released, there is no guarantee that certain mobile devices will continue to support Swvl's platform or effectively roll out updates to Swvl's applications. Additionally, Swvl needs to ensure that its offerings are designed to work effectively with a range of mobile technologies, systems, networks, and standards to deliver high-quality applications. Swvl may not be successful in developing or maintaining relationships with key participants in the mobile industry that enhance the experience of drivers and riders. If drivers or riders on Swvl's platform encounter any difficulty accessing or using Swvl's applications on their mobile devices, or if Swvl is unable to adapt to changes in popular mobile operating systems, Swvl's business, financial condition, and operating results could be adversely affected.

***Swvl depends on the interoperability of its platform across third-party applications and services that Swvl does not control.***

Swvl's platform integrates with various communications, ticketing, payment and social media vendors. As Swvl's offerings expand and evolve, its platform may have an increasing number of integrations with other third-party applications, products and services. Third-party applications, products, and services are constantly evolving, and Swvl may not be able to maintain or modify its platform to ensure its compatibility with third-party offerings following development changes. In addition, some of Swvl's competitors or third-parties upon which Swvl relies may take actions that disrupt the interoperability of Swvl's platform with their products or services or exert strong business influence on Swvl's ability to operate and distribute its platform or the terms on which it does so. As Swvl's respective products evolve, Swvl expects the types and levels of competition to increase. Should any of Swvl's competitors or other third-parties modify their products, standards or terms of use in a manner that degrades the functionality or performance of Swvl's platform or is otherwise unsatisfactory to Swvl or gives preferential treatment to competitive products or services, Swvl's products, platform, business, financial condition and operating results could be adversely affected.

***Swvl's acquisitions of controlling interest in Viapool Inc. may not be beneficial to Swvl as a result of the cost of integrating geographically disparate operations and the diversion of management's attention from Swvl's existing business, among other things.***

On November 16, 2021, Swvl announced a definitive agreement to acquire a controlling interest in Viapool Inc. ("Viapool"), a mass transit platform currently operating in Buenos Aires, Argentina and Santiago, Chile. The transaction closed on January 14, 2022.

Integration of the Viapool business and operations with Swvl's existing business and operations will be a complex, time-consuming and costly process, particularly given that the acquisition will significantly diversify the geographic areas in which Swvl operates. Failure to successfully integrate the Viapool business and operations with Swvl's existing business and operations in a timely manner may have a material adverse effect on Swvl's business, financial condition, results of operations and cash flows. Similarly, Swvl's ongoing acquisition program exposes it to integration risks as well. The difficulties of combining the acquired operations include, among other things:

- failure to realize expected profitability, growth or accretion;
- integrating additional Swvl Business offerings into Swvl's existing operations;
- coordinating geographically disparate organizations, systems and facilities;
- attracting sufficient platform users in Europe, Brazil, Japan, Argentina and Chile;
- operating in several new jurisdictions and municipalities with unique laws and regulations;
- consolidating corporate, technological and administrative functions;
- the diversion of management's attention from other business concerns;
- rider loss from the acquired businesses; and
- potential environmental or regulatory liabilities and title problems.

In addition, Swvl may not realize all of the anticipated benefits from its acquisition of controlling interests in Viapool, such as cost savings and revenue enhancements, for various reasons, including the fact that Swvl's diligence was of a limited scope and performed by third party business consultants, difficulties integrating operations and personnel, higher costs, unknown liabilities and fluctuations in markets.

Following the challenges in business integration, and the overall economic down turn in 2022, Swvl exited the market in Viapool due to the shortage in funds and liquidity issues in Viapool making it hard to keep the operations going.

***Swvl does not have written contractual arrangements in place with certain of its historically material customers.***

Swvl has provided, and continues to provide, TaaS services to certain corporate customers without a written contract governing such arrangement. These non-contractual arrangements with TaaS customers made up approximately 7% and 2% of Swvl's revenue in each of fiscal year 2021 and fiscal year 2022, respectively. While the counterparties have performed under such arrangements without any material disputes, in the event of a dispute, the lack of a written contract could make it particularly difficult for Swvl to enforce its rights under the arrangement, if at all. Swvl is in the process of entering into definitive documentation to govern its relationships with such corporate customers and is setting up internal procedures to ensure that future relationships are governed by written contractual arrangements at the outset. As a result, Swvl expects to be able to reduce the percentage of revenue attributable to TaaS customers without contractual arrangements over time. However, there is no guarantee that existing TaaS customers will agree to enter into definitive documentation, and there are no assurances entry into such definitive documentation would allow Swvl to enforce claims against such counterparties for actions taken prior to entry into such agreements.

***Swvl's business could be adversely affected by natural disasters, public health crises, political crises, economic downturns, or other unexpected events.***

A natural disaster, such as an earthquake, fire, hurricane, tornado or flood, or significant power outage, could disrupt Swvl's operations, mobile networks, the Internet or the operations of Swvl's third-party technology providers. In addition, any public health crises, other epidemics, political crises, such as terrorist attacks, war and other political or social instability, or other catastrophic events could adversely affect Swvl's operations or the economy as a whole. Moreover, the likelihood of such events may increase as a result of climate change or other systemic impacts. The impact of such events or other disruption to Swvl or its third-party providers' abilities could result in decreased demand for Swvl's offerings or a disruption in the provision of Swvl's offerings, which could adversely affect Swvl's business, financial condition and operating results.

Swvl's business, financial condition and operating results are also subject to general economic conditions in the markets in which it operates. Any deterioration of economic conditions in such markets could lead to, among other things, increased unemployment and decreased consumer spending and commercial activity. As a result, demand for Swvl's platform by riders and drivers may decline. Swvl cannot predict the timing or duration of any economic slowdown or subsequent economic recovery in the markets in which it operates or intends to operate. An economic downturn resulting in a prolonged recessionary period may adversely affect Swvl's business, financial condition and operating results.

***Swvl's operations are subject to currency volatility and inflation risk.***

The U.S. dollar is Swvl's presentation currency as a group. Swvl also derives revenues and incurs expenses in other currencies relevant to each country of operations, including Egyptian pounds and Saudi Ryals. Swvl currently operates in Egypt and Saudia Arabia, operations in Egypt are in Egyptian pounds and subject to currency devaluation as the Egyptian pounds devaluated around 50% in the period from January 2022 to this document date, and is expected to decline more in value against the U.S. dollar. Swvl is therefore subject to foreign currency exchange fluctuations through both translation risk and transaction risk. As a result, Swvl is exposed to the risk that, if Egyptian pound devalue relative to the dollar, that inflation rates may exceed the speed of devaluation, or that the timing of such depreciation may lag behind inflation. The dollar cost of Swvl's operations would increase in any such event, and Swvl's dollar-denominated operating results would be adversely affected.

In addition, during 2022, Swvl operated in hyperinflationary markets including Argentina and Turkey – markets in which Swvl is no longer operating –which as a result exposed Swvl to foreign currency exchange fluctuations during 2022. The group later exited from both markets and does not currently operate in any hyperinflation economy.

## **Risks Related to Regulatory, Legal and Tax Factors Affecting Swvl**

***Uncertainties with respect to the legal systems in the jurisdictions in which Swvl operates, including changes in laws and the adoption and interpretation of new laws and regulations, could adversely affect Swvl's business, financial condition and operating results.***

During 2022 SWVL conducted majority of its operations in Egypt, Pakistan and Kenya, also expanded to other markets all over the world through acquisition of operating entities there or organic growth. SWVL exited the markets in majority of the locations during 2022 and 2023, and currently operates only in Egypt and Saudi with a HQ office in Dubai, UAE.

There are, and will likely continue to be, substantial uncertainties regarding the interpretation and application of laws and regulations in the jurisdictions in which Swvl operates, including the laws and regulations governing Swvl's business, the enforcement and performance of contractual arrangements and the protection of intellectual property rights. The legal systems in the countries in which Swvl operates may not be as predictable or developed as that of the United States, and in particular, may not have developed laws and regulations relating to the ridesharing industry. As a result, existing laws and regulations may be applied inconsistently and, in certain circumstances, it may be difficult to determine what actions or omissions may be deemed to violate applicable laws and regulations. There can be no assurance that Swvl's business will not be found to violate applicable laws or regulations in these jurisdictions in the future.

In addition, the jurisdictions in which Swvl has business operations may in the future enact new laws and regulations relating to the Internet, emissions and other environmental matters associated with ridesharing operations, the ridesharing industry generally and the operation of Swvl's business, and the interpretation and enforcement of such laws may involve significant uncertainties. New laws and regulations that affect Swvl's existing and proposed future businesses may also be applied retroactively.

Swvl is, and may in the future be, required to hold registrations, licenses, permits and approvals in connection with its business operations. New laws and regulations may be adopted from time to time that require Swvl to obtain registrations, licenses, permits and approvals in addition to those Swvl already holds. Swvl does not hold all of the required licenses and registrations for certain jurisdictions where Swvl operates.

Other than ordinary course business permits generally applicable to companies operating in each particular jurisdiction and regulations pertaining to foreign investment (described in further detail below), Swvl does not believe it is required to obtain any other registrations, licenses, permits or approvals to conduct its business as presently conducted in each of the other jurisdictions in which it operates. Swvl further believes that it possesses all such business permits, the failure of which to possess would be material to Swvl's operations as presently conducted in the jurisdictions in which it operates. However, as regulation of the ridesharing industry in these jurisdictions remains under development, new laws and regulations may be adopted or implemented that could increase or otherwise change the requirements applicable to Swvl. In addition, regulators may interpret existing laws and regulations that were not intended to apply to ridesharing businesses to apply to Swvl or its operations. Further, Swvl may expand its operations in the jurisdictions in which it operates in ways that would require additional licenses. If Swvl fails to obtain any required registrations, licenses, permits or approvals or is otherwise found to be operating its business in a manner that is not compliant with applicable law, Swvl may be subject to fines, revocation of its licenses and permits or other sanctions or be required to discontinue or restrict Swvl's operations in such jurisdictions. Any such required registrations, licenses, permits and approvals may be difficult for Swvl to obtain. Swvl cannot predict the effect that the interpretation of existing or new laws or regulations may have on Swvl's business.

In addition, governments in the jurisdictions Swvl operates or intends to operate may restrict or control to varying degrees the ability of foreign investors to invest in businesses located or operating in such jurisdictions. Because Swvl is incorporated in the British Virgin Islands, Swvl may be deemed to be foreign investors and therefore be subject to such restrictions or controls. As a result, there may be a risk of loss due to, among other things, expropriation, nationalization or confiscation of assets or the imposition of restrictions on repatriation of capital invested, in each case by the governmental or regulatory agencies empowered in such jurisdictions. While, in some cases, the British Virgin Islands has entered into international investment treaties or agreements designed to encourage and protect investment by BVI persons in foreign jurisdictions, there can be no guarantee that such treaties or agreements will cover the jurisdictions in which Swvl operates in or that such treaties or agreements will be fully implemented or effective. In other cases, Swvl is not able to take advantage of certain treaties because it is a British Virgin Islands company and is therefore exposed to additional risk of such loss.

While Swvl is not aware of any material limitations on foreign investment in the jurisdictions in which it operates, Swvl is required to comply with certain regulations related to such investment. In the United Arab Emirates, foreign investors are required to

operate via an onshore licensed entity or an onshore branch of a foreign or free zone entity. Swvl has established such an onshore branch and has obtained the requisite licenses and approvals for such branch's operations. Swvl may become subject to additional limitations and regulations as it expands its operations in the jurisdictions in which it operates and into new jurisdictions, and such limitations and regulations may impair Swvl's ability to operate effectively in such jurisdictions.

Any of the foregoing or similar occurrences or developments could significantly disrupt Swvl's business operations and restrict Swvl from conducting a substantial portion of its business operations in these jurisdictions, which could adversely affect Swvl's business, financial condition or operating results.

***As Swvl expands its offerings, it may become subject to additional laws and regulations, and any actual or perceived failure by Swvl to comply with such laws and regulations or manage the increased costs associated with such laws and regulations could adversely affect Swvl's business, financial condition, and operating results.***

As Swvl continues to expand its offerings and user base, it may become subject to additional laws and regulations, which may differ or conflict from one jurisdiction to another. Many of these laws and regulations were adopted prior to the advent of Swvl's industry and related technologies and, as a result, do not contemplate or address the unique issues faced by Swvl's industry.

Despite Swvl's efforts to comply with applicable laws, regulations and other obligations relating to its offerings, it is possible that Swvl's practices, offerings or platform could be inconsistent with, or fail or be alleged to fail to meet all requirements of, such laws, regulations or obligations. Swvl's failure to comply with such laws, regulations or obligations may result in Swvl being blocked from or limited in providing or operating its products and offerings in such jurisdictions, or it may be required to modify its business model in those or other jurisdictions as a result. Moreover, Swvl's failure, or the failure by Swvl's third-party service providers, to comply with applicable laws or regulations or any other obligations relating to Swvl's offerings, could harm Swvl's reputation and brand, discourage new and existing drivers and riders from using Swvl's platform, lead to refunds of rider fares or result in fines or proceedings by governmental agencies or private claims and litigation, any of which could adversely affect Swvl's business, financial condition and operating results.

***Swvl is subject to various laws relating to anti-corruption, anti-bribery, anti-money laundering, and countering the financing of terrorism and has operations in certain countries known to experience high levels of corruption. Swvl has not implemented, or has only recently implemented, certain policies and procedures for the operation of its business and compliance with applicable laws and regulations, including policies with respect to anti-bribery and anti-corruption matters and cyber protection.***

Swvl is subject to anti-corruption, anti-bribery, and anti-money laundering and countering the financing of terrorism laws in the jurisdictions in which Swvl does business. Swvl will be subject to such laws in other jurisdictions in the future, including, for example, the FCPA. These laws generally prohibit Swvl, its employees and agents from improperly influencing government officials or commercial parties to, among other things, obtain or retain business, direct business to any person, or gain any improper advantage. Under applicable anti-bribery and anti-corruption laws, Swvl could be held liable for acts of corruption and bribery committed by third-party business partners and service providers, representatives, and agents who acted on Swvl's behalf.

Swvl has operations in, and has business relationships with, entities in countries known to experience high levels of corruption. Swvl and its third-party business partners, representatives, and agents may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. Swvl is subject to the risk that it could be held liable for the corrupt or other illegal activities of these third-party business partners and intermediaries and its and their respective employees, representatives, contractors, and agents, even if Swvl does not authorize such activities. Swvl's employees from time to time consult or engage in discussions with government officials in the jurisdictions where it operates with respect to potential changes in government policies or laws relating to the mass transit ridesharing industry, which may heighten such anti-corruption-related risks.

In addition, Swvl's activities in certain countries with high levels of corruption enhance the risk of unauthorized payments or offers of payments by business partners and service providers, employees, or consultants in violation of various anti-corruption laws, including the FCPA, even though the actions of these parties are often outside Swvl's control. Swvl adopted anti-bribery and anti-corruption policies in September 2020, enhanced its policies in December 2021 and implementation of these policies is ongoing. While these policies are intended to address compliance with such laws, there can be no guarantee that they are or will be fully effective at all times, and Swvl's employees and agents may take actions in violation of Swvl's anti-bribery and anti-corruption policies or applicable laws, for which Swvl may be ultimately held responsible. Swvl in the process of reviewing its compliance program to identify areas for enhancements, and Swvl intends to continuously update and improve its compliance program as it

expands its operations into new jurisdictions and becomes subject to a larger number of anti-corruption-related laws. However, there remains no guarantee that any such expanded compliance program will be fully effective at all times.

Any violation of applicable anti-bribery, anti-corruption, anti-money laundering, and countering the financing of terrorism laws could result in whistleblower complaints, adverse media coverage, harm to Swvl's reputation and brand, investigations, imposition of significant legal fees, severe criminal or civil sanctions and disgorgement of profits, suspension or loss of required licenses and permits, exit from an important market, substantial diversion of management's attention, a drop in Swvl's share price, or other adverse consequences, any or all of which could have a material and adverse effect on Swvl's business, financial condition and operating results.

***Swvl may be subject to claims, lawsuits, government investigations and other proceedings that adversely affect Swvl's business, financial condition and operating results.***

Swvl has been subject to claims, lawsuits, government investigations and other legal and regulatory proceedings in the ordinary course of business, including those involving labor and employment, commercial disputes and tax matters. Swvl expects to continue to be subject to claims, lawsuits, government investigations and other legal or regulatory proceedings in the ordinary course of business, which may involve any of the foregoing matters as well as licensing and permits, pricing practices, competition, consumer complaints, personal injury, anti-discrimination, intellectual property disputes and other matters, and Swvl may become subject to additional types of claims, lawsuits, government investigations and other legal or regulatory proceedings as Swvl's business grows and as Swvl deploys new offerings. Moreover, certain liabilities may be imposed by jurisdictions where Swvl operates, including tax liability, which may subject it to regulatory enforcement procedures if it does not or cannot comply.

The results of any such claims, lawsuits, government investigations or other legal or regulatory proceedings cannot be predicted. Any claims against Swvl, whether meritorious or not, could be time-consuming, result in costly litigation, harm Swvl's reputation, require significant management attention and divert substantial resources. It is possible that a resolution of such proceedings could result in substantial damages, settlement costs, fines and penalties that could adversely affect Swvl's business, financial condition and operating results. These proceedings could also result in harm to Swvl's reputation and brand, sanctions, injunctions or other orders requiring a change in Swvl's business practices. Any of these consequences could adversely affect Swvl's business, financial condition and operating results. Furthermore, under certain circumstances, Swvl has contractual and other legal obligations to indemnify and to incur legal expenses on behalf of Swvl's business and commercial partners.

A determination in, or settlement of, any legal proceeding, whether Swvl is a party to such legal proceeding or not, that involves Swvl's industry could harm Swvl's business, financial condition and operating results. For example, a determination that classifies a driver of a ridesharing platform as an employee, whether Swvl is a party to such determination or not, could cause Swvl to incur significant expenses or require substantial changes to its business model.

In addition, Swvl regularly includes arbitration provisions in Swvl's Terms of Service with drivers and riders using Swvl's platform. These provisions are intended to streamline the dispute resolution process for all parties involved, as arbitration can, in some cases, be faster and less costly than litigating disputes in court. However, arbitration may become more expensive, or the volume of arbitration may increase and become burdensome. The use of arbitration provisions may subject Swvl to certain risks to its reputation and brand, as these provisions have been the subject of increasing public scrutiny in certain jurisdictions.

Further, with the potential for conflicting rules regarding the scope and enforceability of arbitration across the jurisdictions in which Swvl operates and may operate in the future, there is a risk that some or all of Swvl's arbitration provisions could be subject to challenge or may need to be revised to exempt certain categories of protection. If Swvl's arbitration agreements were found to be unenforceable, in whole or in part, or particular claims are required to be exempted from arbitration, Swvl could experience an increase in its costs to litigate disputes and the time involved in resolving such disputes, and Swvl could face increased exposure to potentially costly lawsuits, each of which could adversely affect Swvl's business, financial condition and operating results.

***Failure to protect or enforce Swvl's intellectual property rights could harm Swvl's business, financial condition and operating results.***

Swvl's success is dependent in part upon protecting Swvl's intellectual property rights and technology (such as code, confidential information, data, processes and other forms of information, knowhow and technology). As Swvl grows, it will continue to develop intellectual property that is important for its existing or future business. Swvl relies on a combination of copyright, trademark, service mark, trade secret, know-how and confidential information laws and contractual restrictions to establish and protect

Swvl's intellectual property. However, the steps Swvl takes to protect its intellectual property may not be sufficient and may vary by jurisdiction.

Even if Swvl does detect violations, Swvl may need to engage in litigation to enforce its rights. Any enforcement efforts Swvl undertakes, including litigation, could be time-consuming and expensive and could divert the attention of management. While Swvl takes precautions designed to protect its intellectual property, it may still be possible for competitors and other unauthorized third parties to copy Swvl's technology, reverse engineer its data and use its proprietary information to create or enhance competing solutions and services, which could adversely affect Swvl's position in the rapidly evolving and increasingly competitive mass-transit ridesharing industry.

As of October 30, 2023, Swvl has one patent granted in the U.S. Swvl has no patent applications filed, or under examination in key global jurisdictions. Swvl's failure to register its brand names or logos in jurisdictions in which it operates could allow competitors to register the same or similar names or logos that confuse potential consumers and/or prevent Swvl from subsequently protecting its names and logos. Some license provisions that protect against unauthorized use, copying, transfer and disclosure of Swvl's technology may be unenforceable under the laws of certain countries. The laws of some countries do not provide the same level of protection of intellectual property as the laws of the United States, and adequate intellectual property protection may not be available or may be limited in such countries. Swvl's intellectual property protection and enforcement strategy is influenced by many considerations, including costs, where Swvl has business operations, where Swvl might have business operations in the future, legal protections available in a specific jurisdiction and/or other strategic considerations. As such, Swvl does not have identical or analogous intellectual property protection in all jurisdictions, which could limit Swvl's freedom to operate as it expands into new jurisdictions. As Swvl expands its offerings into new jurisdictions, its exposure to unauthorized use, copying, transfer and disclosure of proprietary information will likely increase. Swvl may need to expend additional resources to protect, enforce or defend its intellectual property, which could harm Swvl's business, financial condition or operating results. Swvl may also need to expend additional resources to understand and analyze the varying protections available in different jurisdictions and whether formal protection for intellectual property, such as rights in software, is available, commercially advisable and/or enforceable.

Swvl enters into confidentiality and intellectual property assignment agreements with employees and contractors and enters into confidentiality agreements with third-party providers and corporate customers. There can be no assurance that these agreements will effectively control access to, and use and distribution of, Swvl's platform and proprietary information. Further, these agreements do not prevent Swvl's competitors from independently developing technologies that are substantially equivalent or superior to Swvl's offerings. Competitors and other third parties may also attempt to reverse engineer Swvl's data, which would compromise Swvl's trade secrets and other rights.

Swvl may be required to spend significant resources monitoring and protecting its intellectual property rights, and some violations may be difficult or nearly impossible to detect. Litigation to defend and enforce Swvl's intellectual property rights could be costly, time-consuming and distracting to management and could result in the impairment or loss of portions of Swvl's intellectual property. Swvl's efforts to enforce its intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of Swvl's intellectual property rights. Swvl's inability to protect its intellectual property and proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of Swvl's management's attention and resources, could impair the functionality of Swvl's platform, delay introductions of enhancements to Swvl's platform, result in Swvl substituting inferior or more costly technologies into its platform or harm Swvl's reputation or brand. In addition, Swvl may be required to license additional technology from third parties to develop and market new offerings or platform features, which may not be on commercially reasonable terms and could adversely affect Swvl's ability to compete.

The ridesharing industry has also been subject to attempts to steal intellectual property. Although Swvl takes measures to protect its property, if it is unable to prevent the theft of its intellectual property or its exploitation, the value of Swvl's investments may be undermined and Swvl's business, financial condition and operating results may be negatively impacted.

***Claims by others that Swvl infringed their proprietary technology or other intellectual property rights could harm Swvl's business, financial condition and operating results.***

Companies in the Internet and technology industries are frequently subject to litigation based on allegations of infringement or other violations of intellectual property rights. In addition, certain companies and rights holders seek to enforce and monetize patents or other intellectual property rights they own or otherwise obtained. As Swvl's public profile grows and the number of competitors in Swvl's markets increases, and as Swvl continues to develop new technologies and intellectual property, the possibility of intellectual property rights claims against Swvl may grow. From time to time, third parties may assert claims of infringement of

intellectual property rights against Swvl. Swvl does not hold any patents. Competitors of Swvl and others may now and in the future have significantly larger and more mature patent portfolios than Swvl has. In addition, future litigation may involve patent holding companies or other adverse patent owners who have no relevant product or service revenue and against whom Swvl's own patents (if and when acquired) may therefore provide little or no deterrence or protection. Many potential litigants, including some of Swvl's competitors and patent-holding companies, have the ability to dedicate substantial resources to assert their intellectual property rights. Any claim of infringement by a third-party, even those without merit, could cause Swvl to incur substantial costs defending against such claim, could distract management's attention from the operation of Swvl's business and could require Swvl to cease its use of certain intellectual property. Furthermore, because intellectual property litigation may involve a substantial amount of discovery, Swvl may risk compromising its own confidential information in the course of any such litigation. Swvl may be required to pay substantial damages, royalties or other fees in connection with a claimant securing a judgment against Swvl, Swvl may be subject to an injunction or other restrictions that prevent Swvl from using or distributing its intellectual property, or Swvl may agree to a settlement that prevents it from distributing its offerings or a portion thereof, which could adversely affect Swvl's business, financial condition and operating results.

With respect to any intellectual property rights claim, Swvl may have to seek out a license to continue operations if found to be in violation of such rights, which may not be available on favorable or commercially reasonable terms and may significantly increase Swvl's operating expenses. Some licenses may be non-exclusive, and therefore Swvl's competitors may have access to the same technology licensed to Swvl. If a third-party does not offer Swvl a license to its intellectual property on reasonable terms, or at all, Swvl may be required to develop alternative, non-infringing technology or other intellectual property, which could require significant time (during which Swvl would be unable to continue to offer Swvl's affected offerings), effort and expense and may ultimately not be successful. Any of these events could adversely affect Swvl's business, financial condition and operating results.

***Changes in laws or regulations relating to privacy, data protection or the protection or transfer of personal data, or any actual or perceived failure by Swvl to comply with such laws and regulations or any other obligations relating to privacy, data protection or the protection or transfer of personal data, could adversely affect Swvl's business.***

Swvl receives, transmits and stores a large volume of personally identifiable information and other data relating to the users of Swvl's platform. Numerous national and international laws, rules and regulations applicable to the jurisdictions in which Swvl operates relate to privacy, data protection and the collection, storing, sharing, use, disclosure and protection of certain types of data. These laws, rules and regulations evolve frequently and their scope may continually change, through new legislation, amendments to existing legislation and changes in enforcement, and may be inconsistent from one jurisdiction to another and may conflict with each other. For example, changes in laws or regulations relating to privacy, data protection and information security, particularly any new or modified laws or regulations that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer or disclosure, could greatly increase the cost of providing Swvl's offerings, require significant changes to Swvl's operations or even prevent Swvl from providing certain offerings in jurisdictions in which it currently operates and in which it may operate in the future. Further, as Swvl continues to expand its platform offerings and user base, Swvl may become subject to additional privacy-related laws and regulations, such as the General Data Protection Regulation (Regulation (EU) 2016/679), which Swvl recently became subject to (please see the section entitled "Item 3D. Risks Related to Regulatory, Legal and Tax Factors Affecting Swvl"). Additionally, Swvl has incurred, and expects to continue to incur, expenses in an effort to comply with privacy, data protection and information security standards and protocols imposed by law, regulation, industry standards or contractual obligations.

Despite Swvl's efforts to comply with applicable laws, regulations and other obligations relating to privacy, data protection and information security, it is possible that Swvl's practices, offerings or platform could be inconsistent with, or fail or be alleged to fail to meet all requirements of, such laws, regulations or obligations. Swvl's failure, or the failure by Swvl's third-party providers or partners, to comply with applicable laws or regulations or any other obligations relating to privacy, data protection or information security, or any compromise of security that results in unauthorized access to, or use or release of personally identifiable information or other driver or rider data, or the perception that any of the foregoing types of failure or compromise has occurred, could damage Swvl's reputation, discourage new and existing drivers and riders from using Swvl's platform or result in fines or proceedings by governmental agencies and private claims and litigation, any of which could adversely affect Swvl's business, financial condition and operating results. Even if not subject to legal challenge, the perception of privacy concerns, whether or not valid, may harm Swvl's reputation and brand and adversely affect Swvl's business, financial condition and operating results.

***Swvl may face particular privacy, data security, and data protection risks if it expands into the European Union or United Kingdom in connection with the GDPR and other data protection regulations.***

Expansion into the European Union (“EU”) member states and the United Kingdom or marketing directed to those jurisdictions subjects Swvl and certain personal data it processes to the General Data Protection Regulation (Regulation (EU) 2016/679) (“GDPR”), supplemented by national laws and further implemented through binding guidance from the European Data Protection Board, which regulates the collection, control, sharing, disclosure, use and other processing of personal data and imposes stringent data protection requirements with significant penalties, and the risk of civil litigation, for noncompliance.

As a result of the Shotl acquisition, Swvl is also subject to the U.K. General Data Protection Regulation (“U.K. GDPR”) (i.e., a version of the GDPR as implemented into U.K. law). Among other requirements, the GDPR regulates transfers of personal data subject to the GDPR to third countries that have not been found to provide adequate protection to such personal data, including the United States. The enactment of the GDPR also introduced numerous privacy-related changes for companies operating in the EU, including greater control for data subjects (including, for example, the “right to be forgotten”), increased data portability for EU consumers, data breach notification requirements, and increased fines. The GDPR requirements likely apply not only to third-party transactions, but also to transfers of information between Swvl and its subsidiaries, including employee information.

As of January 2021 (when the transitional period following Brexit expired), there are two parallel regimes with potentially divergent interpretations and enforcement actions for certain violations. The European Commission adopted an adequacy decision for the U.K., which means that certain aspects of data protection law between the U.K. and EU will remain the same. However, because the U.K.’s Information Commissioner’s Office remains the independent supervisory body regarding the U.K. GDPR but will not be the regulator for any activities under the GDPR, there may be increasing divergence in application, interpretation and enforcement of the data protection law as between the U.K. and the European Economic Area.

As of the date of this Report, Swvl started in process of bringing all of its operations (legacy and post-Shotl acquisition) into compliance with the GDPR. However, pursuant to the exit of European markets and the sale back for Shotl’s ownership stake, the process of GDPR compliance is now paused and will be continued if Swvl decided to expand into the European market again, Swvl’s efforts to bring all of its practices (or those of its collaborators, service providers, and contractors) into compliance with the GDPR may not succeed for a variety of reasons, including due to internal or external factors such as resource allocation limitations or a lack of vendor cooperation. Noncompliance could result in the commencement of legal proceedings against Swvl by governmental and regulatory entities or others. Any inability to adequately address data privacy or security-related concerns, even if unfounded, or to comply with the GDPR or other applicable laws, regulations, standards and other obligations relating to data privacy and security, could result in litigation, breach notification obligations, regulatory or administrative sanctions, additional cost and liability to Swvl, harm to Swvl’s reputation and brand, damage to its relationships with riders, drivers and corporate customers and have an adverse effect on its business, financial condition and operating results. In particular, under the GDPR, fines of up to €20 million or up to 4% of the annual global revenue of the non-compliant company, whichever is greater, could be imposed for violations of certain of the GDPR’s requirements. Such penalties are in addition to any civil litigation claims by customers and data subjects.

***Swvl’s business would be adversely affected if the drivers using its platform were classified as employees.***

The classification status of drivers that operate on ridesharing platforms is the subject of ongoing litigation and debate in multiple countries. Certain global ridesharing businesses are currently involved in legal proceedings in multiple jurisdictions, including putative class and collective action lawsuits, charges and claims before administrative agencies, and investigations or audits by labor, social security, and tax authorities, that claim that drivers using their platforms should be treated as employees (or as workers or quasi-employees where those statuses exist) of such companies, rather than as independent contractors.

Swvl classifies the drivers that use its platform as independent contractors or as employees of third parties in certain of the jurisdictions in which Swvl currently operates. However, in certain of the jurisdictions that Swvl operates, such classifications are based on an interpretation of applicable law, and Swvl’s interpretation may be subject to challenge. In particular, in Egypt, as the Egyptian Ridesharing Laws do not require drivers to be classified as employees, any challenge to Swvl’s determination that drivers are not employees would need to be based on principles of Egyptian labor laws. Under such laws, a person is classified as an employee if he or she works in exchange for a salary for an employer and under the employer’s control and supervision. Thus, in assessing whether drivers should be classified as employees in Egypt, Swvl considers, among other things, the level of direct administration and supervision it has over drivers using its platform.

While Swvl believes its classification of drivers as independent contractors in each of the jurisdictions it operates currently which is Egypt and the Kingdom of Saudi Arabia, is correct, Swvl may in the future be subject to proceedings relating to the classification of drivers using its platform as laws and regulations governing the ridesharing industry, labor and employment develop further (or if interpretations of existing laws and regulations change) and as Swvl expands its business operations in new jurisdictions. Swvl may incur substantial expenses in defending such proceedings. If Swvl is not successful in defending such proceedings, it may be required to pay significant damages to drivers or incur other fines, penalties or sanctions. In addition, if, as a result of legislation or judicial decisions in jurisdictions where the employee-contractor distinction is applicable, Swvl is required to classify drivers as employees in such jurisdictions, Swvl may incur significant additional expenses for compensating drivers or making payments on their behalf, including expenses associated with the application of, as applicable, wage and hour laws (including minimum wage, overtime, and meal and rest period requirements), employee benefits, social security contributions, taxes (direct and indirect), and potential penalties. In such event, Swvl may be required to increase its pricing to offset these additional expenses or to discontinue lower-margin offerings or routes, abandon its efforts to expand into new markets or forego other expenditures, such as marketing or hiring key personnel. As a result, Swvl's ability to attract new riders and to retain existing riders could be adversely affected and utilization of Swvl's platform may decrease. Any of the foregoing risks would have an adverse effect on Swvl's business, financial condition and operating results.

***Swvl could be subject to claims from riders, drivers or third parties that are harmed whether or not Swvl's platform is in use, which could adversely affect Swvl's brand, business, financial condition and operating results.***

Swvl may be subject to claims, lawsuits, investigations and other legal proceedings relating to injuries to, or deaths of, riders, drivers or third-parties that may be attributed to Swvl through its offerings. Swvl may also be subject to claims alleging that Swvl is directly or vicariously liable for the acts of the drivers using its platform or for harm related to the actions of drivers, riders, or third parties, or the management and safety of its platform and assets. Swvl may also be subject to personal injury claims whether or not such injury actually occurred as a result of activity on its platform. Swvl may incur expenses to settle personal injury claims, which it may choose to settle for reasons including expediency, protection of its reputation and to prevent the uncertainty of litigating, and Swvl expects that such expenses may increase as its business grows and it faces increasing public scrutiny. Regardless of the outcome of any legal proceeding, any injuries to, or deaths of, any riders, drivers or third parties could result in negative publicity and harm to Swvl's brand, reputation, business, financial condition and operating results. Swvl's insurance policies and programs may not provide sufficient coverage to adequately mitigate the potential liability Swvl faces, especially where any one incident, or a group of incidents, could cause disproportionate harm, and Swvl may have to pay high premiums or deductibles for its coverage and, for certain situations, Swvl may not be able to secure coverage at all. Any of the foregoing risks could adversely affect Swvl's business, financial condition and operating results.

***Swvl is subject to changing laws and regulations regarding regulatory matters, corporate governance and public disclosure that have increased, and are likely to continue to increase, both its costs and the risk of non-compliance.***

Swvl is subject to rules and regulations by various governing bodies, including, for example, the SEC, which are charged with the protection of investors and the oversight of companies whose securities are publicly traded, and to new and evolving regulatory measures under applicable law, including the laws of the BVI and the various countries and cities in which it operates. Swvl's efforts to comply with new and changing laws and regulations in the jurisdictions in which it operates have resulted in and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Moreover, because these laws, regulations and standards are subject to varying interpretations and changes due to the emerging nature of the markets in which Swvl operates, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to Swvl's disclosure and governance practices. If Swvl fails to address and comply with these regulations and any subsequent changes, they may be subject to penalty and the business may be harmed.

***As a result of plans to expand Swvl's business operations, including to jurisdictions in which tax laws may not be favorable, Swvl's obligations may change or fluctuate, become significantly more complex or become subject to greater risk of examination by taxing authorities, any of which could adversely affect Swvl's after-tax profitability and financial results.***

Because Swvl has expansion plans, Swvl's effective tax rate may fluctuate or increase in the future. Future effective tax rates could be affected, possibly materially, by changes in tax laws or the regulatory environment, the recognition of operating losses in

jurisdictions where no tax benefit can be recorded under the applicable method of accounting, changes in the composition of operating income across tax jurisdictions, changes in deferred tax assets and liabilities, or changes in accounting and tax standards or practices.

Due to the complexity of multinational tax obligations and filings, Swvl may have a heightened risk related to audits or examinations by the relevant taxing authorities. Outcomes from these audits or examinations could have an adverse effect on Swvl's after-tax profitability and financial condition. Additionally, various taxing authorities have increasingly focused attention on intercompany transfer pricing with respect to sales of products and services and the use of intangibles. Taxing authorities could disagree with Swvl's intercompany charges, cross-jurisdictional transfer pricing or other matters and assess additional taxes. If Swvl does not prevail in any such disagreements, its profitability may be affected.

Swvl's after-tax profitability and financial results may also be adversely affected by changes in the relevant tax laws and tax rates, treaties, regulations, administrative practices and principles, judicial decisions and interpretations thereof, in each case, possibly with retroactive effect.

### **Risks Related to Ownership of Swvl's Securities**

#### ***Swvl may not be able to maintain the listing of its securities on Nasdaq.***

Swvl Securities are listed on Nasdaq Capital Market. If Swvl violates Nasdaq listing requirements, Swvl Securities may be delisted. On May 4, 2023, Swvl received written notice from Nasdaq indicating that, as a result of not having timely filed its Annual Report on Form 20-F for the fiscal year ended December 31, 2022, Swvl was not in compliance with Nasdaq Listing Rule 5250(c)(1), which requires timely filing of all required periodic financial reports with the Securities and Exchange Commission. On July 20, 2023, Swvl obtained an extension from Nasdaq permitting it to regain compliance with Nasdaq Listing Rule 5250(c)(1) provided it files its Annual Report on Form 20-F for the fiscal year ended December 31, 2022 no later than October 30, 2023. Swvl believes that it will regain compliance with Nasdaq Listing Rule 5250(c)(1) after the filing of this Report.

If Swvl fails to meet any of Nasdaq's listing standards, Swvl Securities may be delisted. In addition, the Swvl Board may determine that the cost of maintaining the listing on a national securities exchange outweighs the benefits of such listing. A delisting of Swvl Securities ordinary shares may materially impair shareholders' ability to buy and sell our ordinary shares and could have an adverse effect on the market price of, and the efficiency of the trading market for, Swvl Securities. The delisting of Swvl Securities could significantly impair Swvl's ability to raise capital and the value of your investment.

#### ***The market price of Swvl Securities could fluctuate significantly, which could result in substantial losses for purchasers of Swvl Securities.***

The market price of Swvl Securities is affected by the supply and demand for such shares, which may be influenced by numerous factors, many of which are beyond Swvl's control, including:

- fluctuation in actual or projected operating results;
- failure to meet analysts' earnings expectations;
- the absence of analyst coverage;
- negative analyst recommendations;
- changes in trading volumes in Swvl Securities;
- changes in Swvl's shareholder structure;
- changes in macroeconomic conditions;
- the activities of competitors;
- changes in the market valuations of comparable companies;

- changes in investor and analyst perception with respect to Swvl’s business or the mass-transit ridesharing industry in general; and
- changes in the statutory framework applicable to Swvl’s business.

As a result, the market price of Swvl Securities may be subject to substantial fluctuation.

In addition, general market conditions and fluctuation of share prices and trading volumes could lead to pressure on the market price of Swvl Securities, even if there may not be a reason for this based on Swvl’s business performance or earnings outlook. Furthermore, investors in the secondary market may view Swvl’s business more critically than prior or current investors, which could adversely affect the market price of Swvl Securities in the secondary market.

If the market price of Swvl Securities declines as a result of the realization of any of these or other risks, investors could lose part or all of their investment in Swvl Securities.

Additionally, in the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the company that issued the shares. If any of Swvl’s shareholders brought a lawsuit against Swvl, Swvl could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of management from the business, which could significantly harm Swvl’s business, financial condition and operating results.

***Future resales of Swvl’s shares may cause the market price of Swvl’s shares to drop significantly, even if Swvl’s business is doing well.***

Sales of a substantial number of Swvl securities, including our Ordinary Shares, in the public market could occur at any time. Sales of a substantial number of Swvl securities in the public market or the perception that these sales might occur, could depress the market price of our securities and could impair our ability to raise capital through the sale of additional equity securities. Sales of a substantial number of our securities upon any future waivers or expiration of lock-up agreements entered into by our shareholders, or the perception that such sales may occur, could have a material and adverse effect on the trading price of our securities. For example, certain lock-up restrictions entered into in connection with the Business Combination will expire in the six to twelve months following closing of the Business Combination. As such, sales of a substantial number of our securities in the public market could occur at any time following the lock-up expirations. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could cause the market price of our securities to decline or increase the volatility in the market price of our securities.

Further, we have agreed to file with the SEC a registration statement covering the resale of certain Ordinary Shares issued in connection with the Business Combination, including shares issued pursuant to the private offering of Swvl Securities (the “PIPE Financing”) to certain investors (the “PIPE Investors”). We have also agreed to file a registration statement covering the resale of shares that may be issued to B. Riley pursuant to our equity line financing. Any of these resales, or the perception in the market that the holders of a large number of shares intend to resell shares, could cause the market price of our securities to decline or increase the volatility in the market price of our securities.

***Investor perceptions of risks in developing countries could reduce investor appetite for investments in these countries or for the securities of issuers operating in these countries.***

Investing in securities of issuers operating in developing countries generally involves a higher degree of risk than investing in securities of issuers from more developed countries. Economic crises in one or more such countries may reduce overall investor appetite for securities of issuers operating in developing countries generally, even for such issuers that operate outside the regions directly affected by the crises. Past economic crises in developing countries, including in Egypt, have often resulted in significant outflows of international capital and caused issuers operating in developing countries to face higher costs for raising funds, and in some cases have effectively impeded access to international capital markets for extended periods.

Thus, even if the economies of the countries in which Swvl operates remain relatively stable, financial turmoil in any developing market country could have an adverse effect on Swvl’s business, financial condition and operating results.

***If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about Swvl's business, the market price for Swvl Securities and trading volume could decline.***

The trading market for Swvl Securities depends in part on the research and reports that securities or industry analysts publish about Swvl or its business. If securities or industry analyst coverage results in downgrades of Swvl Securities or publishes inaccurate or unfavorable research about Swvl's business, the share price of Swvl Securities would likely decline. If one or more of these analysts cease coverage of Swvl or fail to publish reports on Swvl regularly, Swvl could lose visibility in the financial markets and demand for Swvl Securities could decrease, which, in turn, could cause the market price or trading volume for Swvl Securities to decline significantly.

In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment and voting decisions. Inaccurate or unfavorable ESG ratings could lead to negative investor sentiment towards Swvl, which could have a negative impact on the market price and demand for Swvl Securities, as well as Swvl's access to and cost of capital.

***There is no guarantee that the Warrants will be in the money at the time they become exercisable, and they may expire worthless.***

The exercise price for our Warrants is \$11.50 per Ordinary Share. There is no guarantee that the Warrants will be in the money following the time they become exercisable and prior to their expiration, and as such, the Warrants may expire worthless.

We may amend the terms of the Warrants in a manner that may be adverse to holders with the approval by the holders of at least 50% of the then-outstanding Warrants. As a result, the exercise price of your Warrants could be increased, the exercise period could be shortened and the number of Ordinary Shares purchasable upon exercise of a Warrant could be decreased, all without your approval.

***We may redeem unexpired Warrants prior to their exercise at a time that is disadvantageous to warrant holders, thereby making their warrants worthless.***

We have the ability to redeem outstanding Warrants at any time after they become exercisable and prior to their expiration, at a price of \$0.01 per Warrant, provided that the last reported sales price of the Ordinary Shares equals or exceeds \$18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date on which we give proper notice of such redemption and provided certain other conditions are met. If and when the Warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding Warrants could force you to (a) exercise your Warrants and pay the exercise price therefor at a time when it may be disadvantageous for you to do so, (b) sell your Warrants at the then-current market price when you might otherwise wish to hold your Warrants, or (c) accept the nominal redemption price which, at the time the outstanding Warrants are called for redemption, is likely to be substantially less than the market value of your Warrants.

In addition, we have the ability to redeem the outstanding Warrants at any time after they become exercisable and prior to their expiration, at a price of \$0.10 per Warrant upon a minimum of 30 days' prior written notice of redemption provided that the last reported sales price per Ordinary Share equals or exceeds \$10.00 per share (as adjusted for share subdivisions, share dividends, reorganizations, recapitalizations and the like) on the trading day prior to the date on which we send the notice of redemption, and provided that certain other conditions are met, including that holders will be able to exercise their Warrants prior to redemption for a number of Ordinary Shares determined based on the redemption date and the fair market value of our Ordinary Shares. The value received upon exercise of the Warrants (i) may be less than the value the holders would have received if they had exercised their Warrants at a later time where the underlying share price is higher and (ii) may not compensate the holders for the value of the Warrants, including because the number of Ordinary Shares received is capped at 0.361 Ordinary Shares per Warrant (subject to adjustment) irrespective of the remaining life of the Warrants. Any such redemption may have similar consequences to a cash redemption described above. In addition, such redemption may occur at a time when the warrants are "out-of-the-money," in which case you would lose any potential embedded value from a subsequent increase in the value of the Ordinary Shares had your warrants remained outstanding.

***Swvl may be a “passive foreign investment company,” or “PFIC”, which could result in adverse U.S. federal income tax consequences to U.S. Holders.***

If Swvl is a PFIC for any taxable year (or portion thereof) in which a U.S. Holder (as defined below in the section of this Report entitled “Item 10.E. Taxation”), holds Ordinary Shares, such U.S. Holder may be subject to adverse U.S. federal income tax consequences and certain information reporting requirements. U.S. Holders are strongly encouraged to consult with their own tax advisors to determine the application of the PFIC rules to them in their particular circumstances and any resulting tax consequences. Please see the section of this Report entitled “Item 10.E. Taxation” for a more detailed discussion with respect to the PFIC status of Swvl and the resulting tax consequences to U.S. Holders.

***Swvl will incur increased costs as a result of operating as a public company, and its management will be required to devote substantial time to new compliance initiatives and corporate governance practices.***

As a public company, Swvl incurs significant legal, accounting and other expenses that it did not incur as a private company. For example, Swvl is subject to the reporting requirements of the Exchange Act and is required to comply with the applicable requirements of the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as rules and regulations of the SEC and Nasdaq.

Swvl expects that compliance with these requirements will increase its legal and financial compliance costs and will make some activities more time-consuming and costly. In addition, Swvl’s management and other personnel may be required to divert their attention from operational and other business matters to devote substantial time to these public company requirements. In particular, Swvl is incurring significant expenses and devoting substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act, which will increase further when Swvl is no longer an “emerging growth company” as defined under the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”) (Please see the section entitled “Swvl is an “emerging growth company”, and the reduced disclosure requirements applicable to emerging growth companies may make Swvl Securities less attractive to investors”). As a public company, Swvl has been hiring and is continuing to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge and may need to establish an internal audit function.

***Swvl’s management team has limited experience managing a public company, which may result in difficulty adequately operating and growing Swvl’s business.***

Swvl’s management team has limited experience managing a publicly traded company, interacting with public company investors and complying with the increasingly complex laws pertaining to public companies. Swvl’s management team may not successfully or efficiently manage their new roles and responsibilities or the transition to being a public company subject to significant regulatory oversight and reporting obligations under U.S. federal securities laws and the continuous scrutiny of analysts and investors. These new obligations and constituents will require significant attention from Swvl’s senior management and could divert their attention from the day-to-day management of Swvl’s business, which could adversely affect Swvl’s business, financial condition and operating results.

***If Swvl fails to establish and maintain proper and effective internal control over financial reporting, its ability to produce accurate and timely financial statements could be impaired, investors may lose confidence in its financial reporting and the trading price of its shares may decline.***

Pursuant to Section 404 of the Sarbanes-Oxley Act, subject to accommodations available to newly public companies and emerging growth companies, a report by management on internal control over financial reporting and an attestation of our independent registered public accounting firm is required. As a newly public company, Swvl has not previously been required to conduct an internal control evaluation and assessment. The rules governing the standards that must be met for management to assess internal control over financial reporting are complex and require significant documentation, testing and possible remediation. To comply with the Sarbanes-Oxley Act, the requirements of being a reporting company under the Exchange Act and any complex accounting rules in the future, Swvl is in the process of upgrading its information technology systems, implementing additional financial and management controls, reporting systems and procedures, and hiring additional accounting and finance staff. If Swvl is unable to hire the additional accounting and finance staff necessary to comply with these requirements, it may need to retain additional outside consultants. Swvl may not be able to effectively and timely implement controls and procedures that adequately respond to the increased regulatory compliance and reporting requirements. If Swvl is not able to comply with the requirements of Section 404 of the Sarbanes-Oxley Act, including if Swvl is unable to maintain proper and effective internal controls, Swvl may not be able to produce timely and accurate

financial statements. If Swvl cannot provide reliable financial reports or prevent fraud, Swvl's business and results of operations could be harmed, investors could lose confidence in our reported financial information and Swvl could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities.

In addition, Swvl has identified material weaknesses in its internal control over financial reporting and there can be no assurances that there will not be material weaknesses in Swvl's internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit Swvl's ability to accurately report its financial condition, operating results or cash flows. If Swvl is unable to comply with the requirements of the Sarbanes-Oxley Act or conclude that its internal control over financial reporting is effective, investors may lose confidence in the accuracy and completeness of its financial reports, the market price of its securities could decline, and Swvl could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. Failure to remedy any material weakness in Swvl's internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict Swvl's future access to the capital markets. In addition, failure to implement adequate internal controls or ensure that books and records accurately reflect transactions could result in criminal and civil fines and penalties under the FCPA, as well as related reputational harm and legal fees in defense of such investigations. Any of the foregoing risks could have an adverse effect on Swvl's business, financial condition and results of operations.

***Swvl is an "emerging growth company", and the reduced disclosure requirements applicable to emerging growth companies may make Swvl Securities less attractive to investors.***

Swvl is an "emerging growth company," as defined in the JOBS Act. As a result, Swvl is taking advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including, the ability to furnish two rather than three years of income statements and statements of cash flows in various required filings and not being required to include an attestation report on internal control over financial reporting issued by Swvl's independent registered public accounting firm. As a result, Swvl's shareholders may not have access to certain information that they deem important. Swvl could be an emerging growth company for up to five years, although Swvl could lose that status sooner if its gross revenue exceeds \$1.235 billion, if it issues more than \$1.0 billion in nonconvertible debt in a three-year period, or if the fair value of its shares held by non-affiliates exceeds \$700.0 million (and Swvl has been a public company for at least 12 months and has filed one annual report on Form 20-F).

Swvl cannot predict if investors will find Swvl Securities less attractive if it relies on these exemptions. If some investors find Swvl Securities less attractive as a result, there may be a less active trading market for the Swvl Securities and its share price may be more volatile.

***As a foreign private issuer, Swvl is not subject to U.S. proxy rules and is subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.***

Swvl reports under the Exchange Act as a non-U.S. company with foreign private issuer status. Because Swvl qualifies as a foreign private issuer under the Exchange Act, Swvl is exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including (1) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act, (2) the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time and (3) the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information. In addition, foreign private issuers are not required to file their annual report on Form 20-F until 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year and U.S. domestic issuers that are large accelerated filers are required to file their annual report on Form 10-K within 60 days after the end of each fiscal year. Foreign private issuers are also exempt from Regulation FD, which is intended to prevent issuers from making selective disclosures of material information. As a result of all of the above, holders of Swvl Securities may not have the same protections afforded to shareholders of a company that is not a foreign private issuer.

***As a company incorporated in the British Virgin Islands, Swvl is permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from Nasdaq corporate governance listing standards; these practices may afford less protection to shareholders than they would enjoy if Swvl complied fully with Nasdaq corporate governance listing standards.***

Swvl is subject to Nasdaq corporate governance listing standards. However, Nasdaq rules permit a foreign private issuer such as Swvl to follow the corporate governance practices of its home country. Certain corporate governance practices in the British Virgin Islands, which is Swvl's home country, may differ significantly from Nasdaq corporate governance listing standards. For instance, Swvl may choose to follow home country practice in lieu of Nasdaq corporate governance listing standards such as:

- have a majority of the board be independent (although all of the members of the audit committee must be independent under the Exchange Act);
- have a compensation committee or a nominating or corporate governance committee consisting entirely of independent directors;
- have regularly scheduled executive sessions for non-management directors;
- have annual meetings and director elections; and
- obtain shareholder approval prior to certain issuances (or potential issuances) of securities.

Swvl follows home country practice and is exempt from requirements to obtain shareholder approval for the issuance of 20% or more of its outstanding shares under Nasdaq Listing Rule 5635(d). If, in the future, Swvl chooses to follow other home country practices in lieu of Nasdaq corporate governance listing standards (such as the ones listed above), Swvl's shareholders may be afforded less protection than they otherwise would have under corporate governance listing standards applicable to U.S. domestic issuers. For more information about Swvl's corporate governance practices, please see the subsection of this Report entitled "Item 16.G. Board Practices-Foreign Private Issuer Status."

***As the rights of shareholders under BVI law differ from those under U.S. law, you may have fewer protections as a shareholder.***

Swvl's corporate affairs are governed by its amended and restated memorandum and articles of association (the "Swvl Public Company Articles"), the BVI Companies Act and the common law of the BVI. The rights of shareholders to take legal action against Swvl's directors, actions by minority shareholders and the fiduciary responsibilities of directors under BVI law are governed by the BVI Companies Act and the common law of the BVI. The common law of the BVI is derived in part from comparatively limited judicial precedent in the BVI as well as from the common law of England, which has persuasive, but not binding, authority on a court in the BVI. The rights of Swvl's shareholders and the fiduciary responsibilities of Swvl's directors under BVI law are largely codified in the BVI Companies Act but are not as clearly established as they would be under statutes or judicial precedents in some jurisdictions in the United States. In particular, the BVI has a less exhaustive body of securities laws as compared to the United States, and some states (such as Delaware) have more fully developed and judicially interpreted bodies of corporate law. There is no statutory recognition in the BVI of judgments obtained in the U.S., although the courts of the BVI will in certain circumstances recognize and enforce a non-penal judgment of a foreign court of competent jurisdiction without retrial on the merits. As a result of all of the above, holders of Swvl Securities may have more difficulty in protecting their interests in the face of actions taken by Swvl's management, members of the board of directors or major shareholders than they would as shareholders of a U.S. company.

***The Swvl Public Company Articles and the Swvl Shareholders Agreement contain certain provisions, including anti-takeover provisions, that limit the ability of shareholders to take certain actions and could delay or discourage takeover attempts that shareholders may consider favorable.***

The Swvl Public Company Articles and the shareholders agreement by and among Swvl and certain of its shareholders (the "Swvl Shareholders Agreement") contain provisions that could have the effect of rendering more difficult, delaying, or preventing an acquisition that shareholders may consider favorable, including transactions in which shareholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for Swvl Securities, and therefore depress the trading price. These provisions could also make it difficult for shareholders to take certain actions, including electing directors who are not nominated by the incumbent members of the Swvl Board or taking other corporate actions, including

effecting changes in Swvl's management, and may inhibit the ability of an acquiror to effect an unsolicited takeover attempt. Such provisions include, among other things:

- a classified board of directors with staggered, three-year terms;
- the ability of the Swvl Board to issue preferred shares and to determine the price and other terms of those shares, including preferences and voting rights, without shareholder approval;
- the right of Mostafa Kandil to serve as Chair of the Swvl Board so long as he remains Chief Executive Officer of Swvl and to serve as a director so long as he beneficially owns at least 1% of the outstanding shares of Swvl and his employment has not been terminated for cause;
- until the completion of Swvl's third annual meeting of shareholders, commitments by major shareholders to vote in favor of the appointment of Swvl designees to the Swvl Board at any shareholder meeting (and, thereafter, to vote in favor of the appointment of Mostafa Kandil or his designee to the Swvl Board, subject to specified conditions);
- the limitation of liability of, and the indemnification of and advancement of expenses to, members of the Swvl Board;
- advance notice procedures with which shareholders must comply to nominate candidates to the Swvl Board or to propose matters to be acted upon at a shareholders' meeting, which could preclude shareholders from bringing matters before annual or special meetings and delay changes in the Swvl Board and also may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise from attempting to obtain control of Swvl;
- that directors may be removed only for cause and only upon the vote of two-thirds of the directors then in office;
- that shareholders may not act by written consent in lieu of a meeting;
- the right of the Swvl Board to fill vacancies created by the expansion of the Swvl Board or the resignation, death or removal of a director; and
- that the Memorandum and Articles of Association may be amended only by the Swvl Board or by the affirmative vote of holders of a majority of not less than 75% of the votes of the shares of Swvl entitled to vote.

***Shareholders may experience difficulties in effecting service of legal process, enforcing foreign judgments or bringing original actions in the jurisdictions in which Swvl operates based on U.S. or other foreign laws against Swvl, its management or the experts named in this registration statement.***

Swvl is a British Virgin Islands company and substantially all of its assets and operations are located outside of the U.S. In addition, most of Swvl's directors and officers reside outside the U.S. and the substantial majority of their assets are located outside of the U.S. As a result, it may be difficult to effect service of process within the U.S. or elsewhere upon these persons. It may also be difficult to enforce judgments in the jurisdictions in which Swvl operates or British Virgin Islands courts against Swvl and its officers and directors. It may be difficult or impossible to bring an action against Swvl in the British Virgin Islands if you believe your rights under the U.S. securities laws have been infringed. In addition, there is uncertainty as to whether the courts of the British Virgin Islands or jurisdictions in which Swvl operates would recognize or enforce judgments of U.S. courts against Swvl or such persons predicated upon the civil liability provisions of the securities laws of the U.S. or any state and it is uncertain whether such British Virgin Islands courts or courts in jurisdictions in which Swvl operates would hear original actions brought in the British Virgin Islands or jurisdictions in which Swvl operates against Swvl or such persons predicated upon the securities laws of the U.S. or any state.

***Mail sent to Swvl may be delayed.***

Mail addressed to Swvl and received at its registered office is forwarded unopened to the forwarding address supplied by Swvl. None of Swvl, its directors, officers, advisors or service providers (including the organization which provides registered office services in the BVI) bears any responsibility for any delay howsoever caused in mail reaching the forwarding address. As a result, shareholder communications sent by mail to Swvl may be delayed.

***It may be difficult to enforce judgments obtained in the U.S. in BVI.***

There is no statutory enforcement in the British Virgin Islands of judgments obtained in the U.S., however, the courts of the British Virgin Islands will in certain circumstances recognize such a foreign judgment and treat it as a cause of action in itself which may be sued upon as a debt at common law so that no retrial of the issues would be necessary, provided that:

- the U.S. court issuing the judgment had jurisdiction in the matter and the company either submitted to such jurisdiction or was resident or carrying on business within such jurisdiction and was duly served with process;
- the judgment is final and for a liquidated sum;
- the judgment given by the U.S. court was not in respect of penalties, taxes, fines or similar fiscal or revenue obligations of the company;
- in obtaining judgment there was no fraud on the part of the person in whose favor judgment was given or on the part of the court;
- recognition or enforcement of the judgment in the British Virgin Islands would not be contrary to public policy; and
- the proceedings pursuant to which judgment was obtained were not contrary to natural justice.

The British Virgin Islands courts are unlikely:

- to recognize or enforce against Swvl, judgments of courts of the U.S. predicated upon the civil liability provisions of the securities laws of the U.S.; and
- to impose liabilities against Swvl, predicated upon the certain civil liability provisions of the securities laws of the U.S. so far as the liabilities imposed by those provisions are penal in nature.

**ITEM 4. INFORMATION ON THE COMPANY**

**A. History and Development of the Company**

**General Corporate Information**

Swvl Holdings Corp is a British Virgins Islands business company incorporated under the laws of the British Virgin Islands. Swvl was incorporated on July 23, 2021 for the purpose of effecting the Business Combination and on March 31, 2022, the Business Combination was consummated and Swvl completed its listing on Nasdaq. See “Explanatory Note” for further details regarding the Business Combination. Since April 1, 2022 and until July 19, 2023, Swvl’s Ordinary Shares and Warrants traded on the Nasdaq Global Market, and since July 19, 2023 Swvl’s Ordinary Shares and Warrants are traded on the Nasdaq Capital Market under the symbols “SWVL” and “SWVLW,” respectively.

The mailing address of Swvl’s registered office is Kingston Chambers, P.O. Box 173, Road Town, Tortola, the British Virgin Islands. Swvl’s principal executive office is located at Offices 4 at One Central, Dubai World Trade Center, Dubai, United Arab Emirates and its telephone number is +971 42241293. Swvl’s principal website address is <https://www.swvl.com>. We do not incorporate the information contained on, or accessible through, the Company’s websites into this Report, and you should not consider it as a part of this Report. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The SEC’s website is [www.sec.gov](http://www.sec.gov).

**Capital Expenditures**

Our capital expenditures amounted to approximately \$1.4 million which includes assets acquired through acquisition of subsidiaries amounted to \$0.5 for the year ended December 31, 2022, approximately \$0.3 million in the fiscal year ended December 31, 2021. Our historical capital expenditures are primarily related to additions and purchases of property and equipment, which included the purchase of fixtures and furniture, leasehold improvements and employee laptops. While we are an asset-light business,

we expect to moderately increase our capital expenditures to meet the expected growth in scale of our business and as we expand geographically and bolster our existing offerings. We expect that cash received in connection with the Business Combination and cash from operating activities and financing activities will be used to meet our capital expenditure and marketing spend needs in the foreseeable future.

## **Recent Developments**

### ***Portfolio Optimization Program***

On May 30, 2022, the Swvl Board announced the Portfolio Optimization Program (the “Portfolio Optimization Program”) which focus on higher profitability enhance efficiency and reduce central costs. That called for strong measures to be taken from the group management which included reduction of head count by 32%, reducing operation capacity in many locations by ceasing B2C in multiple locations and capitalize more on the TaaS offerings, all of those efforts was in direction for the group to be cash flow positive, further, in November 2022 Swvl board announced to completely discontinue operation further in multiple locations and reduce headcount further in the locations that was shut down along with reducing the headcount in central headquarter offices. The program is focusing on the operating markets that generate positive cashflows to enable the group to be cash generating and dependent on working capital rather than equity.

### ***Urbvan Disposition***

On September 7th, 2023, we entered into a definitive agreement with Kolors Inc. (“Kolors”), a leading transport provider in Latin America, to sale our entire holdings in Urbvan Mobility Ltd. (“Urbvan”), for aggregate gross proceeds of \$12 million. Urbvan was acquired by us in July 2022 in an all-share acquisition, and the sale of Urbvan to Kolors is comprised entirely of cash. Pursuant to the agreement, we will receive gross proceeds equal to \$12 million for the sale of Urbvan reduced by \$2.4 million transaction costs. We received \$7.4 million in cash at closing, and the remaining net proceeds will be paid over one year. Urbvan constituted 7% of our IFRS revenues as of December 31, 2022. The sale of Urbvan reflects our strategy to focus on higher priority markets.

### ***Volt Lines Disposition***

Effective January 6, 2023, we and our subsidiary, Swvl Global FZE, entered into a definitive agreement with certain former shareholders (the “Former Volt Lines Shareholders”) of Volt Lines B.V. (“Volt Lines”), a private company with limited liability duly incorporated under the laws of the Netherlands and a Turkey-based B2B and Transport as a service mobility business, to unwind our previous acquisition of Volt Lines. Pursuant to the agreement, the Former Volt Lines Shareholders are not obligated to retransfer or cancel the tranche of their Ordinary Shares already received from the prior acquisition agreement.

### ***Reverse Share Split***

On January 4, 2023, the Swvl Board approved a reverse stock split of our Ordinary Shares, at the ratio of one-for-25 such that every 25 issued Ordinary Shares would be combined into one ordinary share, with a par value of \$0.0025 each (the “Reverse Share Split”). The Swvl Board also approved an amendment and restatement to the Swvl Public Company Articles. The Reverse Share Split became effective on January 25, 2023.

### ***Institutional PIPE Financing***

On August 10, 2022, we entered into a securities purchase agreement with the Institutional Investor pursuant to which we sold 12,121,214 Ordinary at a purchase price of \$1.65 per Ordinary Share, which purchase price included series A and series B warrants of the Company immediately exercisable upon issuance for one Ordinary Share at an exercise price of \$1.65. The series A warrants provide the right to purchase up to 12,121,214 Ordinary Shares for a period of five years. The series B warrants provide the right to purchase up to 6,060,607 Ordinary Shares for a period of two years. A.G.P./Alliance Global Partners acted as the sole placement agent for the Private Placement and received customary compensation for its services, including the issuance thereto of 121,212 Ordinary Shares.

Pursuant to the terms of the securities purchase agreement with the Institutional Investor, we agreed to, among other things, to refrain from (i) issuing, entering into any agreement to issue or announcing the issuance or proposed issuance of certain of our securities (including Ordinary Shares pursuant to the B. Riley Facility) for a period commencing August 10, 2022 until the date that is 60 calendar days after the date that the SEC declares effective the registration statement registering the resale of the Ordinary Shares

and Ordinary Shares issuable upon exercise of the Institutional Investor Warrants (or, in the event of a “review” by the SEC of the Registration Statement, 30 days after the date that the SEC declares the registration statement registering the resale of the Institutional Investor securities effective) and (ii) entering into variable rate transactions (as defined in the securities purchase agreement with the Institutional Investor), subject to certain exceptions, for a period of 12 months after the SEC declares the registration statement registering the resale of the Institutional Investor securities effective.

In connection with the Institutional Investor Private Placement, we also entered into a registration rights agreement (the “Institutional Investor Registration Rights Agreement”), pursuant to which we agreed to, among other things, to (i) file the Institutional Investor Registration Statement no later than August 30, 2022 and (ii) use our reasonable best efforts to cause the Institutional Investor Registration Statement to become effective as promptly as practicable thereafter, and, in any event no later than 90 days after the closing of the Institutional Investor Private Placement.

In connection with the Institutional Investor Private Placement, certain of the directors of the Swvl Board entered into lock-up agreements and agreed not to sell or transfer any of the Ordinary Shares they hold, subject to certain exceptions, during the Restricted Period.

#### ***Termination of Definitive Agreement to Acquire Zeelo***

On July 29, 2022, we and Zeelo LTD. (“Zeelo”) agreed to terminate our previously-announced transaction whereby Swvl would acquire Zeelo. The acquisition transaction was announced on April 28, 2022 and was expected to close in the second quarter of 2022. All pre-completion obligations were met, but following financial market volatility, Swvl and Zeelo mutually agreed to terminate the planned transaction.

Swvl Global FZE, a subsidiary of Swvl, previously funded a \$10,000,880 convertible promissory note to Zeelo. In connection with the termination of the acquisition transaction, Swvl Global FZE and Zeelo mutually agreed to terminate the convertible promissory note and Swvl Global FZE forgave the \$10,000,880 balance thereunder.

#### ***Equity Line Financing***

On March 22, 2022, we entered into an equity line financing pursuant to a common stock purchase agreement with B. Riley pursuant to which B. Riley committed to purchase up to \$471.7 million (the “Total Commitment”) of Ordinary Shares, subject to certain limitations and conditions set forth in the purchase agreement.

Upon the initial satisfaction of the conditions to B. Riley purchase obligation set forth in the purchase agreement (the “Commencement”), including that a registration statement registering under the Securities Act of 1933, as amended (the “Securities Act”), the resale by B. Riley of Ordinary Shares issued to it by Swvl under the purchase agreement, which Swvl agreed to file with the SEC following the B. Riley Closing pursuant to the registration rights agreement, is declared effective by the SEC and a final prospectus relating thereto is filed with the SEC, Swvl will have the right, but not the obligation, from time to time at Swvl’s sole discretion over the 24-month period from and after the Commencement, to direct B. Riley to purchase a specified amount of Ordinary Shares (such specified amount, the “Purchase Share Amount”), not to exceed a daily maximum calculated in accordance with the terms of the purchase agreement.

The per share purchase price for the Ordinary Shares that Swvl elects to sell to B. Riley in a purchase pursuant to the purchase agreement, if any, will be determined by reference to the volume weighted average price of the Ordinary Shares (the “VWAP”), less a discount of 3%.

There is no upper limit on the price per share that B. Riley could be obligated to pay for the Ordinary Shares Swvl may elect to sell to it in any purchase under the purchase agreement. From and after the Commencement, Swvl will control the timing and amount of any sales of Ordinary Shares to B. Riley. Actual sales of Ordinary Shares to B. Riley under the purchase agreement will depend on a variety of factors to be determined by Swvl from time to time, including, among other things, market conditions, the trading price of Swvl’s Ordinary Shares and determinations by Swvl as to the appropriate sources of funding for its business and its operations.

Swvl may not issue or sell any Ordinary Shares to B. Riley under the purchase agreement which, when aggregated with all other Ordinary Shares then beneficially owned by B. Riley and its affiliates (as calculated pursuant to Section 13(d) of the Securities

Exchange Act of 1934, as amended, and Rule 13d-3 promulgated thereunder), would result in B. Riley beneficially owning more than 4.99% of the outstanding Ordinary Shares.

The net proceeds under the purchase agreement to Swvl will depend on the frequency and prices at which Swvl sells its Ordinary Shares to B. Riley. Swvl currently expects that any proceeds received by it from such sales to B. Riley will be used for working capital and general corporate purposes, including to fund acquisitions.

The purchase agreement will automatically terminate on the earliest to occur of (i) the first day of the month next following the 24-month anniversary of the date of the Commencement, (ii) the date on which B. Riley shall have purchased from Swvl under the purchase agreement Ordinary Shares for an aggregate gross purchase price equal to the Total Commitment and (iii) certain other customary termination events. Swvl has the right to terminate the purchase agreement at any time after Commencement, at no cost or penalty, upon five trading days' prior written notice to B. Riley. B. Riley will also have the right to terminate the purchase agreement, at no cost or penalty, upon five trading days' prior written notice to Swvl, if certain events occur or conditions are not met, including if the initial registration statement is not filed or has not been declared effective by the specified deadlines in the registration rights agreement. Swvl and B. Riley may also agree to terminate the purchase agreement by mutual written consent. No provision of the purchase agreement or the registration rights agreement may be modified or waived by Swvl or B. Riley from and after the date that is one (1) trading day immediately preceding the date on which the initial registration statement is initially filed with the Commission.

As consideration for B. Riley's commitment under the purchase agreement to purchase our Ordinary Shares, we issued 386,971 Ordinary Shares to B. Riley and such Ordinary Shares are fully earned and non-refundable, even in the event we do not sell any Ordinary Shares to B. Riley under the purchase agreement.

### ***Creditor Settlement Arrangements***

As part of the Portfolio Optimization Program, ceasing all the growth plans and in order to avoid defaulting under several agreements with different service providers, we entered into settlement arrangements with the parties to reduce aggregate amount of unpaid invoices. The parties offered us a discount of 85% of the original amount owed in return for prompt payment of the new discounted amount. In total we entered into 13 settlement arrangement agreements, totaling to \$18.7 million of discounted fees. As of the date of this report, we are still having discussions with other creditors for more extended payment plans and liability discount in effort of re-capitalizing the group and settle all liabilities that existed before the portfolio optimization program.

## **B. Business Overview**

### **Overview**

We are a technology-driven disruptive mobility company that aims to provide reliable, safe, cost-effective and environmentally responsible mass transit solutions. Our mission is to identify and solve inefficiencies associated with low-quality or sometimes non-existent public transportation infrastructure in urban areas that are in critical need of such services. Our technology and services provide commuters, travelers and businesses with a valuable alternative to traditional public transportation, taxi companies or other ridesharing companies. Through our Swvl platform, we provide thousands of riders per day with a dynamically-routed self-optimizing network of minibuses and other vehicles, helping people get where they need to go.

We currently serve the customers on our platform through two offerings: B2C "business to consumer", comprised of Swvl Retail and Swvl Travel, and leveraging the technology that we use for the B2C offerings, we also offer TaaS enterprise products (marketed as Swvl Business) for businesses, schools, municipal transit agencies and other customers that operate their own transportation programs. These products include, among other things, access to our Swvl Business platform, use of our proprietary technologies, fleet management consulting and reporting services and use of the vehicles and drivers on our network to operate such transportation programs. We package our TaaS products to meet the specific needs of each customer.

Our business was founded on February 8, 2017 by Mostafa Kandil, our Chief Executive Officer, Mahmoud Nouh and Ahmed Sabbah. We launched our first commuter services in Cairo, Egypt in March 2017, before expanding to Alexandria, Egypt the same year. As of December 31, 2021, we have expanded our operations to multiple cities across seven countries, with our Swvl Retail offering available in select cities in Egypt, Kenya, Pakistan and Jordan. In January 2019, we commenced operations in Nairobi, Kenya. Namely, in the second half of 2019, we commenced operations in major cities in Pakistan, including Lahore, Islamabad and Karachi, and relocated our headquarters from Cairo, Egypt to Dubai, United Arab Emirates. In 2020 and 2021, we also launched TaaS offerings in the United Arab Emirates, Jordan, Saudi Arabia and Malaysia.

On May 30, 2022, the Swvl Board announced the Portfolio Optimization Program which focus on higher profitability, enhance efficiency and reduce central costs. That called for strong measures to be taken from the group management which included reduction of head count by 32%, reducing operation capacity in many locations by ceasing B2C in multiple locations and capitalize more on the TaaS offerings, all of those efforts was in direction for the group to be cash flow positive, further, in November 2022 Swvl board announced to completely discontinue operation further in multiple locations and reduce headcount further in the locations that was shut down along with reducing the headcount in central headquarter offices. The program is focusing on the operating markets that generate positive cashflows to enable the group to be cash generating and dependent on working capital rather than equity

## **Offerings**

We currently serve the customers on our platform through two offerings: B2C “business to consumer”, comprised of Swvl Retail and Swvl Travel, and B2B “business to business”, which includes our TaaS and SaaS model.

### **Swvl Retail**

Swvl Retail is our initial core product,. Using our platform, we provide riders with a network of minibuses and other vehicles that operate on fixed and semi-fixed routes throughout the cities we serve. Riders book seats on vehicles available exclusively through Swvl to commute within a city. Riders can book journeys up to five days in advance and pay a fixed rate, determined based on ride distance and anticipated demand, with the option to pay in cash or by credit card or digital wallet. Riders manage their user experience via the Swvl mobile application, through which riders can access and book available trips, track vehicles in real-time, receive an estimated pick-up time, manage payments and access customer support services (the “Swvl Retail”).

### **Swvl Travel**

With Swvl Travel, riders book and take intercity, long-distance trips on either vehicles available exclusively through the Swvl platform or with third-party services marketed through Swvl in exchange for a commission (the “Swvl Travel”).

Both of the above products, together known as our B2C business, use our Swvl mobile application to book rides between pre-defined pick-up points located within or between the cities. Our service is powered by a suite of proprietary technologies that regularly optimize routing, predict rider demand, set pricing and provide a seamless user experience for customers and drivers. We believe that our platform offers a transportation alternative that is more efficient, reliable and safe than traditional public transportation options, at an accessible price point. This has allowed us to grow our business rapidly. As of December 31, 2022, more than 5.4 million users have booked more than 9.4 million rides on Swvl.

### **Swvl Business (TaaS and SaaS)**

In addition to our B2C offerings, we have worked to develop ways of diversifying our revenues and identifying potentially higher-margin offerings. The result is our B2B TaaS and SaaS products, marketed together as Swvl Business. As of December 31, 2022, we have more than 280 corporate contracts across diverse industries, including technology, finance, food and beverage, consulting and healthcare, to use our TaaS products. We also announced plans to expand our Swvl Business offering by introducing SaaS products in 2022, which will allow customers with their own vehicle fleets to utilize the benefits of our platform and technologies.

Swvl Business enables our corporate customers (as well as schools and municipalities) to use Swvl’s technology and platform to optimize the commute and travel programs they operate for their employees (and students). Since Swvl Business uses technology already developed for our B2C offerings, its development and deployment does not (and did not) impose significant additional R&D costs on our business. Our TaaS offerings are targeted at companies that do not operate their own vehicle fleets. With TaaS, we offer dedicated routes (for use exclusively by the organization’s employees and students) using vehicles and drivers already operating on Swvl to transport employees and students to and from their places of work and study. Unlike our B2C offerings, pricing, routing and vehicle allocation are fixed in our agreements with each customer, and only drivers that meet the criteria set forth in these agreements are dispatched to operate on the applicable TaaS routes. Our customers typically pay for our TaaS offerings on a per route basis, with pricing determined based on the length and location of such route and without regard to the number of riders on such route.

We intend to expand our Swvl Business offerings with SaaS in 2023 and 2024. Our SaaS offerings will be targeted at corporate customers (as well as schools and municipalities) that operate their own vehicle fleets, with specific services tailored to the needs of each customer. Our basic offerings will include access to our dedicated Swvl Business application, which centralizes

passenger management, billing, scheduling, data analytics and support functions in one platform. At higher service tiers, we will provide the use of our network optimization and Dynamic Routing technologies as described below, as well as access to our fleet management modules, which will enable our customers to more easily manage their drivers and track their rides. We also plan to offer fleet management consulting and reporting services. We intend to use a tiered cost-plus pricing model for our SaaS products.

As our B2B customers do not pay for TaaS and SaaS services on a per rider or per utilized seat basis, Swvl does not assume any utilization risk on such offerings. As a result, we anticipate that TaaS and SaaS have the potential to be higher-margin offerings, which would allow us to enhance our margins.

## **Market Opportunity and Competitive Advantage**

We believe that traditional modes of public transportation represent a rigid and outdated approach to the needs of the modern world. Particularly in developing countries, existing mass-transit infrastructure often suffers from a combination of being inaccessible, unreliable and unsafe. Urban populations in such countries are often unserved or underserved by public transportation networks. Where access to public transportation is available, many commuters must endure long wait times and inconsistent or delayed service. In turn, commuters and society at large waste hours waiting for transportation. In addition, mass-transit networks often fail to provide a safe travel environment - particularly for women. Overcrowding on vehicles can expose riders to a greater risk of sexual harassment, assault or theft. In fact, the Asian Development Bank's 2015 report, *Policy Brief: A Safe Public Transportation Environment for Women and Girls*, found that 78% of women surveyed in Karachi reported being harassed on public transport at least once over the preceding year.

Alternatives to public transportation are also inaccessible for many commuters. In the markets we serve, such as Egypt, taxi companies and other ridesharing companies generally cater to wealthier customers. While more convenient and safer than public transportation, high prices (even with discounts and promotions) may put these services out of reach for many commuters.

Swvl's B2C strategy is to create new options for mass-transit by occupying the space between traditional public transportation and expensive private options to attract ridership to our platform:

- **Reliability:** In some of our markets, it is common for public buses to wait at stops until buses are full, resulting in unpredictable scheduling and long delays. Because our vehicles operate through a booking system, drivers know exactly how many passengers will board at a given pre-defined pick-up point and do not wait to collect additional riders. We also gather and analyze large amounts of traffic data in the cities we serve to predict travel conditions, which allows riders to receive estimated pickup and arrival times, as well as track their vehicle in real time. In 2022, we maintained an average monthly first station reliability rate of approximately 95.4%, meaning that drivers using our platform arrived on-time (i.e., within five minutes of the estimated time) at the first pick-up point of their daily routes approximately 95.4% of the time.
- **Convenience:** Optimized route planning and scheduling allow us to create and update routes that react to and satisfy rider demand, in contrast to public transportation that operates solely on fixed routes. This means we can ensure that our riders have convenient access to pick-up points. Our Swvl application allows riders to make bookings up to five days in advance, and we offer payment by cash, credit card or digital wallet.
- **Safety:** Safety is an essential part of our value proposition. We recognize that consumers in the markets we serve often feel unsafe on public transportation. We have built our user experience around functionalities designed to increase safety. Our one-passenger-per-seat booking system avoids overcrowding on our vehicles, reducing the likelihood of harassment, assault and theft during rides. Unlike public transportation, the fact that each rider has a unique user account facilitates identification of riders acting improperly, thereby increasing accountability and incentivizing good conduct. Through our Swvl application, riders can share their live ride status with others. We also partner with insurance companies to provide in-ride medical insurance to all riders and drivers using our platform in Egypt and maintain dedicated teams to respond to critical incidents. Our driver engagement procedures are also designed to ensure the safety of our riders, including by requiring drivers using our platform to submit recent criminal record checks and drug tests as part of their engagement process. In order to help ensure the health and safety of drivers and riders using our platform during the COVID-19 pandemic, we ran SMS-based campaigns to educate drivers using our platform on heightened safety measures. Further, we have international SOS and incident intervention teams who are on standby during Swvl's operational hours in select markets to ensure fast response along with the relevant authorities

to any road accidents, incidents or disturbances, subsequently, on account of the Portfolio Optimization Program, a security team was built in-house with the same duties and responsibilities in Egypt.

- *Comfort*: We also differentiate our customer experience on the basis of comfort. Riders are guaranteed a seat, which eliminates crowding and the need to stand during rides. All vehicles must meet specific criteria relating to age, distance traveled, maintenance history and overall condition before being allowed to operate on our platform.
- *Value*: Our services are priced to be accessible to a large rider base and cheaper than taxis or other ridesharing companies in the markets we serve.

Our main source of competition is public transportation. We strive to harness the competitive advantages of our offerings described above to convert users of public transportation into users of our platform. We also compete against taxi companies and traditional ridesharing platforms, such as Uber. By offering comfortable, reliable and safe rides at an accessible price point, our offerings aim to attract users of single-rider services by offering a lower-cost alternative that offers a better rider experience than public transportation.

In the markets we serve, the mass-transit ridesharing industry is a relatively new phenomenon, and as a result there are a small but growing number of businesses that offer services equivalent to ours. Examples of such businesses include Via, Flixbus and Shuttl. We believe that the technology powering our offerings (please see the section entitled “Our Technology” below), as well as our early entry into the mass-transit ridesharing space (and the network effects that such early entry enables), have allowed and will allow us to scale our business efficiently, in turn enabling us to create and maintain a strong competitive position in the markets in which we operate.

In addition to our B2C business, we have expanded our market opportunity by targeting corporate clients through our Swvl Business (TaaS) offerings. We believe Swvl Business products offer a comprehensive solution to the inefficiencies that commonly affect businesses (as well as schools and municipalities) operating commute and travel programs for their employees (and students). Many companies rely on large vehicle fleets to compensate for unoptimized and rigid routing. Poor fleet utilization - such as using large buses to accommodate a relatively small number of passengers - drives up per-rider costs. Traditional dispatching infrastructure and the associated administrative burdens, including manual data collection, invoice reconciliation and inconsistencies in records, contribute to costly and time-consuming process management. With our TaaS and SaaS offerings, we compete with other ridesharing companies, such as Via.

We also believe the diversity of our offerings is a key competitive advantage. Whereas other companies in the ridesharing industry focus on one or two product categories (such as intracity and intercity B2C offerings), our offerings include intracity (i.e., Retail) and intercity (i.e., Travel) B2C offerings as well as B2B offerings, which provide our business with multiple avenues for growth.

## **Our Technology**

Our technology is a critical component of our business proposition. Our ability to provide a seamless experience for our riders and drivers, to effectively predict rider demand, to create efficient, high-Utilization route plans and to price our offerings accordingly depends on ongoing innovation and the effectiveness of our data analysis, modeling and algorithms.

Our technology and business model also depend in part on our relationships with third party product and service providers. For example, we rely on third parties to fulfill various marketing, web hosting, payment, communications and data analytics services to support our platform. We also incorporate third party software into our platform. When selecting third party technology providers, we focus on affordability, reliability, efficiency, optimization and cohesion with our platform, and believe our existing relationships with such providers are critical to our ability to execute our business strategy.

## **Access to Our Platform**

Drivers and riders that utilize our platform do so through our mobile application. Riders use our application to access available trips, select pick-up and drop-off locations, schedule trips in advance and to pay.

In addition, riders can use our application to track their vehicle in real time or quickly view the walking route and time to their scheduled pick-up point. Drivers use our mobile application to access upcoming and past trips, check riders in and out of their vehicle and access training modules and support.

### ***Demand Identification and Prediction***

We use our proprietary network optimization model to create, optimize and effectively price the routes we offer. This model employs machine learning algorithms to predict and identify latent and existing demand within cities. Our algorithms segment cities into equally-sized areas that serve as the basic unit of analysis we use to build our network. We run regression analyses to identify major demand pairings between segments, and use in-app search data and other tools, such as mobile data and social media, to understand the potential magnitude of riders' movement between these segments. This process allows us to determine where to run new routes, where to reactivate discontinued routes and where to add or remove capacity.

### ***Route Creation and Optimization***

Based on this demand identification and prediction analysis, our proprietary, machine learning and regularly adapting model defines optimal routes to maximize conversion of demand into ridership, minimize overlap between routes, minimize walking distance to our pick-up points and define the right time to deploy vehicles. An algorithm then automatically sets vehicle routes and pick-up points in a manner designed to maximize vehicle Utilization and earnings and to pair drivers with routes that are convenient to their location in the city. Our monthly Utilization rate, measured as the Total Bookings in a given month divided by Total Available Seats in such month, was approximately 81% in December 2022, up from approximately 78% in January 2022.

In an attempt to ensure maximum vehicle Utilization and driver convenience and to minimize per-kilometer costs, we also use machine learning algorithms to "stitch" multiple routes into a single daily plan for each vehicle. Each plan consists of two to six separate routes, allocated to vehicles to minimize travel time between the end of one route and the beginning of another. The routes that comprise a single plan may consist of Swvl Retail, Swvl Travel or Swvl Business (TaaS) routes. By sequencing routes this way, we are able to increase the time drivers spend on routes (as opposed to moving between routes) and thereby increase the revenue vehicles using our platform can produce each day. The plan-creation algorithm is also designed to ensure that the end point of each plan is proximate to the starting point, which helps to minimize the time vehicles spend unutilized as drivers return home and to keep drivers using our platform. We believe that this planning function has helped to maintain strong rates of driver retention.

Once plans are created, their allocation is determined at the beginning of each week using a smart assignment system. Using our platform, drivers (or the third party vehicle operators that employ them) bid on their desired route plan based on their pricing, scheduling and location preferences. A recommendation engine matches the plans with each driver or vehicle operator based on these preferences and expected overall cost (including the bid price). High-performing drivers and vehicle operators also receive preference for more convenient route plans and are eligible for bonus payments.

### ***Dynamic Routing***

We also employ Dynamic Routing, a proprietary computational algorithm, to enable us to adapt to emerging demand pockets as our vehicles move through a city. Dynamic Routing creates new, temporary pick-up points near prospective riders, and updates routing accordingly in real-time to maximize demand capture. By creating new pick-up points close to prospective riders, Dynamic Routing reduces walking distances to such points, increasing the likelihood a rider will book a particular ride. In determining whether to update a route, Dynamic Routing ensures that any route updates do not result in breaches of estimated arrival times quoted to riders already aboard.

### ***Pricing***

We employ a proprietary machine learning model to dynamically set pricing for rides and maximize per-vehicle revenue, akin to the models used in the airline industry. We use a variety of data, such as expected vehicle Utilization at the time of ride, user convenience (measured as the median walk to station time for each ride search), user churn probability (an estimate of the likelihood of a user to significantly decrease his or her number of bookings based on historical data, built through a machine learning algorithm) and other variables, to determine the appropriate price point and to update pricing in real time. For example, ride pricing is increased during peak hours where an increase is not expected to impact overall Utilization, and prices are decreased during periods of low demand to increase Utilization and revenue. For our B2B customers, we use a similar approach but our prices are forecasted for a longer period of time to cover the duration of the service period including an adjustment for inflation and currency devaluation.

## **Fleet Management**

Our technology also includes backend software that we use to support our drivers with various features on our platform, including training modules, trip management, rider check-in and checkout at pick-up and drop-off locations and 24/7 support. For our SaaS offering, among other things, we intend to provide similar fleet management services to corporate customers (as well as schools and municipalities) that operate their own vehicle fleets by granting such customers access to these features on our platform. For example, we intend to include a driver management module that allows such customers to add, train and manage their driver employees on the platform, edit driver information, and collect relevant documents, in addition to providing payment configurations and customer support. We also intend to include a ride management module that allows such customers access to features related to configuring, pricing, monitoring, distance and time tracking, and backup management in the event a driver does not arrive at a pickup or drop-off location.

## **Vehicles and Drivers**

Our business model depends on having a sizable network of drivers who use our platform available for our riders. As Swvl does not itself own any vehicles or employ any drivers, we rely on individual drivers with their own vehicles and third party vehicle operators that own or lease vehicles and employ drivers. As a result, we have strived to create a seamless user experience for drivers and vehicle operators that incentivizes continued use of our platform. Individual drivers and third party vehicle operators have access to a dedicated mobile application that allows them to bid on preferred route plans and to have visibility of their expected earnings. Drivers and vehicle operators are matched with route plans on the basis of their preferences and overall cost. To incentivize performance, high-performing drivers and vehicle operators are more likely to be matched to their preferred route plan. Drivers (or the vehicle operators that directly employ them) are paid on a fixed, per route basis, which means their earnings are not tied to the number of riders aboard at any given time.

We believe our development of route optimization technology provides a key incentive for vehicle operators and drivers to use our platform. By optimizing our plans, cross-dispatching across B2C and TaaS routes and reducing the amount of time drivers spend moving between routes (as well as assigning routes so that drivers complete their route plans near their homes), we are able to increase the number of drivable routes per day and maximize earnings. We believe this has contributed to our strong rates of driver retention.

In addition, we aim to offer a safe, clean and comfortable travel environment for our riders. Vehicles must meet specific criteria relating to age, distance traveled, maintenance history and overall condition before being allowed to operate on our platform. When new drivers first begin to use our platform, they are similarly subject to various screening procedures. Each driver utilizing our platform is required to hold a commercial license to operate their vehicles and complete our engagement process. Drivers are also held to strict standards of conduct while driving on our platform.

## **Growth Strategy**

- **Geographic Expansion:** We aim to become the pre-eminent mass-transit provider in emerging and developed markets. Our growth strategy is to identify opportunities for market entry in countries and cities where we can leverage the competitive advantages of our technology and platform. We examine factors such as total addressable market size and average fare per trip to assess whether expansion offers a viable path to profitability. We also review the quality of existing public transportation infrastructure to assess ease of market penetration and convertibility of public transportation users to our platform. For our Swvl Travel offering, we also assess factors such as the number of large cities in a country and the frequency of intercity travel to understand potential market size. Other considerations, such as ease and cost of doing business, as well as political stability, also factor into our expansion planning. We follow a standardized plan for market entry, premised on rapid commencement of operations and building scale across similar socio-economic blocks and regions.
- **Continued Innovation:** We are consistently working to improve our proprietary technology. As our optimization of demand prediction, routing and pricing improves, our user base, Utilization rates and customer experience are expected to improve. We expanded our overall Utilization rate from 48% in January 2018 to 81% in December 2022, while reducing inefficiency costs and improving our margins. We believe that this innovation is essential to our success and profitability.
- **Category Expansion:** We frequently consider how our core assets - our technology, access to a large vehicle fleet and customer base - can be leveraged to generate new streams of revenue while minimizing incremental R&D costs.

## **Marketing**

Our marketing strategy is focused on expanding ridership in existing markets while rapidly accelerating brand awareness in new territories. We utilize a multi-channel approach, built on a foundation of digital marketing, to develop awareness of our offerings and expand our user base.

Since drivers and riders using our platform are internet-connected, we believe a digital-focused marketing approach offers the most effective means of accessing our target demographics in a cost-effective manner. Our advertising is conducted primarily through social media campaigns and placed web advertisements. We also rely on search engine optimization and application marketplace optimization tools to build and maintain the prominence of our brand. We offer various incentives from time to time, such as promotions for new riders and discounts for bulk purchases or specific trips. We also operate a referral program that offers incentives for riders to refer new users.

In new markets, we also advertise our offerings through offline advertising, such as billboards and events at public venues (such as shopping malls) where we host promotional events, giveaways and conduct in-person account activations.

In addition to the above, our marketing team is responsible for developing and maintaining partnerships with other businesses, such as telecom companies, which allows us to deploy promotions and incentives to the customers of such businesses.

## **Intellectual Property**

The protection of our technology, including as described above under “Our Technology”, and other intellectual property is an important aspect of our business. We seek to protect our intellectual property through trademark and copyright laws as well as confidentiality agreements, other contractual commitments and security procedures. We enter into confidentiality and intellectual property assignment agreements with certain employees to control access to, and clarify ownership of, our technology and other proprietary information. We regularly review our technology development efforts and branding strategy to identify and assess options for protection of new intellectual property.

Intellectual property laws, contractual commitments and security and technical procedures provide only limited protection, and any of our intellectual property rights may be challenged, invalidated, circumvented, infringed or misappropriated. Further, intellectual property laws vary from country to country, and we are in the process of transferring our intellectual property from Egypt to other jurisdictions in which we operate. Therefore, in other jurisdictions, we may be unable to adequately protect certain rights in our proprietary technology, brands, or other intellectual property from use by unauthorized entities or individuals. Please see the section entitled “Item 3D. Risks Related to Regulatory, Legal and Tax Factors Affecting Swvl-Failure to protect or enforce Swvl’s intellectual property rights could harm Swvl’s business, financial condition and operating results.”

## **Data Protection and Privacy**

Swvl has made commitments to protect and respect the personal data and privacy of all of our external users. Our business depends on the collection, storage, transmission, use and processing of personal data of Swvl’s users’ and other sensitive information. As a result, our ability to protect such data and comply with the numerous laws, rules and regulations related to the collection, storage, transmission, use and other processing of such data is integral to our operations.

We are in the process of developing systems and processes that are designed to protect users’ data, prevent data loss and prevent other privacy or security breaches. These measures, however, cannot guarantee security and may not be effective against all cyberattacks or breaches. For example, in July 2020, by exploiting a breach in certain third-party software used by Swvl, unauthorized parties gained access to a Swvl database containing personal data of its riders. While such breach has not had a material impact on Swvl’s business or operations and Swvl has since implemented measures to prevent a similar data breach, unauthorized parties may further exploit the breached information and may in the future gain access to Swvl’s systems or facilities through various other means.

We are also obligated to comply with all applicable laws, regulations and other obligations relating to privacy, data protection and information security. These laws, rules and regulations evolve frequently and their scope may continually change, through new legislation, amendments to existing legislation and changes in enforcement, and may be inconsistent from one jurisdiction to another and may conflict with each other. Nevertheless, we maintain and provide our users with a copy of our privacy policy, which is intended to succinctly describe the type of information we collect and how we use such information (including restrictions on

disclosure and sharing of such information), as well as our security policies and procedures. We periodically update our privacy policy to reflect changes required by law or changes in the way we intend to collect or use information.

For more information on the risks related to data protection, data security and privacy as they relate to our business, please see the section entitled “Item 3D. Risk Factors.”

## **Insurance**

We maintain insurance policies with global insurance providers to provide in-ride medical coverage to all riders and drivers in our Egypt market. We also provide comprehensive health and life insurance to employees in Egypt and Saudi Arabia. Also we provide directors’ and officers’ insurance for the board of directors of Swvl Holdings. We are currently in the process of obtaining other forms of insurance, such as general business liabilities. Please see the section entitled “Item 3D. Risk Factors-Risks Related to Operational Factors Affecting Swvl- Swvl has not historically maintained insurance coverage for its operations. Swvl may not be able to mitigate the risks facing its business and could incur significant uninsured losses, which could adversely affect its business, financial condition and operating results.”

## **Government Regulation**

We are subject to a wide variety of laws and regulations in the jurisdictions in which we operate. The ridesharing industry and our business model are relatively nascent and rapidly evolving. New laws and regulations and changes to existing laws and regulations continue to be adopted, implemented and interpreted in response to our industry and related technologies. We strive to comply with all laws and regulations applicable to our operations, and believe that we are in compliance with such laws and regulations in all material respects, other than as described below.

While Swvl is not aware of any material limitations on foreign investment in the jurisdictions in which it operates, Swvl is required to comply with certain regulations related to such investment. In particular, in Jordan, non-Jordanian investors are restricted from wholly owning any project or business venture that involves certain trade, construction or services activities. While Swvl does not intend to engage in any such activities in Jordan, the organizational documents of the entity that currently conducts Swvl’s operations in Jordan erroneously includes certain restricted activities as potential objectives of such entity. Prior to the Portfolio Optimization Program (Phase 2) Such entity is was in the process of amending its organizational documents such that Swvl will be permitted to acquire and hold all of the equity thereof. As part of the aforementioned Program, Swvl ceased operations in Jordan .In addition, in the United Arab Emirates, foreign investors are required to operate via an onshore licensed entity or an onshore branch of a foreign or free zone entity. Swvl has established such an onshore branch and has obtained the requisite licenses and approvals for such branch’s operations. Swvl may become subject to additional limitations and regulations as it expands its operations in the jurisdictions in which it operates and into new jurisdictions, and such limitations and regulations may impair Swvl’s ability to operate effectively in such jurisdictions.

In Egypt, Swvl is subject to Law No. 87 of 2018 and the Executive Regulation by Presidential Decree No. 2180 of 2019 (collectively, “Egyptian Ridesharing Laws”). Pursuant to such Egyptian Ridesharing Laws, Swvl-as well as any other land transport service company in Egypt that utilizes information technology-is required to obtain a license issued by Egypt’s Land Transport Regulatory Authority (the “Egyptian LTRA”). While companies were required under the Egyptian Ridesharing Laws to obtain such licenses by December 12, 2018, the Egyptian LTRA was not established until June 11, 2019, On December 12, 2019, Swvl submitted an application to the Egyptian LTRA, seeking the required license. In May 2023, Swvl received the first license issued by the Egyptian LTRA under Law No. 87 of 2018, and has since been in full compliance with the Egyptian Ridesharing Laws. The license remains valid through May 2028, subject to remaining compliant with all license requirements.

We are also subject to a number of laws and regulations specifically governing the internet and mobile devices that are constantly evolving. Existing and future laws and regulations, or changes thereto, may impede the growth and availability of the internet and online offerings, require us to change our business practices or raise compliance costs or other costs of doing business. These laws and regulations, which continue to evolve, cover taxation, privacy and data protection, pricing, copyrights, distribution, mobile and other communications, advertising practices, consumer protections, the provision of online payment services, unencumbered internet access to our offerings and the characteristics and quality of online offerings, among other things. In particular, as we expand our operations internationally, we expect to become subject to the EU General Data Protection Regulation (“GDPR”), which regulates the collection, control, sharing, disclosure, use and other processing of personal data and imposes stringent data protection requirements and significant penalties, and the risk of civil litigation, for noncompliance. The GDPR has resulted in and will continue to result in significantly greater compliance burdens and costs for companies with users and operations in the European

Union. As we expand our business internationally, we will become subject to these costs and burdens in an effort to ensure that our operations are GDPR compliant.

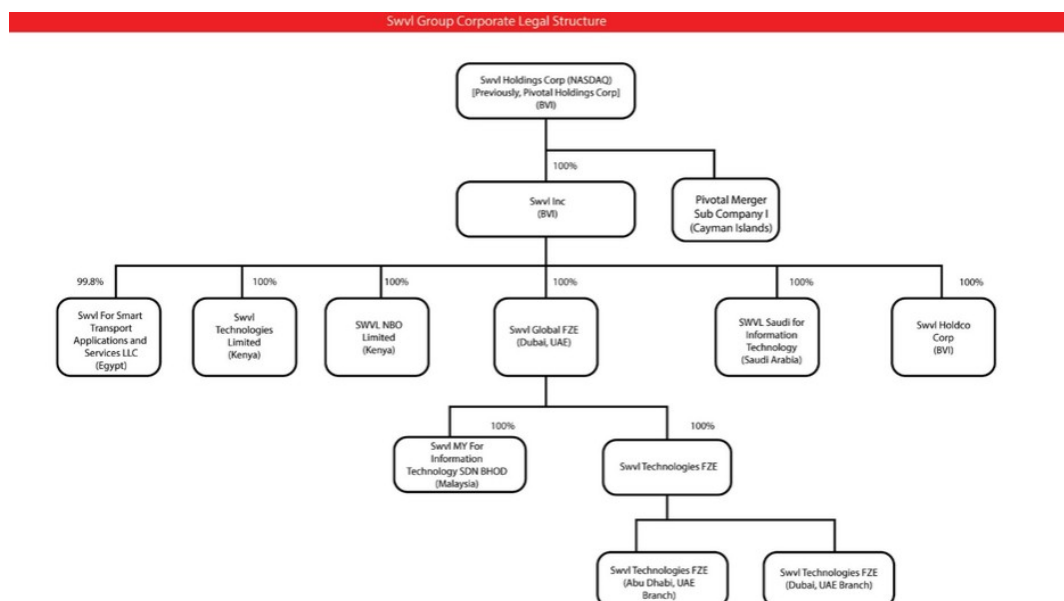
In addition to these laws and regulations that apply specifically to the mass-transit ridesharing industry, related technology, the internet and related regulations, our business operations are subject to other broadly applicable laws and regulations governing such issues as labor and employment, anti-discrimination, worker confidentiality obligations, consumer protection, taxation, competition, unionizing and collective action, background checks, anti-corruption, anti-bribery, import and export restrictions, environmental protection, sustainability, trade and economic sanctions, foreign ownership and investment and foreign exchange controls. Please see the section entitled “Item 3D. Risk Factors- Risks Related to Regulatory, Legal and Tax Factors Affecting Swvl -Swvl is subject to various laws relating to anti-corruption, anti-bribery, anti-money laundering, and countering the financing of terrorism and has operations in certain countries known to experience high levels of corruption. Swvl has not implemented, or has only recently implemented, certain policies and procedures for the operation of its business and compliance with applicable laws and regulations, including policies with respect to anti-bribery and anti-corruption matters and cyber protection.”

As we continue to expand our platform offerings and user base, we may become subject to additional laws and regulations, which may differ or conflict from one jurisdiction to another. Please see the section entitled “Item 3D. Risk Factors- Risks Related to Regulatory, Legal and Tax Factors Affecting Swvl - As Swvl expands its offerings, it may become subject to additional laws and regulations, and any actual or perceived failure by Swvl to comply with such laws and regulations or manage the increased costs associated with such laws and regulations could adversely affect Swvl’s business, financial condition, and operating results.”

### **C. Organizational Structure**

Swvl Holdings Corp is a British Virgin Islands business company incorporated under the laws of the British Virgin Islands. Swvl Holdings Corp has ten wholly-owned subsidiaries and two majority-owned subsidiaries. Swvl Holdings Corp’s wholly owned subsidiaries are: Swvl Inc., a British Virgin Islands business company incorporated under the laws of the British Virgin Islands; Pivotal Merger Sub Company I, a Cayman Islands exempted company with limited liability; SWVL NBO Limited, a private limited company organized under the laws of Kenya; SWVL Saudi for Information Technology, a single person limited liability company organized under the laws of Saudi Arabia; Swvl Technologies Limited, a private limited company organized under the laws of Kenya; Swvl Global FZE, a limited liability company organized under the laws of Dubai; SWVL Technologies FZE, a limited liability company organized under the laws of Dubai and a directly wholly owned subsidiary of Swvl Global FZE; Swvl Holdco Corp, a British Virgin Islands business company incorporated under the laws of the British Virgin Islands; and Swvl MY For Information Technology SDN BHD, a company limited by shares organized under the laws of Malaysia. Swvl For Smart Transport Applications and Services LLC, a limited liability company organized under the laws of Egypt, in which Swvl Holding Corp’s wholly owned subsidiary Swvl Inc. holds 99.8% of the outstanding equity interests.

A diagram of Swvl's group structure, as described above, is provided below:



#### D. Property, Plants and Equipment

We lease approximately 13,391 square feet of office space for our corporate headquarters, located at the Offices 4 at One Central, Dubai World Trade Center, Dubai, United Arab Emirates. Our existing headquarters lease expires on September 14, 2024, which we expect to extend to December 31, 2026, including in connection with an office expansion plan for our headquarters. In addition, we leased various office spaces across different cities in: Egypt, Pakistan, Kingdom of Saudi Arabia, Jordan, Malaysia and Kenya during 2022 which have been vacated subsequently with the exception of our office space in Egypt and Dubai. The phone number for our headquarters is +971 42241293. We have subleased approximately 10,417 square feet of our office space in Dubai due to the reduced headcount on account of the Portfolio Optimization Program, we intend to keep the remaining office space for Swvl's use.

#### ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

#### ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion and analysis of Swvl's financial condition and results of operations together with Swvl's consolidated financial statements and the related notes thereto included elsewhere in this Report. The following discussion and analysis is based on Swvl's financial information prepared in accordance with IFRS as issued by the IASB and related interpretations issued by the IFRS Interpretations Committee. Some of the information contained in this discussion and analysis or set forth elsewhere in this Report, including information with respect to Swvl's plans and strategy for Swvl's business, includes forward-looking statements that involve risks and uncertainties. Actual results could differ materially from the results discussed in the forward-looking statements. Please see the sections titled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" for a discussion of the risks, uncertainties and assumptions associated with these statements and for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. Swvl's historical results are not necessarily indicative of the results that may be expected for any period in the future.

Unless the context otherwise requires, for the purposes of this section, “Swvl”, “we”, “us”, “our”, or the “Company” refer to the business of Swvl Holdings Corp and its subsidiaries, “FY 2022” refers to the fiscal year of Swvl ended December 31, 2022, “FY 2021” refers to the fiscal year of Swvl ended December 31, 2021.

## **Factors Affecting Our Business and Results of Operations**

We believe that our future performance and success depend to a substantial extent on the following factors, each of which is in turn subject to significant risks and challenges, including those discussed below and in the section of this Report entitled “Item 3D. Risk Factors.”

### ***Our ability to cost-effectively retain and increase the number of riders who use, and their utilization of, our platform, and increase our share of their transportation spend.***

We grow our business by attracting new riders to our platform (i.e., unique users taking their first ride with Swvl) and increasing their usage of our platform over time. As a result, the number of riders on our platform and their utilization of our offerings are the key drivers of our B2C business. Our ability to cost-effectively attract new riders and retain and increase the use of our platform by existing riders is critical to scaling our business. More riders accessing offerings on our platform and greater utilization drive increased revenue and profitability. We seek to increase both the number of riders on our platform and the usage of our platform through product innovation, improved user experience, and additional offerings.

While we anticipate this increasing level of investment will drive growth through word-of-mouth referrals, we also continue to invest in brand and growth marketing, as well as the use of paid marketing initiatives, rider and driver incentives and marketing partnerships with third parties in an effort to attract new riders to our platform and to enhance rider Utilization (calculated as Total Bookings divided by Total Available Seats, over the period of measurement). New riders in each of FY 2021 and FY 2022 accounted for approximately 18.2% and 27% of our Total Ticket Fares (as defined below), respectively. Once riders start using Swvl, we seek to provide a quality experience and a diverse offering of routes and products to accommodate different transportation use cases in order to retain riders and encourage repeat usage.

We also grow our business by attracting new companies to our B2B offering and increasing their usage over time. As a result, the number of corporates with Swvl and their size (i.e. how many seats they require over a period of measurement) are the key drivers of our B2B business. Swvl added more than 100 corporate contracts during 2022 in multiple locations.

If we fail to continue to attract riders to our platform and grow our rider base from individuals and corporates, expand riders’ usage of our platform over time or increase our share of riders’ transportation spend, our results of operations would be harmed.

### ***Our ability to cost-effectively attract and retain drivers to use our platform, or to increase utilization of our platform by existing drivers.***

Growing the number of drivers enables us to increase the number of routes on our network, thereby increasing the aggregate earnings potential for drivers and third party vehicle operators while simultaneously improving access and availability for riders. Our ability to maintain and grow our driver base and increase driver utilization of our platform depends in part on our ability to continue to deliver meaningful earning opportunities for drivers and third party vehicle operators who use our platform, as well as our ability to provide a seamless user experience for drivers that incentivizes continued use of our platform. We therefore continue to invest in developing technology that is intended to not only allow drivers and vehicle operators to maximize earnings while using our platform, but also improves the day-to-day experience for those drivers.

For instance, we believe our development of route optimization technology provides a key incentive for drivers and third party vehicle operators to use our platform. By optimizing our plans, cross-dispatching across B2C and B2B routes and reducing the amount of time drivers spend moving between routes (as well as assigning routes so that drivers complete their route plans near their homes), we are able to increase the number of drivable routes per day and increase drivers’ and vehicle operators’ earnings. We believe this has contributed to our strong rates of driver retention.

Additionally, maintaining and continuing to grow our base of drivers is critical to delivering a quality experience on our platform. The more dedicated and able drivers that decide to use our platform, the more routes and rides we are able to provide. We also believe this allows us to maintain high quality service and low wait times. Our incentive programs to attract qualified drivers include bonus payments and other incentives to high-performing drivers and vehicle operators. During the COVID-19 pandemic, we provided temporary financial assistance to support drivers using our platform.

Our ability to grow and retain drivers is linked to our ability to maintain and increase the number of riders on our platform. We believe that the more riders we have on our platform, the easier it can be to maintain and attract new drivers to our platform. If we fail to continue to attract drivers to our platform and grow the number of routes we offer, riders' usage of our platform may decrease and our results of operations would be harmed. In addition, when we enter a new market, we typically need to make significant upfront investments to drive sufficient scale of drivers in order to establish a functioning marketplace for our riders, which could adversely affect our results of operations in the periods in which such investments are made and delay our efforts to achieve profitability.

***Our ability to successfully develop new offerings on our platform and enhance our existing offerings.***

As part of our business, we consider how our core assets - our technology, access to a large vehicle fleet and our customer base - can be leveraged to generate new streams of revenue while minimizing incremental costs. For example, we initially launched with our core B2C retail offering, through which we connect riders using our platform to a network of minibuses and other vehicles that operate on fixed and semi-fixed routes within the cities we serve. We have since expanded our B2C offerings to include Swvl Travel, which allows riders to book and take intercity, long-distance trips.

We have also diversified our revenues beyond B2C offerings with our TaaS enterprise products, which are marketed as Swvl Business and which have historically been higher-margin products. Swvl Business enables our corporate customers (as well as schools and municipalities) to use Swvl's technology and platform to optimize the commute and travel programs they operate for their employees (and students). Since Swvl Business uses technology already developed for our B2C offerings, its development and deployment does not (and did not) impose significant additional R&D costs on our business. We currently intend to expand our Swvl Business offerings with SaaS in 2023. Our SaaS offerings are expected to be targeted at corporate customers (as well as schools and municipalities) that operate their own vehicle fleets, with specific services tailored to the needs of each customer. We currently intend for our basic offerings to include access to our dedicated Swvl Business application, which centralizes passenger management, billing, scheduling, data analytics and support functions in one platform. At higher service tiers, we currently intend to provide the use of our network optimization and Dynamic Routing technologies, as well as access to our fleet management modules, which will enable our customers to more easily manage their drivers and track their rides. We also currently plan to offer consulting and reporting services. We intend to use a tiered cost-plus pricing model for our SaaS products, which we expect will allow us to enhance our margins.

***Our ability to invest effectively in technology and research and development and to successfully integrate them into our business.***

Our technology is a critical component of our business proposition. Our ability to provide a seamless experience for our riders and drivers, to effectively predict rider demand, to create efficient, high-utilization route plans and to price our offerings accordingly depends on ongoing innovation and the effectiveness of our data analysis, modeling and algorithms. As a result, we have made, and will continue to make, significant investments in research and development and technology in an effort to improve our platform and to attract and retain drivers and riders, expand the capabilities and scope of our offerings, and enhance our customer experience. We review and target our research and development activities on an ongoing basis based on the needs of our business. We believe that continued optimization of demand prediction, routing and pricing can improve our user base, utilization rates and customer experience, which we believe in turn can reduce inefficiency costs and improve our margins.

Our engineers and data scientists are critical to the success of our business and we will continue to invest in these areas. In addition, we will continue to dedicate significant resources to research and development efforts, focusing on continuing to improve our proprietary technology and developing innovative applications.

***Our ability to operate in distinct geographic markets and our ability to expand into new markets.***

Our capacity for continued growth and ability to achieve and maintain profitability depends in part on our ability to operate and compete effectively in different geographic markets. Each market is subject to distinct competitive and operational dynamics. These include our ability to offer more attractive transportation offerings than alternative options, our ability to efficiently attract and retain drivers and riders, ride length and the number of routes available on our platform, all of which affect our sales, results of operations and key business metrics. As a result, we may experience fluctuations in our results of operations due to the changing dynamics in the geographic markets where we operate.

Since our founding, we have been able to expand into new geographies and markets. Since 2017, we expanded our operations to 115 cities, however, on account of the Portfolio Optimization Program, certain entities were discontinued as below:

On August 18, 2021, we entered into a definitive agreement to acquire a controlling interest in Shotl, a mass transit platform that partners with municipalities and corporations to provide on-demand bus and van services in Europe, Latin America and the Asia Pacific region, which expanded our geographic footprint to 22 additional cities in 10 countries. The transaction closed on November 19, 2021. Subsequently, as part of the Portfolio Optimization Program, Shotl's shares were sold by the group back to the original shareholders, this transaction was approved and finalized in the fiscal year of 2023.

On November 16, 2021, we entered into a definitive agreement to acquire a controlling interest in Viapool, a mass transit platform currently operating in Buenos Aires, Argentina and Santiago, Chile. The transaction closed on January 14, 2022. Subsequently, as part of the Portfolio Optimization Program, it was decided in December 2022 that Viapool and its subsidiaries will be liquidated. The liquidation process is expected to be completed within the fiscal year of 2023.

On 3 June 2022, we acquired 100% of the shares of Blitz B22-203 GmbH, a company based in Germany which subsequently acquired 100% of the shares of Door2Door GmbH, a mass transit platform operating in Germany. As part of the Portfolio Optimization Program, it was decided in December 2022 that both companies will be liquidated. Both companies filed for insolvency in December 2022, which was accepted by the German government and proceeded in 15 March 2023, the process is still ongoing to the date of this report.

On April 26, 2022, Swvl announced a definitive agreement to acquire a controlling interest in Volt Lines, a B2B mobility platform that manages a rider app and a driver app that operates in Turkey. The transaction closed on April 19, 2022. Subsequently, as part of the Portfolio Optimization Program, it was decided in December 2022 that the shares would be sold back by the group back to the original shareholders, this transaction was completed on January 6, 2023.

During December 2022, as part of the Portfolio Optimization Program, it was decided that Swvl entities in Kenya, Jordan and Malaysia under the trading names of "Swvl NBO Limited", "Swvl Technologies Ltd", "Smart Way Transportation LLC" and "Swvl MY For Information Technology" would be liquidated. The liquidation process is still ongoing till the date of this report and expected to be completed no later than the first quarter of 2024.

During the fiscal year of 2023, the group approved the sales of the subsidiary operating in Pakistan, Swvl Pakistan (Private) Ltd. ("Swvl Pakistan"), and the sale to Mr. Danish Elahi was completed on April, 15, 2023.

Further, during the fiscal year of 2023, we have sold Urbvan Mobility Ltd, our entity in Mexico as means of refinancing the group.

***Our ability to compete effectively.***

We operate in a competitive market and must continue to compete effectively in order to grow, improve our results of operations and achieve and maintain long-term profitability. Our principal source of competition is public transportation. We strive to harness the competitive advantages of our offerings to convert users of public transportation into users of our platform. We also compete against taxi companies and traditional ridesharing platforms, such as Uber. By offering comfortable, reliable and safe rides at an accessible price point, our offerings aim to attract users of these single-rider services by offering a lower-cost alternative that offers a better rider experience than public transportation. We believe we have differentiated our business from these competitors by building a diverse set of offerings on a transportation network at scale, while upholding our culture and values and creating a brand that embodies a commitment to exceptional offerings and social responsibility. However, we must continue to respond to competitive pressures. Consequently, we intend to keep investing in our platform to attract and retain drivers and riders, and respond to shifts in competitors' pricing levels, revenue models or business practices. If we are not able to compete effectively with our competitors, including our main competition of public transportation, our results of operations will be harmed.

***Our ability to maintain and continue developing our reputation and to promote brand awareness and to optimize driver and rider incentives.***

We believe that maintaining and enhancing our reputation and brand is critical to our ability to attract and retain employees and platform users. A core component of our marketing strategy involves focusing on expanding ridership in existing markets while rapidly accelerating brand awareness in new territories. We utilize a multi-channel approach, built on a foundation of digital

marketing, to develop awareness of our offerings and expand our user base. We use a digital-focused marketing approach because we believe it offers the most effective means of accessing our target demographics in a cost-effective manner. Our advertising is conducted primarily through social media campaigns and placed web advertisements. We also rely on search engine optimization and application marketplace optimization tools to build and maintain the prominence of our brand. In new markets, we also advertise our offerings through offline advertising, such as billboards and events at public venues (such as shopping malls) where we may host promotional events, giveaways and conduct in-person account activations. We also seek to develop and maintain partnerships with other businesses, such as telecom companies, that allow us to deploy promotions and incentives to the customers of such businesses. We monitor the effectiveness of our marketing spend via several metrics, including customer acquisition cost.

We offer various incentives from time to time, such as promotions for new riders and discounts for bulk purchases or specific trips. We also operate a referral program that offers incentives for riders to refer new users.

***The impact of uncertainties with respect to government laws, policies and regulations in the markets in which we operate.***

We are subject to a wide variety of laws in the jurisdictions in which we operate. The ridesharing industry and our business model are relatively nascent and rapidly evolving. Regulations have impacted or could impact, among others, the nature of and scope of offerings we are able to make available through our platform, the pricing of offerings on our platform, our relationship with, and incentives, fees and commissions provided to or charged from, drivers, incentives provided to riders, our ability to operate in certain segments of our business, our ownership percentage in operating entities that may be subject to foreign ownership restrictions and insurance we are required to maintain. For example, in Egypt we are subject to licensing and other requirements under Law No. 87 of 2018 and the Executive Regulation by Presidential Decree No. 2180 of 2019, which regulate ridesharing companies such as ours. We have also previously entered into agreements with the Egyptian Competition Authority in relation to the regulation of pricing and offerings in our industry. We expect that our ability to manage our relationships with regulators in each of our markets, as well as existing and evolving regulations, will continue to impact our results in the future. Due to the nascent and uncertain state of the legal frameworks governing the ridesharing industry in the jurisdictions in which we operate, we have not obtained all of the required licenses and permits for certain cities where we operate; however, we are continuously making efforts to obtain such licenses and permits. Please see the section entitled “Item 3.D. Risk Factors- Risks Related to Regulatory, Legal and Tax Factors Affecting Swvl-Uncertainties with respect to the legal systems in the jurisdictions in which Swvl operates, including changes in laws and the adoption and interpretation of new laws and regulations, could adversely affect Swvl’s business, financial condition and operating results.”

We are also subject to a number of laws and regulations specifically governing the Internet and mobile devices, and these laws and regulations are constantly evolving. Existing and future laws and regulations, or changes thereto, may impede the growth and availability of the Internet and online offerings, require us to change our business practices or raise compliance costs or other costs of doing business. In particular, if we expand our operations internationally, we expect to become subject to GDPR, which regulates the collection, control, sharing, disclosure, use and other processing of personal data and imposes stringent data protection requirements and significant penalties, and the risk of litigation or other action, for noncompliance. The GDPR has resulted in and will continue to result in significantly greater compliance burdens and costs for companies with users and operations in the European Union. As we expand our business internationally, we will become subject to these costs and burdens in an effort to comply with GDPR.

***The impact of uncertainties with respect to our B2B offering prices***

We enter into annual contracts with our corporate customers offering, and whilst we employ a proprietary machine learning model to dynamically set pricing for rides and maximize per-vehicle revenue, akin to the models used in the airline industry, due to the long term nature of our contracts being 12 months, we are subject to changes in market conditions and currency devaluations that can expose us to translation risk. Therefore, our contracts are renewed on an annual basis and upon renewal, factors such as current market prices, currency and inflation are taken into account to ensure that our contracts are net present value positive and provide the highest possible margins throughout its tenure. Further, certain components in our contracts contain variable prices to hedge against possible price increases.

***The impact of seasonality within certain sectors in our B2B offerings***

We are also subject to seasonality in certain sectors of our B2B offerings, for example, our contracts with schools, universities and other educational institutions have low activity during the summer months, which are between July and September of each year within our operating markets. We try to diversify the industries we work with to ensure that our revenues are stable within the year, we do not currently have any single industry that contributes to more than 20% of our total revenues.

### ***The impact of seasonality within certain sectors in our B2C offerings***

We are also subject to seasonality in our B2C offerings, for example, Swvl Travel ticket fares have higher activity during the summer months, which are between July and September, also, for the times where there is national holidays, while Retail activities might get impacted, not significantly, by national holidays or summer months, according to the fact that a good percentage of our Retail customer base is university students and the daily work commuters.

### **Components of Results of Operations**

#### ***Revenue***

Revenue consists of two components, a B2C component representing the gross amount of fares charged to end-users of the Swvl platform, as reduced by end-user discounts and promotions, sales refunds, uncollected cash and sales waivers. Revenue also consists of a B2B component representing contractual smart transportation services for our corporate customer's employees through the Swvl application which is referred to as TaaS, Swvl also plans to expand this revenue stream to include SaaS which will enable corporate customers to manage their fleet more efficiently. For further details on our revenue recognition, please see the Revenue details in subsection entitled "Critical Accounting Estimates".

#### ***Cost of Sales***

Cost of sales consists of costs directly related to delivering transportation services, which include payments to captains for operating our routes (net of any deductions, including amounts charged to captains on account of breach of terms of service), bonuses payable to captains and tolls and fines paid by Swvl. Cost of sales does not include any depreciation or amortization expenses. Our depreciation and amortization expenses are almost exclusively attributable to non-revenue generating activities, including depreciation of our facilities and equipment used to support back office operations and depreciation of right-of-use assets associated with corporate leases.

#### ***General and Administrative Expenses***

General and administrative expenses primarily consist of personnel-related compensation costs including employee share scheme charges, professional services fees, technology costs, office costs, travel costs, depreciation, insurance, rent, bank fees, foreign exchange losses/gains, utilities, communication and other corporate costs. General and administrative expenses are expensed as incurred.

#### ***Selling and Marketing Expenses***

Selling and marketing expenses primarily consist of growth marketing expenses, offline marketing expenses, personnel compensation expenses and the costs of credits offered to riders for referring new riders. Selling and marketing costs are expensed as incurred.

#### ***Provision for Expected Credit Losses***

This consists of the provision for expected credit loss against trade and other receivables.

#### ***Other income/(expenses)***

Other income consists primarily of recovery of previously written off asset that were not expected to be recovered and other expenses consist primarily of indirect tax expenses and other expenses not categorized elsewhere.

#### ***Finance Income and Finance costs***

Finance income consists primarily of interest income from bank deposits. Finance costs consist primarily of lease finance charges and interest expense on the Swvl Convertible Notes.

***Change in fair value of financial liabilities***

This consists of the change in fair value of the group's earnouts liabilities and certain warrant liabilities.

***Change in fair value of deferred purchase price***

This consists of the change in fair value of deferred purchase price resulting from the acquisition of certain subsidiaries by the group.

***Change in fair value of employee share scheme reserve***

This consists of the change in fair value of employee share scheme reserve.

***Recapitalization costs***

This consists of the transaction listing costs as per IFRS 2 paragraph 8.

***Impairment of financial assets***

This consists of an impairment of a receivable asset relating from a convertible promissory note which was funded by the group to Zeelo LTD. during talks of an acquisition transaction by the group to Zeelo LTD.

***Fair Value gains/(losses)***

This consists of changes in fair value related to Swvl financial liabilities, the group has multiple financial liabilities which value is linked to market factors and accordingly should be re-measured at each reporting date to reflect their fair value, gains or losses are recognized as incurred.

***Impairment of assets***

This consists primarily of the charges to impair assets in events that indicate that the carrying amount of an assets may no longer be recoverable.

***Income tax benefit***

This primarily relates to the deferred tax asset created on tax losses incurred by the Company, which can be set off against future taxable income.

***Loss from the year from discontinued operations***

During FY 2022, the group has discontinued various operations in select markets on account of the Portfolio Optimization Program, resulting in shareholders approving the sale and discontinuation of certain entities.

**A. Operating Results**

**Results of Operations**

The following selected consolidated financial data are derived from the audited financial statements of the Company for FY 2022 and FY 2021 and should be read in conjunction with our consolidated financial statements, the related notes and the rest of the section of this Report entitled "Item 5: Operating and Financial Review and Prospects." The historical results are not necessarily indicative of the results of future operations. For a comparison of FY 2021 to the year ended December 31, 2020, see our annual report on Form 20-F beginning with our annual report for the fiscal year ending December 31, 2021.

During FY 2022, we discontinued certain operations, as a result, the figures of FY 2021 in the current financial statements have been split between continued and discontinued operations, management reviews the results of operations for continued and discontinued operations separately for the periods presented below.

(\$million)	Year Ended December 31	
	2022	2021
Continued operations		
Revenue	51.49	25.56
Cost of sales	(48.74)	(31.35)
<b>Gross profit/(loss)</b>	<b>2.75</b>	<b>(5.79)</b>
General and administrative expenses	(66.52)	(69.03)
Selling and marketing expenses	(18.15)	(12.19)
Provision for expected credit losses	(1.18)	(1.10)
Other income/(expenses), net	0.71	0.00
<b>Operating loss</b>	<b>(82.38)</b>	<b>(88.11)</b>
Finance income	0.25	0.13
Change in fair value of financial liabilities	109.72	(44.33)
Change in fair value of deferred purchase price	31.84	0
Change in fair value of employee share scheme reserve	36.15	0
Recapitalization cost	(139.61)	0
Impairment of financial assets	(10.00)	0
Impairment of assets	(46.38)	0
Finance costs	(3.78)	(1.49)
<b>Loss for the year before tax from continuing operations</b>	<b>(104.19)</b>	<b>(133.8)</b>
Income tax benefit	3.23	4.72
<b>Loss for the year from continuing operations</b>	<b>(100.96)</b>	<b>(129.09)</b>
Discontinued operations		
Loss for the year from discontinued operations	(22.62)	(12.4)
<b>Loss for the year</b>	<b>(123.58)</b>	<b>(141.48)</b>
Other comprehensive income		
Exchange difference on translations of foreign operations	(5.29)	(0.41)
<b>Total comprehensive loss for the year</b>	<b>(128.87)</b>	<b>(141.89)</b>

## FY 2022 Compared to FY 2021

### Revenue

(\$million)	Year Ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Total Revenue	\$ 51.49	\$ 25.56	98 %

We disaggregate revenue by the type of customer served, with revenue driven from Retail and Travel together considered as “business to consumer”, revenue driven from TaaS considered as “business to business” and revenue driven from SaaS considered as “business to business.” Below is the disaggregated revenue information for FY 2022 and FY 2021:

(\$million)	Year Ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Business to customer	\$ 13.60	\$ 9.24	47 %
Business to business	37.89	16.32	132 %

Business to consumer” revenues for FY 2022 were approximately \$13.6 million, an increase of approximately \$4.36 million, or 47%, compared to FY 2021. The increase in revenue resulted primarily from an overall increase in the order activity on the Swvl platform and increased utilization rate of the existing vehicles in Total Ticket Fares (an operating measure representing the gross order volume processed on our platform) (See “Key Business and Non-IFRS Financial Measures-Total Ticket Fares”).

“Business to business” revenues for FY 2022 were approximately \$37.89 million, an increase of approximately \$21.57 million, or 132%, compared to FY 2021. The increase in revenue resulted primarily from the new corporate accounts through acquisition and expansion in new markets, the increase was coming mainly from Urbvan, which acquired through 2022, contributing to \$7 million in 2022, also Saudi Arabia grew from \$0.4 million to \$3.2 million, also in Egypt, Swvl acquired 109 new corporate contracts with increase in revenue from \$25 million to \$39 million.

### Cost of Sales

(\$million)	Year Ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Captain costs, net of deductions	\$ 47.00	\$ 30.05	56.40 %
Captain Bonuses	1.02	0.88	15.91 %
Tolls and Fines	0.71	0.42	69.05 %
Total Cost of Sales	\$ 48.74	\$ 31.35	55.47 %

Cost of sales for FY 2022 was approximately \$47.00 million, an increase of approximately \$16.95 million, or 56.40%, compared to FY 2021. This increase is in line with the increase in revenue during the year. Captain bonuses for FY 2022 were approximately \$1.02 million, an increase of approximately \$0.14 million, or 15.91% compared to FY 2021. Tolls and fines for FY 2022 were approximately \$0.71 million, an increase of \$0.29 million, or 69.05%, compared to FY 2021. This increase is linked to the increased revenue and activity during FY 2022.

### General and Administrative Expenses

(\$million)	Year Ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
General and administrative expenses	\$ 66.52	\$ 69.03	3.64 %

General and administrative expenses for FY 2022 were approximately \$66.52 million, a decrease of approximately \$2.4 million, or 3.48%, compared to FY 2021. Whilst we managed to increase revenue by 101%, our general and administrative costs decreased by a net percentage of 3.48% due to various changes during the year. General and administrative expenses charged for FY 2022 consisted primarily of increases in salaries and other benefits by \$36.72 million due to the acquisitions during the year where employees of subsidiaries were absorbed from Turkey, Germany and Argentina. Such headcount was later reduced and \$7.16 million of severance payments were made to employees. Further, there were increases in professional fees by \$5.6 million on account of SPAC advisors, lawyers and the advisory costs for the new acquisitions, increases in technology costs by \$5.26 million on account of assisting with the IP registration, compliance and service customization for the acquisitions during the year, increase in outsourced employee costs by \$4.63 during FY 2022 as the Company has made several remote hires and outsourced its employees, and directors and officers insurance charge of \$4.43 million during FY 2022 pursuant to the SPAC transaction. The final increase is on account of various small changes in other expenses, amortization, depreciation and other administrative costs amounting to a net increase of \$3.66 million. These increases were offset by a reduction of \$69.88 million, a reversal of charge of share-based payments awarded to employees, this reversal is on account of the decline in share price during the year and passage of time which has impacted the value and exercise probability of such awards.

### Selling and Marketing Expenses

(\$million)	Year Ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Selling and marketing expenses	18.15	12.19	48.89 %

Selling and marketing expenses for FY 2022 were approximately \$18.15 million, an increase of approximately \$5.96 million, or 48.89% compared to FY 2021. The increase is primarily associated with the higher staff costs in our commercial departments from last year, as commercial teams were not highly impacted by the first lay-offs wave, as Swvl wanted to retain their customer base and expand when possible to generate higher revenues and accordingly reaching or maximizing profitability.

#### **Provision for Expected Credit Losses**

(\$million)	Year ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Provision for expected credit losses	1.18	1.1	7.27 %

Provision for expected credit losses for FY 2022 was approximately \$1.18 million, a increase of approximately \$0.08 million, or approximately 7.27%, compared to FY 2021. This is a minor increase resulting from a few low-value receivables that have continued to age.

#### **Other income/(expense), net**

(\$million)	Year ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Non-recoverable VAT and other indirect tax expenses	*	*	**
Others	0.71	*	**

\* Amount below USD 100,000

\*\* Percentage not meaningful

Other income/(expenses), net FY 2022 were approximately \$0.71 million, this balance is from the recovery of previously written off asset that were not expected to be recovered.

#### **Finance Income and Finance Cost**

(\$million)	Year ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Finance income	0.25	0.13	92 %
Finance costs	3.78	1.49	154 %

Finance income for FY 2022 was approximately \$0.25 million, as compared to \$0.13 million for FY 2021. The increase is driven by dividend income which are generated from the group's cash sweep account and short-term treasury bills on account of increase in cashflows deposited by Swvl and the increase in interest rates during 2022, starting with 0.25% on March 2022 and closed the year with 4.50%

Finance costs for FY 2022 were approximately \$3.78 million, as compared to \$1.49 million for FY 2021. The increase in finance costs was primarily due to a \$2.8 million cost of acquiring facility, mainly related to the B. Riley equity line financing, that was offset by lower interest expense on convertible notes as they were converted during the year.

### Change in fair value of financial liabilities

(\$million)	Year Ended December 31		FY 2021 -FY 2022 % Change
	2022	2021	
Changes in fair value of financial liabilities	109.72	(44.33)	*

\* Percentage not meaningful

Change in fair value of financial liabilities for FY 2022, was approximately a gain of \$109.72 million, compared to a loss of \$44.33 million in FY 2021. This increase was primarily attributable to a change in fair value of \$34.17 million in our derivative warrant liabilities and a \$75.55 million change in fair value of the earnout liabilities, both on account of the decrease in share price during the year.

### Change in fair value of deferred purchase price

(\$million)	Year Ended December 31		FY 2021 -FY 2022 % Change
	2022	2021	
Change in fair value of deferred purchase price	31.84	0	*

\* Percentage not meaningful

Change in fair value of deferred purchase price for FY 2022 was approximately a gain of \$31.84 million. This increase was primarily attributable to a change in fair value related to acquisitions took place during the year as all acquisitions was against share issuance from Swvl on multiple tranches except for acquisition of Volt Line which had a cash component the fair value gains are on account of the decrease in share price between the acquisition date which purchase was accounted for using the fair value of the share at acquisition date and the share fair value on the issuance of shares date.

### Change in fair value of employee share based scheme reserve

(\$million)	Year Ended December 31		FY 2021 -FY 2022 % Change
	2022	2021	
Change in fair value of employee shared based scheme reserve	36.27	—	*

\* Percentage not meaningful

Change in fair value of employee share based scheme reserve for FY 2022 was approximately a gain of \$36.27 million. This was primarily attributable to the decline in share price during the year and passage of time which has impacted the value and exercise probability of such awards.

### Recapitalization costs

(\$million)	Year Ended December 31		FY 2021 -FY 2022 % Change
	2022	2021	
Recapitalization costs	139.61	0	*

\* Percentage not meaningful

Recapitalization costs for FY 2022 was approximately a loss of \$139.61 million. This represents the difference in the fair value of the shares issued by the group, the accounting acquirer, and the fair value of the SPAC's, accounting acquiree's, identifiable net assets represent a service received by the accounting acquirer. This difference is considered as cost of listing (recapitalization) and recorded in the consolidated statement of profit or loss.

### Impairment of financial assets

(\$million)	Year Ended December 31		FY 2021 -FY 2022 % Change
	2022	2021	
Impairment of financial assets	10.00	0	*

\* Percentage not meaningful

Impairment of financial assets for FY 2022 was approximately \$10 million, this impairment is primarily on account of previously-announced transaction termination whereby Swvl would acquire Zeelo. The acquisition transaction was announced on April 28, 2022 and was expected to close in the second quarter of 2022. All pre-completion obligations were met, but following financial market volatility, Swvl and Zeelo mutually agreed to terminate the planned transaction.

Swvl Global FZE, a subsidiary of Swvl, previously funded an approximately \$10 million convertible promissory note to Zeelo. In connection with the termination of the acquisition transaction, Swvl Global FZE and Zeelo mutually agreed to terminate the convertible promissory note and Swvl Global FZE forgave the balance thereunder.

### Impairment of assets

(\$million)	Year Ended December 31		FY 2021 -FY 2022 % Change
	2022	2021	
Impairment of assets	46.38	0	*

\*Percentage not meaningful

Impairment of assets for FY 2022 was approximately \$46.38 million, this impairment is related to assets owned by the discontinued operations, as those assets were not expecting to generate any future economic benefits given the cease of operations in the selected locations to be discontinued.

### Tax

(\$million)	Year Ended December 31		FY 2021 -FY 2022 % Change
	2022	2021	
Income tax benefit	3.23	4.72	31.57 %

Tax benefit for FY 2022 was approximately \$3.23 million, a decrease of approximately \$1.49 million, or 31.57% compared to FY 2021. The decrease was primarily attributable to the decrease in taxable losses incurred in Swvl Egypt which is the location that carried forward losses can be used in according to the local tax law and the nature of those assets.

### Loss from discontinued operations

(\$million)	Year Ended December 31		FY 2021 -FY 2022 % Change
	2022	2021	
Loss from discontinued operations	22.62	12.4	82.42 %

Loss from discontinued operations for FY 2022 was approximately \$22.62 million, compared \$12.4 million in FY 2021. Loss from discontinued operations represents all losses made in locations where Swvl has decided not to continue operations in during FY 2022 on account of the portfolio optimization program. The increase is primarily on account of our acquisitions of entities in Turkey, Argentina and Germany which were consolidated during FY 2022, resulting in a loss of \$7.37 million from discontinued operations, and an increase in losses from discontinued operations in Spain amounting to \$1.30 million as the entity was consolidated in November 2021 and hence had a minimal impact on FY 2021, compared to FY 2022 which was a full year of consolidation.

These operations were discontinued in 2022, however, in accordance with IFRS, loss from discontinued operations must be included in the current financial statements for all periods presented, for FY 2022, loss from discontinued operations primarily consists of losses in Swvl entities in Germany, Spain, Argentina, Jordan, Kenya, Turkey and Pakistan.

### Key Business and Non-IFRS Financial Measures

In addition to the measures presented in our consolidated financial statements, we use the following key business and non-IFRS financial measures to help us evaluate our business, identify trends affecting our business, formulate business plans, and make strategic decisions. All operating measures were presented for the current operating countries, all data coming from the discontinued operations has been omitted from current and comparative periods.

	Year Ended December 31	
	2022	2021
Total Bookings (in millions) (1)	45.7	25.9
Total Ticket Fares (in millions) (2)	\$ 5,653	\$ 38.44
Average Ticket Fare (3)	\$ 1.23	\$ 1.48
Total Available Seats (in millions) (4)	47.7	29.2
Cost per Available Seat (5)	\$ 1.31	\$ 1.44
Utilization (6)	96 %	89 %
Adjusted EBITDA (in millions) (7)	(51.03)	(57.85)
Number of corporate customers (8)	289	183

#### Notes:

- (1) Total Bookings is an operating measure representing the total number of seats booked by riders and corporate customers (completed or cancelled) on our platform, over the period of measurement.
- (2) Total Ticket Fares is an operating measure representing the total dollars processed on Swvl's platform for seats booked.
- (3) Average Ticket Fare is an operating measure representing the average fare charged to riders and corporate customers per booked seat, calculated as Total Ticket Fares divided by the Total Bookings, over the period of measurement.
- (4) Total Available Seats is an operating measure representing the total number of seats made available on our platform (whether utilized or not), over the period of measurement.
- (5) Cost per Available Seat means the average cost to Swvl for each seat made available on our platform, calculated as cost of sales divided by Total Available Seats, over the period of measurement. Cost per Available Seat is a function of Total Available Seats, and does not vary based on Utilization.
- (6) Utilization is an operating measure representing the level of occupancy of the seats made available on our platform (i.e., the proportion of the seats made available on our platform that were occupied by riders), calculated as Total Bookings divided by Total Available Seats, over the period of measurement.
- (7) Adjusted EBITDA is a non-IFRS financial measure calculated as loss for the year adjusted to exclude: (i) depreciation of property and equipment, (ii) depreciation of right-of-use assets, (iii) employee share-based payments charges, (iv) foreign exchange gains/losses, (v) provision for employees' end of service benefits, (vi) indirect tax expenses, (vii) finance income, (viii) finance costs, (ix) transaction costs relating to the Business Combination and (x) tax. For a reconciliation of Adjusted EBITDA to the most directly comparable IFRS measure please see the section entitled "Reconciliation of Non-IFRS Financial Measures."
- (8) Number of corporate contracts is an operating measure representing the total number of contracts with corporates for our B2B offerings which were active during the period of measurement. This operating measure is useful to us as we continue to expand our B2B offerings as it assists management with quantifying sales efficiencies and growth.

### Total Bookings

Total Bookings is an operating measure defined as the total number of seats booked by riders and corporate customers on our platform, over the period of measurement. We use this metric to measure the actual volume of seats booked on our platform and utilized on our fleet (including full capacity of completed routes for TaaS customers without regard to actual Utilization).

(\$million)	Year ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Business to customer	7.4	7.5	(1.33)%
Business to business	38.3	18.4	108.15 %
Total Bookings	45.7	25.9	76.45 %

Total Bookings increased from 25.9 million during FY 2021 to 45.7 million during FY 2022. The increase in Total Bookings is primarily a result of increasing corporate accounts, as the bookings from Business-to-business activities doubled on account of more focus on this revenue stream. Bookings presented are for the locations that still operating, and all discounted locations figures were omitted from current and prior period presentations.

### Total Ticket Fares

Total Ticket Fares is an operating measure representing the total dollars processed on Swvl's platform for seats booked (the "Total Ticket Fares"). We use Total Ticket Fares as an indicator of our growth and business performance as it measures the dollar volume of transactions on our platform. Total Ticket Fares has historically increased as our business has grown. During FY 2022, Total Ticket Fares increased to \$56.53 million from \$38.44 million during FY 2021, due to the increase in corporate accounts which has higher volume and also the increase in average ticket fare.

(\$million)	Year ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Business to customer	18.64	22.12	15.73 %
Business to business	37.89	16.32	132.17 %
Total Ticket Fares	56.53	38.44	47.06 %

### Average Ticket Fare

Average Ticket Fare means the average fare charged to riders and corporate customers per booked seat, calculated as Total Ticket Fares divided by the Total Bookings, over the period of measurement. We use Average Ticket Fare internally to evaluate how we are pricing our seats and routes to corporate customers in relation to the Cost per Available Seat to ensure we maintain our target margins. Average Ticket Fare increased during FY 2022, with an Average Ticket Fare of \$1.23 compared to \$1.48 during FY 2021.

### Total Available Seats

Total Available Seats represents the total capacity of rides available on our platform (whether utilized or not), and is the aggregate of the number of seats made available on our platform. This measure includes both used and unused seats on our platform. We track Total Available Seats internally to ensure we optimize the capacity available on the platform. We review it together with our Total Bookings, as the relationship between these two metrics drives our Utilization. Total Available Seats has historically increased as our business has grown. During FY 2022, Total Available Seats increased to 47.76 million reflecting 39% increase.

(\$million)	Year ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Total Available Seats	47.76	29.2	39 %

### Cost per Available Seat

Cost per Available Seat means the average cost to Swvl for each seat made available on our platform (whether utilized or not) and is calculated as cost of sales divided by Total Available Seats, over the period of measurement. We track Cost per Available Seat internally to ensure that the cost at which suppliers are joining our platform reduces with time. We review it together with our Average Ticket Fare, as the relationship between these two metrics have a material impact on our margins. While Cost per Available Seat has historically tended to decrease over time for each offering within a single geography, the overall Cost per Available Seat is influenced by changes in ride distance and geographic mix. Cost per Available Seat decreased from \$1.44 during the year ended December 31, 2021 to \$1.31 during FY 2022, primarily as a result of efforts for cost optimization through acquiring supply at less costs.

### Utilization

Utilization means the level of occupancy of the seats made available on our platform (i.e. the proportion of the seats made available on our platform that were occupied by riders), calculated as Total Bookings divided by Total Available Seats, over the period of measurement. We track Utilization internally to ensure that the level of occupancy of the seat capacity increases with time. Utilization increased to 96% during FY 2022, with an average compared to 89% during FY 2021. This is due to focus on network optimization to higher utilization and higher profitable routes following the portfolio optimization program.

(\$ million)	Year Ended December 31		FY 2021 -FY 2022 % Change
	2022	2021	
Utilization	96 %	89 %	7.86 %

### Adjusted EBITDA

Adjusted EBITDA is a non-IFRS financial measure calculated as loss for the year adjusted to exclude the following items which we do not believe are reflective of our operating performance: (i) depreciation of property and equipment, (ii) depreciation of right-of-use assets, (iii) amortization of intangible assets, (iv) provision for employees' end of service benefits, (v) employee share-based payment charges, (vi) impairment of financial assets, (vii) impairment of assets, (viii) recapitalization costs, (ix) finance income and costs, net, (x) fair value gains rising from financial liabilities, (xi) taxes.

Adjusted EBITDA has limitations as a financial measure, should be considered as supplemental in nature, and is not meant as a substitute for the related financial information prepared in accordance with IFRS. These limitations include the following:

- Adjusted EBITDA excludes depreciation of property and equipment and right-of-use assets, and although these are non-cash charges, the assets being depreciated may have to be replaced in the future, and Adjusted EBITDA does not reflect all cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- Adjust EBITDA excludes amortization of intangible assets;
- Adjusted EBITDA excludes provision for employees' end of service benefits and excludes employee share-based payment charges, which has been, and will continue to be for the foreseeable future, a recurring expense in our business and an important part of our compensation strategy;
- Adjusted EBITDA does not reflect impairment of financial assets and impairment of assets as recognized in the consolidated statement of comprehensive loss;
- Adjusted EBITDA does not reflect recapitalization costs resulting from the business combination transaction;
- Adjusted EBITDA does not reflect components of finance income and costs, net;
- Adjusted EBITDA does not reflect period fair value gains rising from financial liabilities; and,

- Adjusted EBITDA does not reflect period to period changes in taxes, income tax expense or the cash necessary to pay income taxes;

For a reconciliation of Adjusted EBITDA to the most directly comparable IFRS measure please see the section entitled “Reconciliation of Non-IFRS Financial Measures.”

#### Number of corporate contracts

Number of corporate contracts is an operating measure representing the total number of contracts with corporates for our B2B offerings which were active during the period of measurement. This operating measure is useful to us as we continue to expand our B2B offerings as it assists management with quantifying sales efficiencies and growth.

	Year ended December 31		FY 2021 - FY 2022 % Change
	2022	2021	
Number of corporate contracts	289	183	57.92 %

#### Reconciliation of Non-IFRS Financial Measures

To supplement our financial information, we use the non-IFRS financial measure, Adjusted EBITDA. However, our definition of Adjusted EBITDA may be different from those used by other companies, and therefore, may not be comparable. Furthermore, our definition of Adjusted EBITDA has limitations in that it does not include the impact of certain expenses that are reflected in our consolidated financial statements that are necessary to run our business. Thus, Adjusted EBITDA should be considered in addition to, not as, substitute for, or in isolation from, measures prepared in accordance with IFRS.

We compensate for these limitations by providing a reconciliation of Adjusted EBITDA to the most directly comparable IFRS financial measure, loss for the year. We encourage investors and others to review our financial information in its entirety, not to rely on any single financial measure and to view Adjusted EBITDA in conjunction with its related IFRS financial measure.

#### Reconciliation from Loss for the Year to Adjusted EBITDA

(\$million)	Year Ended December 31	
	2022	2021
<b>Loss for the year from continuing operations</b>	<b>(100.96)</b>	<b>(129.08)</b>
Add: Depreciation of property and equipment	0.49	0.11
Add: Depreciation of right-of-use assets	0.95	0.41
Add: Amortization of intangible assets	1.35	0.02
Add: Provision for employees’ end of service benefits	(0.18)	0.71
Add/Less: Employee share scheme charges	(36.27)	33.6
Add: Impairment of financial assets	10.00	0.00
Add: Impairment of assets	46.38	0.00
Add: Recapitalization cost	139.61	0.00
Add: Finance income and costs, net	0.55	(3.23)
Add/Less: Change in fair value of financial liabilities	(109.72)	44.33
Less: Tax	(3.23)	(4.72)
<b>Adjusted EBITDA</b>	<b>(51.03)</b>	<b>(57.85)</b>

#### B. Liquidity and Capital Resources

Our principal sources of liquidity have been cash and cash equivalents raised from the issuance of convertible notes, equity financing and cash generated from operating activities.

Our total assets exceeded our total liabilities by approximately \$2.63 million for FY 2022 compared to FY 2021. We incurred a loss for the year of approximately \$123.58 million and \$141.49 million for FY 2022 and FY 2021, respectively. In addition, we had accumulated losses of approximately \$332.56 million and \$216.07 million as of December 31, 2022 and December 31, 2021. To support our business plans, we have generated net cash flows from financing activities approximating to \$124.85 million and \$72.72 million of cash during FY 2022 and FY 2021 respectively through issuance of shares, PIPE subscription and issuance of Swvl Convertible Notes. As of December 31, 2022 and 2021, we had cash and cash equivalents of approximately \$1.54 million and \$9.53 million, respectively.

Subsequently, during the fiscal year ending December 31, 2023, Swvl obtained additional proceedings amounting to \$12.79 million on account of selling Urbvan for \$12 million (\$9.9 million net of selling costs) and have issued 253,834 common A shares through our equity financing line amounting to \$789,462 during the fiscal year ending December 31, 2023.

Our cash and cash equivalents consist primarily of cash with banks or other financial institutions that is unrestricted as to withdrawal and use. Our cash and cash equivalents are primarily denominated in U.S. Dollars as well as in local currencies of the markets where we operate.

We believe that our current available cash and cash equivalents will be sufficient to meet our working capital requirements and capital expenditures in the ordinary course of business for a period of at least twelve months from the date of this Report. We intend to finance our future working capital requirements and capital expenditures from cash generated from operating activities, funds raised from financing activities, and funds raised in connection with the Business Combination, including proceeds raised from the PIPE Financing and the funds released from the SPAC's trust account after giving effect to any redemptions. These factors raise substantial doubt about our ability to continue as a going concern.

Our future capital requirements depend on many factors including our growth rate, the continuing market acceptance of our offerings, the timing and extent of spending to support our efforts to develop our platform, the expansion of sales and marketing activities, and the expansion of our business into new geographies and markets. Further, as part of our growth strategy, we expect to enter into arrangements to acquire or invest in businesses, products, services, and/or technologies. To enhance our liquidity position or increase our cash reserve for future investments or operations through additional financing activities, we may in the future seek equity or debt financing. The issuance and sale of additional equity would result in further dilution to our shareholders. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict our operations.

## Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated.

(\$million)	Year Ended December 31	
	2022	2021
<b>Cash flow from/(used in):</b>		
Operating Activities	(117.5)	(62.1)
Investing Activities	(8.1)	(11.1)
Financing Activities	124.9	72.7
<b>Net (decrease) in cash and cash equivalents</b>	<b>(0.7)</b>	<b>(0.5)</b>

## Operating Activities

Net cash used in operating activities was \$117.5 million for FY 2022, primarily consisting of \$126.81 million loss for the year before tax adjusted for certain non-cash items. The net change in operating assets and liabilities is primarily the result of finance cost, listing costs, changes in fair value of deferred purchase price and financial liabilities, impairment of assets and employee share-based payments charge equating to \$22.9 million net impact offset by \$17.2 million changes in working capital mainly on account of a reduction in trade receivables of \$11.91 million.

Net cash used in operating activities was \$62.1 million for FY 2021, primarily consisting of \$146.2 million of loss for the year before tax, adjusted for certain non-cash items, which included \$44.3 million of finance cost charges related to the embedded derivatives relating to the Swvl Convertible Notes, \$33.6 million employee share-based payments charges, a \$1.3 million provision for expected credit losses, \$0.5 million of depreciation expense related to right-of-use assets, a \$0.7 million provision for employees' end of service benefits, and less than \$0.2 million of depreciation expense related to property and equipment. The net change in operating assets and liabilities is primarily the result of a \$4.8 million increase in trade and other receivables (on account of increased sales), a \$8.2 million increase in accounts payables, accruals and other payables and a \$0.9 increase in prepaid expenses and other current assets.

### ***Investing Activities***

Net cash used in investing activities was \$8.1 million for FY 2022, which primarily consisted of \$5 million purchase of financial assets, software development costs \$1.7 million, \$0.8 million and \$0.7 purchase of property and equipment and acquisition of subsidiary respectively.

Net cash used in investing activities was \$11.1 million in FY 2021, consisting of purchases of property and equipment, which included the purchase of fixtures and furniture, leasehold improvements.

### ***Financing Activities***

Net cash provided by financing activities was \$124.9 million for FY 2022, primarily consisting of \$60.8 million of share issuance, \$26.4 million in proceeds from issuance of convertible notes, \$39.7 million proceeds from PIPE subscription.

Net cash provided by financing activities was \$72.7 million for FY 2021, primarily consisting of \$73.2 million in proceeds from the issuance of convertible notes, offset by lease liabilities paid during the year of \$0.5 million.

### **Holding Company Structure and Dividends**

Swvl Holdings Corp is a holding company without substantive business operations. Swvl Holdings Corp conducts its operations primarily through its subsidiaries in the jurisdictions in which it operates. As a result, our ability to pay dividends depends upon dividends paid by our subsidiaries. If our subsidiaries or any newly formed subsidiaries incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us.

In addition, as determined in accordance with local regulations, our subsidiaries in certain jurisdictions may be restricted from paying us dividends offshore or from transferring a portion of their assets to us, either in the form of dividends, loans or advances, unless certain requirements are met and regulatory approvals are obtained. Even though we currently do not require any such dividends, loans or advances from our entities for working capital and other funding purposes, we may in the future require additional cash resources from them due to changes in business conditions, to fund future acquisitions and development, or merely to declare and pay dividends or distributions to our shareholders.

### **Capital Expenditures**

Our capital expenditures amounted to approximately \$0.8 million for FY 2022, approximately \$0.3 million in FY 2021. Our historical capital expenditures are primarily related to additions and purchases of property and equipment, which included the purchase of fixtures and furniture, leasehold improvements and employee laptops. While we are an asset-light business, we expect to moderately increase our capital expenditures to meet the expected growth in scale of our business and as we expand geographically and bolster our existing offerings. We expect that cash received in connection with the Business Combination and cash from operating activities and financing activities will be used to meet our capital expenditure and marketing spend needs in the foreseeable future.

### **Indebtedness**

We issued the Swvl Convertible Notes in an aggregate principal amount of \$54.1 million to certain noteholders between March 8, 2021 and March 31, 2022. Upon consummation of the Business Combination, the Swvl Convertible Notes were cancelled, extinguished and converted into the right to receive Ordinary Shares.

In addition to the above, between August 25, 2021 and March 31, 2022, certain PIPE Investors effectively pre-funded Swvl with the Swvl Exchangeable Notes. Upon consummation of the Business Combination, the Swvl Exchangeable Notes were automatically exchanged for Ordinary Shares at an exchange price of \$8.50-\$9.50 per share (as applicable).

### Off-Balance Sheet Arrangements

As of December 31, 2022, we did not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

### Contractual Obligations and Commitments

The following table summarizes our contractual obligations and commitments as of December 31, 2022.

(\$million)	Payments Due by Period			Total
	<1 year	1-5 years	>5 years	
Convertible Notes	0	0	—	0
Lease Liabilities Commitments	0.75	1.59	—	2.34
Deferred and Contingent Consideration	—	—	—	0

### C. Research and Development, Patents and Licenses

We have made, and will continue to make, significant investments in research and development and technology in an effort to improve our platform and to attract and retain drivers and riders, expand the capabilities and scope of our offerings, and enhance our customer experience. We review and target our research and development activities on an ongoing basis based on the needs of our business. For further detail regarding our research and development costs, please see the section of this Report entitled “Item 4.B. Business Overview.”

### D. Trend Information

For a discussion of the trends that affect our business, financial condition and results of operations, please see other portions of this section entitled “Item 5.A. Operating Results” and the section of this Report entitled “Item 3.D. Risk Factors.”

### E. Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with IFRS. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures. We evaluate our estimates and assumptions on an ongoing basis. Our estimates are based on historical experience and other assumptions that we believe to be reasonable under the circumstances. Our actual results could differ from these estimates under different assumptions or conditions. We believe that the following critical accounting policies reflect the more significant judgments, estimates and assumptions used in the preparation of our consolidated financial statements.

#### Revenue

We recognize revenue in accordance with IFRS 15, which we adopted as of January 1, 2019, the date of our IFRS adoption. The Company derives its revenue principally from end-users who use the Swvl platform to access routes predetermined by the Company. Revenue for transport represents the gross amount of fares charged to the end-user for these services. The sole performance obligation of the Company is to provide transportation services to the end-users by integrating the use of the Swvl platform and a network of captains and vehicles registered on the platform. The end-users are charged for using transportation services (i.e. fare charges, net of the discounts and incentives) and are given various incentives (discussed below). The Company recognizes revenue when its performance obligation towards the end-users has been satisfied (i.e. when the ride is completed). It is at this point in time that the end-user becomes liable to transfer the due consideration to the Company.

The Company evaluates the presentation of revenue on a gross versus net basis based on whether the Company controls the service provided to the end-user and is the principal in the transaction (gross), or the Company arranges for other parties (operators and individual captains) to provide the service to the end-user and is the agent in the transaction (net). The Company considers itself a principal for the transportation services because it controls the services provided to riders.

#### ***End-user discounts and promotions***

The Company offers discounts and promotions to end-users to encourage use of the transportation services provided by the Company. These are offered in various forms and include:

- *Targeted end user discounts and promotions.* These discounts and promotions are offered to specific end-users in a market to acquire, re-engage or generally increase end-users' use of the platform. Because the end-user does not provide the Company with a distinct good or service against these promotions and discounts, the Company deducts the amount of these promotions and discounts from the transaction price when recognizing revenue.
- *Free credits.* Swvl provides end-users booking intercity routes using Swvl's Travel platform with free credits to encourage booking a two-way trip between origin and destination cities. Under Swvl's free credit program, a credit is transferred to an end-user's wallet on the Swvl application after the completion of the first trip that the end-user can then consume while paying for the return trip. Because the Company provides the discount that is to be used in the future by the end-user, the free credit is recognized as a liability until it is redeemed by the end-user or the validity period of such credit lapses. However, this liability is not recognized when it is immaterial.
- *End-user referrals.* End-user referrals are earned when an existing end-user (the referring end-user) refers a new end-user (the referred end-user) to the Swvl platform and the new end-user books their first ride on the platform. These referrals are typically paid in the form of a credit given to the referring end-user. The referring end-user is deemed to provide growth and marketing services to the Company as it provides a distinct good or service against the end-user referral discounts. As a result of this, the end-user referrals are recognized as selling and marketing costs.
- *Market-wide promotions.* Market-wide promotions reduce the end-user fare charged for all or substantially all rides in a specific market in the form of discounts. As a result, the Company recognizes the cost of these promotions as a reduction of revenue when the ride is completed.

#### ***Deferred tax***

As Swvl is incorporated in the British Virgin Islands, the profits from operations of Swvl are not subject to taxation. However, certain subsidiaries of Swvl are based in taxable jurisdictions such as Egypt where they are liable for tax.

The Company records deferred tax to provide for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets have been recognized by a certain subsidiary of the Company on their trading losses where utilization is probable, given that there are probable future taxable profits to offset against these losses. The Company continuously reviews the recoverability of the deferred tax asset for any significant changes to these assumptions.

#### ***Share-based payments***

Employees (including senior executives) of the Company received remuneration in the form of share-based payments starting in May 2017, whereby employees have rendered services as consideration for equity instruments (i.e., equity-settled transactions).

The Company has issued share-based payment awards, for which “grant date” is not achieved, due to the absence of a formal approval of the terms and conditions of the grant that reflect the intent of this long-term incentive scheme. The award’s terms however, include a condition that the employees would be eligible to exercise their vested options only on an exit event occurring. If an employee leaves the Company before the exit event, the employee could exercise options on a pro-rata basis (based on the length of time that the employee has served since the award was granted). Therefore, the cost of awards is recognized in advance of the grant date, over the period services are rendered by the employees, by estimating the fair value of the equity instruments at the end of each reporting period despite the Company’s awards being classified as equity-settled. The grant date was achieved subsequently in July 2021 when the formal terms and conditions were finalized by the Swvl Board, which will be communicated and clarified with the employees as part of the exit event. The cost is recognized in employee benefits expense, together with a corresponding increase in equity (other capital reserves). The cumulative expense recognized reflects the Company’s best estimate of the number of equity instruments that will ultimately vest.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company’s best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award. The probability of an exit event occurring is a non-vesting condition, and is included in the fair value of the awards, whose charge is amortized over the period services are rendered by the employees.

## ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

### A. Directors and Executive Officers

The following table sets forth the names, ages and positions of our executive officers and directors.

Name	Age	Position(s)
<b>Executive Officers</b>		
Mostafa Kandil	30	Chief Executive Officer, Chairman
Abdullah Mansour	33	Interim Chief Financial Officer
<b>Non-Employee Directors</b>		
Dany Farha	50	Lead Independent Director
Esther Dyson	70	Independent Director
Victoria Grace	46	Independent Director
Ahmed Sabbah	29	Director
Ayman Ismail	60	Independent Director

### Executive Officers

**Mostafa Kandil** is Swvl’s co-founder and has served as its Chief Executive Officer since 2017. Prior to founding Swvl, Mr. Kandil held several leadership positions in the ridesharing and technology industries. Mr. Kandil began his career at Rocket Internet, where he launched the car sales platform Carmudi in the Philippines, which became the largest car classifieds company in the country in just six months. He then served as Rocket Internet’s Head of Operations. In 2016, Mr. Kandil joined Careem, a ridesharing company and the first unicorn in the Middle East. He supported the platform’s expansion into multiple new markets. Careem is now a subsidiary of Uber, based in Dubai, with operations across 100 cities and 15 countries. Mr. Kandil graduated from the American University in Cairo in 2014 with a Bachelor’s Degree in Petroleum and Energy Engineering.

**Abdullah Mansour** has served as Swvl’s Interim Chief Financial Officer since March 31, 2023, and leads accounting, tax, treasury, financial planning and analysis functions. Mr. Mansour joined Swvl in December 2021 and is currently the chief financial officer of Swvl’s Middle East business. Prior to joining Swvl, Mr. Mansour served as senior associate with PricewaterhouseCoopers in the assurance team from September 2017 to December 2021 and the digital transformation team from March 2020 to December 2021, and before that as associate from October 2014 to September 2017, and as trainee with Ernst & Young from August to October 2014. Mr. Mansour is a Certified Public Accountant and holds an ACCA Diploma in International Financial Reporting and a bachelor’s degree in accounting from Ain Shams University in Egypt.

## Non-Employee Directors

**Dany Farha** has served on the Swvl Board since February 2018. Mr. Farha is the co-founder, CEO and Managing Partner at BECO Capital Investment LLC, a venture capital firm that provides early stage growth capital and hands-on operational support for technology companies in the Middle East and North Africa. At BECO Capital, he is responsible for investment decisions, fundraising and general management of the firm. Mr. Farha also currently serves as a director on the boards of Kitopi, PropertyFinder International Ltd., North Ladder and DrBridge Holding Ltd. Mr. Farha is a graduate of UCL in London in Management Sciences and Finance.

**Esther Dyson** has served on the Swvl Board since April 2018. Ms. Dyson is the active executive founder of the nonprofit project Wellville and is a leading angel investor focused on technology and other core sectors, with notable investments including 23andMe (former board member), Evernote (former board member), Flickr, Ilara Health, Meetup (former board member), Omada Health, ProofPilot, Square, WPP Group (former board member) and Yandex (board member). Ms. Dyson is also an accomplished journalist, author, commentator, and philanthropist. Ms. Dyson was Founding Chair of ICANN (Internet Corporation for Assigned Names and Numbers) from 1998 to 2000 and currently sits on the boards of the Long Now Foundation, Open Corporates and The Commons Project. Ms. Dyson's prior experience also includes working as a securities analyst for New Court Securities and then Oppenheimer & Co. from 1977 to 1982, where she covered companies in technology and logistics, including the startup Federal Express. Ms. Dyson is also author of the bestselling, widely translated 1996 book "Release 2.0: A Design for Living in the Digital Age."

**Victoria Grace** has served on the Swvl Board since March 2022. Ms. Grace was formerly SPAC's Chief Executive Officer. Ms. Grace is a founding partner of Colle Capital Partners I, LP, an opportunistic, early stage technology venture fund and Chief Executive Officer and Director of Queen's Gambit Growth Capital II. Prior to founding Colle Capital, Ms. Grace was a partner at Wall Street Technology Partners LP, a mid-stage technology fund, from November 2000 to February 2014, and a director of Dresdner Kleinwort Wasserstein Private Equity Group from November 2000 to October 2004. In addition, Ms. Grace co-founded, co-managed and served as President of Work It, Mom! LLC, a network site for professional moms with an advertising revenue model from 2007 until its merger with another content company in 2012. She also served on the board of directors of VNV Global Ltd., an investment company with a focus on companies with network effects. Ms. Grace has worked with, and made investments in a broad range of companies, including enterprise software, wireless technologies, medical devices, health IT, FinTech, hardware, virtual reality and D2C retail companies. Notable investments that Ms. Grace either led or worked closely with include Apriso (acquired by Dassault Systemes), AZA Group (formerly BitPesa Ltd.), Lon, Inc. (d/b/a Bread) (acquired by Alliance Data Systems Operations), CargoX Ltd., Concourse Global Enrollment, Inc., Health Platforms Inc. (Doctor.com) (acquired by Press Ganey Associates LLC), EnsoData Inc., Hylion Inc. (NYSE: HYLN), Maven Clinic Co., MaxBone, Inc., MetaStorm Inc. (acquired by OpenText Corporation), Netki, Inc., Numan, Parkside Securities, Inc., QMerit, Inc., Radar, Sensydia Corporation, Skopenow, Inc., Swiftmile, Inc., Syft (acquired by Recruit Holdings Co Ltd., owner of indeed.co.uk) and Vergent Bioscience, Inc. Ms. Grace received her Bachelor of Arts in economics and biochemistry from Washington University in St. Louis in 1997.

**Ahmed Sabbah** was a co-founder of Swvl and has served on the Swvl Board since 2018. Between 2017 and January 2021, Mr. Sabbah was the Chief Technology Officer of Swvl. In February 2021, Mr. Sabbah co-founded Telda, a financial technology company aimed at improving the payment and peer-to-peer money transfer experience in the Middle East and North Africa. Mr. Sabbah currently serves as the Managing Director and Chief Executive Officer of Telda. Mr. Sabbah is a graduate of The German University in Cairo.

**Ayman Ismail** has served on the Swvl Board since May 2023. Mr. Ismail served as the Founding Chairman of Egypt New Administrative Capital. He is an accomplished executive with over 30 years' experience across large multinationals in leadership roles. Previously, he worked with Pepsi as President, North Africa, and Chairman & CEO, with approximately 10,000 employees where he established the joint venture with El Maraay to enter the dairy market. Prior to Pepsi, Mr. Ismail served in a senior position with Procter & Gamble across Europe and Americas, responsible for significant transactions, such as its acquisition of Gillette. Mr. Ismail is a graduate of Harvard University and served as Chairman of the Board - Endeavor Egypt.

**B. Compensation****Swvl Executive and Senior Management Team Compensation**

The amount of compensation, including benefits in kind but excluding Swvl Options, which are addressed in separate sections below, accrued or paid to Swvl's executives and senior management team with respect to FY 2022 is described in the table below:

(Dollars in thousands)		All individuals
Base salary	\$	1.9
Bonuses	\$	0.27
Additional benefit payments	\$	20.10
<b>Total cash compensation</b>	<b>\$</b>	<b>22.2</b>

**Director Compensation**

Swvl does not pay any compensation to its directors who are its executives or employees. For non-executive/employee directors, Swvl reimburses reasonable expenses incurred by such directors in connection with attending meetings.

In connection with the Business Combination, the Swvl Board approved the terms of director compensation for our non-executive/employee directors, effective upon the consummation of the Business Combination, pursuant to which each non-executive/employee director is eligible to receive compensation for services on the Swvl Board.

Each non-executive/employee director will be entitled to receive as an annual retainer a grant of fully-vested Swvl Ordinary Shares with a fair market value of \$35,000, payable quarterly in arrears. Any non-executive/employee director who joins or vacates the Swvl Board mid-year will receive a prorated annual retainer during the director's year of service. In addition, the lead independent director of the Swvl Board, committee chairs and committee members will be entitled to receive grants of fully-vested Swvl Ordinary, payable quarterly in arrears, with the following fair market values:

- \$15,000 for the lead independent director;
- \$35,000 for the chair of our audit committee;
- \$15,000 for the chair of our compensation committee;
- \$8,000 for the chair of our nominating and corporate governance committee;
- \$10,000 for each other member of our audit committee;
- \$7,500 for each other member of our compensation committee; and
- \$4,000 for each other member of our nominating and corporate governance committee.

Additionally the chair of our audit committee will be entitled to an annual cash retainer of \$35,000, payable quarterly in arrears. Any non-executive/employee director who serves or vacates such position mid-year will receive a prorated annual retainer during the director's year of service in such position.

On the first trading day following our annual meeting of shareholders, each non-executive/employee director who is in service from and after such annual meeting will automatically be granted an annual award of restricted stock units in respect of a number of Swvl Ordinary Shares determined by dividing \$170,000 by the grant date closing price of Swvl Ordinary Shares. Such restricted stock units will vest on the earlier of (1) the first anniversary of such grants and (2) the day prior to the date of our next annual meeting of shareholders, in each case, subject to such non-executive/employee director's continued service in such capacity through such vesting date.

### ***Aggregate Equity Award Information as of December 31, 2022 for directors and senior management***

Swvl's directors, executives and senior management held 1,752 Swvl Options (both vested and unvested) with a weighted average exercise price of \$1,355.81 as of December 31, 2022, and expiration dates that are ten years following their original grant date (subject to earlier expiration as described below). Pursuant to and in accordance with the terms of the Business Combination Agreement, in connection with the Business Combination, each outstanding Swvl Option was assumed and converted into an option to purchase approximately 1,509.963 shares of Swvl Ordinary Shares, at an exercise price equal to the exercise price per share of such Swvl Option prior to the Business Combination divided by approximately 1,509.963.

#### ***Swvl 2019 Share Option Plan***

The board of directors of Swvl Inc. (the "Swvl Inc. Board") adopted the 2019 Share Option Plan (the "2019 Plan"), in order to offer persons selected by the Swvl Inc. Board an opportunity to acquire a proprietary interest in the success of Swvl, or to increase such interests by acquiring Swvl Common Shares B. The 2019 Plan provides for the grant of options to purchase Swvl Common Shares B ("Swvl Options"). Eligible employees, consultants, advisors and/or directors of Swvl or its parent or applicable subsidiary were eligible to participate in the 2019 Plan.

Grants of Swvl Options under the 2019 Plan generally vest over a four-year period, with 25% of Swvl Options underlying such grant vesting on the first anniversary of the grant, and the remaining 75% vesting over the next three years, with 25% vesting per year. Vested Swvl Options become exercisable following the occurrence of certain corporate transactions of Swvl, such as the Business Combination. To the extent any holder of vested Swvl Options terminates employment (other than due to fraud or cause) prior to such applicable corporate transaction, such vested Swvl Options remain outstanding until the three-month anniversary of such corporate transaction. Swvl founders and executive officers will be entitled to an additional year of vesting to the extent their employment is terminated without cause or constructively terminated within one-year after such corporate transaction.

#### ***Swvl 2021 Omnibus Incentive Compensation Plan***

The Swvl Board adopted, and our shareholders approved, the 2021 Omnibus Incentive Compensation Plan (the "2021 Plan"), in order to give Swvl a competitive advantage in attracting, retaining, awarding and motivating directors, officers, employees and consultants by granting equity and equity-based awards. The 2021 Plan, which superseded the 2019 Plan upon its effectiveness, permits the grant of options to purchase Swvl Securities, stock appreciation rights, restricted shares, restricted stock units, other equity or equity related awards in each case, in respect of Swvl Securities and cash incentive awards, thus enhancing the alignment of employee and shareholder interests. The 2021 Plan replaced the 2019 Plan upon its effectiveness and no further grants will be made under the 2019 Plan.

The initial share limit under the 2021 Plan is 16,116,286. Such share limit will increase annually on the first day of each fiscal year beginning fiscal year 2023 by the number of Swvl Securities equal to the lesser 5% of (i) the total outstanding Swvl Securities on the last day of the prior fiscal year or (ii) such lesser amount determined by the Swvl Board.

#### ***Employment Arrangements with Swvl Executive Officers***

Certain executive officers of Swvl are party to employment agreements with Swvl or its subsidiaries. Please see the section entitled "Item 7. Major Shareholders and Related Party Transactions."

### **C. Board Practices**

#### **Board Composition**

The Swvl Board is comprised of six directors and is divided into three classes with staggered three-year terms. At each annual meeting of shareholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following election. Swvl's directors are divided among the three classes as follows:

- the Class I directors are Esther Dyson, Ahmed Sabbah and Ayman Ismail and their terms will expire at the annual general meeting of shareholders to be held in 2025;

- there are currently no Class II directors. Class II directors will be nominated by the Swvl Board and appointed at the annual general meeting of shareholders to be held in 2023; and
- the Class III directors are Mostafa Kandil, Victoria Grace and Dany Farha and their terms will expire at the annual general meeting of shareholders to be held in 2024.

Directors in a particular class are elected for three-year terms at the annual general meeting of shareholders in the year in which their terms expire. As a result, only one class of directors is elected at each annual meeting of Swvl's shareholders, with the other classes continuing for the remainder of their respective three-year terms. Each director's term continues until the election and qualification of his or her successor, or the earlier of his or her death, resignation or removal.

The Swvl Public Company Articles provide that only the Swvl Board can fill vacant directorships, including newly-created seats. Any additional directorships resulting from an increase in the authorized number of directors would be distributed pro rata among the three classes so that, as nearly as possible, each class would consist of one-third of the authorized number of directors.

### **Director Independence**

Each member of the Swvl Board, other than Mostafa Kandil and Ahmed Sabbah, qualifies as independent, as defined under the listing rules of Nasdaq.

### **Board Committees**

The Swvl Board has established the following committees: an audit committee, a compensation committee and a nominating and corporate governance committee. The Swvl Board may also establish from time to time any other committees that it deems necessary or desirable. The Swvl Board and its committees set schedules for meeting throughout the year and can also hold special meetings and act by written consent from time to time, as appropriate. The Swvl Board delegates various responsibilities and authority to its committees as generally described below. The committees regularly report on their activities and actions to the full Swvl Board. Each member of each committee of the Swvl Board is qualified as an independent director in accordance with the listing standards of the Nasdaq. Each committee of the Swvl Board has a written charter approved by the Swvl Board. Copies of each charter are posted on Swvl's website at [www.swvl.com](http://www.swvl.com). The inclusion of Swvl's website address in this Report does not include or incorporate by reference the information on Swvl's website into this Report. Members serve on these committees until their resignation or until otherwise determined by the Swvl Board.

### **Audit Committee**

The member of Swvl's audit committee are Mr. Ismail, Chairman, Ms. Dyson and Mr. Farha, each of who can read and understand fundamental financial statements. Mr. Ismail, Mr. Farha and Ms. Dyson are independent under the rules and regulations of the SEC and the listing rules of the Nasdaq applicable to audit committee members. Mr. Ismail is the chair of the audit committee. Mr. Ismail, Mr. Farha and Ms. Dyson each qualify as an audit committee financial expert within the meaning of SEC regulations and meets the financial sophistication requirements of the Nasdaq. Swvl's audit committee assists the Swvl Board with its oversight of the following: the integrity of Swvl's financial statements; Swvl's compliance with legal and regulatory requirements; the qualifications, independence and performance of the independent registered public accounting firm; and the design and implementation of Swvl's internal audit function and risk assessment and risk management. Among other things, Swvl's audit committee is responsible for reviewing and discussing with Swvl's management the adequacy and effectiveness of Swvl's disclosure controls and procedures. The audit committee also discusses with Swvl's management and independent registered public accounting firm the annual audit plan and scope of audit activities, scope and timing of the annual audit of Swvl's financial statements, and the results of the audit, quarterly reviews of Swvl's financial statements and, as appropriate, initiates inquiries into certain aspects of Swvl's financial affairs. Swvl's audit committee is responsible for establishing and overseeing procedures for the receipt, retention and treatment of any complaints regarding accounting, internal accounting controls or auditing matters, as well as for the confidential and anonymous submissions by Swvl's employees of concerns regarding questionable accounting or auditing matters. In addition, Swvl's audit committee has direct responsibility for the appointment, compensation, retention and oversight of the work of Swvl's independent registered public accounting firm. Swvl's audit committee has sole authority to approve the hiring and discharging of Swvl's independent registered public accounting firm, all audit engagement terms and fees and all permissible non-audit engagements with the independent auditor. Swvl's audit committee reviews and oversees all related person transactions in accordance with Swvl's policies and procedures.

## **Compensation Committee**

The member of Swvl's compensation committee are Mr. Farha and Ms. Grace. Mr. Farha is the chair of the compensation committee. Each member of Swvl's compensation committee is considered independent under the rules and regulations of the SEC and the listing rules of the Nasdaq applicable to compensation committee members. Swvl's compensation committee assists the Swvl Board in discharging certain of Swvl's responsibilities with respect to compensating its executive officers, and the administration and review of its incentive plans for employees and other service providers, including its equity incentive plans, and certain other matters related to Swvl's compensation programs.

## **Nominating and Corporate Governance Committee**

The members of Swvl's nominating and corporate governance committee is Ms. Dyson. Swvl's nominating and corporate governance committee assists the Swvl Board with its oversight of and identification of individuals qualified to become members of the Swvl Board, consistent with criteria approved by the Swvl Board, and selects, or recommends that the Swvl Board selects, director nominees, develops and recommends to the Swvl Board a set of corporate governance guidelines and oversees the evaluation of the Swvl Board.

## **Code of Conduct**

The Swvl Board has adopted a Code of Conduct. The Code of Conduct applies to all of Swvl's employees, officers and directors, as well as all of Swvl's contractors, consultants, suppliers and agents in connection with their work for Swvl. The Code of Conduct is posted on Swvl's at [www.swvl.com](http://www.swvl.com). Swvl intends to disclose future amendments to, or waivers of, the post-combination company's Code of Conduct, as and to the extent required by SEC regulations, at the same location on Swvl's website identified above or in public filings. Information contained on Swvl's website is not incorporated by reference into this Report, and you should not consider information contained on Swvl's website to be part of this Report.

## **Compensation Committee Interlocks and Insider Participation**

None of the members of Swvl's compensation committee has ever been a member of the board of directors or compensation committee of any other entity that has or has had one or more executive officers serving as a member of the Swvl Board or compensation committee.

## **D. Employees**

As of December 31, 2022, we had 203 full-time (or full-time equivalent) employees based primarily in Dubai and Egypt, including 167 in operations, 14 in engineering, 17 in accounting and finance and 5 in marketing. None of our employees are represented by a labor union, and we consider our relations with employees to be good. To date, we have not experienced any work stoppages.

## **E. Share Ownership**

Ownership of Swvl Securities by the directors and executive officers of Swvl is set forth in "Item 7.A. Major Shareholders" of this Report.

## **F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation**

Not applicable

## **ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS**

### **A. Major Shareholders**

The following table sets forth information regarding the beneficial ownership of Swvl as of the date of this Report.

Beneficial ownership is determined according to the rules of the SEC, which generally provide that a person has beneficial ownership of a security if he, she or it possesses sole or shared voting or investment power over that security, and includes shares underlying options that are currently exercisable or exercisable within 60 days.

Unless otherwise indicated, we believe that all persons named in the table below have sole voting and investment power with respect to all Swvl securities beneficially owned by them.

Beneficial Owner	Swvl Ordinary Shares	% of Swvl's Ordinary Shares
<b>Five Percent Holders of Swvl:</b>		
Queen's Gambit Holdings LLC (1) (11)	345,000	5.08 %
Memphis Equity Ltd. (2) (7)	715,723	10.53 %
VNV (Cyprus) Limited (3) (7) (8)	578,497	8.51 %
DiGame Africa (4) (7) (9)	411,918	6.065 %
<b>Directors and Executive Officers of Swvl: (5)</b>		
Mostafa Kandil (7) (10)	301,993	4.45 %
Abdullah Mansour	*	*
Dany Farha (2) (6)	715,723	10.54 %
Esther Dyson (2)	*	*
Victoria Grace (1)	582,333	5.08 %
Ahmed Sabbah	*	* %
Ayman Ismail	11,295	0.16 %
<b>All Directors and Executive Officers of Swvl as a Group (Seven Individuals)</b>	<b>3,899,815</b>	<b>50.42 %</b>

\* Less than one percent.

- (1) Consisting of 345,000 Ordinary Shares and 5,933,333 Sponsor Warrants. Queen's Gambit Holdings LLC is the record holder of the shares reported herein. Victoria Grace is the managing member of Queen's Gambit Holdings LLC.
- (2) Investment and voting decisions for securities held by Memphis Equity Ltd. are made by the investment committee of Memphis Equity Ltd., which, Swvl has been informed by Memphis Equity Ltd., consists of Dany Farha and Yousef Hammad.
- (3) Investment and voting decisions for securities held by VNV (Cyprus) Limited are made by a majority of the members of the board of directors of VNV (Cyprus) Limited, which Swvl has been informed by VNV (Cyprus) Limited, is comprised of Boris Sinegubko, Eleni Chrysostomides, Georgia Chrysostomides and Chrystalla Dekatris.
- (4) Investment and voting decisions for securities held by DiGame Africa are made by a majority of the members of the board of directors of DiGame Investment Company, which Swvl has been informed by DiGame Africa, is comprised of Samer Salty, Shane Tedjarati, Esther Dyson, Samir Mikati and Samir Hammami.
- (5) The business address for each director and executive officer of Swvl is The Offices 4, One Central, Dubai World Trade Centre, Dubai, UAE.
- (6) Consists of 715,723 Ordinary Shares held by Memphis Equity Ltd. and deemed beneficially owned by Mr. Farha as a result of his membership on the investment committee of Memphis Equity Ltd.
- (7) Party to the Shareholders' Agreement, which is filed as Exhibit 4.6 to this Report.
- (8) The number of Ordinary Shares beneficially owned by VNV (Cyprus) Limited is based on the information disclosed on the Schedule 13D filed with the SEC on April 8, 2022.

- (9) The number of Ordinary Shares beneficially owned by DiGame Africa is based on the information disclosed on the Schedule 13D filed with the SEC on April 11, 2022.
- (10) The number of Ordinary Shares beneficially owned by Mostafa Kandil is based on the information disclosed on the Schedule 13D filed with the SEC on April 8, 2022.
- (11) The number of Ordinary Shares beneficially owned by Queen's Gambit Holdings LLC is based on the information disclosed on the Schedule 13D filed with the SEC on April 7, 2022.

### **Significant Changes in Ownership by Major Shareholders**

We have experienced significant changes in the percentage ownership held by major shareholders as a result of the Business Combination. Prior to the Business Combination, Swvl Inc.'s principal shareholder was Memphis Equity Ltd., which held ordinary shares representing 10.58% of Swvl Inc.'s outstanding ordinary shares prior to the Business Combination. Prior to the Business Combination, Swvl Holdings Corp (then known as Pivotal Holdings Corp) was a wholly-owned subsidiary of Swvl Inc.

### **B. Related Party Transactions**

#### **VNV (Cyprus) Loan**

VNV (Cyprus) is one of Swvl major shareholders with current percentage ownership of 8.5% (578,497 Common A shares), on June 30th 2023 Swvl and VNV entered into a loan agreement for the express purpose of extending the term of coverage under the Directors' and Officers' liability insurance. The loan amount is \$0.13 million with an interest of 10 per cent per annum. And the loan is payable on December 1, 2023.

#### **Payment on bBehalf Board Members**

The following board members – Ayman Ismail, Esther Dyson, Victoria Grace and Danny Farha – agreed on June 30, 2023, to collectively pay on behalf of Swvl an amount of \$0.5 million in aggregate (\$0.13 million for each) for the express purpose of extending the term of coverage under the Directors' and Officers's liability insurance. The amount paid on behalf to be reimbursed back to the mentioned Board Members in event of the closing sale of the subsidiary in Mexico

In connection with Swvl's the directors and officers insurance costs, on June 30, 2023, there was a payment due to the insurance provider while Swvl did not have the sufficient liquidity at the time, five board members

#### **Registration Rights**

In connection with the Business Combination, on July 28, 2021, Swvl, SPAC, Queens Gambit Holdings LLC (the "Sponsor") and certain security holders of Swvl (the "Registration Rights Holders") entered into a registration rights agreement (the "Registration Rights Agreement"). Pursuant to the Registration Rights Agreement, within 20 business days after the consummation of the Business Combination, Swvl is required to (a) file with the SEC a registration statement (the "Resale Registration Statement") registering the resale of certain securities of Swvl held by the Registration Rights Holders and (b) use its reasonable best efforts to cause the Resale Registration Statement to become effective as soon as reasonably practicable after the filing thereof. Under the Registration Rights Agreement, the Registration Rights Holders may demand up to (i) three underwritten offerings and (ii) within any 12-month period, two block trades or "at-the-market" or similar registered offerings of the securities held by the Registration Rights Holders through a broker or agent. The Registration Rights Holders are also entitled to customary piggyback registration rights.

## **Sponsor Agreement**

In connection with the Business Combination, on July 28, 2021, the Sponsor entered into a letter agreement among Swvl and SPAC (the “Sponsor Agreement”), pursuant to which, among other things, (i) the Sponsor agreed to vote all of their Ordinary Shares in favor of the adoption and approval of the Business Combination, and, subject to certain other exceptions, (ii) not transfer any of their Swvl securities until the earlier of (a) one year after the consummation of the Business Transaction or (b) (x) the first date on which the last sale price of Swvl’s Ordinary Shares equals or exceeds \$12.00 per share (as adjusted for share splits, share dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 150 days after the Closing (y) the date on which Swvl completes a liquidation, merger, capital stock exchange, reorganization or other similar transaction that results in all of Swvl’s shareholders having the right to exchange their Ordinary Shares for cash, securities or other property following consummation of the Business Combination and (z) in the case of the Sponsor Warrants (or Ordinary Shares underlying such warrants), until 30 days after the consummation of the Business Transaction.

## **PIPE Financing**

In connection with the PIPE Financing, on July 28, 2021, the Concordium Foundation, a Swiss Foundation (Stiftung) and affiliate of Concordium AG, executed a subscription agreement agreeing to purchase 2,500 Swvl Common Shares A for \$10.00 per share for an aggregate purchase price of \$25,000. Lone Fønss Schröder, a member of the Swvl Board at the date of the execution of the subscription agreement, served as the Chief Executive Officer of Concordium AG but had no ownership interest in nor control over the Concordium Foundation.

## **Kandil Employment Agreement**

On July 28, 2021, Swvl and Swvl Global FZE entered into an employment agreement with Mostafa Kandil, pursuant to which, in connection with the consummation of the Business Combination, Mr. Kandil commenced service as Swvl’s Chairman and Chief Executive Officer and Swvl Global FZE’s manager. Mr. Kandil’s employment agreement provides for, among other things, an annual base salary of \$650,000 per year, an annual performance based cash bonus in a targeted amount equal to 100% of his annual base salary, an initial grant of options to purchase Swvl Ordinary Shares with an aggregate financial accounting grant date fair value equal to \$650,000 and a grant of restricted stock units with an aggregate value of \$1,600,000 based on the closing price of Swvl Ordinary Shares on the grant date. Mr. Kandil’s employment agreement further provides that if Mr. Kandil’s employment is terminated by Swvl other than for cause, death or disability or, by Mr. Kandil for good reason (each as defined in Mr. Kandil’s employment agreement), subject to Mr. Kandil’s execution and non-revocation of a release of claims, Mr. Kandil will be entitled to receive (i) one times (and in the case of such qualifying termination within two years following a change in control, two times) the sum of his annual base salary and his annual bonus earned in respect of the fiscal year ending immediately prior to the effective termination date, (ii) payment of a pro rata portion of his annual bonus in respect of the fiscal year in which such termination or resignation occurs, (iii) payment of any unpaid annual bonus earned for the year prior to the year of termination or resignation and (iv) full acceleration of the equity awards granted to him on connection with the commencement of his employment as summarized in the paragraph immediately above. Mr. Kandil is subject to non-competition and non-solicitation covenants during his employment and for a period of one-year following termination of employment and non-disparagement and confidentiality covenants during and following termination of his employment.

## **Mansour Employment Agreement**

On April 1, 2023, Swvl and Swvl For Smart Transport Applications and Services LLC entered into an employment agreement with Abdullah Mansour to commence service as Swvl’s Interim Chief Financial Officer for an indefinite period (the “Mansour Employment Agreement”). The Mansour Employment Agreement provides for, among other things, an annual base salary of \$38,710 to be paid to Mr. Mansour per year. Mr. Mansour is subject to non-competition and non-solicitation covenants during his employment and for a period of one-year following termination of employment and non-disparagement and confidentiality covenants during and following termination of his employment.

## **Grant of Stock Options to Executive Officers and Directors**

On March 31, 2022, Swvl granted Mr. Kandil Initial Kandil Option Award (consisting of an option to purchase 130,495 Swvl Ordinary Shares) with an exercise price of \$10 per share and subject to a four-year vesting term, with 25% of the shares underlying such applicable grant vesting on the first anniversary of the grant date, and the remainder vesting in 12 equal quarterly installments following such anniversary and subject to the terms of Mr. Kandil's employment agreement discussed above and the terms of the 2021 Plan as discussed in the section of this Report entitled "Item 6. Directors, Senior Management and Employees-Compensation- Swvl 2021 Omnibus Incentive Compensation Plan."

In connection with Mr. Albrecht's commencement as the chair of Swvl's audit committee, on March 31, 2022, Swvl granted Mr. Albrecht an option to purchase 50,000 Swvl Ordinary Shares with an exercise price of \$10 per share and subject to a four-year vesting term, with 25% of the shares underlying such grant vesting on the first anniversary of the grant, and the remainder vesting in 12 equal quarterly installments following such anniversary and subject to the terms of the 2021 Plan as discussed in the section of this Report entitled "Item 6. Directors, Senior Management and Employees-Compensation- Swvl 2021 Omnibus Incentive Compensation Plan."

## **Partnership with Concordium**

On August 11, 2021, Swvl and Concordium AG announced a strategic partnership to use blockchain technologies to develop mass transit solutions. Lone Fønss Schrøder, a former member of the Swvl Board, also served as the Chief Executive Officer of Concordium AG on the date of the execution of the strategic partnership between the parties.

## **C. Interests of Experts and Counsel**

Not applicable.

## **ITEM 8. FINANCIAL INFORMATION**

### **A. Consolidated Statements and Other Financial Information**

The financial statements of the Company are set forth in "Item 18. Financial Statements" of this Report.

### **Legal Proceedings**

From time to time, we may become involved in actions, claims, suits, and other legal proceedings arising in the ordinary course of business, including assertions by third parties relating to intellectual property infringement, breaches of contract or warranties or employment-related matters. We are not currently a party to any actions, claims, suits or other legal proceedings the outcome of which, if determined adversely to us, would individually or in the aggregate have a material adverse effect on our business, financial condition and results of operations.

### **Dividends and Distributions**

We have never declared or paid any dividends on our Ordinary Shares and presently do not expect to declare or pay such dividends in the foreseeable future and expect to reinvest all undistributed earnings to expand our operations, which we believe would be of the most benefit to our shareholders. The declaration of dividends, if any, will be subject to the discretion of our board of directors, which may consider such factors as our results of operations, financial condition, capital needs and acquisition strategy, among others.

### **B. Significant Changes**

Except as disclosed elsewhere in this Report, we have not experienced any significant changes since the date of our audited consolidated financial statements included in this Report.

**ITEM 9. THE OFFER AND LISTING**

**A. Offer and Listing Details**

Swvl's Ordinary Shares and Warrants are listed on the Nasdaq Capital Market under the symbols "SWVL" and "SWVLW," respectively.

**B. Plan of Distribution**

Not applicable.

**C. Markets**

Information related to markets is set forth in "Item 9.A. Offer and Listing Details" of this Report.

**D. Selling Shareholders**

Not applicable.

**E. Dilution**

Not applicable.

**F. Expenses of the Issue**

Not applicable.

**ITEM 10. ADDITIONAL INFORMATION**

**A. Share Capital**

Not applicable.

**B. Memorandum and Articles of Association**

The following represents a summary of certain key provisions of Swvl's amended and restated memorandum and articles of association (the "Swvl Public Company Articles"). The summary does not purport to be a summary of all of the provisions of the Swvl Public Company Articles. Please refer to the Swvl Public Company Articles, filed as Exhibit 1.1 to this Report, for more information.

Swvl is a British Virgin Islands company limited by shares and its affairs are governed by the Swvl Public Company Articles and the British Virgin Islands Companies Act (the "BVI Companies Act") (each as amended or modified from time to time). Under the Swvl Public Company Articles, and subject to the BVI Companies Act, Swvl has full capacity to carry on or undertake any business or activity, do any act or enter into any transaction, and, for such purposes, full rights, powers and privileges.

**Authorized Shares**

The Swvl Public Company Articles authorize the issuance of up to 75,000,000 shares, consisting of (a) 20,000,000 Ordinary Shares, par value \$0.0025 per share, and (b) 55,000,000 preferred shares, par value \$0.0001 per share. All outstanding Ordinary Shares are fully paid and non-assessable. To the extent they are issued, certificates representing Ordinary Shares are issued in registered form.

All options, regardless of grant dates, will entitle holders to an equivalent number of Ordinary Shares once the vesting and exercising conditions are met.

## **Key Provisions of the Swvl Public Company Articles and British Virgin Islands Law Affecting Swvl's Ordinary Shares or Corporate Governance**

### ***Voting Rights***

The holders of Ordinary Shares securities are entitled to one vote per share on all matters to be voted on by shareholders. The Swvl Public Company Articles do not provide for cumulative voting with respect to the election of directors.

### ***Transfer***

All Ordinary Shares are issued in registered form and may be freely transferred under the Swvl Public Company Articles, unless any such transfer is restricted or prohibited by another instrument, Nasdaq rules or applicable securities laws.

Under the BVI Companies Act, shares that are listed on a recognized exchange may be transferred without the need for a written instrument of transfer if the transfer is carried out in accordance with the laws, rules, procedures and other requirements applicable to shares listed on the recognized exchange and subject to the Swvl Public Company Articles.

Among other things, certain of the shareholders of Swvl, pursuant to the lock-up agreements entered into in connection with the Business Combination (the "Lock-Up Agreements") and the Sponsor Agreement, may not transfer their Ordinary Shares during the 6 or 12 month period (as applicable) following consummation of the Business Combination. Additionally, any Swvl securities received in the Business Combination by persons who are or become affiliates of Swvl for purposes of Rule 144 under the Securities Act may be resold only in transactions permitted by Rule 144, or as otherwise permitted under the Securities Act. Persons who may be deemed affiliates of Swvl generally include individuals or entities that control, are controlled by or are under common control with, Swvl and may include the directors and executive officers of Swvl, as well as its significant shareholders.

### ***Redemption Rights***

The BVI Companies Act and the Swvl Public Company Articles permit Swvl to purchase its own shares with the prior written consent of the relevant members, on such terms and in such manner as may be determined by its board of directors and by a resolution of directors and in accordance with the BVI Companies Act.

### ***Dividends and Distributions***

Pursuant to the Swvl Public Company Articles and the BVI Companies Act, the Swvl Board may from time to time declare dividends and other distributions, and authorize payment thereof, if, in accordance with the BVI Companies Act, the Swvl Board is satisfied that immediately after the payment of any such dividend or distribution, (a) the value of Swvl's assets exceeds its liabilities and (b) Swvl is able to pay its debts as they fall due. Each of holder of Ordinary Shares has equal rights with regard to dividends and to distributions of the surplus assets of Swvl, if any.

### ***Other Rights***

Under the Swvl Public Company Articles, the holders of Swvl securities are not entitled to any preemptive rights or anti-dilution rights. Swvl securities are not subject to any sinking fund provisions.

### ***Calls on Ordinary Shares and Forfeiture of Ordinary Shares***

The Swvl Board may from time to time make calls upon members for any amounts unpaid on their Ordinary Shares in a notice served to such members at least 14 clear days prior to the specified time of payment. The Ordinary Shares that have been called upon and remain unpaid are subject to forfeiture.

### ***Issuance of Additional Shares***

The Swvl Public Company Articles authorize the Swvl Board to issue additional Ordinary Shares from time to time as the board of directors shall determine, subject to the BVI Companies Act and the provisions, if any, in the Swvl Public Company Articles (and to any direction that may be given by Swvl in general meeting) and, where applicable, the rules and regulations of any applicable exchange, the SEC and/or any other competent regulatory authority and without prejudice to any rights attached to any existing shares.

However, under British Virgin Islands law, our directors may only exercise the rights and powers granted to them under the Swvl Public Company Articles for a proper purpose and for what they believe in good faith to be in the best interests of Swvl.

### ***Meetings of Shareholders***

Under the Swvl Public Company Articles, Swvl may, but is not obligated to, hold an annual general meeting each year. The Swvl Board or the chair, if in office, may call an annual general meeting or an extraordinary general meeting upon not less than seven (7) days' notice unless such notice is waived in accordance with the Swvl Public Company Articles. A meeting notice must specify the place, day and hour of the meeting and the general nature of the business to be conducted at such meeting. At any general meeting of Swvl shareholders, a majority of the voting power of the Swvl shares entitled to vote at such meeting shall constitute a quorum. Subject to the requirements of the BVI Companies Act, only those matters set forth in the notice of the general meeting or (solely in the case of a meeting convened upon a Swvl Members' Requisition (as defined below)) properly requested in connection with a Members' Requisition may be considered or acted upon at a meeting of Swvl shareholders.

Each general meeting, other than an annual general meeting, shall be an extraordinary general meeting. Under the Swvl Public Company Articles, shareholders have the right to call extraordinary general meetings of shareholders (a "Swvl Members' Requisition"). To properly call an extraordinary general meeting pursuant to a Swvl Members Requisition, (a) the request of shareholders representing not less than 30% of the voting power represented by all issued and outstanding shares of Swvl in respect of the matter for which such meeting is requested must be deposited at the registered office of Swvl and (b) the requisitioning shareholders must comply with certain information requirements specified in the Swvl Public Company Articles.

In connection with any meeting of shareholders, the right of a shareholder to bring other business or to nominate a candidate for election to the Swvl Board must be exercised in compliance with the requirements of the Swvl Public Company Articles. Among other things, notice of such other business or nomination must be received at the registered office of Swvl not later than the close of business on the date that is 120 days before, and not earlier than the close of business on the date that is 150 days before, the one-year anniversary of the preceding year's annual general meeting, subject to certain exceptions.

### ***Liquidation***

On a liquidation or winding up of Swvl, assets available for distribution among the holders of Ordinary Shares shall be distributed among the holders of Ordinary Shares on a pro rata basis.

### ***Inspection of Books and Records***

A member of Swvl is entitled, on giving written notice to Swvl, to inspect (a) the memorandum and articles of association of Swvl; (b) the register of members; (c) the register of directors; and (d) the minutes of meetings and resolutions of members and of those classes of members of which he is a member; and to make copies of or take extracts from the documents and records. Subject to the Swvl Public Company Articles, the directors may, if they are satisfied that it would be contrary to the interests of Swvl to allow a member to inspect any document, or part of a document, specified in (b), (c) and (d) above, refuse to permit the member to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records.

Where a company fails or refuses to permit a member to inspect a document or permits a member to inspect a document subject to limitations, that member may apply to the BVI High Court for an order that he should be permitted to inspect the document or to inspect the document without limitation.

A company is required to keep at the office of its registered agent: its memorandum and articles of association of the company; the register of members or a copy of the register of members; the register of directors or a copy of the register of directors; and copies of all notices and other documents filed by the company in the previous ten years.

### ***Preference Shares***

The Swvl Public Company Articles provide that preference shares may be issued from time to time in one or more series. The board of directors of Swvl are authorized to fix the voting rights, if any, designations, powers, preferences, the relative, participating, optional or other special rights and any qualifications, limitations and restrictions thereof, applicable to the shares of each series by an amendment to the Swvl Public Company Articles to be approved by the board of directors of Swvl. The board of directors of Swvl is able to, without shareholder approval, issue preference shares with voting and other rights that could adversely affect the voting power and other rights of the holders of Ordinary Shares and could have anti-takeover effects. The ability of the board of directors of Swvl to issue preference shares without shareholder approval could have the effect of delaying, deferring or preventing a change of control of us or the removal of existing management. Swvl has no preference shares issued and outstanding at the date of this Report. Any amendment to the Swvl Public Company Articles by the board of directors of Swvl in order to assign rights to any preference shares and the issuance of such preference shares would be subject to applicable directors' duties.

### ***Anti-Takeover Provisions***

Some provisions of the Swvl Public Company Articles may discourage, delay or prevent a change of control of Swvl or management that members may consider favorable, including, among other things:

- a classified board of directors with staggered, three-year terms;
- the ability of the Swvl Board to issue preferred shares and to determine the price and other terms of those shares, including preferences and voting rights, potentially without shareholder approval;
- the right of Mostafa Kandil to serve as Chair of the Swvl Board so long as he remains Chief Executive Officer of Swvl and to serve as a director so long as he beneficially owns at least 1% of the outstanding shares of Swvl;
- until the completion of Swvl's third annual meeting of shareholders following the consummation of the Business Combination, commitments by major shareholders to vote in favor of the appointment of Swvl designees to the Swvl Board at any shareholder meeting (and, thereafter, to vote in favor of the appointment of Mostafa Kandil or his designee to the Swvl Board, subject to specified conditions);
- the limitation of liability of, and the indemnification of and advancement of expenses to, members of the Swvl Board;
- advance notice procedures with which shareholders must comply to nominate candidates to the Swvl Board or to propose matters to be acted upon at a shareholders' meeting, which could preclude shareholders from bringing matters before annual or special meetings and delay changes in the Swvl Board and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise from attempting to obtain control of Swvl;
- that directors may be removed only for cause and only upon the vote of two-thirds of the directors then in office;
- that shareholders may not act by written consent in lieu of a meeting or call extraordinary meetings;
- the right of the Swvl Board to fill vacancies created by the expansion of the Swvl Board or the resignation, death or removal of a director; and
- that the Swvl Public Company Articles may be amended only by the Swvl Board of Directors or by the affirmative vote of holders of a majority of not less than 75% of the voting power of all of the then-outstanding shares of Swvl.

However, under British Virgin Islands law, the directors of Swvl may only exercise the rights and powers granted to them under our the Swvl Public Company Articles for a proper purpose and for what they believe in good faith to be in the best interests of Swvl.

## **C. Material Contracts**

### **Viapool Stock Purchase Agreement**

On January 14, 2022, we acquired a 51% controlling interest in Viapool, a company incorporated under the laws of the State of Delaware, pursuant to a stock purchase agreement. Viapool is engaged in the development, implementation and commercialization of new mobility and transport systems, including different services and connecting travellers with buses and private cars in Argentina. The total value of the purchase consideration is approximately \$4.5 million in cash and shares.

### **B. Riley Purchase Agreement and Registration Rights Agreement**

On March 22, 2022, we entered into an equity line financing pursuant to a common stock purchase agreement with B. Riley pursuant to which B. Riley committed to purchase up to \$471.7 million of Ordinary Shares, subject to certain limitations and conditions set forth in the purchase agreement. The Ordinary Shares that may be issued under the purchase agreement may be sold by us to B. Riley at our discretion from time to time over an approximately 24-month period commencing on the date that a related resale registration statement is declared effective by the SEC. We may ultimately decide to sell all, some, or none of the Ordinary Shares that may be available for us to sell to B. Riley pursuant to the purchase agreement. The purchase price for the shares that we may sell to B. Riley will fluctuate based on the price of our Ordinary Shares. Depending on market liquidity at the time, sales of such shares may cause the trading price of our Ordinary Shares to fall.

If and when we do sell shares to B. Riley, after B. Riley has acquired the shares, B. Riley may resell all, some, or none of those shares at any time or from time to time in its discretion. Therefore, our sales to B. Riley could result in substantial dilution to the interests of other holders of our Ordinary Shares. Additionally, the sale of a substantial number of shares of our Ordinary Shares to B. Riley, or the anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a price that we might otherwise wish to effect sales. As consideration for B. Riley's commitment under the purchase agreement to purchase our Ordinary Shares, we issued 386,971 Ordinary Shares to B. Riley and such Ordinary Shares are fully earned and non-refundable, even in the event we do not sell any Ordinary Shares to B. Riley under the purchase agreement.

For more information on the purchase agreement with B. Riley, please see the sections of this Report entitled "Item 3. Risk Factors" and "Item 5. Operating and Financial Review and Prospects".

### **Institutional Investor Securities Purchase Agreement**

On August 10, 2022, we entered into a securities purchase agreement with the Institutional Investor pursuant to which we sold 12,121,214 Ordinary at a purchase price of \$1.65 per Ordinary Share, which purchase price included series A and series B warrants of the Company immediately exercisable upon issuance for one Ordinary Share at an exercise price of \$1.65. The series A warrants provide the right to purchase up to 12,121,214 Ordinary Shares for a period of five years. The series B warrants provide the right to purchase up to 6,060,607 Ordinary Shares for a period of two years. A.G.P./Alliance Global Partners acted as the sole placement agent for the Private Placement and received customary compensation for its services, including the issuance thereto of 121,212 Ordinary Shares.

Pursuant to the terms of the securities purchase agreement with the Institutional Investor, we agreed to, among other things, to refrain from (i) issuing, entering into any agreement to issue or announcing the issuance or proposed issuance of certain of our securities (including Ordinary Shares pursuant to the B. Riley Facility) for a period commencing August 10, 2022 until the date that is 60 calendar days after the date that the SEC declares effective the registration statement registering the resale of the Ordinary Shares and Ordinary Shares issuable upon exercise of the Institutional Investor Warrants (or, in the event of a "review" by the SEC of the Registration Statement, 30 days after the date that the SEC declares the registration statement registering the resale of the Institutional Investor securities effective) and (ii) entering into variable rate transactions (as defined in the securities purchase agreement with the Institutional Investor), subject to certain exceptions, for a period of 12 months after the SEC declares the registration statement registering the resale of the Institutional Investor securities effective.

In connection with the Institutional Investor Private Placement, we also entered into the Institutional Investor Registration Rights Agreement pursuant to which we agreed to, among other things, to (i) file the Institutional Investor Registration Statement no later than August 30, 2022 and (ii) use our reasonable best efforts to cause the Institutional Investor Registration Statement to become effective as promptly as practicable thereafter, and, in any event no later than 90 days after the closing of the Institutional Investor Private Placement.

In connection with the Institutional Investor Private Placement, certain of the directors of the Swvl Board entered into lock-up agreements and agreed not to sell or transfer any of the Ordinary Shares they hold, subject to certain exceptions, during the Restricted Period.

#### **Definitive Agreement for the Disposition of Urbvan**

On September 7, 2023, we entered into a definitive agreement with Kolors, a leading transport provider in Latin America, to sale our entire holdings in Urbvan, for aggregate gross proceeds of \$12 million (9.1 net of all selling costs). Urbvan was acquired by us in July 2022 in an all-share acquisition, and the sale of Urbvan to Kolors is comprised entirely of cash. Pursuant to the agreement, we will receive \$12 million for the sale of Urbvan, of which \$9.5 million in cash was paid at closing, and \$2.5 million to be paid over one year. Urbvan constituted 7% of our IFRS revenues as of December 31, 2022. The sale of Urbvan reflects our strategy to focus on higher priority markets.

#### **Definitive Agreement for the Disposition of Volt Lines**

Effective January 6, 2023, we and our subsidiary, Swvl Global FZE, entered into a definitive agreement with the Former Volt Lines Shareholders of Volt Lines, a private company with limited liability duly incorporated under the laws of the Netherlands and a Turkey-based B2B and Transport as a service mobility business, to unwind our previous acquisition of Volt Lines. Pursuant to the agreement, the Former Volt Lines Shareholders are not obligated to retransfer or cancel the tranche of their Ordinary Shares already received from the prior acquisition agreement.

#### **Definitive Agreement for the Disposition of Swvl Pakistan**

Effective April 15, 2023, we and our subsidiary, Swvl Pakistan, entered into a definitive agreement with Mr. Danish Elahi, to sell the shares in Swvp Pakistan as part of our Portfolio Optimization Program. Pursuant to the agreement, Mr. Danish Elahi acquired 99.99% of all the issued and outstanding shares in Swvl Pakistan, with the purchase price of \$20,000. After the acquisitions Mr. Muhammad Arid Shafi owns 0.01% of all the issued and outstanding shares in Swvl Pakistan.

We have otherwise not entered into any material contracts in the two years immediately preceding the date of this Report other than in the ordinary course of business, and other than those described in this Report in the sections entitled “Item 4. Information on the Company,” “Item 7.B Related Party Transactions” or elsewhere in this Report.

#### **Creditor Settlement Arrangements**

Throughout 2023, the Group entered into settlement agreements with a significant number of creditors. These agreements release the Group of a significant portion of creditor balances, mainly associated with the SPAC transaction, as of the reporting period by discounting a portion of the liability. These agreements resulted in discounts amounting to approximately USD 18.7 million that are contingent on the Group’s immediate settlement of these outstanding balances upon the closing date of the agreements. Subsequently, the Group abided by the terms of these agreements and settled the outstanding balances at the respective closing date of each agreement.

#### **D. Exchange Controls**

No laws of the British Virgin Islands, decrees, regulations or other legislation limit the import or export of capital or the payment of dividends to shareholders who do not reside in the British Virgin Islands.

## E. Taxation

### Material U.S. Federal Income Tax Considerations for U.S. Holders

The following is a discussion of the material U.S. federal income tax considerations for U.S. Holders (as defined below) of the ownership and disposition of Ordinary Shares and Warrants. For purposes of this discussion, a “Holder” is a beneficial owner Ordinary Shares or Warrants. This discussion applies only to Ordinary Shares and Warrants, as the case may be, that are held as “capital assets” within the meaning of Section 1221 of the Code for U.S. federal income tax purposes (generally, property held for investment). This discussion is based on the provisions of the Code, U.S. Treasury regulations (“Treasury Regulations”), administrative rules, and judicial decisions, all as in effect on the date of this Report, and all of which are subject to change or differing interpretations, possibly with retroactive effect. Any such change or differing interpretation could significantly alter the tax considerations described herein. The Company has not sought any rulings from the IRS with respect to the statements made and the positions or conclusions described in this summary. Such statements, positions and conclusions are not free from doubt, and there can be no assurance that your tax advisor, the IRS, or a court will agree with such statements, positions, and conclusions.

This summary does not address the Medicare tax on certain investment income, U.S. federal estate or gift tax laws, any U.S. state or local or non-U.S. tax laws, or any tax treaties. Furthermore, this discussion does not address all U.S. federal income tax considerations that may be relevant to particular holders in light of their personal circumstances or that may be relevant to certain categories of investors that may be subject to special rules under the U.S. federal income tax laws, such as:

- banks, insurance companies, or other financial institutions;
- tax-exempt or governmental organizations;
- “qualified foreign pension funds” as defined in Section 897(l)(2) of the Code (or any entities all of the interests of which are held by a qualified foreign pension fund);
- dealers in securities or foreign currencies;
- persons whose functional currency is not the U.S. dollar;
- traders in securities that use the mark-to-market method of accounting for U.S. federal income tax purposes;
- “controlled foreign corporations,” “passive foreign investment companies,” and corporations that accumulate earnings to avoid U.S. federal income tax;
- entities or arrangements treated as partnerships or other pass-through entities for U.S. federal income tax purposes or holders of interests therein;
- persons deemed to sell Ordinary Shares or Warrants under the constructive sale provisions of the Code;
- persons that acquired Ordinary Shares or Warrants through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;
- persons that hold Ordinary Shares or Warrants as part of a straddle, appreciated financial position, synthetic security, hedge, conversion transaction or other integrated investment or risk reduction transaction;
- certain former citizens or long-term residents of the United States;
- except as specifically provided below, persons that actually or constructively own 5% or more (by vote or value) of any class of shares of the Company;
- holders of Sponsor Warrants;

- the Company's officers or directors; and
- holders who are not U.S. Holders.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Ordinary Shares or Warrants, the tax treatment of a partner in such partnership generally will depend upon the status of the partner, upon the activities of the partnership and upon certain determinations made at the partner level. Accordingly, partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) holding Ordinary Shares or Warrants are urged to consult with their own tax advisors regarding the U.S. federal income tax consequences to them relating to the matters discussed below.

**ALL HOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS (INCLUDING ANY POTENTIAL FUTURE CHANGES THERETO) TO THEIR PARTICULAR SITUATIONS, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY OTHER TAX LAWS, INCLUDING U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR ANY U.S. STATE OR LOCAL OR NON-U.S. TAX LAWS, OR UNDER ANY APPLICABLE INCOME TAX TREATY.**

#### ***U.S. Holder Defined***

For purposes of this discussion, a "U.S. Holder" is a Holder that, for U.S. federal income tax purposes, is:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (i) the administration of which is subject to the primary supervision of a U.S. court and which has one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code) who have the authority to control all substantial decisions of the trust or (ii) that has made a valid election under applicable Treasury Regulations to be treated as a United States person.

#### ***Passive Foreign Investment Company Rules***

Adverse U.S. federal income tax rules apply to United States persons that hold shares in a foreign (i.e., non-U.S.) corporation classified as a PFIC for U.S. federal income tax purposes. In general, the Company will be treated as a PFIC with respect to a U.S. Holder in any taxable year in which, after applying certain look-through rules, either (a) at least 75% of its gross income for such taxable year consists of passive income (e.g., dividends, interest, rents (other than rents derived from the active conduct of a trade or business), and gains from the disposition of passive assets); or (b) the average percentage (ordinarily averaged quarterly over the year) by value of its assets during such taxable year that produce or are held for the production of passive income is at least 50%.

Because PFIC status is based on income, assets and activities for the entire taxable year and because revenue production of the Company is uncertain, it is not possible to determine PFIC status for any taxable year until after the close of the taxable year. There can be no assurance that the Company will not meet the PFIC income or asset test for the current taxable year or any future taxable year. If the Company is a PFIC for any taxable year in which a U.S. Holder held Ordinary Shares or Warrants, the Company will be treated as a PFIC for subsequent years even if the Company would not be classified as a PFIC in those years.

If the Company were treated as a PFIC for any taxable year during which a U.S. Holder held Ordinary Shares or Warrants, a U.S. Holder would be subject to significant adverse tax consequences, including interest charges and additional taxes, on certain excess distributions, sales, exchanges, or other dispositions of Ordinary Shares and certain transactions involving subsidiaries of the Company that are themselves PFICs. A U.S. Holder may mitigate certain, but not all, of these adverse consequences by timely making certain elections with respect to its Ordinary Shares. In this regard, there can be no assurances that the Company will provide U.S. Holders the information required to make certain of these elections. In addition, certain information reporting requirements apply with respect to the ownership of Ordinary Shares. It is unclear how various aspects of the PFIC rules apply to the Warrants, and U.S. Holders are strongly urged to consult with their own tax advisors regarding the application of such rules to their Warrants in their particular circumstances.

*Special Considerations For U.S. Holders that Acquired Our Interests As A Result of the Business Combination.* As a result of the Business Combination, the application of the PFIC tests for the taxable year ending December 31, 2022 (the “2022 Tax Year”) will reflect the assets and income of the SPAC for the period prior to Closing, and the income and assets of the Company following Closing. Accordingly, the application of the PFIC test in the 2022 Tax Year could differ from the application of the PFIC tests in other years. In addition, U.S. Holders who received their Warrants or Ordinary Shares in exchange for the warrants issued by SPAC at the time of SPAC’s initial public offering or ordinary shares issued by SPAC (“SPAC Shares”) pursuant to the Business Combination (“Former SPAC Holders”) should consult the Form F-4 section entitled “Material Tax Considerations” and their own tax advisors about special PFIC rules that apply to them as a result of their historic ownership of these respective interests.

The remainder of this discussion assumes Company has not and will not be classified as PFIC.

**THE PFIC RULES ARE VERY COMPLEX, ARE AFFECTED BY VARIOUS FACTORS IN ADDITION TO THOSE DESCRIBED ABOVE, AND THEIR APPLICATION IS UNCERTAIN. U.S. HOLDERS ARE STRONGLY URGED TO CONSULT WITH THEIR OWN TAX ADVISORS TO DETERMINE THE APPLICATION OF THE PFIC RULES TO THEM IN THEIR PARTICULAR CIRCUMSTANCES AND ANY RESULTING TAX CONSEQUENCES.**

#### ***Tax Characterization of Distributions with Respect to Ordinary Shares***

If the Company pays distributions of cash or other property to U.S. Holders of shares of Ordinary Shares, such distributions generally will constitute dividends for U.S. federal income tax purposes to the extent paid from the Company’s current or accumulated earnings and profits, as determined under U.S. federal income tax principles, and will be treated as described in the section entitled “Distributions Treated as Dividends” below. The Company does not expect to determine earnings and profits in accordance with United States federal income tax principles. Therefore, U.S. Holders should expect that any distribution by the Company will generally be treated as a dividend.

#### ***Possible Constructive Distributions with Respect to Warrants***

The terms of the Warrants provide for an adjustment to the number of Ordinary Shares for which Warrants may be exercised or to the exercise price of the Warrants in certain events. An adjustment which has the effect of preventing dilution generally is not taxable. U.S. Holders of the Warrants would, however, be treated as receiving a constructive distribution from the Company if, for example, the adjustment increases the warrantholders’ proportionate interest in the Company’s assets or earnings and profits (e.g., through an increase in the number of Ordinary Shares that would be obtained upon exercise or through a decrease in the exercise price of the Warrants) as a result of a distribution of cash or other property to the U.S. Holders of shares of Ordinary Shares. Any such constructive distribution would be treated in the same manner as if U.S. Holders of Warrants received a cash distribution from the Company generally equal to the fair market value of the increased interest and would be taxed in a manner similar to distributions to U.S. Holders of Ordinary Shares described herein. Please see the section entitled “Tax Characterization of Distributions with Respect to Ordinary Shares” above. For certain information reporting purposes, the Company is required to determine the date and amount of any such constructive distributions. Proposed Treasury Regulations, which the Company may rely on prior to the issuance of final Treasury Regulations, specify how the date and amount of any such constructive distributions are determined.

#### ***Distributions Treated as Dividends***

Dividends paid by the Company will be taxable to a corporate U.S. Holder at regular rates and will not be eligible for the dividends-received deduction generally allowed to domestic corporations in respect of dividends received from other domestic corporations. Dividends the Company pays to a non-corporate U.S. Holder generally will constitute “qualified dividends” that will be subject to U.S. federal income tax at the lower applicable long-term capital gains tax rate only if (i) Ordinary Shares are readily tradable on an established securities market in the United States, and (ii) a certain holding period and other requirements are met. The application of these rules to any Ordinary Shares that are not registered for resale is uncertain and U.S. Holders of such unregistered Ordinary Shares should consult their own tax advisors regarding the availability of “qualified dividend” treatment. If such requirements are not satisfied, a non-corporate U.S. Holder may be subject to tax on the dividend at regular ordinary income tax rates instead of the preferential rate that applies to qualified dividend income. Former SPAC shareholders should consult their own tax advisors about special rules regarding the extent to which their holding period for Ordinary Shares includes their holding period of SPAC Shares.

### ***Gain or Loss on Sale or Other Taxable Exchange or Disposition of Ordinary Shares and Warrants***

Upon a sale or other taxable disposition of Ordinary Shares or Warrants (which, in general, would include a redemption of Ordinary Shares or Warrants that is treated as a sale of such securities), a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between (i) the sum of the amount of cash and the fair market value of any property received in such disposition and (ii) the U.S. Holder's adjusted tax basis in the Ordinary Shares or Warrants. Any such capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder's holding period for the Ordinary Shares or Warrants, as applicable, so disposed of exceeds one year. Former SPAC Holders should consult the Form F-4 section entitled "Material Tax Consideration" and their own tax advisers about special rules regarding the extent to which their holding period for Ordinary Shares includes their holding period of SPAC Shares. Long-term capital gains recognized by non-corporate U.S. Holders may be eligible to be taxed at reduced rates. The deductibility of capital losses is subject to limitations.

### ***Cash Exercise of a Warrant***

A U.S. Holder generally will not recognize gain or loss on the acquisition of Ordinary Shares upon the exercise of a Warrant for cash. The U.S. Holder's tax basis in its Ordinary Shares received upon exercise of a Warrant generally will be an amount equal to the sum of the U.S. Holder's tax basis in the Warrant and the exercise price of such Warrant. It is unclear whether a U.S. Holder's holding period for the Ordinary Shares received upon exercise of the Warrant will commence on the date of exercise of the Warrant or the immediately following date. In either case, the holding period will not include the period during which the U.S. Holder held the Warrant.

### ***Cashless Exercise of a Warrant***

The tax characterization of a cashless exercise of a Warrant is not clear under current U.S. federal tax law. Due to the absence of authority on the U.S. federal income tax treatment of a cashless exercise, there can be no assurance which, if any, of the alternative tax characterizations and resultant tax consequences would be adopted by the IRS or upheld by a court of law. Accordingly, U.S. Holders should consult with their own tax advisors regarding the tax consequences of a cashless exercise.

A cashless exercise could potentially be characterized as any of the following for U.S. federal income tax purposes: (i) not a realization event and thus tax-deferred, (ii) a realization event that qualifies as a tax-deferred "recapitalization," or (iii) a taxable realization event. The tax consequences of all three characterizations are generally described below. U.S. Holders should consult with their own tax advisors regarding the tax consequences of a cashless exercise.

If a cashless exercise were characterized as either not a realization event or as a realization event that qualifies as a recapitalization, a U.S. Holder would not recognize any gain or loss on the exchange of Warrants for Ordinary Shares. A U.S. Holder's basis in the shares of Ordinary Shares received would generally equal the U.S. Holder's aggregate basis in the exchanged Warrants.

If the cashless exercise were not a realization event, it is unclear whether a U.S. Holder's holding period in the Ordinary Shares would be treated as commencing on the date of exchange of the Warrants or on the immediately following date, but the holding period would not include the period during which the U.S. Holder held the Warrants. On the other hand, if the cashless exercise were characterized as a realization event that qualifies as a recapitalization, the holding period of the Ordinary Shares would include the holding period of the warrants exercised therefor.

If the cashless exercise were treated as a realization event that does not qualify as a recapitalization, the cashless exercise could be treated in whole or in part as a taxable exchange in which gain or loss would be recognized by the U.S. Holder. Under this characterization, a portion of the Warrants to be exercised on a cashless basis would be deemed to have been surrendered in payment of the exercise price of the remaining portion of such warrants, which would be deemed to be exercised. In such a case, a U.S. Holder would effectively be deemed to have sold a number of Warrants having an aggregate value equal to the exercise price of the remaining Warrants deemed exercised. The U.S. Holder would recognize capital gain or loss in an amount generally equal to the difference between the value of the portion of the warrants deemed sold and its adjusted tax basis in such warrants (generally in the manner described in the section entitled "Gain or Loss on Sale or Other Taxable Exchange or Disposition of Ordinary Shares and Warrants" above), and the U.S. Holder's tax basis in its Ordinary Shares received would generally equal the sum of the U.S. Holder's tax basis in the remaining Warrants deemed exercised and the exercise price of such warrants. It is unclear whether a U.S. Holder's holding period for the Ordinary Shares would commence on the date of exercise of the Warrants or on the date following the date of exercise of the Warrants, but the holding period would not include the period during which the U.S. Holder held the Warrants.

### ***Redemption or Repurchase of Warrants for Cash***

If the Company redeems the Warrants for cash as permitted under the terms of the Warrant Agreement or if the Company repurchases Warrants in an open market transaction, such redemption or repurchase generally will be treated as a taxable disposition to the U.S. Holder, taxed as described in the section entitled “Gain or Loss on Sale or Other Taxable Exchange or Disposition of Ordinary Shares and Warrants” above.

### ***Expiration of a Warrant***

If a Warrant is allowed to expire unexercised, a U.S. Holder generally will recognize a capital loss equal to such U.S. Holder’s tax basis in the Warrant. The deductibility of capital losses is subject to certain limitations.

### ***Information Reporting and Backup Withholding***

Dividends paid to U.S. Holders with respect to Ordinary Shares and proceeds from the sale, exchange, or redemption of Ordinary Shares or Warrants may be subject, under certain circumstances, to information reporting and backup withholding. Backup withholding will not apply, however, to a U.S. Holder that (i) is a corporation or entity that is otherwise exempt from backup withholding (which, when required, certifies as to its exempt status) or (ii) furnishes a correct taxpayer identification number and makes any other required certification on IRS Form W-9 (Request for Taxpayer Identification Number and Certification). Backup withholding is not an additional tax. Rather, the U.S. federal income tax liability (if any) of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund generally may be obtained, provided that the required information is timely furnished to the IRS.

Certain U.S. Holders may be required to file an IRS Form 926 (Return by a U.S. Transferor of Property to a Foreign Corporation) to report a transfer of property (including stock, securities, or cash) to us. Substantial penalties may be imposed on a U.S. Holder that fails to comply with this reporting requirement, and the period of limitations on assessment and collection of U.S. federal income taxes will be extended in the event of a failure to comply. Furthermore, certain U.S. Holders who are individuals and certain entities will be required to report information with respect to such U.S. Holder’s investment in “specified foreign financial assets” on IRS Form 8938 (Statement of Specified Foreign Financial Assets), subject to certain exceptions. An interest in the Company constitutes a specified foreign financial asset for these purposes. Persons who are required to report specified foreign financial assets and fail to do so may be subject to substantial penalties, and the period of limitations on assessment and collection of U.S. federal income taxes will be extended in the event of a failure to comply. U.S. Holders are urged to consult with their own tax advisors regarding the foreign financial asset and other reporting obligations and their application to their ownership of Ordinary Shares and Warrants.

**THE FOREGOING DISCUSSION IS NOT A COMPREHENSIVE DISCUSSION OF ALL OF THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO HOLDERS OF ORDINARY SHARES AND WARRANTS. SUCH HOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS TO DETERMINE THE SPECIFIC TAX CONSEQUENCES TO THEM OF OWNING ORDINARY SHARES AND WARRANTS, INCLUDING THE APPLICABILITY AND EFFECT (AND ANY POTENTIAL FUTURE CHANGES THERETO) OF ANY U.S. FEDERAL, STATE OR LOCAL OR NON-U.S. TAX LAWS AND ANY INCOME TAX TREATIES.**

### **F. Dividends and Paying Agents**

Not applicable.

### **G. Statement by Experts**

Not applicable.

## **H. Documents on Display**

We are subject to certain of the informational filing requirements of the Exchange Act. As a foreign private issuer, we are not subject to all of the disclosure requirements applicable to public companies organized within the United States. For example, we are exempt from certain rules under the Exchange Act that regulate disclosure obligations and procedural requirements related to the solicitation of proxies, consents or authorizations applicable to a security registered under the Exchange Act, including the U.S. proxy rules under Section 14 of the Exchange Act. In addition, our officers and directors are exempt from the reporting and “short-swing” profit recovery provisions of Section 16 of the Exchange Act and related rules with respect to their purchases and sales of our securities. Moreover, while we expect to submit quarterly interim consolidated financial data to the SEC under cover of the SEC’s Form 6-K, we are not be required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. public companies and are not be required to file quarterly reports on Form 10-Q or current reports on Form 8-K under the Exchange Act.

The SEC maintains a website at <http://www.sec.gov> that contains reports and other information that we file with or furnish electronically with the SEC.

## **I. Subsidiary Information**

For a listing of our subsidiaries, see the section of this Report entitled “Item 4.C. Information on the Company-Organizational Structure.”

## **ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

We are exposed to market risks in the ordinary course of our business. These risks primarily include credit risk, currency risk, interest rate risk and other price risk. See Note 3 to our consolidated financial statements included elsewhere in this Report for further details.

### ***Credit Risk***

Credit risk is the risk that our contractual counterparties are unable to perform their obligations. We are exposed to credit risk as a result of our operating and investing activities. With respect to our operating activities, our exposure to credit risk arises from our trade and other receivables. However, we are not exposed to increased credit risk as a result of a single counterparty and we mitigate concentration of credit risk with respect to our receivables by performing ongoing credit evaluations of customers. With respect to our financial instruments, our cash and cash equivalents are all held with reputable bank and financial institution counterparties.

### ***Interest Rate Risk***

Interest rate risk is the risk that our earnings will be affected as a result of fluctuations in the value of financial instruments due to changes in market interest rates. We do not have any material borrowings which are exposed to interest rate risk. We have certain financial assets that generate interest income. However, we are not exposed to material interest rate risk on these financial assets.

### ***Foreign Currency Risk***

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. We are not exposed in our transactions denominated in Emirati dirham as it is pegged against the US dollar. However, for the transactions denominated in other currencies (i.e., Pakistani rupees, Egyptian pounds or Kenyan shillings), we are exposed to currency risks as these currencies are not pegged against the US dollar. For detailed discussion and sensitivity analysis on currency risk, see Note 3 of our audited consolidated financial statements included elsewhere in this Report.

### ***Other Price Risk***

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

We were not exposed to price risk as at December 31, 2022, as we have no financial instruments which are sensitive to market prices.

## **ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES**

### **A. Debt Securities**

Not applicable.

### **B. Warrants**

There were 17,433,333 warrants outstanding as of the consummation of the Business Combination, consisting of 11,500,000 Warrants and 5,933,333 Sponsor Warrants.

Each Warrant represents the right to purchase one Ordinary Share at a price of \$11.50 per share in cash. The Warrants are exercisable thirty (30) days after the consummation of the Business Combination and expire upon the earlier of (a) the date that is five (5) years after the consummation of the Business Combination and (b) a liquidation of the Company.

The exercise price of the Warrants, and the number of Ordinary Shares issuable upon exercise thereof, is subject to adjustment under certain circumstances, including if Swvl (a) pays any dividend in Ordinary Shares, (b) subdivides the outstanding Ordinary Shares or (c) pays an extraordinary dividend in cash.

Once the Warrants are exercisable, Swvl has the right to redeem not less than all of the Warrants at any time prior to their expiration, at a redemption price of \$0.01 per warrant, if (i) the last reported sales price of Ordinary Shares is at least \$18.00 per share on each of twenty (20) trading days within the thirty (30) trading-day period ending on the third (3rd) trading day prior to the date on which notice of the redemption is given and (ii) an effective registration statement covering the Ordinary Shares issuable upon exercise of the Warrants, and a current prospectus relating thereto, is available throughout the 30-day redemption period or the Company has elected to require the exercise of the Warrants on a “cashless basis.”

In addition, once the Warrants are exercisable, Swvl has the right to redeem not less than all of the Warrants at any time while exercisable and prior to their expiration, at a redemption price of \$0.10 per warrant, if the last reported sales price of Ordinary Shares is at least \$10.00 per share on each of twenty (20) trading days within the thirty (30) trading-day period ending on the third (3rd) trading day prior to the date on which notice of the redemption is given; provided that during the 30-day period following notice of the redemption, holders of the Warrants are entitled to exercise such warrants on a “cashless basis” and to receive a number of Ordinary Shares determined by reference to an agreed table based on the redemption date and the “fair market value” (as defined in the Warrant Agreement) of Ordinary Shares.

No fractional shares will be issued upon exercise of the Warrants. If, upon exercise, a holder would be entitled to receive a fractional interest in Ordinary Shares, Swvl will round down to the nearest whole number of shares to be issued to the warrant holder.

In accordance with the Warrant Agreement, the Sponsor Warrants have terms identical to the Warrants, except that, so long as the Sponsor Warrants are held by Queens Gambit Holdings, LLC or a permitted transferee, the Sponsor Warrants (a) may not be redeemed by Swvl and (b) may be exercised on a cashless basis for a number of Ordinary Shares equal to the quotient of (i) the product of (A) the number of Ordinary Shares underlying such warrant multiplied by (B) the excess of the “fair market value” (as defined below) over the exercise price of such warrant divided by (ii) the “fair market value.” For purposes of this paragraph, “fair market value” is equal to the average last reported sale price of the Ordinary Shares as reported for the ten (10) trading days ending on the third (3rd) trading day prior to the date on which notice of exercise of the warrant is sent to the warrant agent. In addition, such Sponsor Warrants may not be transferred, sold or assigned by the holder thereof until the date that is thirty (30) days after the consummation of the Business Combination.

### **C. Other Securities**

Not applicable.

#### **D. American Depositary Shares**

Not applicable.

### **PART II**

#### **ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES**

Not applicable.

#### **ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS**

Not applicable.

#### **ITEM 15. CONTROLS AND PROCEDURES.**

##### **Disclosure Controls and Procedures**

As required by Rules 13a-15 and 15d-15 under the Exchange Act, our management, including our chief executive officer and chief financial officer, carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2022. Based upon that evaluation, our management, with the participation of our chief executive officer and chief financial officer, has concluded that, due to the material weaknesses described below, as of December 31, 2022, our disclosure controls and procedures were not effective. We are in the process of undertaking certain remedial steps to address the material weakness in our disclosure controls and procedures as set forth below under “Changes in Internal Control over Financial Reporting.”

##### **Management’s Annual Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act as a process designed by, or under the supervision of, a company’s principal executive officer and principal financial officer, or persons performing similar functions, and effected by a company’s board of directors, management, and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of a company’s assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that a company’s receipts and expenditures are being made only in accordance with authorizations of the company’s management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As described in Item 3.D. “Risk Factors,” as of December 31, 2022, we have material weaknesses in our internal control over financial reporting relating to (1) the sufficiency of resources with an appropriate level of technical accounting and SEC reporting experience, (2) a lack of sufficient financial reporting policies and procedures that are commensurate with IFRS and SEC reporting requirements, and (3) the design and operating effectiveness of IT general controls for information systems that are relevant to the preparation of Swvl’s consolidated financial statements.

Under the supervision of and with the participation of our principal executive officer and principal financial officer, our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2022, based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework (2013). Based on this assessment, management concluded that our internal control over financial reporting was not effective as of December 31, 2022.

#### **Attestation Report of the Registered Public Accounting Firm**

This Report does not include an attestation report of the company's registered public accounting firm due to a transition period established by rules of the SEC for newly public companies.

#### **Changes in Internal Control Over Financial Reporting**

In connection with the preparation of its financial statements as of and for the year ended December 31, 2022, Swvl and its independent registered public accounting firm identified material weaknesses in Swvl's internal control over financial reporting related to (1) the sufficiency of resources with an appropriate level of technical accounting and SEC reporting experience, (2) a lack of sufficient financial reporting policies and procedures that are commensurate with IFRS and SEC reporting requirements, and (3) the design and operating effectiveness of IT general controls for information systems that are relevant to the preparation of Swvl's consolidated financial statements.

While Swvl performed a preliminary evaluation of its internal control over financial reporting, Swvl was not required to perform an evaluation of internal control over financial reporting in accordance with the provisions of the Sarbanes-Oxley Act because Swvl was a private company during the applicable evaluation period ending December 31, 2022. Had such an evaluation been performed, additional control deficiencies may have been identified by Swvl, and those control deficiencies may have also represented one or more material weaknesses.

The Public Company Accounting Oversight Board has defined a material weakness as a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of Swvl's financial statements will not be prevented or detected on a timely basis.

Swvl has developed and is in the process of implementing a remediation plan to address these control deficiencies, which will address the underlying causes of Swvl's material weaknesses. As part of Swvl's remediation plan, Swvl has hired additional qualified personnel within its finance and accounting functions who are experienced in IFRS and SEC reporting, in addition to starting to conduct training for Swvl personnel with respect to IFRS and SEC financial reporting. Swvl is establishing more robust processes to support its internal control over financial reporting, including sufficient financial reporting policies and procedures that are commensurate with IFRS and SEC reporting requirements. Furthermore, with respect to the effectiveness of Swvl's IT general controls, Swvl is establishing formal processes and controls for information systems that are key to the preparation of its consolidated financial statements, including access and change controls. If these measures are ineffective, Swvl may be unable to remediate these issues in the anticipated timeframe, which may have an adverse effect on Swvl's operating results, Swvl's ability to operate its business or investors' views of Swvl.

For more information on our internal control over financial reporting, please see the sections of this Report entitled "Item 3D. Risk Factors-Swvl has identified material weaknesses in its internal control over financial reporting. If for any reason Swvl is unable to remediate these material weaknesses and otherwise to maintain proper and effective internal controls over financial reporting in the future, Swvl's ability to produce accurate and timely consolidated financial statements may be impaired, which may harm Swvl's operating results, Swvl's ability to operate its business or investors' views of Swvl."

#### **ITEM 16. [RESERVED]**

##### **A. Audit Committee Financial Expert**

Information related to members of Swvl's audit committee is set forth under the subsection of this Report entitled "Item 6C. Board Practices-Audit Committee."

## B. Code of Ethics

Information related to members of Swvl's code of ethics is set forth under the subsection of this Report entitled "Item 6C. Board Practices-Code of Conduct."

## C. Principal Accountant Fees and Services

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by Grant Thornton.

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
Audit Fees	\$ 1,050,000	\$ 1,038,512
Audit-Related Fees	—	—
Tax Fees	—	—
All Other Fees	—	—
Total	\$ 1,050,000	\$ 1,038,512

\* "Audit Fees" represents the aggregate fees billed for professional services rendered by our auditor for the audit of our consolidated financial statements and review of documents filed with the SEC.

## D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

## E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Neither we nor any "affiliated purchaser," as defined in Rule 10b-18(a)(3) of the Exchange Act, purchased any of our equity securities during the period covered by this Report.

## F. Change in Registrant's Certifying Accountant

Not applicable.

## G. Corporate Governance.

### Foreign Private Issuer Status

Swvl is considered a "foreign private issuer" under the securities laws of the U.S. and the rules of Nasdaq. Under the applicable securities laws of the U.S., "foreign private issuers" are subject to different disclosure requirements than U.S. domiciled issuers. Under Nasdaq's rules, a "foreign private issuer" is subject to less stringent corporate governance and compliance requirements and subject to certain exceptions. Nasdaq permits a "foreign private issuer" to follow its home country's practice in lieu of the listing requirements of Nasdaq. Accordingly, Swvl's shareholders may not receive the same protections afforded to shareholders of companies that are subject to all of Nasdaq's corporate governance requirements.

As permitted by Nasdaq Rule 5615(a)(3)(A), Swvl follows home country practice in lieu of Nasdaq corporate governance requirements with respect to Nasdaq Rule 5635(d). Nasdaq Rule 5635(d) generally provides that shareholder approval is required of U.S. domestic companies listed on Nasdaq prior to issuance (or potential issuance) of securities equaling 20% or more of the company's shares or voting power for less than a price that is the lower of (i) the Nasdaq Official Closing Price (as reflected on Nasdaq.com) immediately preceding the signing of the binding agreement or (ii) the average Nasdaq Official Closing Price (as reflected on Nasdaq.com) of the shares for the five trading days immediately preceding the signing of the binding agreement. The British Virgin Islands do not require shareholder approval prior to such issuances. Swvl, therefore, is not be required to obtain such shareholder approval prior to entering into a transaction with the potential to issue securities as described above. Specifically, Swvl follows home country practice and is exempt from the requirements to obtain shareholder approval for the issuance of 20% or more of its outstanding ordinary shares under Nasdaq Listing Rule 5635(d).

Swvl intends to take all actions necessary for it to maintain compliance as a foreign private issuer under the applicable corporate governance requirements of the Sarbanes-Oxley Act of 2002, the rules adopted by the SEC and the Nasdaq corporate governance rules and listing standards.

Because Swvl is a foreign private issuer, its directors and senior management are not subject to short-swing profit and insider trading reporting obligations under Section 16 of the Exchange Act. They are, however, be subject to the obligations to report changes in share ownership under Section 13 of the Exchange Act and related SEC rules.

**H. Mine Safety Disclosure.**

Not applicable.

**I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.**

Not applicable.

**PART III**

**ITEM 17. FINANCIAL STATEMENTS**

We have elected to provide financial statements pursuant to Item 18 of this Report.

**ITEM 18. FINANCIAL STATEMENTS**

The Company's financial statements are filed as part of this Report beginning on page F-1.

**ITEM 19. EXHIBITS**
**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
1.1	<a href="#">Third Amended and Restated Memorandum and Articles of Association of Swvl Holdings Corp (incorporated by reference to Exhibit 99.1 to the Report of Foreign Private Issuer on Form 6-K filed on January 25, 2023 (File no. 001-41339)).</a>
2.1	<a href="#">Specimen Swvl Holdings Corp Common Share A Certificate (incorporated by reference to Exhibit 4.4 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
2.2	<a href="#">Specimen Swvl Holdings Corp Warrant Certificate (incorporated by reference to Exhibit 4.5 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
2.3	<a href="#">Warrant Agreement, dated January 19, 2021, between SPAC and Continental Stock Transfer &amp; Trust Company, as warrant agent (incorporated by reference to Exhibit 2.4 to the Form 20-F filed on March 31, 2022 (File no. 001-41339)).</a>
2.4	<a href="#">Assignment, Assumption and Amendment Agreement by and among Swvl Holdings Corp, SPAC and Continental Stock Transfer &amp; Trust Company Specimen Swvl Holdings Corp Units Certificate, dated March 30, 2022 (incorporated by reference to Exhibit 2.5 to the Form 20-F filed on March 31, 2022 (File no. 001-41339)).</a>
2.5*	<a href="#">Description of Securities.</a>
4.1	<a href="#">Business Combination Agreement (incorporated by reference to Annex A-1 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
4.2	<a href="#">First Amendment to the Business Combination Agreement (incorporated by reference to Annex A-2 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
4.3	<a href="#">Second Amendment to the Business Combination Agreement (incorporated by reference to Annex A-3 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
4.6	<a href="#">Swvl Holdings Corp Shareholders Agreement, dated as of July 28, 2021, by and among Swvl Holdings Corp, the Sponsor and certain shareholders of Swvl (incorporated by reference to Exhibit 4.6 to the Form 20-F filed on March 31, 2022 (File no. 001-41339)).</a>
4.12†	<a href="#">Form of Holdings Omnibus Incentive Compensation Plan (incorporated by reference to Exhibit 10.9 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
4.13†	<a href="#">Employment Agreement, dated July 28, 2021, by and among Mostafa Kandil, Holdings and Swvl Global FZE (incorporated by reference to Exhibit 10.10 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
4.15†	<a href="#">Swvl 2019 Share Option Plan (incorporated by reference to Exhibit 10.12 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
4.16†	<a href="#">Amendment to the Swvl 2019 Share Option Plan, dated July 28, 2021 (incorporated by reference to Exhibit 10.13 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
4.17†	<a href="#">Form of Award Agreement to the Swvl 2019 Share Option Plan (incorporated by reference to Exhibit 10.14 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
4.18†	<a href="#">Form of Notice of Stock Option Award under the Holdings Omnibus Incentive Compensation Plan (incorporated by reference to Exhibit 4.20 to the Form 20-F filed on March 31, 2022 (File no. 001-41339)).</a>
4.19†	<a href="#">Form of Restricted Stock Unit Award under the Holdings Omnibus Incentive Compensation Plan (incorporated by reference to Exhibit 4.21 to the Form 20-F filed on March 31, 2022 (File no. 001-41339)).</a>
4.20†	<a href="#">Interim Management Agreement, dated November 10, 2021, by and among Swvl Jordan, Swvl Inc. and the individual holder of the shares of Swvl Jordan (incorporated by reference to Exhibit 10.17 to the Form F-4 filed on March 11, 2022 (File no. 333-259800)).</a>
4.21†	<a href="#">Non-Employee Director and Advisor Board Member Compensation Policy (incorporated by reference to Exhibit 4.21 to the Form 20-F filed on April 15, 2022 (File no. 001-41339)).</a>
4.22	<a href="#">Ordinary Shares Purchase Agreement, dated March 22, 2022, by and among Pivotal Holdings Corp, B. Riley and Swvl Inc. (incorporated by reference to Exhibit 4.12 to the Form 20-F filed on March 31, 2022 (File no. 001-41339)).</a>
4.23	<a href="#">Amendment No. 1 to Ordinary Shares Purchase Agreement, dated as of April 6, 2022, by and among B. Riley, Swvl Inc. and Swvl Holdings Corp (incorporated by reference to Exhibit 99.1 to the Form 6-K filed on April 7, 2022 (File No. 001-41339)).</a>

## Table of Contents

Exhibit No.	Description
4.24	<a href="#">Amendment No. 2 to Ordinary Shares Purchase Agreement, dated as of April 14, 2022, by and among B. Riley, Swvl Inc. and Swvl Holdings Corp. (incorporated by reference to Exhibit 4.24 to the Form 20-F filed on April 15, 2022 (File no. 001-41339)).</a>
4.25	<a href="#">Registration Rights Agreement, dated March 22, 2022, by and among Pivotal Holdings Corp, B. Riley and Swvl Inc. (incorporated by reference to Exhibit 4.13 to the Form 20-F filed on March 31, 2022 (File no. 001-41339)).</a>
4.26	<a href="#">Amendment No. 1 to Registration Rights Agreement, dated as of April 6, 2022, by and among B. Riley, Swvl Inc. and Swvl Holdings Corp. (incorporated by reference to Exhibit 99.2 to the Form 6-K filed on April 7, 2022 (File No. 001-41339)).</a>
4.27	<a href="#">Sale and Purchase Agreement, dated March 24, 2022, by and among Rivertree Beteiligungsgesellschaft mbH, Dr. Günther Lamperstorfer, KfW, Social media Enterprises GmbH, Ariel Luedi, Dr. Tom Kirschbaum, Maxim Nohroudi, Blirz B22-203 GmbH and Swvl, Inc. (incorporated by reference to Exhibit 4.23 to the Form 20-F filed on March 31, 2022 (File no. 001-41339)).</a>
4.28	<a href="#">Form of Subscription Agreement, dated July 28, 2021, by and among Pivotal Holdings Corp, Swvl Inc. and Queen's Gambit Growth Capital (incorporated by reference to Exhibit 4.28 to the Form 20-F filed on April 15, 2022 (File no. 001-41339)).</a>
4.29*	<a href="#">Sale and Purchase Agreement, dated January 6, 2023, by and between Mohamad Ali Al Halabi, Khaleej 1 Ltd, HEDEF ARAC KIRALAMA VE SERVİS A.Ş., March Holding Limited, Stichting DAI &amp; Members, Stichting Turkish Investors, Stichting MEVP Investors, Lill CVC SAPI de CV, Wamda Seed Limited, Stichting Volt Lines ESOP, Commoditynet Holding B.V., WSH Ltd., Southeast Europe Equity Fund II, LP, Swvl Global FZE, Swvl Inc. and Volt Lines B.V.</a>
4.30	<a href="#">Sale and Purchase Agreement, dated November 16, 2021, by and between Alejandro Taubas, Alejo Matías Miragaya, Lionel Fridman, Diego Nomberg, Clin Fondo de Inversión Privado, AVP Seed Fund I, Angel Ventures Pacific Alliance Fund II Limited Partnership, Banco Actinver, S.A., Institución de Banca Múltiple, Grupo Financiero Actinver, acting as trustee of Irrevocable Trust F/4862, designated AV Pacific Alliance Trust II, CMPL Angel Seed Fund LP and Swvl Inc., Swvl Global FZE, with Swl Inc. as an obliged delegatee of the Buyer Viapool Inc (incorporated by reference to Exhibit 10.3 to Swvl's Form 6-K (File No. 001-41339) filed with the Securities and Exchange Commission on December 6, 2022).</a>
4.31*	<a href="#">Sale and Purchase Agreement, dated September 6, 2023, by and among Kolors, Inc. and Urbvan Mobility Limited.</a>
4.32*	<a href="#">Employment Agreement, dated December 15, 2021, by and among Abdullah Mansour and Swvl For Smart Transport Applications and Services.</a>
4.33*	<a href="#">Share Acquisition Agreement, dated April 15, 2023, by and among Danish Elahi and Swvl Pakistan (Pvt.) Ltd.</a>
8.1*	<a href="#">List of Subsidiaries of Swvl Holdings Corp.</a>
12.1*	<a href="#">Rule 13a-14(a)/15d-14(a) - Section 302 - Certification of Chief Executive Officer.</a>
12.2*	<a href="#">Rule 13a-14(a)/15d-14(a) - Section 302 - Certification of Chief Financial Officer.</a>
13.1*	<a href="#">18 U.S.C. SECTION 1350 - Section 906 - Certification of Chief Executive Officer.</a>
13.2*	<a href="#">18 U.S.C. SECTION 1350 - Section 906 - Certification of Chief Financial Officer.</a>
101.INS	XBRL Instance Document
101.SCH	XBRLTaxonomy Extension Schema Document
101.CAL	XBRLTaxonomy Extension Calculation Linkbase Document
101.DEF	XBRLTaxonomy Extension Definition Linkbase Document
101.LAB	XBRLTaxonomy Extension Label Linkbase Document
101.PRE	XBRLTaxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101).

\* Filed herewith

† Indicates a management contract or compensatory plan

**SIGNATURES**

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Report on its behalf.

**SWVL HOLDINGS CORP**

October 30, 2023

By: /s/ Mostafa Kandil

Name: Mostafa Kandil

Title: Chief Executive Officer

**Swvl Holdings Corp and its subsidiaries**

**Consolidated financial statements  
for the years ended December 31 2022 and 2021**

---

Swvl Holdings Corp and its subsidiaries

Consolidated financial statements

For the years ended December 31, 2022 and 2021

	<u>Page(s)</u>
<a href="#"><u>Report of Independent Registered Public Accounting Firm</u></a> (Grant Thornton Audit and Accounting Limited, Dubai Branch, (PCAOB ID 3211))	F-1
<a href="#"><u>Consolidated statements of financial position</u></a>	F-2
<a href="#"><u>Consolidated statements of comprehensive income</u></a>	F-3
<a href="#"><u>Consolidated statements of changes in equity</u></a>	F-4
<a href="#"><u>Consolidated statements of cash flows</u></a>	F-5
<a href="#"><u>Notes to the consolidated financial statements</u></a>	F-6 - F-80

---

**To the Board of Directors and Shareholders**  
**Swvl Holdings Corp**

**Opinion on the consolidated financial statements**

We have audited the accompanying consolidated statements of financial position of Swvl Holdings Corp and its subsidiaries (together the “Group”) as of December 31, 2022 and 2021, the related consolidated statements of comprehensive income (loss), changes in shareholders’ equity, and cash flows for each of the three years in the period ended December 31, 2022, and the related notes (collectively referred to as the “consolidated financial statements”).

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in accordance with International Financial Reporting Standards (“IFRS”), as issued by International Accounting Standards Board.

**Going Concern**

The accompanying consolidated financial statements have been prepared assuming that the Group will continue as a going concern. As discussed in Note 2 to the consolidated financial statement, the Group incurred a net loss of \$123,061,462 (\$141,489,397 for the year ended 31 December 2021) during the year ended December 31, 2022, and as of that date, the Group’s accumulated losses is \$332,044,794 (\$216,066,255 as at 31 December 2021) and has negative operating cash flows of \$151,111,293 (\$62,134,740 for the year ended 31 December 2021). These conditions, along with other matters as set forth in Note 2.2, raise substantial doubt about the Group’s ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 2.2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**Basis for opinion**

These consolidated financial statements are the responsibility of the Group’s management. Our responsibility is to express an opinion on the Group’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Group is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

**/s/ Grant Thornton Audit and Accounting Limited (Dubai Branch)**

We have served as the Group’s auditor since 2020

**Dubai, United Arab Emirates**

**October 30, 2023**

**Swvl Holdings Corp and its subsidiaries**
**Consolidated statement of financial position - As of 31 December 2022**

(All amounts are shown in USD unless otherwise stated)

	Note	2022	2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	1,270,838	648,704
Intangible assets	6	10,534,278	988,406
Goodwill	7	—	4,418,226
Right-of-use assets	20.1	815,646	4,059,896
Sublease receivables	20.2	553,029	—
Deferred tax assets	29.2	18,708,988	14,631,743
		<b>31,882,779</b>	<b>24,746,975</b>
<b>Current assets</b>			
Current financial assets	8	—	10,000,880
Deferred transaction cost	9	—	7,355,404
Trade and other receivables	10	14,815,432	6,603,240
Prepaid expenses and other current assets	11	3,298,377	1,102,989
Sublease receivables	20.2	648,523	—
Cash and cash equivalents	12	1,538,347	9,529,723
		<b>20,300,679</b>	<b>34,592,236</b>
Assets classified as held for sale	34	5,279,098	—
<b>Total assets</b>		<b>57,462,556</b>	<b>59,339,211</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	13	13,903	8,529
Share premium	13	343,435,529	88,873,188
Employee share scheme reserve	14	773,666	36,929,523
Foreign currency translation reserve	15	(4,347,257)	450,863
Reserve of disposal groups classified as held for sale	34	(492,474)	—
Accumulated deficit		(332,562,780)	(216,066,255)
<b>Equity/(deficit) attributable to equity holders of the Parent Company</b>		<b>6,820,587</b>	<b>(89,804,152)</b>
Non-controlling interests		(4,191,394)	66,378
<b>Total equity/(deficit)</b>		<b>2,629,193</b>	<b>(89,737,774)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provision for employees' end of service benefits		267,751	815,407
Derivative warrant liabilities	18.1	1,317,091	—
Deferred purchase price	7	194,093	—
Interest-bearing loans		—	337,545
Lease liabilities	20.3	1,592,111	2,961,317
		<b>3,371,046</b>	<b>4,114,269</b>
<b>Current liabilities</b>			
Derivatives liabilities	16	—	44,330,400
Deferred purchase price	7	7,425,488	3,618,902
Convertible notes	17	—	74,606,482
Accounts payable, accruals and other payables	19	33,418,502	19,987,552
Current tax liabilities		1,027,404	678,972
Loans from a related party	31	—	478,764
Interest-bearing loans		—	60,440
Lease liabilities	20.3	751,015	1,201,204
		<b>42,622,409</b>	<b>144,962,716</b>
Liabilities directly associated with assets classified as held for sale	34	8,839,908	—
<b>Total liabilities</b>		<b>54,833,363</b>	<b>149,076,985</b>
<b>Total equity and liabilities</b>		<b>57,462,556</b>	<b>59,339,211</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Swvl Holdings Corp and its subsidiaries**
**Consolidated statement of comprehensive loss - For the year ended 31 December**

(All amounts are shown in USD unless otherwise stated)

	Note	2022	2021	2020
<b>Continuing operations</b>				
Revenue	21	51,489,952	25,563,945	14,984,746
Cost of sales	22	(48,736,323)	(31,349,979)	(19,196,633)
<b>Gross income/(loss)</b>		<b>2,753,629</b>	<b>(5,786,034)</b>	<b>(4,211,887)</b>
General and administrative expenses	23	(66,521,060)	(69,029,507)	(15,620,318)
Selling and marketing costs	24	(18,148,235)	(12,190,989)	(4,231,178)
Provision for expected credit losses	10	(1,184,542)	(1,101,614)	(510,154)
Other income/(expenses), net	26	710,458	(807)	—
<b>Operating loss</b>		<b>(82,389,750)</b>	<b>(88,108,951)</b>	<b>(24,573,537)</b>
Finance income	27	253,892	126,449	588,611
Change in fair value of financial liabilities	18	109,720,648	(44,330,400)	—
Change in fair value of deferred purchase price	7	31,844,346	—	—
Change in fair value of employee share scheme reserve	14	36,155,857	—	—
Recapitalization cost	35	(139,609,424)	—	—
Impairment of financial assets	8	(10,000,880)	—	—
Impairment of assets	6,34	(46,381,441)	—	—
Finance cost	28	(3,777,291)	(1,494,693)	(63,683)
<b>Loss before tax from continuing operations</b>		<b>(104,184,043)</b>	<b>(133,807,595)</b>	<b>(24,048,609)</b>
Income tax benefit	29.1	3,225,251	4,718,036	3,155,704
<b>Loss for the year from continuing operations</b>		<b>(100,958,792)</b>	<b>(129,089,559)</b>	<b>(20,892,905)</b>
<b>Discontinued operations</b>				
Loss for the year from discontinued operations	34	(22,620,656)	(12,399,838)	(8,832,297)
<b>Loss for the year</b>		<b>(123,579,448)</b>	<b>(141,489,397)</b>	<b>(29,725,202)</b>
Attributable to:				
Equity holders of the Parent Company		(116,496,525)	(141,416,132)	(29,725,202)
Non-controlling interests		(7,082,923)	(73,265)	—
		<b>(123,579,448)</b>	<b>(141,489,397)</b>	<b>(29,725,202)</b>
<b>Loss per share attributable to equity holders of the Parent Company</b>				
Basic	30	(0.98)	(1.66)	(0.36)
Diluted	30	(0.98)	(1.66)	(0.36)
<b>Loss per share attributable to equity holders of the Parent Company for continuing operations</b>				
Basic	30	(0.85)	(1.51)	(0.25)
Diluted	30	(0.85)	(1.51)	(0.25)
<b>Other comprehensive income</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translation of foreign operations, net of tax	15	(5,290,594)	(409,511)	(308,434)
<b>Total comprehensive loss for the year</b>		<b>(128,870,042)</b>	<b>(141,898,908)</b>	<b>(30,033,636)</b>
Attributable to:				
Equity holders of the Parent Company		(121,787,119)	(141,825,643)	(30,033,636)
Non-controlling interests		(7,082,923)	(73,265)	—
		<b>(128,870,042)</b>	<b>(141,898,908)</b>	<b>(30,033,636)</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Swvl Holdings Corp and its subsidiaries**
**Consolidated statement of changes in equity - As of 31 December 2022**

(All amounts are shown in USD unless otherwise stated)

	Note	Share capital	Share premium	Share-based compensation reserve	Reserve for disposal group held for sale	Foreign currency translation reserve	Accumulated losses	Equity/(deficit) attributable to equity holders of the Parent Company	Non-controlling interests	Total equity/(deficit)
<b>As at January 1, 2020 (recast)</b>		<b>7,477</b>	<b>62,496,668</b>	<b>489,297</b>	<b>—</b>	<b>1,168,808</b>	<b>(44,924,921)</b>	<b>19,237,329</b>	<b>—</b>	<b>19,237,329</b>
<i>Total comprehensive loss for the year</i>										
Loss for the year		—	—	—	—	—	(29,725,202)	(29,725,202)	—	(29,725,202)
Other comprehensive loss for the year		—	—	—	—	(308,434)	—	(308,434)	—	(308,434)
						(308,434)	(29,725,202)	(30,033,636)	—	(30,033,636)
Issuance of shares		1,052	26,376,520	—	—	—	—	26,377,572	—	26,377,572
Employee share scheme reserve		—	—	2,828,995	—	—	—	2,828,995	—	2,828,995
		1,052	26,376,520	2,828,995	—	—	—	29,206,567	—	29,206,567
<b>As at December 31, 2020 (recast)</b>		<b>8,529</b>	<b>88,873,188</b>	<b>3,318,292</b>	<b>—</b>	<b>860,374</b>	<b>(74,650,123)</b>	<b>18,410,260</b>	<b>—</b>	<b>18,410,260</b>
<i>Total comprehensive loss for the year</i>										
Loss for the year		—	—	—	—	—	(141,416,132)	(141,416,132)	(73,265)	(141,489,397)
Other comprehensive loss for the year		—	—	—	—	(409,511)	—	(409,511)	—	(409,511)
		—	—	—	—	(409,511)	(141,416,132)	(141,825,643)	(73,265)	(141,898,908)
Acquisition of a subsidiary		—	—	—	—	—	—	—	139,643	139,643
Employee share scheme reserve	14	—	—	33,611,231	—	—	—	33,611,231	—	33,611,231
		—	—	33,611,231	—	—	—	33,611,231	139,643	33,750,874
<b>As at December 31, 2021 (recast)</b>		<b>8,529</b>	<b>88,873,188</b>	<b>36,929,523</b>	<b>—</b>	<b>450,863</b>	<b>(216,066,255)</b>	<b>(89,804,152)</b>	<b>66,378</b>	<b>(89,737,774)</b>
<i>Total comprehensive loss for the year</i>										
Loss for the year		—	—	—	—	—	(116,496,525)	(116,496,525)	(7,082,923)	(123,579,448)
Other comprehensive loss for the year		—	—	—	—	(5,290,594)	—	(5,290,594)	—	(5,290,594)
		—	—	—	—	(5,290,594)	(116,496,525)	(121,787,119)	(7,082,923)	(128,870,042)
Issuance of shares	13	1,970	31,887,125	—	—	—	—	31,889,095	—	31,889,095
Issuance of shares to PIPE Investors	13	397	39,663,603	—	—	—	—	39,664,000	—	39,664,000
Issuance of shares to SPAC shareholders	13	1,395	32,332,406	—	—	—	—	32,333,801	—	32,333,801
Conversion of convertible notes	13	1,612	145,952,505	—	—	—	—	145,954,117	—	145,954,117
Recapitalizations costs	13	—	139,609,424	—	—	—	—	139,609,424	—	139,609,424
Costs attributable to the issuance of shares in connection with the business combination	13	—	(59,332,267)	—	—	—	—	(59,332,267)	—	(59,332,267)
Cost of shares earnouts	13	—	(75,550,455)	—	—	—	—	(75,550,455)	—	(75,550,455)
Acquisition of a subsidiary	13	—	—	—	—	—	—	—	2,825,151	2,825,151
Share-based compensation reversal	14	—	—	(36,155,857)	—	—	—	(36,155,857)	—	(36,155,857)
Discontinued operations	34	—	—	—	(492,474)	492,474	—	—	—	—
		5,374	254,562,341	(36,155,857)	(492,474)	492,474	—	218,411,858	2,825,151	221,237,009
<b>As at December 31, 2022</b>		<b>13,903</b>	<b>343,435,529</b>	<b>773,666</b>	<b>(492,474)</b>	<b>(4,347,257)</b>	<b>(332,562,780)</b>	<b>6,820,587</b>	<b>(4,191,394)</b>	<b>2,629,193</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Swvl Holdings Corp and its subsidiaries**
**Consolidated statement of cash flows - for the year ended 31 December**

(All amounts are shown in USD unless otherwise stated)

	Note	2022	2021	2020
Loss before tax from continued operations		(104,184,043)	(133,807,595)	(24,048,609)
Loss before tax from discontinued operations		(22,620,656)	(12,399,838)	(8,832,297)
<b>Loss for the year before tax</b>		<b>(126,804,699)</b>	<b>(146,207,433)</b>	<b>(32,880,906)</b>
<i>Adjustments to reconcile profit before tax to net cash flows:</i>				
Depreciation of property and equipment	5	604,304	182,402	123,603
Depreciation of right-of-use assets	20.1	1,216,495	541,218	363,809
Amortization of intangible assets	6	2,455,243	15,963	—
Provision for expected credit losses	10	1,184,542	1,327,104	728,856
Gain on recognition of sublease receivable		(87,026)	—	—
Sublease income	20.2	(8,340)	—	—
Provision for employees' end of service benefits, net of reversals		(171,447)	704,614	164,511
Finance cost	28	3,777,291	1,494,693	—
Listing costs		139,609,424	—	—
Change in fair value of deferred purchase price		(31,844,346)	—	—
Change in fair value of financial liabilities		(109,720,648)	44,330,400	—
Impairment of assets		46,381,441	—	—
Impairment of financial assets		10,000,880	—	—
Employee share-based payments (reversals)/charges	14	(36,155,857)	33,611,231	2,828,995
		<b>(99,562,743)</b>	<b>(63,999,808)</b>	<b>(28,671,132)</b>
<i>Changes in working capital:</i>				
Trade and other receivables		(11,911,125)	(4,825,451)	(1,791,335)
Prepaid expenses and other current assets		(2,584,987)	(868,620)	(60,758)
Accounts payable, accruals and other payables		(3,559,461)	8,164,376	(257,751)
Current tax liabilities		793,105	(635,821)	271,219
Due from related parties		—	36,091	(36,091)
		<b>(116,825,211)</b>	<b>(62,129,233)</b>	<b>(30,545,848)</b>
Payment of employees' end of service benefits		(635,314)	(5,507)	—
<b>Net cash flows used in operating activities</b>		<b>(117,460,525)</b>	<b>(62,134,740)</b>	<b>(30,545,848)</b>
<b>Cash flows from an investing activity</b>				
Purchase of property and equipment	5	(817,586)	(319,471)	(212,985)
Purchase of financial assets	8	—	(10,000,880)	—
Payment for acquisition of subsidiary, net of cash acquired	7	(743,292)	(823,446)	—
Sublease rentals received	20.2	138,410	—	—
Purchase of financial assets		(5,000,010)	—	—
Payment of software development costs	6	(1,666,934)	(2,222)	—
<b>Net cash flows from/(used in) investing activities</b>		<b>(8,089,412)</b>	<b>(11,146,019)</b>	<b>(212,985)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of share capital		60,787,038	—	26,377,572
Proceeds from issuance of convertible notes		26,336,000	73,206,415	—
Proceed from PIPE subscription		39,664,000	—	—
Payments of external loan		(134,830)	—	—
Repayment of loan from related party		(195,270)	—	—
Repayment of convertible note		—	—	—
Finance cost paid		(543,432)	(2,653)	—
Finance lease liabilities paid, net of accretion	20.3	(1,063,074)	(482,389)	(335,694)
<b>Net cash flows from financing activities</b>		<b>124,850,432</b>	<b>72,721,373</b>	<b>26,041,878</b>
<b>Net decrease in cash and cash equivalents</b>				
Cash and cash equivalents at the beginning of the year		9,529,723	10,348,732	15,332,928
Effects of exchange rate changes on cash and cash equivalents		(6,133,942)	(259,623)	(267,241)
<b>Cash and cash equivalents at the end of the year</b>	12	<b>2,696,276</b>	<b>9,529,723</b>	<b>10,348,732</b>
<b>Non-cash financing and investing activities:</b>				
Issuance of shares during the year		3,432,493	—	—
Cost of shares earnouts		(75,550,455)	—	—
Acquisitions of non-controlling interests		(3,036,641)	—	—
Costs attributable to the issuance of shares		8,465,508	—	—
Conversion of convertible notes		145,954,117	—	—
Property and equipment additions through acquisition of business		(586,452)	—	—
Intangible assets additions through acquisition of business		(20,580,000)	—	—

The accompanying notes are an integral part of these consolidated financial statements.

## **Swvl Holdings Corp and its subsidiaries**

### **Notes to the consolidated financial statements for the years ended 31 December 2022 and 2021**

#### **1 Establishment and operations**

Swvl Holdings Corp (the “Parent Company”) (formerly known as “Pivotal Holdings Corp”) is a business company limited by shares incorporated under the laws of the British Virgin Islands and was registered on 23 July 2021. The registered office of the Company is at P.O. Box 173, Kingston Chambers, Road Town, Tortola, the British Virgin Islands.

The consolidated financial statements as at 31 December 2022 consist of the Parent Company and its subsidiaries (together referred to as the “Group”). The Group’s principal head office is located in The Offices 4, One Central, Dubai World Trade Centre, Street 1, Dubai, United Arab Emirates.

Swvl Inc. was founded on 17 May 2017. Swvl Holdings Corp was incorporated as a direct wholly-owned subsidiary of Swvl Inc. As a result of various legal entity reorganization transactions undertaken in March 2022, Swvl Holdings Corp became the holding company of the Group, and the then-stockholders of Swvl Inc. became the stockholders of Swvl Holdings Corp. Swvl Inc. is the predecessor of Swvl Holdings Corp for financial reporting purposes.

The Group operates multimodal transportation networks that offer access to transportation options through the Group’s platform and mobile-based application. The Group also licenses its technology to transport operators to manage their service. The Group operates a technology platform that uses a widespread transportation network. The Group uses leading technology, operational excellence and product expertise to operate transportation services on predetermined routes. The Group develops and operates proprietary technology applications supporting a variety of offerings on its platform (“platform(s)” or “Platform(s)”). The Group provides transportation services through contracting with other service providers (or transportation operators). Riders are collectively referred to as “end-user(s)” or “consumer(s)”. The drivers are referred to as “captain(s)”.

##### **1.1 Reverse recapitalization**

On 28 July 2021, the Parent Company and Queen’s Gambit Growth Capital, a Cayman Islands exempted company with limited liability (the “SPAC”) listed on the Nasdaq Capital Market (“NASDAQ”), and certain other parties have entered into a definitive agreement for a business combination that would result in the Group becoming a publicly listed company upon completion of the aforementioned transaction.

On March 31, 2022 (the “Closing Date”), the Parent Company consummated the transactions contemplated by the Business Combination Agreement (the “Business Combination Agreement”), dated as of July 28, 2021, as amended, between Swvl Inc., Queen’s Gambit Growth Capital and other merger companies.

As a result of the mergers and the other transactions (the “Transaction”) contemplated by the Business Combination Agreement, the merged Queen’s Gambit Surviving Company and Swvl Inc. each became wholly owned subsidiaries of the Parent Company, and the securityholders of the SPAC and Swvl Inc. became securityholders of the Parent Company.

The Parent Company’s Second Amended and Restated Memorandum and Articles of Association authorizes the issuance of up to 555,000,000 shares, consisting of (a) 500,000,000 Class A Ordinary Shares and (b) 55,000,000 preferred shares. All outstanding Class A Ordinary Shares are fully paid and non-assessable. To the extent they are issued, certificates representing Class A Ordinary Shares are issued in registered form. All options, regardless of grant dates, will entitle holders to an equivalent number of Class A Ordinary Shares once the vesting and exercising conditions are met.

Subsequent to the closing of the Transaction, there were 118,496,102 Class A Ordinary Shares with par value of \$0.0001 per share that were outstanding and issued. There were also 17,433,333 Warrants outstanding, at the closing of the Transaction, each exercisable at \$11.50 per one Class A Ordinary Share, of which 11,500,000 are public warrants (“Public Warrants”) listed on NASDAQ and 5,933,333 private placement warrants (“Private Warrants”) held by the Sponsor (Note D).

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**1 Establishment and operations (continued)**
**1.1 Reverse recapitalization (continued)**

Pursuant to the terms of the Business Combination Agreement, at the Closing Date, among other things, each shareholder of Swvl Inc.'s outstanding a) Common Shares A, b) Common Shares B and c) Class A, B, C, D and D-1 preferred shares received approximately 1,510 ("Conversion Ratio") shares of the Parent Company's common shares A and the contingent right to receive certain Earnout Shares (Note 13), for each share of the Company's common shares, par value \$0.0001 per share in exchange of original shares. The conversion ratio was calculated by dividing the total number of shares to be allocated to the pre-Business Combination shareholders (which was obtained by dividing the valuation by \$10 SPAC share price) by the number of shares outstanding pre-Business Combination. Owing to the nature of the transaction, the comparative figures have been recast (Note 13).

Concurrently at the Closing Date, each outstanding and unexercised option (vested or not) to purchase Swvl Inc.'s Common Shares, was converted to an option to purchase approximately 1,510 of the Parent Company's common Shares A and the contingent right to receive certain Earnout restricted Stock Units ("Earnout RSUs") at an exercise price per option equal to (x) the exercise price per option divided by (y) the exchange ratio.

Considering the facts of the Business Combination Agreement, it was assumed that the quoted price of the Company's Common Shares A inherently considers the impact of the contingently issuable Earnout Shares, and it was part of an equity transaction between parties to the Transaction.

In addition, pursuant to the terms of the Business Combination Agreement, at the Closing Date, each outstanding Queen's Gambit Warrant was automatically assumed and converted into a new Warrant to acquire new Swvl's Common Share A, subject to the same terms and conditions (including exercisability terms) as were applicable to the corresponding former Queen's Gambit Warrants.

In connection with the consummated Business Combination Agreement, certain investors ("PIPE Investors") completed a private placement of 12,188,711 Common Shares A of the Parent Company for an aggregate purchase price of \$111.5 million, of which \$71.8 million were automatically exchanged to shares representing exchangeable notes issued by Swvl Inc. to certain PIPE investors prior to the consummated Merger.

Pursuant to the Business Combination Agreement, the SPAC does not meet the definition of a business under the guidance of IFRS 3, hence the Transaction was accounted for as a recapitalization in accordance with IFRS 2. Under this method of accounting, Queen's Gambit Growth Company is treated as the acquired company and Swvl Inc. is treated as the acquirer for financial statement reporting purposes. Swvl Inc. has been determined to be the accounting acquirer based on evaluation of the facts and circumstances of the business combination.

The following table summarizes the proceeds raised and issuance costs incurred related to the Business Combination on 30 March 2022:

	Number of shares	USD
Public shares outstanding	34,500,000	345,000,000
Shares redeemed	(29,175,999)	(291,759,990)
Shares issued to SPAC public investors (Note 35)	<b>5,324,001</b>	<b>53,240,010</b>
Shares converted for SPAC founders (Note 35)	8,625,000	—
	<b>13,949,001</b>	<b>53,240,010</b>
Cash from reverse recapitalization	—	53,240,010
SPAC reverse recapitalization professional fees	—	(20,906,209)
Net proceeds from reverse recapitalization	—	<b>32,333,801</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**1 Establishment and operations (continued)**
**1.2 Consolidated subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. As of 31 December 2022, the Group still maintained control for all subsidiaries, however, certain subsidiaries were decided to be held for sale or to be discontinued, subsidiaries listed below will be presented with the same alignment.

*i) Continued operations*

Company name	Country of incorporation	Legal ownership %		Principal business activities
		31-Dec-22	31-Dec-21	
Swvl Inc.	British Virgin Islands	100 %	—	Holding company
Pivotal Merger Sub Company I	Cayman Islands	100 %	—	Merger entity
Swvl Global FZE	UAE	100	100	Headquarters and management activities
		%	%	
Swvl for Smart Transport Applications and Services LLC	Egypt	99.80	99.80	Providing a technology
		%	%	
Swvl Technologies FZE	UAE	100 %	100 %	platform to enable
Swvl Saudi for Information Technology	Kingdom of Saudi Arabia	100 %	100	passenger transportation
			%	
Urbvan mobility ltd., a direct subsidiary of Swvl Global FZE.	Cayman entity	100 %	—	Holding company
Urbvan intermediate holdings, llc, a subsidiary of Urbvan mobility ltd.	Delaware, USA	100 %	—	
Commute technologies s.a.p.i. de c.v., a subsidiary of Urbvan mobility ltd.	Mexico	100 %	—	
Urbvan commute operations s.a.p.i. de c.v., a subsidiary of Urbvan mobility ltd.	Mexico	100 %	—	Providing a technology
Ops transit mobility, s.a. de c.v., a subsidiary of Urbvan mobility ltd.	Mexico	100 %	—	platform to enable
ID vans, s.a.p.i. de c.v., a subsidiary of Urbvan mobility ltd.	Mexico	100 %	—	passenger transportation
Admin mobility, s.a. de c.v., a subsidiary of Urbvan mobility ltd.	Mexico	100 %	—	

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**1 Establishment and operations (continued)**
**1.2 Consolidated subsidiaries (continued)**
*ii) Discontinued operations*

Company name	Country of incorporation	Legal ownership %		Principal business activities
		31-Dec-22	31-Dec-21	
Swvl Pakistan (Private) Ltd.	Pakistan	99.99 %	99.99 %	
Swvl NBO Limited	Kenya	100 %	100 %	
Swvl Technologies Ltd.	Kenya	100 %	100 %	Providing a technology platform to enable passenger transportation
Smart Way Transportation LLC (i)	Jordan	—	—	
Swvl My For Information Technology SDN BHD	Malaysia	100 %	100 %	
Shotl Transportation, S.L.	Spain	55 %	55 %	
Viapool Inc. (ii), a direct subsidiary of Swvl Global FZE	Delaware, USA	51 %	—	Holding company
Movilidad Digital SAS (ii), a subsidiary of Viapool, Inc.	Argentina	51 %	—	
Viapool SRL (ii), a subsidiary of Viapool, Inc.	Argentina	51 %	—	Providing a technology platform to enable passenger transportation
Viapool SPA (ii), a subsidiary of Viapool, Inc.	Chile	51 %	—	
Swvl Brasil Tecnologia LTDA (ii), a subsidiary of Viapool, Inc.	Brazil	51 %	—	passenger transportation
Swvl Germany GmbH (formerly “Blitz B22-203 GmbH”) (iii), a direct subsidiary of Swvl Inc.	Germany	100 %	—	Holding company
Door2Door GmbH (iii), a subsidiary of Swvl Germany GmbH	Germany	100 %	—	Providing a technology platform to enable passenger transportation
Volt Lines B.V. (iv), a direct subsidiary of Swvl Global FZE.	Netherlands	100 %	—	Holding company
Volt Lines Akilli Ulasim Teknolojileri ve Tasimacilik AS (iv), a subsidiary of Volt Lines B.V.	Turkey	100 %	—	Providing a technology platform to enable passenger transportation
Volt Lines MENA limited (iv), a subsidiary of Volt Lines B.V.	UAE	100 %	—	passenger transportation

In certain cases, the Group is required to have a resident as one of the shareholders besides the Parent Company to comply with local laws and regulations. However, in such cases, the Group continues to remain the economic beneficiary of the shareholding held by such resident shareholder and therefore is said to have a “beneficial ownership” of such non-controlling interests, except as indicated.

- (i) The Parent Company’s subsidiary Smart Way Transportation LLC (Jordan) was incorporated during the year ended 31 December 2021. The subsidiary is currently legally owned by a member of the Group’s management and is in the process of a legal ownership transfer to the Group. During the year, the Group’s board of directors resolved to discontinue the subsidiary’s operations (Note 34). The subsidiary has been consolidated at 31 December 2022 based on the beneficial ownership and effective control.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**1 Establishment and operations (continued)**

**1.2 Consolidated subsidiaries (continued)**

*ii) Discontinued operations (Continued).*

- (ii) The Parent Company acquired 51% of the shares of Viapool Inc., a company based in Delaware, USA (Note 7) and holding each of Movilidad Digital SAS, Viapool SRL, Viapool SPA and Swvl Brasil Tecnologia LTDA. As part of the Group portfolio optimization program, it was decided later in 2022, that Viapool Inc. and its subsidiaries to be liquidated (Note 34).
- (iii) The Parent Company acquired 100% of the shares of Blitz B22-203 GmbH, a company based in Germany (Note 7), and subsequently Blitz B22-203 GmbH acquired 100% of the shares of Door2Door GmbH. As part of the Group portfolio optimization program, it was decided later in 2022 that both companies to file for insolvency, which was formally proceeded subsequently in 2023 (Note 34).
- (iv) The Parent Company acquired 100% of the shares of Volt Line BV, a company based in Netherlands (Note 7) and holding each of Volt Lines Akilli Ulasim Teknolojileri ve Tasimacilik AS and Volt Lines MENA limited. As part of the Group portfolio optimization program, Volt line BV and its subsidiaries was decided to be sold during 2022, which was consummated subsequently in 26<sup>th</sup> January 2023 (Note 34).
- (v) The Parent Company acquired 100% of the shares of Urbvan Mobility Ltd., a company incorporated under the laws of Mexico (Note 7) and holding each of Urbvan Intermediate Holdings, based in Delaware, Commute Technologies S.A.P.J and Urbvan Commute Operation S.A.P.J, both based in Mexico.

**2 Summary of significant accounting policies**

The principal accounting policies applied by the Group in the preparation of these consolidated financial statements are set out below.

**2.1 Basis of preparation**

*i) Compliance with IFRS*

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). These consolidated financial statements have been approved by the Board of Directors on 30 October 2023.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of complexity, or areas where judgements, assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

*ii) Historical cost convention*

These consolidated financial statements have been prepared under the historical cost convention except for the following:

- Certain financial assets, derivative warrant liabilities, derivative liabilities, convertible notes, and earnouts liabilities that are measured at fair value.
- Income and expenses that have been accounted for using the accrual basis.

The consolidated financial statements have been presented in US Dollars ("USD", "\$") which is the reporting currency of the Group.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.2 Going concern**

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to discharge its liabilities in the ordinary course of business. The Group had net losses of \$123.5 million for the year ended 31 December 2022 (\$141.5 million for the year ended 31 December 2021), accumulated losses of \$332.5 million as at 31 December 2022 (\$216.1 million as at 31 December 2021), and negative operating cash flows of \$117.4 million for the year ended 31 December 2022 (\$62.1 million for the year ended 31 December 2021). Notwithstanding these results, Management believes there are no events or conditions that give rise to doubt the ability of the Group to continue as a going concern for a period of twelve months after the preparation of the consolidated financial statements.

The Group funded its operations primarily with proceeds from the issuance of Class A Ordinary Shares. On 31 March 2022, the Group received gross proceeds of \$53.2 million and \$111.5 million from the reverse recapitalization transaction and sale of shares to certain PIPE investors, respectively. During the year, the Group received additional gross proceeds of \$28 million through issuance of Class A Ordinary Shares.

The Group initiated portfolio optimization plans throughout the year that shift focus to profitability and positive working capital, strengthening the Group's financial position. As a result of these plans, the Group's Board of Directors resolved to discontinue operations of non-profitable subsidiaries whose cash flows are unlikely to turn positive.

In January 2023, the Group finalized sale of Voltlines B.V for an amount of \$ 5,000,000, which was used to settle the deferred purchase price owed to the original shareholders of the subsidiary (Note 37).

In September 2023, the Group finalized the sale of Urbvan Mobility Ltd. for an amount of \$ 12,000,000 (\$9,900,000 net of selling costs) which was used to settle the Group's liabilities and supporting the continuing operations' growth. Further, throughout 2023, management has entered into a number of settlement agreements with the Group's creditors. These agreements discharge the Group from a portion of the liabilities owed to the creditors. Those settlement agreements have further contributed to strengthening the Group's financial position throughout 2023 (Note 37).

In addition to the above, management has performed a going concern assessment for a period of twelve months from the date of approval of these financial statements to assess whether conditions exist that raise substantial doubt regarding the Group's ability to continue as a going concern. Management has used conservative assumptions in assessing the Group's ability to continue as a going concern. Management has assumed growth rates through the twelve months following the issuance date of these consolidated financial statements based on (i) historical data, (ii) the operational results subsequent to the financial reporting date up to the date of the assessment, and (iii) sales projections and strategic operational expansion plans within existing markets. This assessment indicates that the Group has sufficient liquidity to settle liabilities as they become due for the next twelve months.

Based on the above facts, management believes that they will be successful in maintaining existing markets as self-sufficient, cash generating operational units with positive working capital and executing the planned strategy to meet working capital and capital expenditure requirements that may fall for the next twelve months after the approval of the consolidated financial statements. Further, management intends to utilize the proceeds from the sale of the subsidiaries in growth activities for the existing markets and expansions into potential new markets. across the Group. Based on this, management believes it remains appropriate to prepare these consolidated financial statements on a going concern basis.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.3 Initial application of a standard, amendment or an interpretation to existing standards**

*i) New standards, amendments to published approved accounting and reporting standards and interpretations which are effective during the year*

The Group applied for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022:

- Amendments to IFRS 3 ‘Business combinations’, Reference to the Conceptual Framework – effective for annual reporting periods beginning on or after 1 January 2022
- Amendments to IAS 16 ‘Property, plant and equipment’, Proceeds before Intended Use – effective for annual reporting periods beginning on or after 1 January 2022
- Amendments to IAS 37 ‘Provisions, contingent liabilities and contingent assets’, Onerous Contracts, Costs of Fulfilling a Contract – effective for annual reporting periods beginning on or after 1 January 2022
- Improvements to IFRS 9 ‘Financial Instruments’, Fees in the test for derecognition of financial liabilities – effective for annual reporting periods beginning on or after 1 January 2022

*ii) Standards, amendments to published standards and interpretations that are not yet effective and have not been early adopted by the Group*

Certain new accounting standards and interpretations as detailed below, have been published but are not yet effective for reporting periods beginning on or after 1 January 2022 and have not been early adopted by the Group. The Group intends to adopt the below standards, if applicable, when they become effective.

- IFRS 17 ‘Insurance Contracts’ – effective for reporting periods beginning on or after 1 January 2023
- Amendments to IAS 1 ‘Presentation of financial statements’ – on classification of liabilities – effective for annual reporting periods beginning on or after 1 January 2024
- Amendments to IAS 8 ‘Accounting Policies, Changes in Accounting Estimates and Errors’, Definition of Accounting Estimates – effective for annual reporting periods beginning on or after 1 January 2023

**2.4 Basis of consolidation**

*i) Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group (Note 7).

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.4 Basis of consolidation (continued)**

*ii) Transactions eliminated on consolidation*

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

**2.5 Foreign currencies**

*i) Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Subsidiaries determine their own functional currency and items included in the financial statements of these companies are measured using that functional currency. These consolidated financial statements are presented in USD which is the Group's presentation currency. All financial information presented in USD has been rounded to the nearest dollar, except when otherwise indicated.

*ii) Foreign currency transactions*

Transactions in foreign currencies are translated into the respective functional currency of Group entities at the spot exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at that date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate at the date on which the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the historical transaction. Foreign currency differences arising on translation are generally recognised in the consolidated statement of comprehensive income.

*iii) Group companies*

On consolidation, the assets and liabilities of foreign operations are translated to USD at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions or an appropriate average rate. Equity elements are translated at the date of the transaction and not retranslated in subsequent periods. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

**2.6 Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

**Swvl Holdings Corp and its subsidiaries****Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)****2 Summary of significant accounting policies (continued)****2.6 Non-current assets (or disposal groups) held for sale and discontinued operations (continued)**

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

**2.7 Property and equipment***Recognition and measurement*

Items of property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost and subsequently transferred to assets when it is available for use. Cost of an item of property and equipment comprises its acquisition cost including borrowing costs and all directly attributable costs of bringing the asset to working conditions for its intended use. Such costs include the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met. Repair and maintenance costs are recognised in the consolidated statement of comprehensive income (within profit and loss) as incurred. Depreciation is computed using the straight-line method based on the estimated useful lives of assets as follows:

	<b>Years</b>
Furniture, fittings and equipment	3 – 5
Leasehold improvements	5

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each financial year end to determine whether there is an indication of impairment. If any such indicator exists, an impairment loss is recognised in the consolidated statement of comprehensive income (within profit and loss). For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount, as detailed in the impairment section of this note below.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.7 Property and equipment (continued)**

*Recognition and measurement (continued)*

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of comprehensive income (within profit and loss) in the year the asset is derecognised.

*Subsequent costs*

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in the consolidated statement of comprehensive income as incurred. Subsequently, any gains or losses on disposal of assets are recognised in the consolidated statement of comprehensive income.

*Impairment*

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If such indications exist and where the carrying values exceed the estimated recoverable amounts, the assets are written down to the recoverable amounts.

Identifying CGUs is a critical step that requires judgement in the impairment review and can have a significant impact on its results. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. CGUs are identified at the lowest level to minimise the possibility that impairments of one asset or group will be masked by a high-performing asset. To identify a CGU, management considers whether (i) a group of assets generate largely independent cash inflows and (ii) there is an active market for the output. When the group of assets does not generate cash inflows that are largely independent and there is no active market for its output (even if used internally), the group is not a CGU. Management then has to combine these assets with others that contribute to the same revenue stream until a CGU is identified. Unless a change is justified, CGUs are identified consistently from period to period for the same asset or types of assets.

Reversal of impairment is affected in the case of indications of a change in recoverable amount and is recognised in comprehensive income, however, is restricted to the net book value of the asset had there been no impairment.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.8 Intangible assets**

Acquired intangible assets other than goodwill comprise of developed technology, customer relationships and trade names. At initial recognition, intangible assets acquired in a business combination are recognized at their fair value as of the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses.

The Group invests a substantial cost in development of its software and enhancement of its product platforms. Expenditure on research activities is recognised in the consolidated statement of comprehensive income as incurred. The costs associated with the development of new or substantially improved products or modules are capitalized when the following criteria are met:

- Technical feasibility to complete the development;
- Management intent and ability to complete the product and use or sell it;
- The likelihood of success is probable;
- Availability of technical and financial resources to complete the development phase;
- Costs can be reliably measured; and
- Probable future economic benefits can be demonstrated.

The technical feasibility of the Group's internally developed software or modules is not proven until significant development risks are resolved by testing working models and pre-launch versions. The software or modules, by then, are ready to be deployed in a live environment. Therefore, software development costs meeting the capitalization criteria are insignificant and have been charged to the consolidated statement of comprehensive income as incurred. However, the Group continues to assess these costs for capitalization eligibility on an ongoing basis at a project level.

Intangible assets with finite lives are typically amortized on a straight-line basis over their estimated useful lives, typically 3 to 10 years for the developed technology, customer relationships and trade names, and are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization of intangible assets is recognized in the consolidated statement of comprehensive income in the expense category consistent with the function of the intangible assets.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If such indications exist and where the carrying values exceed the estimated recoverable amounts, the assets are written down to the recoverable amounts.

Reversal of impairment is affected in the case of indications of a change in recoverable amount and is recognised in comprehensive income, however, is restricted to the net book value of the asset had there been no impairment.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.9 Business combination and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. The impairment assessment is carried out annually at the end of the reporting period or when significant impairment indicators arise.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows.

**2.10 Deferred transaction cost**

The Group incurs various incremental qualifying transaction costs in anticipation of, issuance or acquiring its own equity instruments. Those costs include registration and other regulatory fees, underwriting costs and brokerage fees, amounts paid to lawyers, accountants, investments bankers and other professional advisors, fees and commissions paid to agents, brokers and dealers, printing costs and stamp duties.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.10 Deferred transaction cost (continued)**

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit, to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided. The costs of an equity transaction that is abandoned are recognised as an expense.

**2.11 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, cash held in current and savings accounts, deposits held at call with financial institutions, and other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**2.12 Share capital**

*Common shares*

Common shares are classified as equity. Incremental costs directly attributable to the issue of Common shares are recognised as a deduction from equity.

*Preferred shares*

Preferred shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Preferred shares have similar rights to ordinary shares, in addition to rights of conversion into ordinary shares at a certain conversion ratio at any time, liquidation preferences, and the right to participate in non-liquidation asset distribution events.

**2.13 Employees' end of service benefits**

The Group provides end of service benefits to its employees in the United Arab Emirates as required by the UAE Labour Law. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Management considers these as long-term obligations and, accordingly, this obligation has been classified as a non-current liability. At each reporting date, Management assesses the impact of accounting for the provision at present value under IAS 19 'Employee benefits' while considering forward-looking factors such as the employees' expected salary increases and expected length of future service. Management has determined that the difference between accounting for the provision for employees' end of service benefits in accordance with UAE Labour Law compared to IAS 19 to be immaterial to the Group's consolidated financial statements.

**2.14 Defined contribution plans**

The Group's obligation under the applicable schemes is limited to specific contributions legislated from time to time, per month per employee. The Group's contributions are charged to the consolidated statement of comprehensive income in the year to which they relate. The Group has no further obligation once the contributions have been paid.

**2.15 Convertible notes**

Convertible notes are presented as financial liability in the consolidated statement of financial position. On issuance of the convertible notes, the liability is measured at fair value, and subsequently carried at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. Convertible notes are classified as current liabilities based on the expected conversion date in accordance with the convertible note's agreements.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.16 Embedded derivatives**

A derivative embedded in a hybrid contract is separated from the host and accounted for as a separate derivative if, the economic characteristics and risks are not closely related to the host, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

**2.17 Interest-bearing loans**

Interest-bearing loans are recognised initially at fair value, net of transaction costs incurred. Interest-bearing loans are subsequently stated at amortised cost; any difference between the proceeds and the redemption value is recognised in the consolidated statement of profit or loss over the term of the loan using the effective interest method. Interest-bearing loans are classified as non-current liabilities when the Group has an unconditional right to defer settlement of the liabilities for more than twelve months after the reporting date.

**2.18 Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Group as a lessee*

*i) Identifying a lease*

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and/or
- The Group has the right to direct the use of the asset.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

For determination of the lease term, the Group reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that:

- is within the control of the Group; and
- affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.18 Leases (continued)**

*Group as a lessee (continued)*

*i) Identifying a lease (continued)*

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group can allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease component, where applicable. For existing office rental contracts in multiple locations, the Group does not opt to segregate the lease and non-lease component as such non-lease components are inseparable in the contract and are insignificant in comparison to the overall lease payment.

*ii) Right-of-use assets*

At the commencement date, the Group recognises a right-of-use asset and a lease liability presented separately on the consolidated statement of financial position.

*iii) Short-term leases and leases of low-value assets*

The Group has elected not to recognise right-of-use assets and lease liabilities to short term leases that have a lease of 12 months or less and leases of low-value assets when new. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The right-of-use asset is initially recognised at cost comprising of:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. These costs are recognised as part of the cost of the right-of-use asset when the Group incurs an obligation for these costs. The obligation for these costs is incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period.

After initial recognition, the Group amortises the right-of-use asset over the term of the lease. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

*iv) Lease liability*

The lease liability is initially recognised at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. After initial recognition, the lease liability is measured by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.18 Leases (continued)**

*Group as a lessee (continued)*

*iv) Lease liability (continued)*

Where, (a) there is a change in the lease term as a result of the reassessment of certainty to exercise an option, or not to exercise a termination option as discussed above; or (b) there is a change in the assessment of an option to purchase the underlying asset, assessed considering the events and circumstances in the context of a purchase option, the Group remeasures the lease liabilities to reflect changes to lease payments by discounting the revised lease payments using a revised discount rate. The Group determines the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or its incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined. Where, (a) there is a change in the amounts expected to be payable under a residual value guarantee; or (b) there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments, including a change to reflect changes in market rental rates following a market rent review, the Group remeasures the lease liabilities by discounting the revised lease payments using an unchanged discount rate, unless the change in lease payments results from a change in floating interest rates. In such cases, the Group uses a revised discount rate that reflects changes in the interest rate.

The Group recognises the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in the consolidated statement of comprehensive income (within profit and loss).

The Group exercises the exemptions available to apply a portfolio approach to their leases when assessing application of the discount rate and lease term.

The Group accounts for a lease modification as a separate lease if both:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

*Group as a lessor*

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

*i) Operating lease*

Leases where the Group does not transfer substantially all the risks and benefits of ownership of the asset to the customers are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Where the Group determines that the leasing agreements contain an operating lease, capacity payments are recognised as operating lease rentals on a systematic basis to the extent that capacity has been made available to the customers during the year. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and included in revenue due to its operating nature.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.18 Leases (continued)**

*Group as a lessor (continued)*

*ii) Finance lease*

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset. The Group reviews the contractual arrangements it enters into with its customers. In instances where the contract conveys the right to control the use of the identified asset for substantially all the economic benefits and the right to direct the use, such contracts are accounted for as a finance lease. The amounts due from the lessee are recorded in the statement of financial position as financial assets (finance lease receivables) and are carried at the amount of the net investment in the lease after making provision for impairment.

Lease payments are payments made by a lessee to a lessor relating to the right to use an underlying asset during the lease term, comprising the fixed payments (including in-substance fixed payments), less any lease incentives (for e.g. reimbursement of maintenance fee); variable lease payments that depend on an index or a rate; the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

**2.19 Provisions**

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, and it is probable that outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.20 Share-based payments**

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments i.e. equity-settled transactions. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 14.

That cost is recognised in employee benefits expense, together with a corresponding increase in equity (employee share scheme reserve), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the consolidated statement of comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The Group has issued share-based payment awards, for which "grant date" is not achieved, due to the absence of a formal approval of the terms and conditions of the grant that reflect the intent of this long-term incentive scheme. The services provided by the employees prior to the grant date counts towards the vesting period of the awards. Therefore, the cost of awards is recognised in advance of the grant date, over the period services are rendered by the employees, by estimating the fair value of the equity instruments at the end of each reporting period. The grant date will be achieved subsequently.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expense of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are expensed irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through comprehensive income.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.21 Financial instruments**

**2.21.1 Financial assets**

The financial assets consist of the following:

- i) Cash and cash equivalents;
- ii) Current financial assets (financial asset at fair value through profit or loss); and
- iii) Trade and other receivables – the Group’s customers include individuals (Business to customer) and corporate customers (TaaS):
  - Regular – individual riders (not corporate customers) on intracity routes;
  - Travel – individual riders (not corporate customers) on intercity routes; and
  - Transport as a Service (‘TaaS’) – customised transport services to corporate customers.

*Individual customers* – are persons who fill bus seats on rides. The individual customer pays for the transportation services through the end-users’ authorised payment method (i.e. either through cash or through the application). When payment is made through the application (i.e. through the credit/debit card configured by the end-user in the application or through third party electronic payment solutions) and the fare charge has not yet been settled with third party payment processors, this causes a negative balance to appear in the customer wallet which is a receivable for the Group. There is a maximum limit to the customer wallet exclusively defined for each territory. The customer is required to settle the amount before booking further riders through the Group’s platform; and

*Corporate customers* – represent customers where the Group will provide transportation services through dedicated routes exclusively to individuals determined by the customers, for which an agreed contract terms will be signed. The corporate customers are billed on a monthly basis. In cases where the transactions have been completed and the amounts owed by the corporate customers have either been invoiced or are unbilled as of the reporting date, these are recognised as trade receivables by the Group.

*Classification*

The Group classifies its financial assets, which consists of cash and cash equivalents and trade and other receivables and to be measured at amortised cost.

The classification is driven on the Group’s business model for managing the financial assets where the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Management determines the classification of its investment at initial recognition.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at Fair Value Through Profit or Loss (FVTPL):

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows on specified date that are solely payments of principal and interest on the principal amount outstanding.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.21 Financial instruments (continued)**

**2.21.1 Financial assets (continued)**

*Recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

i) *Cash and cash equivalents*

Cash and cash equivalents include cash on hand, cash held in current and savings accounts, deposits held at call with financial institutions, and other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ii) *Current financial assets (financial assets at fair value through profit or loss)*

For debt instruments at fair value through profit or loss, fair value changes, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss.

iii) *Trade and other receivables*

Trade and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Group holds the trade and other receivables with the objective to collect contractual cash flows and, therefore, measures them subsequently at amortised cost using effective interest method subject to credit loss impairment.

*Derecognition of financial assets*

The Group derecognises financial assets when the contractual right to the cash flows from the financial assets expires, or when it transfers the rights to receive the contractual cash flows on the financial assets in a transaction in which substantially all the risk and rewards of the ownership of the financial assets are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

*Impairment of financial assets*

The Group has two types of financial assets that are subject to IFRS 9's Expected Credit Loss ("ECL") provisioning model:

- cash and cash equivalents; and
- trade and other receivables.

i) *Cash and cash equivalents*

Cash and cash equivalents are subject to ECL allowance in accordance with IFRS 9. As the cash and cash equivalents are held in banks with high credit rating, the ECL is estimated to be immaterial.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.21 Financial instruments (continued)**

**2.21.1 Financial assets (continued)**

*Impairment of financial assets (continued)*

*ii) Trade and other receivables*

For trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group calculates the ECL based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the customer and the economic environment.

The default definition determined by the Group in accordance with IFRS 9 is as follows:

- Corporate customers – the Group considers a corporate customer to be in default when it is overdue for more than 90 days, except for Egypt where customers are considered to be in default when it is overdue for more than 180 days; and
- Individual customers – the Group considers an individual customer to be in default when it is overdue for more than 90 days.

The amount of the provision is charged to the consolidated statement of comprehensive income. Trade and other receivables considered irrecoverable are written-off.

**2.21.2 Financial liabilities**

*Recognition and measurement – Accounts payable, accruals and other payables*

Accounts payable, accruals and other payables consist of amounts payable to captains or operators and other vendors, accrued expenses, advance from riders and taxes payable.

Accounts payable, accruals other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. These are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liability.

*Derecognition of financial liability*

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired.

**2.21.3 Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.22 Revenue recognition**

The Group derives its revenue principally from end-users who use the Group's platform to access routes predetermined by the Group. Revenue for transport represents the gross amount of fees charged to the end user for these services. Costs incurred with captains for transportation are recorded in cost of sales.

The end-user contracts with the Group to utilize the Group's network of independent operators and individual captains to deliver the transportation services. Captains are drivers using Swvl's platform. The Group enters into contracts with the end-users that define the price for each ride and payment terms. The Group's acceptance of the ride request establishes enforceable rights and obligations for each contract. By accepting the end-user's ride request, the Group has responsibility for transportation of the end user from origin to destination. The Group enters into separate contracts with independent operators and is responsible for payment to the operator/individual captains regardless of the payment by the end user.

The Group serves customers on its platform through two offerings: "business to consumer", comprised of Swvl Retail and Swvl Travel, and "business to business", which includes TaaS model.

*Business to customer (B2C)*

Using Swvl's platform, the Group provides customers with a network of minibuses and other vehicles that operate on fixed and semi-fixed routes within the cities and between cities. Customers book seats on vehicles available exclusively through Swvl to commute within a city and make intercity trips.

*Business to business (B2B)*

The Group enables its corporate customers to use Swvl's technology and platform to optimize the commute and travel programs they operate for their passengers. B2B includes Transportation as a service (TaaS). TaaS offers dedicated routes using vehicles and drivers already operating on Swvl to transport passengers to and from predetermined destinations. No significant contract assets or liabilities exist since revenue is recognized at a point in time. Further, no assets are recognized from the costs to fulfil or obtain the contracts since such costs are not recoverable and the durations of the contracts typically do not exceed one year.

The Group recognizes revenue at a point in time for B2C and TaaS contracts when the services are provided.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. The principle for revenue recognition is based on the five steps in accordance with IFRS 15 as follows:

- Identify the contract with the customer;
- Identifying the performance obligations in the contract;
- Determine the transaction price;
- Allocating the transaction price to the performance obligations in the contract; and
- Recognising revenue when (or as) the Group satisfies a performance obligation.

*Principal versus agent considerations*

The Group evaluates the presentation of revenue on a gross versus net basis based on whether they control the service provided to the end-user and are the principal in the transaction (gross), or they arrange for other parties (operators and individual captains) to provide the service to the end-user and are the agent in the transaction (net).

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.22 Revenue recognition (continued)**

*Principal versus agent considerations (continued)*

The Group considers itself a principal for the transportation services because it controls the services provided to riders. The control over the services provided to riders is demonstrated through the following key considerations:

- The Group determines the routes on which the transportation services are operated which includes deciding on the pickup and drop off points;
- The Group reserves the right to assign the routes to the captains;
- The Group reserves the right to decide the fares and the captain does not have the right to amend the fare;
- The captains are entitled to a fixed fee irrespective of the ride fare collected on a particular route whereas the Group is entitled to the entire ride fare revenue. There is no cost-plus arrangement or revenue sharing arrangement with the captain or the operator;
- The Group has complete discretion over assigning the buses to the various business models;
- The Group is responsible for accepting or rejecting the ride request once placed on the platform. There is no involvement of the captain in this process;
- The credit risk is borne entirely by the Group. The Group pays the consideration due to the operators or captains irrespective of whether the rider has paid the ride fare.
- The riders associate the Group as a primary obligor in the arrangement as the identity of the captains is not disclosed to the end-users;
- The Group assumes responsibility for receiving and resolving the complaints registered by the end-users over the quality of the service;
- The Group defines the quality standards, provides training to the captains and inspects vehicles to ensure that service provided meet the expectations of end-users;
- The captain has no share in the cancellation fee paid by the end-users; and
- Any incentives and discounts given to the end-users are entirely determined by the Group.

*Performance obligation and recognition of revenue*

As the Group is acting as a principal in accordance with IFRS 15 (as discussed above), the Group considers the end-users to be its customers. The performance obligation of the Group is to provide transportation services to the end-users by integrating the use of the Swvl platform and a network of captains and buses registered on the platform for B2C and TaaS. For B2C and TaaS, the end-users are charged for using transportation services (i.e. fare charges net off the discounts and incentives) and are given various incentives (discussed below). It is at this point in time that the end-user becomes liable to transfer the due consideration to the Group. The Group recognises revenue when its performance obligation towards the end-users has been satisfied, i.e. when the ride is completed for B2C and TaaS. As of the end of the reporting period, there is no transaction price to allocate to unsatisfied performance obligations.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.22 Revenue recognition (continued)**

*End-user discounts and promotions*

The Group offers discounts and promotions to end-users to encourage use of the transportation services provided by the Group. These are offered in various forms and include:

- Targeted discounts and promotions: these discounts and promotions are offered to specific end-users in a market to acquire, re-engage, or generally increase end-users' use of the platform. An example of a specific end-user discount is the discount given to a new user on the first ride booked using the Group's platform. The end-user does not provide the Group with a distinct good or service against these promotions and discounts; therefore the Group deducts the amount of these discounts from the transaction price while recognising revenue. Furthermore, as the discount is provided at the completion of the ride when the Group has satisfied the performance obligation and the rider pays for the ride, no liability in relation to the issued discount schemes (i.e. promotion codes) is recognised at the time of revenue recognition.
- Free credits: this is specific to the end-users using the Travel service (intercity routes) to encourage booking a two-way trip between the cities with Swvl. A credit is transferred to the end-users' wallet on the application after the completion of the first trip that the end-user can consume while paying for the return trip. As the Group provides the discount that is to be used in the future by the end-user, this is recognised as a liability until either it is redeemed by the end-user or the validity period of such credit lapses. However, this liability is not recognised when it is immaterial.
- Referrals – these referrals are earned when an existing end-user (the referring end-user) refers a new end-user (the referred end-user) to the platform and the new end-user books their first ride on the platform. These referrals are typically paid in the form of a credit given to the referring end-user. Therefore, as the existing end-user provides a distinct good or service against the end-user referral discounts, therefore, the existing end-user is deemed to provide growth and marketing services to the Group. As a result of this, the end-user referrals are recognised as selling and marketing costs.
- Market-wide promotions – these promotions are pricing actions in the form of discounts that reduce the end-user fare charged to end-users for all or substantially all rides in a specific market. Accordingly, the Group records the cost of these promotions as a reduction of revenue when the performance obligation is satisfied and revenue is recognised, i.e. when the ride is completed.

*Sales refunds and waivers*

The Group has a policy which entitles the end-users to register complaints regarding quality of service within a certain number of days. Once registered, the Group assesses the complaint and decides whether the end-users are entitled to a refund ("Sales waivers"). The Group defers a portion from the fare and recognises it as refund liability at the completion of every ride. Upon the conclusion of refund claims or when the time to register such complaints lapses, the refund liability is reversed against revenue or cash (or customer wallet). However, the refund liability is not recognised when it is immaterial. The riders are entitled to a full or partial refund upon the cancellation of trips ("Sales refunds"). These Sales refunds are accounted for as a reversal of revenue at the time of recognition.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.22 Revenue recognition (continued)**

**2.23 Loss per share**

Basic loss per share amounts are calculated by dividing the loss of the Group by the weighted average number of ordinary shares in issue during the financial period.

Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

**2.24 Taxes**

*Current income taxes*

The Group provides for income taxes in accordance with IAS 12. As the Parent Company is incorporated in the British Virgin Islands, profits from operations of the Parent Company are not subject to taxation. However, certain subsidiaries of the Parent Company are based in taxable jurisdictions and are therefore liable for tax. Income tax on the profit or loss for the year comprises current and deferred tax on the profits of these subsidiaries. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in countries where the Group operates and generates taxable income.

Management periodically evaluates the position taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provision where appropriate.

*Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**2 Summary of significant accounting policies (continued)**

**2.24 Taxes (continued)**

*Deferred tax (continued)*

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; or
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**2.25 Segment reporting**

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker (“CODM”) in deciding how to allocate resources to an individual segment and in assessing performance. The CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance. As such, the Group has determined that it operates as one operating segment.

**2.26 Earnout liabilities**

Earnout liabilities are initially recognized at fair value at their inception, and subsequently at fair value at each reporting date. Valuation of shares earnout liability is measured using an appropriate valuation model which considers various factors such as the current trading stock price, equity volatility and cost of equity. The change in fair value of the earnout liabilities is recognized in the statement of profit or loss.

**Swvl Holdings Corp and its subsidiaries****Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)****2 Summary of significant accounting policies (continued)****2.27 Derivative warrant liabilities**

Warrants assumed in the Transaction give the holder the right, but not the obligation to subscribe to the Company's Ordinary Shares at a fixed or determinable price for a specified period of five years. These instruments were part of the net assets acquired in the Transaction and, therefore, have applied the provisions of debt and equity classification under IAS 32 and IFRS 9.

Therefore, the warrants are accounted for as a financial liability (derivative liability) recognized at fair value upon the closing of the Transaction, and subsequently remeasured at fair value through profit and loss.

**2.28 Financial reporting in hyperinflationary economies**

The Group's subsidiaries located in Argentina and Turkey are operating in hyperinflationary economies. Accordingly, the results, cash flows and financial position of those subsidiaries have been expressed in terms of the measuring unit current, at the end of the year.

The price index identification and movement are indicated as below:

	<b>Argentina</b>	<b>Turkey</b>
	Consumer price index (Basis points)	Consumer price index (Basis points)
Price index identity		
Price index level at 1 Jan 2022	605	763
Price index level at 31 December 2022	1,134	1,128
Change in index	529	365

The Group recognized an amount of \$185,794 for the year ended 31 December 2022 (Nil for year ended 31 December 2021 and year ended 31 December 2020) as hyperinflation adjustment. Since the operations of the subsidiaries listed above were discontinued in 2022, the hyperinflation adjustment is included as part of the results of discontinued operations (Note 34).

**2.29 Current versus non-current classification**

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in the normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Group classifies all other liabilities as non-current.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**3 Financial risk management objectives and policies**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. Management reviews and agrees on policies for managing each of these risks which are summarised below.

**3.1 Market risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**3.1.1 Interest rate risk**

Interest rate risk is the risk that the Group's earnings will be affected as a result of fluctuations in the value of financial instruments due to changes in market interest rates. The Group's cash flow exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations. The Group has certain financial assets that generate interest income, however the Group is not exposed to material interest rate risk on these financial assets.

*Interest rate sensitivity*

	Effect on loss USD
<b>31 December 2022</b>	
+/- 100 basis point increase	37,968
<b>31 December 2021</b>	
+/- 100 basis point increase	458,251
<b>31 December 2020</b>	
+/- 100 basis point increase	838

**3.1.2 Currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is not exposed in its transactions denominated in AED, SAR, JOD as it is pegged against USD. The Group is exposed to currency risk because of the Group's net investments in foreign subsidiaries. The Group's significant exposure is from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The following are exchange rates applied during the year in respect of currencies where the Group has significant exposures to currency risk:

	Spot rate		Average rate	
	At 31 December		At 31 December	
	2022	2021	2022	2021
EGP	24.75	15.76	18.87	15.74
KES	123.30	113.24	117.76	109.75
PKR	226.70	177.97	202.86	163.08
EUR	1.07	1.14	1.05	1.13
MYR	4.41	4.17	4.39	4.15
ARS	176.74	—	127.44	—
CLP	848.18	—	870.28	—
BRL	5.28	—	5.15	—
TRY	18.69	—	16.35	—
MXN	19.49	—	20.10	—

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**3 Financial risk management objectives and policies (continued)**
**3.1 Market risk (continued)**
**3.1.2 Currency risk (continued)**
*Sensitivity analysis*

A 10% strengthening/weakening of the following currency against USD currency at 31 December would have increased/decreased financial instruments by USD equivalent amounts shown below:

		At 31 December	
	2022	2021	2020
	USD	USD	
MXN to USD	525,816	—	—
EGP to USD	471,056	92,200	311,602
EUR to USD	329,551	77,070	—
ARS to USD	209,497	—	—
TRY to USD	75,661	—	—
KES to USD	35,975	29,966	8,901
PKR to USD	7,113	66,060	45,069
MYR to USD	1,069	12,942	—
<b>Pre-tax impact</b>	<b>1,655,738</b>	<b>278,238</b>	<b>365,572</b>

**3.1.3 Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Group is not exposed to price risk at reporting date as it has no financial instruments which are sensitive to market prices.

**3.2 Credit risk**

Credit risk is a risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade and other receivables and cash and cash equivalents held with banks.

The Groups' exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. However, Management also considers the factors that may influence the credit risk of its counterparties, including the default risk of the industry and the country in which counterparties operate.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**3 Financial risk management objectives and policies (continued)**
**3.2 Credit risk (continued)**

The carrying value of the financial assets represents the maximum credit exposure, which is as follows:

*Exposure to credit risk*

	At 31 December	
	2022	2021
	USD	USD
Trade and other receivables	14,815,432	6,603,240
Cash and cash equivalents	1,538,347	9,529,723
Sublease receivables	1,201,552	—
Current Financial assets	—	10,000,880
	<b>17,555,331</b>	<b>26,133,843</b>

*(i) Expected credit losses on trade receivables*
*As at 31 December 2022*

Days outstanding	Current	0 – 30	31 – 60	61 – 90	91 – 120	121 – 150	151 – 180	180+	Total
Exposure at default	3,865,645	1,983,182	598,130	652,163	275,739	267,476	160,497	1,013,536	8,816,368
Loss rate	4 %	11 %	15 %	26 %	35 %	46 %	58 %	83 %	21 %
Expected credit losses	171,462	228,046	88,002	171,216	96,976	122,403	92,345	842,436	1,812,886

*As at 31 December 2021*

Days outstanding	Current	0 – 30	31 – 60	61 – 90	91 – 120	121 – 150	151 – 180	180+	Total
Exposure at default	126,342	1,239,427	995,140	409,261	409,401	184,272	101,899	757,903	4,223,645
Loss rate	0 %	16 %	24 %	31 %	88 %	62 %	72 %	99 %	44 %
Expected credit losses	—	198,908	238,970	126,942	358,389	113,517	73,368	747,342	1,857,436

(i) Totals of expected credit losses as a percentage of the exposure may not tie due to percentage rounding.

(ii) Payment terms are typically 30-45 days.

(iii) Following the portfolio optimization plans (Note 34), there has been significant focus on improving liquidity through collections from corporate accounts with high outstanding receivables.

*(ii) Expected credit losses on customer wallet receivables*
*As at 31 December 2022*

Days outstanding	Current	0 – 30	31 – 60	61 – 90	91 – 120	121 – 150	151 – 180	180+	Total
Exposure at default	510,097	1,903	41,485	2,630	158,160	175,577	325,757	379,933	1,595,542
Loss rate	—	—	—	23 %	32 %	45 %	63 %	84 %	41 %
Expected credit losses	—	—	—	592	49,820	79,010	205,227	317,723	652,372

*As at 31 December 2021*

Days outstanding	Current	0 – 30	31 – 60	61 – 90	91 – 120	121 – 150	151 – 180	180+	Total
Exposure at default	134,007	279,710	73,219	92,941	113,878	99,900	118,254	417,455	1,329,364
Loss rate	—	—	—	23 %	32 %	45 %	63 %	88 %	41 %
Expected credit losses	—	—	—	21,377	36,441	44,955	74,500	369,073	546,346

Totals of expected credit losses as a percentage of the exposure may not tie due to percentage rounding.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**3 Financial risk management objectives and policies (continued)**
**3.2 Credit risk (continued)**
*(iii) Expected credit losses on other financial assets*

Credit risk is managed on a Group basis. For banks and financial institutions, only independently rated parties with a minimum rating of BB+ are accepted. The Group considers 'low credit risk' in relation to the bank balances as they have a low risk of default supported by high credit rating carried by a major credit rating agency. These financial institutions have a strong capacity to meet its contractual cash flow obligations in the near term.

**3.3 Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities. Liquidity requirements are monitored on a daily basis and management ensures that sufficient cash and cash equivalents are available to meet their commitments for liabilities as they fall due.

The Group's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates excluding the impact of netting agreements. The amounts disclosed in the table below are the contractual undiscounted cash flows.

	<b>Maturity up to one year USD</b>	<b>Maturity after one year USD</b>	<b>Total USD</b>
<b>31 December 2022</b>			
Accounts payable, accruals and other payables	31,586,707	—	31,586,707
Deferred purchase price	7,425,488	194,093	7,619,581
Derivatives liabilities	1,317,091	—	1,317,091
Current tax liabilities	1,027,404	—	1,027,404
Lease liabilities	751,015	1,592,111	2,343,126
	<b>42,107,705</b>	<b>1,786,204</b>	<b>43,893,909</b>
<b>31 December 2021</b>			
Accounts payable, accruals and other payables	15,996,533	—	15,996,533
Deferred purchase price	3,618,902	—	3,618,902
Interest bearing loans	60,440	337,545	397,985
Derivatives liabilities	44,330,400	—	44,330,400
Convertible notes	74,606,482	—	74,606,482
Loan from related party	478,764	—	478,764
Current tax liabilities	678,972	—	678,972
Lease liabilities	1,201,204	2,961,317	4,162,521
	<b>140,971,697</b>	<b>3,298,862</b>	<b>144,270,559</b>

Accounts payable, accruals and other payables exclude advances from individual customers (e-wallets) and advances from customers amounting to \$ 1,831,795 (2021: \$ 3,991,019).

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**3 Financial risk management objectives and policies (continued)**

**3.4 Capital risk**

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. Management seeks to maintain a balance between higher returns and a sound capital position.

**4 Critical accounting judgments and estimates**

The preparation of the Group's consolidated financial statements in conformity with the above requirements requires Management to make certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. Such estimates and assumptions are as follows:

**4.1 Hyperinflationary economies**

The Group exercises significant judgement in determining the onset of hyperinflation in countries in which it operates and whether the functional currency of its subsidiaries is currency of a hyperinflationary economy.

Various characteristics of the economic environments of Argentina and Turkey are considered. These characteristics include, but are not limited to, whether:

- the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency;
- prices are quoted in a relatively stable foreign currency;
- sales or purchase price stake expected losses of purchasing power during a short credit period into account;
- interest rates, wages and prices are linked to a price index; and
- the cumulative inflation rate over three years is approaching, or exceeding, 100%.

Management exercises judgement as to when a restatement of the financial statements of a Group entity becomes necessary. Following management's assessment, the Group's subsidiaries in Argentina and Turkey have been accounted for as entities operating in hyperinflationary economies.

The results, cash flows and financial positions of such subsidiaries have been expressed in terms of the current measuring units at the reporting date. The inflation adjusted financial information, is stated in terms of current Argentinian Peso and Turkish Lira at the reporting date using the respective Consumer Price Index (CPI) for both countries as supplied by the National Institute of Statistics and Censuses of the Argentine Republic (INDEC) and the Turkish Statistical Institute, respectively.

**Swvl Holdings Corp and its subsidiaries****Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)****4 Critical accounting judgments and estimates (continued)****4.2 Business combinations**

The Group records tangible and intangible assets acquired and liabilities assumed in business combinations under the acquisition method of accounting. Acquisition consideration typically includes cash payments and equity issued as consideration. In acquisitions where no consideration is transferred, goodwill is measured based on the fair value of the acquiree. Amounts paid for each acquisition are allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition inclusive of identifiable intangible assets. The estimated fair value of identifiable assets and liabilities, including intangibles, are based on valuations that use information and assumptions available to management. The Group allocates any excess purchase price over the fair value of the tangible and identifiable intangible assets acquired and liabilities assumed to goodwill.

Significant management judgments and assumptions are required in determining the fair value of assets acquired and liabilities assumed, particularly for acquired intangible assets, including estimated useful lives. The valuation of purchased intangible assets is based upon estimates of the future performance and discounted cash flows of the acquired business. Each asset acquired or liability assumed is measured at estimated fair value from the perspective of a market participant.

**4.3 Capitalization of development costs**

The Group capitalizes expenditures for the development of technology to the extent that it is expected to meet the criteria in accordance with IAS 38 Intangible Assets. The decision to capitalize is based on significant judgments made by management, including the technical feasibility of completing the intangible asset so that it will be available for use or sale and assumptions used to demonstrate that the asset will generate probable future economic benefits.

During the year ended 31 December 2022, development costs of \$1,666,934 million (31 December 2021: \$2,222) were capitalized based on a model whereby a percentage is allocated to employee related expenses based on the time spent on the development of assets. All employee expenses included in this balance relate to employees in the product and engineering departments, and the percentage attributable varies dependent on the nature of the work performed and the type of asset being developed.

**4.4 Impairment of assets**

The carrying values of long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may no longer be recoverable. If any indication exists, then the asset's recoverable amount is estimated. Determining the recoverable amount is subjective and requires management to estimate future growth, profitability, discount and terminal growth rates, and project future cash flows, among other factors. Future events and changing market conditions may impact our assumptions as to prices, costs or other factors that may result in changes to our estimates of future cash flows.

If it is concluded that a definite or indefinite long-lived asset is impaired, a loss in an amount equal to the excess of the carrying value of the asset over its fair value at the date of impairment is recognized. The fair value at the date of the impairment becomes the new cost basis and will result in a lower depreciation expense than for periods before the asset's impairment.

**4.5 Earnout liabilities**

The Group uses accounting estimates in measuring the fair value of its earnouts liabilities. The Group used a Monte Carlo simulation based on the frequency that each tranche vests to value the dilutive impact of per share. The assumptions used in the valuation are disclosed in Note 33.

**Swvl Holdings Corp and its subsidiaries****Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)****4 Critical accounting judgments and estimates (continued)****4.6 Derivative warrant liabilities**

The Group's derivative liabilities related to its public and private warrants are measured using appropriate valuation method. Public warrants derivative liabilities was measured using Binomial lattice model while Black-Scholes Options Pricing Model ("BSOPM") was used to value the private warrants. The assumptions used in the valuation are disclosed in Note 33.

**4.7 Leases***i) Determination of lease term*

IFRS 16 requires the Group to assess the lease term as the non-cancellable lease term in line with the lease contract together with the period for which the Group has extension options which the Group is reasonably certain to exercise and the periods for which the Group has termination options for which the Group is not reasonably certain to exercise those termination options. The Group assesses the options to extend or terminate their leases offices in multiple locations of operations. Management has not assessed the lease extension term where such clauses are required to be mutually agreed between the Group and the lessor. In cases where the lease extension is solely at the discretion of the Group as a lessee, Management is reasonably certain that such leases will not be renewed beyond the non-cancellable lease term and no extension options have been exercised.

*ii) Discount rate*

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions.

**4.8 Deferred tax asset**

Deferred tax is recognised and provides for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax reflects the manner of recovery of underlying assets and is measured at the prevailing tax rates that are expected to be applied to the temporary differences when they reverse. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets are reviewed periodically and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets have been recognised by a certain subsidiary of the Group on their trading losses where utilisation is probable, given that there is probable future taxable gain to offset against these losses. The Group continuously reviews the recoverability of the deferred tax asset for any significant changes to these assumptions.

**4.9 Share-based payments**

The Group issued share-based payment awards to employees starting from May 2017. While there was a mutual understanding with the employees regarding the terms of the award, its formal approval was pending, and therefore "grant date" was not achieved. The grant date will be achieved on an "exit event" which includes "merger, consolidation, sale of assets, or other change in control of the Parent Company, or otherwise in accordance with the terms of the Option Rules and the Award agreement". However, the cost of awards is recognised in advance of the grant date, over the period services are rendered by the employees, by estimating the fair value of the equity instruments at the end of each reporting period to comply with the requirements of IFRS.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**4 Critical accounting judgments and estimates (continued)**

**4.9 Share-based payments (continued)**

During 2022, the exit event was achieved and all the awards outstanding were given a grant date of 31 March 2022, which was the exit date. The employees are eligible to exercise their vested options in accordance with the SEC rules which include a lock-up period of 6 months after the exit event. The exit event is not a vesting condition.

The shares awarded charge is amortised over the period services are rendered by the employees.

**4.10 ECL assumptions**

The Group estimates the expected credit loss under the simplified approach using a provision matrix which applies the relevant loss rates to the outstanding trade receivable balances (i.e. an aged analysis). Different loss rates are determined depending on the number of days that the trade and other receivables are outstanding. Depending on the diversity of the end-user base, the Group uses appropriate groupings (known as customer segments) based on homogeneous risk characteristics.

The estimates mainly involve the following:

- *Determining appropriate customer segments* – Estimating the risk characteristics and concluding whether a group of customers will exhibit similar loss patterns in the future;
- *Appropriateness of historical loss rates* – Estimating whether the macroeconomic outlook for the prior periods is consistent with the current outlook or if any adjustment is needed;
- *Default definition* – Management defines its policy of what is considered as a default which is consistent with the internal credit risk management policy of the Group. The default definition includes the impact of qualitative factors wherever necessary; and
- *Forward-looking analysis* – Management assesses whether in the past, there has been a plausible relationship between the macroeconomic indicators and the historical loss patterns. In case there is a plausible relationship and a strong correlation, Management estimates the impact of the future economic outlook on the loss patterns based on forecasted statistics.

The Group uses a simplified approach which includes a provision matrix for large portfolio of customers which have similar risk characteristics (through ‘determining appropriate customer segments’ discussed above) to calculate expected credit losses (ECL) for trade receivables and other receivables based on the Group’s historical observed default rates, derived from the number of days past due for various customer segments that have similar loss patterns. These historical observed default rates are then adjusted for forward-looking information through the forward looking analysis discussed above.

The assessment of the correlation between historical observed default rates, forecast economic conditions and resulting ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of the customer’s actual default in the future.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**5 Property and equipment**

	Furniture, fittings and equipment USD	Leasehold improvements USD	Total USD
<b>Cost</b>			
At 1 January 2021	504,158	155,163	659,321
Additions	265,927	53,544	319,471
Acquisition through business combination (Note 7)	1,846	—	1,846
At 31 December 2021	<b>771,931</b>	<b>208,707</b>	<b>980,638</b>
Additions	169,278	648,308	817,586
Acquisition through business combination (Note 7)	586,452	—	586,452
Assets classified as held for sale (Note 34)	(111,691)	(18,846)	(130,537)
At 31 December 2022	<b>1,415,970</b>	<b>838,169</b>	<b>2,254,139</b>
<b>Accumulated depreciation and impairment</b>			
At 1 January 2021	124,717	24,815	149,532
Charge for the year	163,667	18,735	182,402
At 31 December 2021	<b>288,384</b>	<b>43,550</b>	<b>331,934</b>
Charge for the year	558,934	45,370	604,304
Assets classified as held for sale (Note 34)	(13,029)	(2,198)	(15,227)
Impairment	60,593	1,697	62,290
At 31 December 2022	<b>894,882</b>	<b>88,419</b>	<b>983,301</b>
<b>Net book value</b>			
At 31 December 2022	<b>521,088</b>	<b>749,750</b>	<b>1,270,838</b>
At 31 December 2021	<b>483,547</b>	<b>165,157</b>	<b>648,704</b>

Management has performed an impairment assessment of property and equipment as of 31 December 2022. As a result, an impairment of USD 62,290 has been charged to the consolidated statement of comprehensive loss. The details and circumstances of the subsidiaries' asset assessment are outlined in Note 34.

Depreciation is allocated as detailed below:

	2022 USD	2021 USD	2020 USD
General and administrative expenses (Note 23)	489,593	110,027	81,708
Assets classified as held for sale (Note 34)	114,711	72,375	41,895
	<b>604,304</b>	<b>182,402</b>	<b>123,603</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**6 Intangible assets**

	2022 USD	2021 USD
<b>Cost</b>		
At 1 January	1,004,369	—
Acquisition through business combination (Note 7)	20,580,000	1,002,147
Additions	1,666,934	2,222
Assets classified as held for sale (Note 34)	(2,170,000)	—
<b>At 31 December</b>	<b>21,081,303</b>	<b>1,004,369</b>
<b>Accumulated amortization and impairment</b>		
At 1 January	15,963	—
Charge for the year	2,455,243	15,963
Impairment	8,221,754	—
Assets classified as held for sale (Note 34)	(145,935)	—
<b>At 31 December</b>	<b>10,547,025</b>	<b>15,963</b>
<b>Net book value as at 31 December</b>	<b>10,534,278</b>	<b>988,406</b>
	2022 USD	2021 USD
Trade name	937,500	10,000
Customer list (B2B relationships)	3,692,778	50,000
Developed technologies	5,904,000	928,406
	<b>10,534,278</b>	<b>988,406</b>

Management has performed an impairment assessment of intangible assets as of 31 December 2022. As a result, an impairment of USD 8,221,754 has been charged to the consolidated statement of comprehensive loss. A charge of USD 6,721,513 is related to discontinued operations. The details and circumstances of the subsidiaries' asset assessment are outlined in Note 34. A charge of USD 1,500,241 is related to continuing operations. This impairment is related to internally generated software that was developed and intended to be used in one of the exited locations. Pursuant to the exit, management deemed the asset to be non-recoverable

Amortization is allocated as detailed below:

	2022 USD	2021 USD	2020 USD
General and administrative expenses (Note 23)	1,352,415	15,963	—
Assets classified as held for sale (Note 34)	1,102,828	—	—
	<b>2,455,243</b>	<b>15,963</b>	<b>—</b>

**7 Business combinations and goodwill**
*(i) Viapool*

On 14 January 2022, the Group acquired a 51% controlling interest in Viapool Inc, ("Viapool") a company incorporated under the laws of the U.S. State of Delaware, pursuant to the signed stock purchase agreement. Viapool is engaged in the development, implementation and commercialization of new mobility and transport systems, including different services and connecting travellers with buses and private cars in Argentina and Chile. This acquisition has been accounted for in accordance with IFRS 3 Business Combinations.

The Group incurred insignificant acquisition-related costs, which are not included as part of the consideration transferred and have been recognized as an expense in the consolidated statement of profit or loss, as part of professional expenses.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**7 Business combinations and goodwill (continued)**
**(i) Viapool (continued)**

The purchase consideration and the fair value of the identifiable assets and liabilities of Viapool at the date of acquisition are as follows:

	<b>Fair value recognized on acquisition USD</b>
<b>Assets</b>	
Intangible assets	5,530,000
Right of use asset	34,524
Property and equipment	45,170
Trade and other receivables	907,040
Cash and cash equivalents	332,005
	<b>6,848,739</b>
<b>Liabilities</b>	
Interest-bearing loans	16,697
Trade and other payables	1,004,118
Lease liabilities	44,554
	<b>1,065,369</b>
<b>Total identifiable net assets at fair value</b>	<b>5,783,370</b>
<b>Non-controlling interest measured at fair value</b>	<b>(2,833,851)</b>
<b>Fair value of purchase consideration</b>	<b>4,400,000</b>
<b>Goodwill arising on acquisition</b>	<b>1,450,481</b>
	<b>Cash flow on acquisition USD</b>
Net cash acquired with the subsidiary	332,005
Cash consideration paid at the closing date	(1,000,000)
<b>Purchase consideration transferred</b>	<b>(667,995)</b>

Non-controlling interest was measured on the fair value of the net identifiable assets multiplied by the ownership percentage owned by the non-controlling interest at the date of the acquisition. To reach the fair value of the identifiable net assets, management used the following non-observable market assumptions:

- Discount rate of 9.3%;
- Internal rate of return of 43.3%; and
- Company-wide required return rate of 45.0%.

Additional purchase consideration is detailed as follows:

- \$0.5 million in the Parent Company shares payable at closing date. The number of shares to be issued will be determined based on the share price at the date of payment;
- \$2.4 million in cash, payable ten business days counted as from of 31 March 2022; and
- Maximum of \$0.5 million in cash, payable subject to achieving certain revenue level as outlined in the stock purchase agreement.

In November 2022, the Group's Board of Directors resolved to liquidate the company and its subsidiaries (Note 34).

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**7 Business combinations and goodwill (continued)**
*(ii) Volt Lines*

On 25 May 2022, the Group acquired 100% of the shares of Volt Lines B.V. (“Volt Lines”), a company incorporated under the laws of the Netherlands, pursuant to the signed sale and purchase agreement. Volt Lines is engaged in the development, implementation and commercialization of new mobility and transport systems, including different services and connecting travellers with buses and private cars in Turkey. This acquisition has been accounted for in accordance with IFRS 3 Business Combinations.

The Group incurred insignificant acquisition-related costs, which are not included as part of consideration transferred and have been recognized as an expense in the consolidated statement of profit or loss, as part of professional expenses.

The purchase consideration and the fair value of the identifiable assets and liabilities of Volt Lines at the date of acquisition are as follows:

	Fair value recognized on acquisition USD
<b>Assets</b>	
Intangible assets	2,170,000
Property and equipment	178,561
Right of use asset	173,389
Trade and other receivables	570,966
Cash and cash equivalents	142,918
	<b>3,235,834</b>
<b>Liabilities</b>	
Interest-bearing loans	96,796
Trade and other payables	489,979
Convertible loan	241,506
Lease liabilities	188,010
	<b>1,016,291</b>
<b>Total identifiable net assets at fair value</b>	<b>2,219,543</b>
Fair value of purchase consideration	13,200,000
<b>Goodwill arising on acquisition</b>	<b>10,980,457</b>
	Cash flow on Acquisition USD
Net cash acquired with the subsidiary	(142,918)
Cash consideration paid at the closing date	—
<b>Purchase consideration transferred</b>	<b>(142,918)</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**7 Business combinations and goodwill (continued)**
*(ii) Volt Lines (continued)*

Purchase consideration is detailed as follows:

- \$5 million in cash, payable by the Group within 6 months of the closing date;
- 1,400,000 of the Parent Company shares (fair valued at \$6.5 million at agreement closing date), payable at closing; and
- Maximum of 1,800,000 of the Parent Company shares (fair valued at \$1.7 million at agreement closing date), payable subject to achieving certain revenue milestones as outlined in the sale and purchase agreement.

In December 2022, the Group's Board of Directors resolved to sell Volt Lines B.V and its subsidiaries. The sale was consummated subsequently in January 2023 (Note 34).

*(iii) Door2Door*

On 3 June 2022, the Group acquired 100% of the shares of Blitz B22-203 GmbH a Company based in Germany, subsequently Blitz B22-203 GmbH acquired 100% of the shares of Door2Door GMBH ("Door2Door"), a company incorporated under the laws of Germany, pursuant to the signed sale and purchase agreement. Door2Door is a high-growth mobility operations platform that partners with municipalities, public transit operators, corporations, and automotive companies to optimize shared mobility solutions across Europe. This acquisition has been accounted for in accordance with IFRS 3 Business Combination.

The purchase consideration and the fair value of the identifiable assets and liabilities of Door2Door at the date of acquisition are as follows:

	<b>Fair value recognized on acquisition</b>
	<b>USD</b>
<b>Assets</b>	
Intangible assets	1,160,000
Property and equipment	48,730
Right of use asset	599,087
Trade and other receivables	250,495
Cash and cash equivalents	136,626
	<b>2,194,938</b>
<b>Liabilities</b>	
Interest-bearing loans	1,320,773
Trade and other payables	1,640,583
Lease liabilities	677,866
	<b>3,639,222</b>
<b>Total identifiable net deficit at fair value</b>	<b>(1,444,284)</b>
 Fair value of purchase consideration	 2,615,000
<b>Goodwill arising on acquisition</b>	<b>4,059,284</b>

**Swvl Holdings Corp and its subsidiaries****Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)****7 Business combinations and goodwill (continued)***(iii) Door2Door (continued)*

	<b>Cash flow on Acquisition USD</b>
Net cash acquired with the subsidiary	136,626
Cash consideration paid at the closing date	(1,074,842)
<b>Purchase consideration transferred</b>	<b>(938,216)</b>

Additional purchase consideration is detailed as follows:

- \$0.87 million in cash, payable by the Group at closing date; and
- \$1.54 million, to be paid in shares of the Parent Company, within 6 months from initial listing of the shares of the Parent Company on NASDAQ, but no later than 9 months from closing date. The number of shares to be issued will be determined based on the share price at the date of payment.

In November 2022, the Group's Board of Directors resolved to liquidate the two subsidiaries (Note 34).

*(iv) Urbvan*

On 11 July 2022, the Group acquired a 100% controlling interest in Urbvan Mobility Ltd, and its subsidiaries, a company incorporated under the laws of BVI and operates in Mexico. Urbvan is a high-growth mobility platform offering tech-enabled transportation services across Mexico. This acquisition has been accounted for in accordance with IFRS 3 Business Combination.

The Group incurred insignificant acquisition-related costs, which are not included as part of consideration transferred and have been recognized as an expense in the consolidated statement of profit or loss, as part of professional expenses.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**7 Business combinations and goodwill (continued)**
*(iv) Urbvan (continued)*

The purchase consideration and the fair value of the identifiable assets and liabilities of Urbvan at the date of acquisition are as follows:

	Fair value recognized on acquisition USD
<b>Assets</b>	
Intangible assets	11,720,000
Deferred tax assets	4,104,774
Right of use asset	279,002
Property and equipment	313,991
Trade and other receivables	5,216,992
Cash and cash equivalents	720,001
	<b>22,354,760</b>
<b>Liabilities</b>	
Provision for employees' end of service benefits	259,105
Trade and other payables	3,053,864
Lease liabilities	327,473
	<b>3,640,442</b>
<b>Total identifiable net assets at fair value</b>	<b>18,714,318</b>
Fair value of purchase consideration	27,607,000
<b>Goodwill arising on acquisition</b>	<b>8,892,682</b>
	Cash flow on Acquisition USD
Net cash acquired with the subsidiary	720,001
Convertible note deduction against purchase price at the closing date	(5,000,000)
<b>Purchase consideration transferred</b>	<b>(4,279,999)</b>

Additional purchase consideration is detailed as follows:

- On the 6-month anniversary of the agreement closing date ("First Payment"), the Group shall make a share payment of 2,931,639 Class A Ordinary Shares, and cash payment equivalent to 30,740 Class A Ordinary Shares multiplied by the share market price on the First Payment date.
- On the 10-month anniversary of the agreement closing date ("Second Payment"), the Group shall make a share payment of 2,899,999 Class A Ordinary Shares, and cash payment equivalent to 30,407 Class A Ordinary Shares multiplied by the share market price on the Second Payment date.
- On the 12-month anniversary of the agreement closing date ("Third Payment"), the Group shall make a share payment of 2,899,999 Class A Ordinary Shares, and cash payment equivalent to 30,407 Class A Ordinary Shares multiplied by the share market price on the Third Payment date.
- On the 16-month anniversary of the agreement closing date ("Forth Payment"), the Group shall make a share payment of 1,399,998 Class A Ordinary Shares, and cash payment equivalent to 14,677 Class A Ordinary Shares multiplied by the share market price on the Forth Payment date.
- On the 24-month anniversary of the agreement closing date ("Fifth Payment"), the Group shall make a share payment of 1,399,998 Class A Ordinary Shares, and cash payment equivalent to 14,677 Class A Ordinary Shares multiplied by the share market price on the Fifth Payment date.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**7 Business combinations and goodwill (continued)**
*(iv) Urbvan (continued)*

- Maximum of 750,000 Class A Ordinary Shares, payable subject to achieving certain revenue level as outlined in the sales and purchase agreement.

Subsequently in September 2023, the sale of Urbvan Mobility Ltd and its subsidiaries was consummated (Note 37).

*(v) Shotl*

On 19 November 2021, the Group acquired 55% of the shares of Shotl Transportation, S.L. (“Shotl”), a mass transit platform that partners with municipalities and corporations to provide on-demand bus and van services across Europe, Latin America and Asia-Pacific. This acquisition has been accounted for in accordance with IFRS 3 Business Combination.

The purchase consideration and the fair value of the identifiable assets and liabilities of Shotl at the date of acquisition are as follows:

	Fair value recognised on acquisition USD
<b>Assets</b>	
Intangible Assets	1,002,147
Property and Equipment	1,846
Other assets	8,697
Trade and other receivables	365,061
Cash and cash equivalents	145,551
	<b>1,523,302</b>
<b>Liabilities</b>	
Interest-bearing loans	493,779
Loans from related parties	482,161
Trade and other payables	238,046
	<b>1,213,986</b>
<b>Total identifiable net assets at fair value</b>	<b>309,316</b>
Non-controlling interest measured at fair value	139,643
Goodwill arising on acquisition	4,418,226
<b>Purchase consideration</b>	<b>4,557,869</b>
	Cash flow on Acquisition USD
Net cash acquired with the subsidiary	145,551
Cash consideration paid at the closing date	(968,997)
<b>Purchase consideration transferred</b>	<b>(823,446)</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**7 Business combinations and goodwill (continued)**
*(v) Shotl (continued)*

Non-controlling interest was measured on the fair value of the net identifiable assets multiplied by the ownership percentage owned by the non-controlling interest at the date of the acquisition. To reach the fair value of the identifiable net assets, management used the following non-observable market assumptions:

- Discount rate of 9.3%;
- Internal rate of return of 13.7%; and
- Company-wide required return rate of 14.0%.

Additional purchase consideration is detailed as follows:

- USD 1 million in Pivotal Holdings shares at closing of the SPAC transaction;
- approximately USD 1 million in cash 6 months after closing of the acquisition;
- approximately USD 1 million in cash 12 months after closing of the acquisition; and
- approximately USD 0.6 million in cash payable at the later of 18 months after closing or satisfaction of certain revenue and grants earn-out condition.

In November 2022, the Group's Board of Directors resolved to sell the company (Note 34).

*Business combinations' contribution of 2022 financial results to the Group:*

	Revenue since acquisition USD	Revenue for the full year USD	Loss since acquisition USD	Loss for the full year USD
Viapool	7,346,255	7,929,986	3,906,569	3,202,686
Voltlines	4,548,557	5,910,453	1,011,226	1,648,870
Door2Door	752,801	2,815,344	2,456,575	2,098,024
Urbvan	7,390,342	14,392,511	2,210,083	6,679,542
	<b>20,037,955</b>	<b>31,048,294</b>	<b>9,584,453</b>	<b>13,629,122</b>

The Group's total goodwill is summarized as per the table below:

	At 31 December 2022 USD	At 31 December 2021 USD
Goodwill arising on acquisition of:		
Viapool	1,450,481	—
Voltlines	10,980,457	—
Door2Door	4,059,284	—
Shotl	4,270,505	4,418,226
Urbvan	8,892,682	—
Impairment charge	(29,653,409)	—
	<b>—</b>	<b>4,418,226</b>

During the first half of 2022, the Group's strategy depended on rapid growth and expansions as continuous funding following the SPAC transaction was expected. Goodwill is the excess of consideration paid over the acquiree's net assets. This represents the expected economic benefits generated from the synergies arising from the combination of the operations and resources of the acquirer and the acquiree. Mainly, the synergies were expected to arise from trade names, customer lists, and developed technologies of the combination. Following the global economic downturn, the Group initiated the portfolio optimization plan and eventually ceased operations in non-profitable locations. Following the disposal of those subsidiaries, management charged a full impairment of goodwill (USD 29,653,409) since there is no expected future economic benefits from those subsidiaries. The details and circumstances of the assessment are outlined in Note 34.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**7 Business combinations and goodwill (continued)**
**(v) Shotl (continued)**

Goodwill is the excess of consideration paid over the acquiree's net assets. This represents the expected economic benefits generated from the synergies arising from the combination of the operations and resources of the acquirer and the acquiree. Mainly, the synergies are expected to arise from trade names, customer lists, and developed technologies of the combination. Following the portfolio optimization plans, management has performed an impairment assessment of goodwill as of 31 December 2022. Since the operations of the subsidiaries listed above were discontinued in 2022, the subsidiaries were subsequently either disposed of or sold, and there is absence of confirmation of goodwill recoverability, an impairment of USD 29,653,409 has been charged to the consolidated statement of comprehensive loss. The details and circumstances of the assessment are outlined in Note 34.

The movement in the deferred purchase price is as follows:

	At 31 December 2022 USD	At 31 December 2021 USD
Opening balance	3,618,902	—
Acquisitions	36,507,949	3,618,902
Change in fair value	(31,844,346)	—
Issuance of shares	(662,924)	—
<b>Ending balance</b>	<b>7,619,581</b>	<b>3,618,902</b>

The deferred purchase price consists of outstanding cash payments and share issuances. The change in fair value is a result of revaluing the shares outstanding to reflect share price as per the purchase agreements. Management has not used any complex assumptions in arriving at the fair value of the deferred purchase price.

The deferred purchase price is detailed as follows:

	At 31 December 2022 USD	At 31 December 2021 USD
Voltlines	5,000,000	—
Door2Door	15,865	—
Shotl	1,004,987	3,618,902
Urbvan	1,598,729	—
	<b>7,619,581</b>	<b>3,618,902</b>

	At 31 December 2022 USD	At 31 December 2021 USD
<i>Maturity analysis</i>		
Less than one year (current)	7,425,488	3,618,902
One to five years (non-current)	194,093	—
	<b>7,619,581</b>	<b>3,618,902</b>

## Swvl Holdings Corp and its subsidiaries

### Notes to the consolidated financial statements for the years ended 31 December 2022 and 2021 (continued)

#### 8 Current Financial Assets

During 2021, the Group entered into Convertible Promissory Note Agreements with total investment of USD 10 million (the “Notes”) With Zeelo LTD. The Notes are convertible, on the discretion of the issuing parties to number of shares, determined based on the specific scenarios outlined in the agreements. The acquisition transaction was announced on April 28, 2022 and expected to close on May 24, 2022. All pre-completion obligations were met, but following financial market volatility, the Group and Zeelo mutually agreed on July 29, 2022 to terminate the planned transaction and to waive the convertible note debt, accordingly notes were completely written off during 2022.

Break-up of the notes is following:

	Interest	2022 USD	2021 USD
Investment A	1.08% p.a.	—	5,000,880
Investment B	0% p.a.	—	5,000,000
		<u>—</u>	<u>10,000,880</u>

The movement in current financial assets is as follows:

	2022 USD	2021 USD
At 1 January	10,000,880	—
Additions	—	10,000,880
Impairment	(10,000,880)	—
At 31 December	<u>—</u>	<u>10,000,880</u>

#### 9 Deferred transaction costs

On March 31, 2022 (the “Closing Date”), the Company consummated a business combination (the “Closing”) with Queen’s Gambit Growth Capital, a Cayman Islands exempted company with limited liability (“Queen’s Gambit”), where Queen’s Gambit merged through multiple transactions with a wholly owned subsidiary of Swvl Inc.

As a result of the Mergers and the other transactions contemplated by the Business Combination Agreement, the merged Queen’s Gambit Surviving Company and Swvl, Inc. will each become wholly owned subsidiaries of Swvl Holdings Corp (Formerly known as “Pivotal Holdings Corp”), a British Virgin Islands business company limited by shares incorporated under the laws of the British Virgin Islands.

Swvl Holdings Corp articles authorize the issuance of up to 555,000,000 shares, consisting of (a) 500,000,000 Class A Ordinary Shares and (b) 55,000,000 preferred shares. All outstanding Class A Ordinary Shares are fully paid and non-assessable. To the extent they are issued, certificates representing Class A Ordinary Shares are issued in registered form. All options, regardless of grant dates, will entitle holders to an equivalent number of Class A Ordinary Shares once the vesting and exercising conditions are met.

At the closing date, Pivotal Holdings Corp changed its name to Swvl Holdings Corp and the securityholders of Queen’s Gambit and Swvl, Inc. will become securityholders of Swvl Holdings Corp (“New Swvl”). Subsequent to the closing of the Business Combination, there were 118,496,102 Class A Ordinary Shares with par value of \$0.0001 per share that were outstanding and issued. There are also 17,433,333 Warrants outstanding, each exercisable at \$11.50 per one Class A Ordinary Share, of which 11,500,000 are public warrants (“Public Warrants”) listed on Nasdaq and 5,933,333 private placement warrants (“Private Warrants”) held by the Sponsor.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**9 Deferred transaction costs: (continued)**

Pursuant to the terms of the business combination agreement, at the closing date, among other things, each shareholder of Swvl's outstanding a) Common Shares A, b) Common Shares B") and c) Class A, B, C, D and D-1 preferred shares shall receive approximately 1,510 shares of new Swvl's common shares A and the contingent right to receive certain Earnout Shares (as defined below), for each share of the Company's common shares, par value \$0.0001 per share in exchange of original shares.

Concurrently at the closing date, each outstanding and unexercised option (vested or not) to purchase Swvl's Common Shares B (each, a "Swvl Option"), were converted to an option to purchase approximately 1,510 new Swvl's common Shares A and the contingent right to receive certain Earnout restricted Stock Units ("Earnout RSUs") at an exercise price per option equal to (x) the exercise price per option divided by (y) the Exchange Ratio.

In addition, pursuant to the terms of the business combination agreement, at the closing date, each outstanding Queen's Gambit Warrant were automatically assumed and converted into a new Warrant to acquire new Swvl's Common Share A, subject to the same terms and conditions (including exercisability terms) as were applicable to the corresponding former Queen's Gambit Warrants.

During the time period between the Closing Date and the five-year anniversary of the Closing Date ("Earnout Period"), Eligible Swvl Shareholders may receive up to 15 million additional shares of New Swvl's Common Shares A (the "Earnout Shares") in the aggregate in three equal tranches of 5 million shares if the volume-weighted average closing sale price of our Common Stock is greater than or equal to \$12.50, \$15.00 and \$17.50 for any 20 trading days within any 30 consecutive trading day period ("Trigger Events") (or an earlier Change of Control event).

Effective Time, which will be subject to potential forfeiture, and which will be able to be settled in Holdings Common Shares A upon the occurrence of the applicable Earnout Triggering Events (or an earlier Change of Control event).

The portion of such Holdings Common Shares A issuable to Eligible Swvl Shareholders who hold Swvl Options will instead be issued to such holders as Earnout RSUs at the Company Merger In addition and concurrently with the Closing, PIPE investors purchased and/or automatically converted an existing Swvl exchangeable notes to an aggregate of 16,120,000 shares of New Swvl's Common Shares with an aggregate proceeds of \$145.9 million.

The Company's Common Stock and Public Warrants have commenced trading on the Nasdaq Stock Exchange ("Nasdaq") under the symbols "SWVL" and "SWVLW" on March 31, 2022.

During 2022, the Group incurred consulting and legal costs related to the SPAC transaction of \$1,112,362 (2021: \$7,355,404). During 2022, the amount was charged to the consolidated statement of changes in equity.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**10 Trade and other receivables**

	At 31 December	
	2022 USD	2021 USD
Trade receivables	8,816,368	4,223,645
Customer wallet receivables	1,595,542	1,329,364
Accrued income	3,719,488	3,038,259
Less: provision for expected credit losses	(2,465,258)	(2,403,782)
	<b>11,666,140</b>	<b>6,187,486</b>
Other receivables	3,149,292	415,754
	<b>14,815,432</b>	<b>6,603,240</b>

Trade receivables are non-interest bearing and are generally on up to 60 days terms. It is not the practice of the Group to obtain collateral over trade receivables and are therefore, unsecured.

The movement in provision for expected credit losses are as follows:

	2022 USD	2021 USD
At 1 January	2,403,782	1,076,678
Charge to the profit and loss statement	1,184,542	1,101,614
Assets classified as held for sale	(1,123,066)	225,490
At 31 December	<b>2,465,258</b>	<b>2,403,782</b>

**11 Prepaid expenses and other current assets**

	At 31 December	
	2022 USD	2021 USD
Prepaid expenses	1,748,073	272,312
Withholding tax receivables	941,843	634,835
Advances to suppliers	608,461	195,842
	<b>3,298,377</b>	<b>1,102,989</b>

**12 Cash and cash equivalents**

	At 31 December	
	2022 USD	2021 USD
Cash on hand	1,495	3,410
Cash at banks	1,536,852	4,083,466
Cash sweep account (i)	—	5,451,238
Bank overdraft	—	(8,391)
	<b>1,538,347</b>	<b>9,529,723</b>

- (i) Cash sweep account consists of highly liquid investments with original maturities of less than three months that are readily convertible to known amounts of cash with 24 hours' notice with no loss of interest. These investments generate interest and dividend income as disclosed in Note 27. The average rate of interest and dividend income represented are insignificant.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**12 Cash and cash equivalents (continued)**

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

	At 31 December	
	2022	2021
	USD	USD
Cash at banks and on hand attributable to continued operations	1,538,347	9,529,723
Cash at banks and on hand attributable to discontinued operations (Note 34)	1,157,929	—
	<b>2,696,276</b>	<b>9,529,723</b>

**13 Share capital**

On 31 March 2022, the Parent Company's common stock and warrants began trading on NASDAQ under the ticker symbols "SWVL" and "SWVLW," respectively. The Parent Company is authorized to issue 555,000,000 shares, consisting of (a) 500,000,000 Class A Ordinary Shares with a par value of \$0.0001 per share and (b) 55,000,000 preferred shares with a par value of \$0.0001 per share.

Prior to the Transaction, Swvl Inc. had seven classes of authorized common stock, Swvl Inc.'s Common A shares, Common B shares, Class A shares, Class B shares, Class C shares, Class D shares and Class D-1 shares. As a result of the Transaction, each outstanding share of Swvl Inc. capital stock was converted into the right to receive newly issued shares of the Company's Class A ordinary shares at the respective Conversion Ratio, and the contingent right to receive certain Earnout Shares, for each share of the Parent Company's common shares.

*a. Authorised and issued share capital prior to the transaction (recast)*

	At 31 December 2021 (recast)	
	Authorised	Issued
Common A shares	22,649,444	19,955,191
Class A shares	11,711,273	8,387,844
Class B shares	12,360,557	11,711,273
Class C shares	22,345,942	12,360,557
Class D shares	10,524,442	10,524,440
Class D-1 shares	14,097,010	22,345,942
	<b>93,688,668</b>	<b>85,285,247</b>

The below table summarizes the recasted number of shares and share capital outstanding as of 31 December 2021:

	At 31 December 2021 (recast)	
	Number of shares	Share capital
Issuance of shares to Swvl Inc. shareholders	85,285,247	8,529
	<b>85,285,247</b>	<b>8,529</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**13 Share capital (continued)**
*b. Authorised and issued share capital after the transaction*

	At 31 December 2022	
	Authorised	Issued
Class A ordinary shares	500,000,000	139,026,084
Preferred shares	55,000,000	—
	<b>555,000,000</b>	<b>139,026,084</b>

Each Class A Ordinary share has a par value of \$0.0001.

The below table summarizes the number of shares and share capital outstanding 31 December 2022:

	At 31 December 2022	
	Number of shares	Share capital
Issuance of shares to Swvl Inc. shareholders	85,285,247	8,529
Issuance of shares to SPAC shareholders	13,949,000	1,395
Conversion of convertible notes	16,125,455	1,612
Issuance of shares to PIPE investors	3,966,400	397
Other shares issued during the year	19,699,982	1,970
	<b>139,026,084</b>	<b>13,903</b>

*c. Share premium*

The below table represents the recast components of share premium balance as of 31 December 2021:

	At 31 December 2021 Share Premium
Issuance of shares to Swvl Inc. shareholders	88,873,188
	<b>88,873,188</b>

The below table represents the components of share premium balance as of 31 December 2022:

	At 31 December 2022 Share Premium
Issuance of shares to Swvl Inc. shareholders	88,873,188
Issuance of shares to SPAC shareholders	32,332,406
Conversion of convertible notes	145,952,505
Issuance of share to PIPE investors	39,663,603
Recapitalization costs (Note 35)	139,609,424
Other shares issued during the year	31,887,125
	<b>478,318,251</b>
Less:	
Costs attributable to the issuance of shares in connection with the business combination	(59,332,267)
Cost of earnout shares	(75,550,455)
	<b>343,435,529</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**13 Share capital (continued)**
*d. Stock split*

Subsequent to the date of the consolidated financial statements, the Group has restructured its authorised shares and issued ordinary shares as detailed below:

(a) The number of ordinary shares which the Group is authorised to issue has been decreased to 20,000,000 ordinary shares by the consolidation of every 25 ordinary shares of US\$0.0001 par value each currently in issue into 1 ordinary share of US\$0.0025 par value each; and

(b) the issued ordinary shares have been combined into a small number of shares, resulting in every 25 issued ordinary share being combined into 1 ordinary share with a par value of US\$0.0025 each.

Following the restructuring, the Group is authorised to issue 20,000,000 ordinary shares and 55,000,000 preference shares. The restructuring was approved on 4 January 2023 and became effective on 25 January 2023.

The below table sets out the Group's share structure as though the restructuring took effect retroactively during the year ended 31 December 2022:

	<b>At 31 December 2022</b>	
	<b>Authorised</b>	<b>Issued</b>
Class A ordinary shares	20,000,000	5,561,043
Preferred shares	55,000,000	—
	<b>75,000,000</b>	<b>5,561,043</b>

	<b>At 31 December 2022</b>	
	<b>Number of shares</b>	<b>Share capital</b>
Issuance of shares to Swvl Inc. shareholders	3,411,600	8,529
Issuance of shares to SPAC shareholders	557,960	1,395
Conversion of convertible notes	645,018	1,612
Issuance of shares to PIPE investors	158,656	397
Other shares issued during the year	787,809	1,970
	<b>5,561,043</b>	<b>13,903</b>

	<b>At 31 December 2022 Share Premium</b>
Issuance of shares to Swvl Inc. shareholders	88,873,188
Issuance of shares to SPAC shareholders	32,332,406
Conversion of convertible notes	145,952,505
Issuance of share to PIPE investors	39,663,603
Recapitalization costs (Note 35)	139,609,424
Other shares issued during the year	31,887,125
	<b>478,318,251</b>
<i>Less:</i>	
<i>Costs attributable to the issuance of shares in connection with the business combination</i>	<i>(59,332,267)</i>
<i>Cost of earnout shares</i>	<i>(75,550,455)</i>
	<b>343,435,529</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**14 Employee share scheme reserve**

At 31 December 2022, the employee share-based compensation reserve balance was \$773,666 (at 31 December 2021: \$36,929,523, at 31 December 2020: \$3,318,292).

Total reversal as a result of the decrease in fair value arising from share-based payment transactions recognized in the consolidated statement of comprehensive income as part of employee benefit was \$36,155,857 for the year ended 31 December 2022 (charge of \$ 33,611,231 for the year ended 31 December 2021, charge of \$2,828,995 for the year ended 31 December 2020). The fair value change is a result of the decline in share price during the year which, in turn, led to a decrease in the probability of exercising options and the value of each option. Grant date was achieved after the award date for majority of awarded shares as the grant date was linked to the business combination transaction. Shares was only granted when business combination transaction was consummated.

On 14 April 2022, the board of directors of the Parent Company passed a unanimous resolution to change the maximum number of share options that the Company is authorized to grant to its employees as identified by the management. This extension remains at similar terms with the original options, where 25% of the options vest annually from the issue date and are exercisable up to 10 years from the issue date.

	2022		2021	
	Average exercise price per share option USD	Number of options	Average exercise price per share option USD	Number of options
At 1 January	1.609	8,514,500	2.303	4,466,470
Granted during the year	6.710	5,324,390	1.700	5,849,416
Exercised during the year	0.001	(986,733)	—	—
Forfeited during the year	3.948	(1,985,833)	2.008	(1,801,386)
At 31 December	<b>3.554</b>	<b>10,866,324</b>	<b>1.609</b>	<b>8,514,500</b>
Vested and exercisable	1.364	3,780,424	1.230	3,575,348

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**14 Employee share scheme reserve (continued)**

Share options outstanding at the end of each year have the following expiry date and exercise prices:

	At 31 December	
	2022	2021
Number of options	10,866,324	8,514,500
Range of exercise price	\$0 - \$10	\$0 - \$3.37
Range of expiry dates	April 2027 – June 2036	April 2027 – September 2031
Weighted average remaining contractual life (in years)	3.52	7.97

Strike price	At 31 December	
	2022	2021
\$0-1	2,000,665	2,793,412
\$1-1.88	453,544	472,600
\$1.88-2.45	899,567	1,031,273
\$2.45-3.37	3,211,000	4,217,215
\$6.5	60,251	—
\$10	4,241,297	—

The following assumptions are used in calculating the fair values of the options:

Particulars	At 31 December	
	2022	2021
Expected weighted average volatility (%)	120 %	50 %
Expected dividends (%)	0 %	0 %
Expected term (in years)	3.52	1.25
Risk free rate (%)	4.16 %	1.12 %
Market price	0.137	8.89

The volatility has been measured as the standard deviation of quoted share prices of comparable peer entities over the last one year from each respective/expected grant date.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**15 Foreign currency translation reserve**

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

The following table represents the movement of the foreign currency translation reserve during the year:

	<b>Foreign currency reserve</b>
	<b>USD</b>
At 1 January 2020	(551,940)
Currency translation difference	(308,434)
At 31 December 2020	860,374
Currency translation difference	(409,511)
At 31 December 2021	<b>450,863</b>
Currency translation difference	(5,290,594)
Reserve of disposal groups classified as held for sale (Note 34)	492,474
At 31 December 2022	<b>(4,347,257)</b>

**16 Derivatives liabilities**

At 31 December 2021, embedded derivatives of USD 44.3 million have been recognised as current liabilities and USD 44.3 was charged to the consolidated statement of loss to reflect the change in fair value. Embedded derivatives are related to the put option embedded in the convertible notes agreement, which represent an obligation on the Group to deliver variable number of shares upon the conversion event. The Group's method of measurement of the embedded derivatives is outlined in Note 33. During 2022, the embedded derivatives were converted to shares.

**17 Convertible notes**

	<b>At 31 December</b>	
	<b>2022</b>	<b>2021</b>
Convertible Notes A	—	29,106,482
Convertible Notes B	—	45,500,000
	—	<b>74,606,482</b>

During the year ended 31 December 2021, the Parent Company issued convertible notes, in an aggregate principal amount of USD 27.7 million with a maturity date of 5 September 2022, convertible either into common or preferred shares of the Parent Company upon maturity or immediately prior to a merger or consolidation with a special purpose acquisition company depending on certain criteria detailed in the convertible notes' agreements. However, in connection with the Parent Company's proposed business combination with Queen's Gambit Growth Capital, immediately prior to the consummation of the business combination such convertible notes will convert into the right to receive Class A ordinary shares, par value \$0,0001 per share of Pivotal Holdings Corp, a British Virgin Islands business company limited by shares incorporated under the laws of the British Virgin Islands and wholly owned subsidiary of the Parent Company. These notes will convert unless they are repaid together with accrued interest with the prior written consent of "Majority in Interest" comprising of majority holders that are unaffiliated to the Group. The Parent Company intends to use the net proceeds from the issue of the convertible notes for general corporate purposes as well as to finance strategic opportunities which may arise.

The interest rate varies to be (i) a rate of 12% per annum from the date of issuance of each convertible note, until the date on which the aggregate principal amount raised by the Parent Company reaches the predetermined benchmark, and (ii) at any time thereafter, and in respect of all amounts raised by the Parent Company, a rate of 6.5% per annum.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**17 Convertible notes (continued)**

The conversion ratios for these notes would depend on the event leading to their conversion. Unless the Group conducts a Qualified Equity Financing Event, a Corporate Transaction, an IPO or a SPAC Transaction, all of which are defined in the term-sheet, the notes would convert on maturity using a conversion price derived from a prescribed valuation cap on fully diluted capitalisation on conversion date. Since the management considers the SPAC Transaction likely to occur, it has used a conversion price prescribed for such event while calculating the fair value of the embedded derivatives.

During 2021, certain PIPE investors have pre-funded to the Group a portion of USD 45.5 million of the aggregate PIPE subscription raised in connection with the proposed business combination, in a form of convertible notes. The “PIPE” is a fully committed private placement of common shares of the combined company. At the closing of the Group’s business combination with the SPAC, each exchangeable note will be automatically exchanged for shares of the combined company at an exchange price of USD 8.50 per share. Upon the issuance of the exchangeable notes, the amount pre-funded by each participating investor reduces their remaining respective commitment in the PIPE. These notes don’t bear interest.

On 12 January 2022, the Group issued convertible note for an amount of \$20 million to a PIPE investor as pre-funded subscription. The convertible note shall be exchanged for a number of new Swvl’s Common Shares A at an exchange price of \$9.10 per share. Upon the issuance of the exchangeable notes, the amount pre-funded by the PIPE investor reduces their remaining respective commitment in the PIPE. This note doesn’t bear interest.

On 30 January 2022, following the termination of the forward purchase agreement between SPAC and an investor, the Group terminated the subscription agreement in the amount of \$2 million with the same investor.

On 31 January 2022, the Group has entered into a new convertible note agreement with an investor increasing the PIPE by USD 1 million as pre-funded subscription. The convertible note shall be exchanged for a number of new Swvl’s Common Shares A at an exchange price of \$9.10 per share. Upon the issuance of the exchangeable notes, the amount pre-funded by the PIPE investor reduces their remaining respective commitment in the PIPE. This note doesn’t bear interest.

On 11 March 2022, the Group issued convertible notes for an amount of \$1.8 million and to a PIPE investor as pre-funded subscription. The convertible note shall be exchanged for a number of new Swvl’s Common Shares A at an exchange price of \$9.10 per share. Upon the issuance of the exchangeable notes, the amount pre-funded by the PIPE investor reduces their remaining respective commitment in the PIPE. This note doesn’t bear interest.

On 23 March 2022, the Group issued convertible note for an amount of \$2.7 million \$0.9 million to PIPE investors as pre-funded subscription. The convertible notes shall be exchanged for a number of new Swvl’s Common Shares A at an exchange price of \$9.10 per share. Upon the issuance of the exchangeable notes, the amount pre-funded by the PIPE investor reduces their remaining respective commitment in the PIPE. These notes don’t bear interest.

During 2022, the Group’s convertible notes were converted to shares.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**18 Derivative warrant liabilities and earnouts liabilities**
**18.1 Derivative warrant liabilities:**
*Private and Public Warrants*

Prior to the Transaction, the SPAC issued 17,433,333 warrants each exercisable at \$11.50 per one Class A Ordinary Share, of which 11,500,000 are Public Warrants listed on NASDAQ and 5,933,333 Private Warrants held by the sponsor. Upon closing of the Transaction, the Parent Company assumed the Public Warrants and Private Warrants. Each whole warrant entitles the holder to purchase one share of the Company's Class A ordinary shares at a price of \$11.50 per share.

The Public Warrants will expire 5 years after completion of the transaction. The Parent Company has the ability to redeem the outstanding Public Warrants at any time after they become exercisable and prior to their expiration, at a price of \$0.01 per warrant, provided that the last reported sales price of the Parent Company's Class A ordinary shares equals or exceeds \$18.00 per share.

The Private Warrants are identical to the Public Warrants, except that the Private Warrants and the ordinary shares issuable upon exercise of the Private Warrants, so long as they are held by the sponsor or its permitted transferees, (i) will not be redeemable by the Parent Company, (ii) may not be transferred, assigned or sold by the holders until 30 days after the completion of the Transaction, (iii) may be exercised by the holders on a cashless basis and (iv) will be entitled to registration rights. If the Private Warrants are held by holders other than the sponsor or its permitted transferees, the Private Placement Warrants will be redeemable by the Company and exercisable by the holders on the same basis as the Public Warrants.

*Series A and Series B Warrants*

On 9 August 2022, the Group entered a private placement agreement ("Securities Purchase Agreement") to sell Class A Ordinary Shares and Warrants to an investor for a total subscription amount of \$20 million which are paid in full at the date of execution. In accordance with the terms of the Securities Purchase Agreement, the investor received 12,121,214 Series A Warrants exercisable within 5 years and 6,060,607 Series B Warrants exercisable within 2 years.

	At 31 December 2022 USD	At 31 December 2021 USD
Opening balance	—	—
Recognized pursuant to the reverse acquisition transaction	35,487,284	—
Change in fair value during the year	(34,170,193)	—
<b>Ending balance</b>	<b>1,317,091</b>	<b>—</b>

**18.2 Earnouts liabilities:**

During the time period between the Closing Date and the five-year anniversary of the Closing Date (the "Earnout Period"), eligible Swvl Shareholders may receive up to 15 million additional shares of the Parent Company's Common Shares A (the "Earnout Shares") in the aggregate in three equal tranches of 5 million shares if the volume-weighted average closing sale price of our Common Stock is greater than or equal to \$12.50 (tranche 1), \$15.00 (tranche 2), and \$17.50 (tranche 3) for any 20 trading days within any 30 consecutive trading day period ("Trigger Events") (or an earlier Change of Control event).

Earn-out shares were valued on probability of vesting 0.2% for tranche 1, 0.1% for the second two tranches. Equity volatility of 82.5% is based on the Group's size relative to that of the guideline comparable companies as of the reporting date. Cost of equity of 23.5% is based on the risk-free rate at the date of reporting taking into consideration equity and country risk premiums.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**18 Derivative warrant liabilities and earnouts liabilities (continued)**
**18.2 *Earnouts liabilities:*** (continued)

The Effective Time, which will be subject to potential forfeiture, and which will be able to be settled in Holdings Common Shares A upon the occurrence of the applicable Earnout Triggering Events (or an earlier Change of Control event).

	At 31 December 2022	At 31 December 2021
	USD	USD
Opening balance	—	—
Recognized pursuant to the reverse acquisition transaction	75,550,455	—
Change in fair value during the year	(75,550,455)	—
<b>Ending balance</b>	<b>—</b>	<b>—</b>

**19 Accounts payable, accruals and other payables**

	At 31 December 2022	At 31 December 2021
	USD	USD
<i>Financial items</i>		
Accounts payables (i)	29,158,270	5,176,759
Accrued expenses	523,758	9,008,969
Captain payables	608,085	1,249,948
Advances from customers	338,425	52,307
Other payables	1,296,594	560,857
Advances from individual customers (e-wallets) (ii)	1,493,370	3,938,712
<b>Total accounts payable, accruals and other payables</b>	<b>33,418,502</b>	<b>19,987,552</b>

- (i) Accounts payable are mainly made up of creditor balances associated with the SPAC transactions during the year.  
(ii) Advances from individual customers (e-wallets) are used by customers against future bookings.

**20 Lease liabilities and right-of-use assets**

The Group's lease environment includes rental of office space across different locations of operation.

*Office leases*

The Group has leased office space across different locations of operations with lease terms ranging from 1 – 5 years. The Group has determined the non-cancellable lease term for individual leases based on the requirements under IFRS 16 and considering the options available to extend the lease agreement or not to terminate the lease agreements.

*Lease term*

The Group's contractual arrangements with the lessors generally contain lease term extension and early termination options that are to be mutually agreed upon between the lessor and the Group. Certain other leased office spaces contractually allow the lease agreement to be extended or terminated beyond the non-cancellable period solely upon the Group's discretion.

*Low value leases*

The Group has not identified any low value leases for the year ended 31 December 2022 and 31 December 2021.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**20 Lease liabilities and right-of-use assets (continued)**
**20.1 Right-of-use assets**

	At 31 December	
	2022	2021
	USD	USD
Balance as at 1 January	4,059,896	863,645
Acquisitions through business combinations (Note 7)	1,086,002	—
Additions during the year	696,431	3,737,469
Depreciation charge for the year	(1,216,495)	(541,218)
Assets classified as held for sale (Note 34)	(576,299)	—
Recognition of sublease receivables	(1,244,596)	—
Termination of lease	(1,989,293)	—
Balance as at 31 December	<b>815,646</b>	<b>4,059,896</b>

Depreciation is allocated as detailed below:

	2022	2021	2020
	USD	USD	USD
General and administrative expenses (Note 23)	948,102	411,373	238,326
Assets classified as held for sale (Note 34)	268,393	129,845	125,483
	<b>1,216,495</b>	<b>541,218</b>	<b>363,809</b>

**20.2 Sublease receivables**

	At 31 December	
	2022	2021
	USD	USD
Balance as at 1 January	—	—
Recognition of sublease receivables	1,331,622	—
Interest income	8,340	—
Lease rentals received	(138,410)	—
Balance as at 31 December	<b>1,201,552</b>	<b>—</b>

On November 1<sup>st</sup>, 2022, the Group entered into a sub-lease agreement for a space of 10,417 square feet part of the head office in Dubai. The agreement commenced on same date of the agreement and expires after two years on November 1<sup>st</sup>, 2024.

**Maturity analysis**

	At 31 December	
	2022	2021
	USD	USD
Less than one year (current)	648,523	—
One to five years (non-current)	553,029	—
Sublease receivables as at 31 December	<b>1,201,552</b>	<b>—</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**20 Lease liabilities and right-of-use assets (continued)**
**20.3 Lease liabilities**

	At 31 December	
	2022 USD	2021 USD
Balance as at 1 January	4,162,521	928,583
Acquisitions through business combinations (Note 7)	1,237,903	—
Additions during the year	726,769	3,716,327
Accretion of interest	341,510	140,184
Repayments	(1,192,283)	(622,573)
Liabilities directly associated with assets classified as held for sale (Note 34)	(628,845)	—
Termination of lease	(2,304,449)	—
Balance as at 31 December	<b>2,343,126</b>	<b>4,162,521</b>

*Maturity analysis*

	At 31 December	
	2022 USD	2021 USD
Less than one year (current)	751,015	1,201,204
One to five years (non-current)	1,592,111	2,961,317
Lease liabilities as at 31 December	<b>2,343,126</b>	<b>4,162,521</b>

Accretion of interest is allocated as detailed below:

	2022 USD	2021 USD	2020 USD
Finance costs (Note 28)	212,301	94,626	63,683
Assets classified as held for sale (Note 34)	129,209	45,558	20,121
	<b>341,510</b>	<b>140,184</b>	<b>83,804</b>

Amounts recognised in the consolidated statement of comprehensive income:

	At 31 December		
	2022 USD	2021 USD	2020 USD
Interest expense on lease liabilities	341,510	140,184	83,804
Interest income on sublease receivables	8,340	—	—
Depreciation for right-of-use assets	1,216,495	541,218	363,809
	<b>1,566,345</b>	<b>681,402</b>	<b>447,613</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**21 Revenue**

The Group derives its revenue principally from end-users who use the Group's platform to access routes predetermined by the Group. The Group derives revenue from the transfer of services at a point in time. This level of disaggregation takes into consideration how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Business to customers	13,598,566	9,241,475	5,510,952
Business to business	37,891,386	16,322,470	9,473,794
	<b>51,489,952</b>	<b>25,563,945</b>	<b>14,984,746</b>

The following table presents the Group's revenue reconciliation disaggregated by geographical location. Revenue by geographical location is based on where the transaction occurred.

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Egypt	39,734,817	24,828,417	14,981,243
Mexico	7,390,342	—	—
Kingdom of Saudi Arabia	3,262,272	454,007	—
United Arab Emirates	1,102,521	281,521	3,503
	<b>51,489,952</b>	<b>25,563,945</b>	<b>14,984,746</b>

**22 Cost of sales**

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Captain costs	47,526,803	30,670,626	18,396,481
Captain bonuses	1,017,424	878,924	947,522
Captain deductions	(522,189)	(624,155)	(529,974)
Tolls and fines	714,285	424,584	382,604
	<b>48,736,323</b>	<b>31,349,979</b>	<b>19,196,633</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**23 General and administrative expenses**

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Staff costs (Note 25)	23,493,496	50,499,496	10,211,736
Professional fees	14,381,540	8,775,977	1,542,434
Technology costs	9,043,454	3,783,868	1,033,047
Insurance	4,933,431	498,971	175,185
Outsourced employees	4,627,024	—	—
Customer experience costs	2,878,557	1,856,056	104,743
Other expenses	2,475,485	915,021	1,049,244
Travel and accommodation	1,401,727	1,297,156	299,564
Amortization of intangible assets (Note 6)	1,352,415	15,963	—
Depreciation of right-of-use assets (Note 20.1)	948,102	411,373	238,326
Depreciation of property and equipment (Note 5)	489,593	110,027	81,708
Utilities	252,434	98,820	358,068
Rent expense	162,519	518,252	462,091
Entertainment	81,283	171,493	28,468
Expansion expenses	—	77,034	35,704
	<b>66,521,060</b>	<b>69,029,507</b>	<b>15,620,318</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**24 Selling and marketing expenses**

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Growth marketing expenses	8,676,372	7,948,629	2,418,005
Staff costs (Note 25)	8,023,942	3,137,775	1,297,236
Offline marketing expenses	1,447,921	941,831	432,194
Referrals	—	162,754	83,743
	<b>18,148,235</b>	<b>12,190,989</b>	<b>4,231,178</b>

**25 Staff costs**

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Salaries and other benefits	60,692,837	19,321,426	8,515,466
Severance payments	7,160,551	—	—
Share-based payments (reversal)/charge (Note 14)	(36,155,857)	33,611,231	2,828,995
Employee end of service benefits (reversal)/charge	(180,093)	704,614	164,511
	<b>31,517,438</b>	<b>53,637,271</b>	<b>11,508,972</b>

Staff costs are allocated as detailed below:

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
General and administrative expenses (Note 23)	23,493,496	50,499,496	10,211,736
Selling and marketing expenses (Note 24)	8,023,942	3,137,775	1,297,236
	<b>31,517,438</b>	<b>53,637,271</b>	<b>11,508,972</b>

**26 Other income/(expenses), net**

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Gain on sublease recognition	87,026	—	—
Recovery of balances	361,899	—	—
Other income/(expenses)	261,533	(807)	—
	<b>710,458</b>	<b>(807)</b>	<b>—</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**27 Finance income**

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Interest income	112,862	125,176	545,733
Dividend income	141,030	1,273	42,878
	<b>253,892</b>	<b>126,449</b>	<b>588,611</b>

**28 Finance cost**

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Cost of acquiring equity facility (B. Riley)	2,772,934	—	—
Interest expense on convertible notes	439,026	1,400,067	—
Loss on conversion of notes	248,624	—	—
Lease finance charges (Note 20.3)	212,301	94,626	63,683
Interest expense on loans	104,406	—	—
	<b>3,777,291</b>	<b>1,494,693</b>	<b>63,683</b>

**29 Taxes**
**29.1 Components of provision for income taxes**

The Group did not incur income tax expenses for the years ended 31 December 2022 and 2021 as it has not generated taxable income. The components of the provision for income taxes were as follows:

	For the year ended 31 December		
	2022 USD	2021 USD	2020 USD
Income tax benefit	3,225,251	4,718,036	3,155,704
	<b>3,225,251</b>	<b>4,718,036</b>	<b>3,155,704</b>

**29.2 Deferred tax asset**

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes at the enacted rates. The significant components of the Group's deferred tax assets is resulted from the carried forward tax losses from current and previous year which are expected to be recoverable once the group is able to generate taxable income in future periods. The movement of deferred tax assets during the year was as follows:

	At 31 December	
	2022 USD	2021 USD
At 1 January	14,631,743	9,913,707
Income tax benefit	3,225,251	4,718,036
Deferred tax credit acquired through business combinations	4,104,774	—
Foreign currency adjustments	(3,252,780)	—
At 31 December	<b>18,708,988</b>	<b>14,631,743</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**29 Taxes (continued)**
**29.2 Deferred tax asset (continued)**
**29.2.1 Deferred tax asset recognised**

The Group's Egyptian subsidiaries (Swvl for Smart Transport Applications and Services LLC) and the recently acquired subsidiary Mexican subsidiary (Urbvan Mobility Ltd) both incurred net taxable losses in the previous years which generated tax credits for those carried forward losses. Management believes it is probable that the deferred tax benefit from these unused tax losses will be recoverable based on future tax plans and projected taxable profits and has accordingly recognised the amounts in these consolidated financial statements.

**29.2.2 Deferred tax asset not recognised**

The Group's subsidiaries in Kenya, Pakistan, Jordan, Kingdom of Saudi and Spain also incurred tax losses, however Management believes that it is not probable that it will recover the deferred tax benefits of each respective country and have accordingly not considered their tax losses in the deferred tax assets calculations. These unused tax losses expire in the following manner:

	Expire within 5 years USD	Expire in 5-10 years USD	Expire in more than 10 years USD	Total USD
Swvl Pakistan (Private) Ltd. (Pakistan)	3,398,579	5,336,079	—	<b>8,734,658</b>
Swvl NBO Limited (Kenya)	—	—	2,852,254	<b>2,852,254</b>
Swvl Technologies Ltd. (Kenya)	—	—	3,442,662	<b>3,442,662</b>
Smart Way Transportation LLC (Jordan)	424,030	—	—	<b>424,030</b>
Swvl Saudi for Information Technology (Saudi)	—	—	619,532	<b>619,532</b>
Shotl Transportation, S.L. (Spain)	—	—	87,138	<b>87,138</b>
	<b>3,822,609</b>	<b>5,336,079</b>	<b>7,001,586</b>	<b>16,160,274</b>

**29.3 Relationship between tax expense and accounting profit**

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the Group's applicable tax rate as follows:

	At 31 December		
	2022 USD	2021 USD	2020 USD
Loss before tax	(104,184,043)	(146,207,433)	(32,880,906)
Effect of unused losses (i)	89,628,546	124,136,838	18,855,555
ECL provision	229,940	1,096,696	510,153
Accounting depreciation	92,920	30,517	19,412
Tax depreciation	(101,812)	(25,665)	(529,565)
Taxable losses	(14,334,449)	(20,969,047)	(14,025,351)
Tax rate	22.5 %	22.5 %	22.50 %
	<b>(3,225,251)</b>	<b>(4,718,036)</b>	<b>(3,155,704)</b>

- (i) Unused losses refer to the losses incurred in Swvl Inc. and UAE, since these losses are not subject to income tax. In addition, for the losses incurred in Kenya, Pakistan, Jordan, KSA and Spain, since Management believes that it is not probable that it will recover the deferred tax benefits of each respective country according as those are part of the discontinued operations or cannot be recovered given the tax rules, it was included within unused losses.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**30 Loss per share**

Basic earnings/(loss) per share is computed by dividing the net profit/(loss) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, adjusted for the effect of the Conversion Ratio as discussed in Note 1 and applied retrospectively to all prior years presented.

As of 31 December 2022, 15 million Earnout Shares have been excluded from the calculation of weighted average shares outstanding, as they are contingently issuable subject to achieving certain milestones on the trading price and volume of our Class A ordinary shares on NASDAQ as discussed in Note 13.

As the Group was loss-making during 2022 and 2021, potentially dilutive instruments all have an anti-dilutive impact and therefore have been excluded in the calculation of diluted weighted average number of ordinary shares outstanding. These instruments include certain outstanding equity awards, warrants, share options and convertible loans and could potentially dilute earnings per share in the future.

The following table sets forth the computation of basic and dilutive earnings/(loss) from the continued operations per share attributable to the Group's ordinary shareholders:

	<b>At 31 December</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>
Loss from continuing operations for the year attributable to equity holders of the Parent Company	(100,958,792)	(129,089,559)	(20,892,905)
Loss from discontinued operations for the year attributable to equity holders of the Parent Company	(15,537,733)	(12,326,573)	(8,832,297)
Weighted average number of ordinary shares outstanding during the year	119,424,868	85,340,750	83,478,291
Loss per share attributable to equity holders of the Parent Company from continuing operations – basic	(0.85)	(1.51)	(0.25)
Loss per share attributable to equity holders of the Parent Company from continuing operations – diluted	(0.85)	(1.51)	(0.25)
Loss per share attributable to equity holders of the Parent Company – basic	(0.98)	(1.66)	(0.36)
Loss per share attributable to equity holders of the Parent Company – Diluted	(0.98)	(1.66)	(0.36)

**Swvl Holdings Corp and its subsidiaries****Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)****31 Related party transactions and balances**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include associates, parent, subsidiaries, and key management personnel or their close family members. The terms and conditions of these transactions have been mutually agreed between the Group and the related parties. To determine significance, the Group considers various qualitative and quantitative factors including whether transactions with related parties are conducted in the ordinary course of business.

*Interest in subsidiaries*

The details of interests in the subsidiaries with whom the Group had entered into transactions or had agreements or arrangements in place during the year are disclosed in Note 1 of the consolidated financial statements.

*Compensation of key management personnel*

Key management personnel of the Group comprise the directors and senior management of the Group.

	At 31 December		
	2022	2021	2020
	USD	USD	USD
Short-term employee benefits	1,900,084	1,287,379	652,175
Provision for end of service benefits	271,009	99,487	32,399
Share-based payments	201,932	13,360,206	829,746
	<b>2,373,025</b>	<b>14,747,072</b>	<b>1,514,320</b>
No. of key management	<b>7</b>	<b>7</b>	<b>6</b>

*Transactions with related parties*

Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

	At 31 December	
	2022	2021
	USD	USD
Repayments to shareholders	—	36,091

*Balances with related parties*

The following balances are outstanding at the end of the year in relation to the above transactions with related parties:

	At 31 December	
	2022	2021
	USD	USD
Convertible notes - key management personnel	—	100,000

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**31 Related party transactions and balances (continued)**
Short-term loans to related parties

	At 31 December	
	2022 USD	2021 USD
<i>Sister company</i>		
Routebox Technologies SL	80,456	84,039
<i>Shareholders of Shotl Transportation SL</i>		
Camina Lab SL	309,474	323,338
Marfina SL	68,311	71,387
	377,785	394,725
	<b>458,241</b>	<b>478,764</b>

On 31 December 2021, Shotl Transportation has entered into an agreement with a related party Routbox Technologies SL of loan facility amounted to EUR 72,636. The loan carries fixed interest rate of 1.75% per annum. The loan will mature on 6 May 2023.

On 1 May 2021, Shotl Transportation has entered into an agreement with a related party Camina Lab SL of loan facility amounted to EUR 275,489. The loan carries fixed interest rate of 1.75% per annum. The loan will mature on 6 May 2023.

On 1 May 2021, Shotl Transportation has entered into an agreement with a related party Marfina SL of loan facility amounted to EUR 60,000. The loan carries fixed interest rate of 1.75% per annum. The loan will mature on 6 May 2023.

During the year, the Group's board of directors resolved to sell Shotl Transportation. As such, the short-term loans have been presented under "Liabilities directly associated with assets classified as held for sale" (Note 34).

**32 Financial instruments by category**
**Financial assets as per statement of financial position**

	At 31 December	
	2022 USD	2021 USD
<b>At fair value</b>		
Current financial assets	—	10,000,880
Sublease receivables	1,201,552	—
<b>At amortised cost</b>		
Trade and other receivables	14,815,432	6,603,240
Cash and cash equivalents	1,538,347	9,529,723
	<b>17,555,331</b>	<b>26,133,843</b>

**Swvl Holdings Corp and its subsidiaries****Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)****32 Financial instruments by category (continued)****Financial liabilities as per statement of financial position**

	At 31 December	
	2022 USD	2021 USD
Accounts payable, accruals and other payables excluding non-financial items (i)	31,586,707	15,996,533
Deferred purchase price	7,619,581	3,618,902
Lease liabilities	2,343,126	4,162,521
Derivative warrant liabilities	1,317,091	—
Current tax liabilities	1,027,404	678,972
Convertible notes	—	74,606,482
Derivatives liabilities	—	44,330,400
Interest bearing loans	—	397,985
Loan from related party	—	478,764
	<b>43,893,909</b>	<b>144,270,559</b>

(i) Non-financial items include advances from individual customers (e-wallets) and advances from customers as disclosed in Note 19.

**33 Fair value of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: quoted market price (unadjusted) in an active market for identical assets or liabilities that the entity can access at the measurement date.  
 Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability; either directly or indirectly.  
 Level 3: inputs that are unobservable inputs for the asset or liability.

**Swvl Holdings Corp and its subsidiaries****Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)****33 Fair value of financial instruments (continued)**

The carrying amounts of the financial assets and financial liabilities approximate their fair values.

The Group's measurement of embedded derivatives are classified in Level 3 using valuation technique inputs that are not based on observable market data. The significant unobservable inputs used in the fair value measurements, together with a quantitative sensitivity analysis are presented below: The significant unobservable input for valuation of embedded derivatives is the Discount for Lack of Marketability ("DLOM") of underlying equity shares of the Parent Company. The Management has considered a DLOM of 30% for calculating the fair value of the Parent Company's equity shares. A range of inputs are considered while concluding the DLOM for this purpose by management, which includes but not limited to, use of various put option pricing models such as the Finnerty Model, Asian Put Model and the Chaffe Model. Management also considers liquidity date assumptions, implied volatilities of a portfolio of comparable companies after making suitable necessary adjustments, among other factors to arrive at the DLOM. Management considers 20% to 36% to reflect reasonably possible range for alternative assumptions of DLOM while estimating fair value of the Parent Company's equity shares. A change in DLOM% would have an inverse relationship to the fair value of the embedded derivative, i.e., a higher DLOM would lead to reduction in the fair value of the embedded derivative. A shift (+/-) of 1% in DLOM would therefore change the fair value (inversely) of the embedded derivative by USD 0.80 million with the resultant impact on the statement of profit or loss.

**34 Discontinued operations**

On 30 May 2022, the Group announced the first portfolio optimization plan, which puts more focus on profitability and cost efficiencies across the business. Adopting this plan resulted in a 32% headcount reduction as well as partial discontinuation of selected operations across the group, none of which qualified as a major business discontinuation.

On 18 November 2022, the Group announced the second stage of the plan, which further streamlines strategy by weighing for each subsidiary different alternatives such as downsizing operations, completely discontinuing operations, and seeking potential buyers. Adopting this plan resulted in an increased focus on developing the Group's largest markets and the discontinuation of operations or sales of the Group's smaller markets. The assets associated with these discontinued operations amounted to USD 20,506,889. Since the discontinuation of operations raised doubts with regards to the economic benefits expected to be generated from these assets, management has assessed the recoverability of these assets and, accordingly, impairment of USD 15,227,791 has been charged to the consolidated statement of comprehensive loss against assets that are deemed to not be recoverable. Further, USD 29,653,409 (full impairment) has been charged against the goodwill associated with the discontinued operations to the consolidated statement of comprehensive loss.

According to the guidance provided by IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the assets and liabilities associated with those subsidiaries whose operations were discontinued have been presented as held for sale in the consolidated financial statements. The results, major classes of assets and liabilities, and net cash flows of these subsidiaries are presented below.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**34 Discontinued operations (continued)**

	Volt Lines B.V.	Swvl Pakistan (Private) Ltd.	Shohl Transportation, S.L.	Swvl NBO Limited	Swvl Technologies Ltd.	Smart Way Transportation LLC	Swvl MY For Information Technology SDN BHD	Viapool Inc.	Swvl Germany GmbH	Total
<b>Results for the year 2022</b>										
Revenue	4,548,557	15,243,597	526,001	—	3,464,525	3,881,490	1,635	7,346,255	752,801	35,764,861
Expenses	(5,495,428)	(24,027,477)	(2,363,934)	(10,064)	(6,527,783)	(5,739,771)	(24,231)	(11,185,077)	(2,761,876)	(58,135,641)
<b>Operating loss</b>	<b>(946,871)</b>	<b>(8,783,880)</b>	<b>(1,837,933)</b>	<b>(10,064)</b>	<b>(3,063,258)</b>	<b>(1,858,281)</b>	<b>(22,596)</b>	<b>(3,838,822)</b>	<b>(2,009,075)</b>	<b>(22,370,780)</b>
Finance income/(costs)	(64,355)	(6,087)	(29,402)	1,441	(35,038)	(2,617)	—	(19,488)	(447,499)	(603,045)
Deferred tax gains	—	—	401,428	—	—	—	—	(48,259)	—	353,169
<b>Loss from discontinued operations</b>	<b>(1,011,226)</b>	<b>(8,789,967)</b>	<b>(1,465,907)</b>	<b>(8,623)</b>	<b>(3,098,296)</b>	<b>(1,860,898)</b>	<b>(22,596)</b>	<b>(3,906,569)</b>	<b>(2,456,574)</b>	<b>(22,620,656)</b>
<b>Assets</b>										
Property and equipment	115,310	—	—	—	—	—	—	—	—	115,310
Intangible assets	2,024,065	—	—	—	—	—	—	—	—	2,024,065
Right-of-use assets	576,299	—	—	—	—	—	—	—	—	576,299
Trade and other receivables	690,241	516,017	—	—	133,890	—	—	—	—	1,340,148
Prepaid expenses and other current assets	65,347	—	—	—	—	—	—	—	—	65,347
Cash and cash equivalents	886,450	124,763	—	24,638	35,031	84,862	2,185	—	—	1,157,929
<b>Assets classified as held for sale</b>	<b>4,357,712</b>	<b>640,780</b>	<b>—</b>	<b>24,638</b>	<b>168,921</b>	<b>84,862</b>	<b>2,185</b>	<b>—</b>	<b>—</b>	<b>5,279,098</b>
<b>Liabilities</b>										
Interest-bearing loans	407,615	—	318,765	—	—	—	—	—	1,256,513	1,982,893
Lease liability	628,845	—	—	—	—	—	—	—	—	628,845
Accounts payable, accruals and other payables	816,547	569,646	183,969	51,489	501,822	460,595	12,876	2,094,972	1,078,013	5,769,929
Loans from a related party	—	—	458,241	—	—	—	—	—	—	458,241
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>1,853,007</b>	<b>569,646</b>	<b>960,975</b>	<b>51,489</b>	<b>501,822</b>	<b>460,595</b>	<b>12,876</b>	<b>2,094,972</b>	<b>2,334,526</b>	<b>8,839,908</b>
<b>Net assets directly associated with assets classified as held for sale</b>	<b>2,504,705</b>	<b>71,134</b>	<b>(960,975)</b>	<b>(26,851)</b>	<b>(332,901)</b>	<b>(375,733)</b>	<b>(10,691)</b>	<b>(2,094,972)</b>	<b>(2,334,526)</b>	<b>(3,560,810)</b>
Amounts included in accumulated OCI	—	272,146	(565)	146,839	132,024	—	151	—	—	550,595
Exchange differences on translation of foreign operations	(103,808)	51,691	(1,863,213)	(243,734)	55,097	—	5,761	420,034	635,103	(1,043,069)
<b>Reserve of disposal group classified as held for sale</b>	<b>(103,808)</b>	<b>51,126</b>	<b>(1,591,067)</b>	<b>(96,895)</b>	<b>187,121</b>	<b>—</b>	<b>5,912</b>	<b>420,034</b>	<b>635,103</b>	<b>(492,474)</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**34 Discontinued operations (continued)**

	Volt Lines B.V.	Swvl Pakistan (Private) Ltd.	Shotl Transportation, S.L.	Swvl NBO Limited	Swvl Technologies Ltd.	Smart Way Transportation LLC	Swvl MY For Information Technology SDN BHD	Viapool Inc.	Swvl Germany GmbH	Total
Operating	60,959	53,629	183,969	51,489	367,932	460,595	12,876	2,094,972	1,078,013	4,364,434
Investing	(62,764)	—	—	—	—	—	—	—	—	(62,764)
Financing	407,615	—	777,006	—	—	—	—	—	1,256,513	2,441,134
<b>Net cash inflow</b>	<b>405,810</b>	<b>53,629</b>	<b>960,975</b>	<b>51,489</b>	<b>367,932</b>	<b>460,595</b>	<b>12,876</b>	<b>2,094,972</b>	<b>2,334,526</b>	<b>6,742,804</b>
<b>Earnings per share</b>										
Basic, loss for the year from discontinued operations	—	—	—	—	—	—	—	—	—	(0.13)
Diluted, loss for the year from discontinued operations	—	—	—	—	—	—	—	—	—	(0.13)

	Volt Lines B.V.	Swvl Pakistan (Private) Ltd.	Shotl Transportation, S.L.	Swvl NBO Limited	Swvl Technologies Ltd.	Smart Way Transportation LLC	Swvl MY For Information Technology SDN BHD	Viapool Inc.	Swvl Germany GmbH	Total
<b>Results for the year 2020</b>										
Revenue	—	1,502,884	—	514,253	310,403	—	—	—	—	2,327,540
Expenses	—	(6,569,804)	—	(4,147,697)	(423,354)	—	—	—	—	(11,140,855)
<b>Operating loss</b>	<b>—</b>	<b>(5,066,920)</b>	<b>—</b>	<b>(3,633,444)</b>	<b>(112,951)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(8,813,315)</b>
Finance income/(costs)	—	(15,548)	—	(3,434)	—	—	—	—	—	(18,982)
<b>Loss from discontinued operations</b>	<b>—</b>	<b>(5,082,468)</b>	<b>—</b>	<b>(3,636,878)</b>	<b>(112,951)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(8,832,297)</b>

	Volt Lines B.V.	Swvl Pakistan (Private) Ltd.	Shotl Transportation, S.L.	Swvl NBO Limited	Swvl Technologies Ltd.	Smart Way Transportation LLC	Swvl MY For Information Technology SDN BHD	Viapool Inc.	Swvl Germany GmbH	Total
Operating	—	758,461	(22,637)	(238,797)	(212,449)	(146,976)	(1,356)	—	—	136,246
Investing	—	(7,523)	(998,920)	—	(316,771)	—	—	—	—	(1,323,214)
Financing	—	—	876,749	—	—	—	—	—	—	876,749
<b>Net cash inflow</b>	<b>—</b>	<b>750,938</b>	<b>(144,808)</b>	<b>(238,797)</b>	<b>(529,220)</b>	<b>(146,976)</b>	<b>(1,356)</b>	<b>—</b>	<b>—</b>	<b>(310,219)</b>
<b>Earnings per share</b>										
Basic, loss for the year from discontinued operations	—	—	—	—	—	—	—	—	—	(0.11)
Diluted, loss for the year from discontinued operations	—	—	—	—	—	—	—	—	—	(0.11)

**34.1 Subsidiaries held for sale**
**34.1.1 Volt Line BV**

As per the second stage of the portfolio optimization plan, there are no intentions to further develop operations for Volt Line BV. As such, on 22 December 2022, it was proposed that a share sale and purchase agreement in respect of the entire issued share capital of Volt Lines BV is entered into where the entire issued share capital of the subsidiary is to be sold by the Group back to the original shareholders of the subsidiary. The sale was finalized subsequently on 6 January 2023 (Note 37).

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**34 Discontinued operations (continued)**

**34.1 Subsidiaries held for sale (continued)**

**34.1.2 Swvl Pakistan (Private) Ltd.**

As per the second stage of the portfolio optimization plan, there are no intentions to further develop operations for Swvl Pakistan (Private) Ltd.. As such, management approached potential buyers with the intention to sell the subsidiary and, subsequently in January 2023, the sale of the subsidiary's shares by the parent company was approved. The sale is expected to be completed within a year from the consolidated financial statements' reporting date. The sale was finalized subsequently on 15 April 2023 (Note 37).

**34.1.2 Shotl Transportation, S.L.**

As per the second stage of the portfolio optimization plan, there are no intentions to further develop operations for Shotl Transportation, S.L.. As such, on 22 November 2022, it was proposed that the subsidiary either be sold to potential buyers who expressed interest or, in the event the subsidiary cannot be sold, closed down. The sale back of the subsidiary's shares by the parent company was approved on 22 February 2023 and the sale was finalized subsequently on 24 February 2023 (Note 37).

**34.2 Subsidiaries under liquidation**

**Swvl NBO Limited**

As per the second stage of the portfolio optimization plan, there are no intentions to further develop operations for Swvl NBO Limited or sell the subsidiary. Further, since the date of the second stage of the portfolio optimization plan, discussions have been underway to commence the liquidation and winding up process of the subsidiary. The liquidation process is expected to be completed within 12 months of the reporting date.

**34.2.2 Swvl Technologies Ltd.**

As per the second stage of the portfolio optimization plan, there are no intentions to further develop operations for Swvl Technologies Ltd. or sell the subsidiary. Further, since the date of the second stage of the portfolio optimization plan, discussions have been underway to commence the liquidation and winding up process of the subsidiary. The liquidation process is expected to be completed within 12 months of the reporting date.

**34.2.3 Smart Way Transportation LLC**

As per the second stage of the portfolio optimization plan, there are no intentions to further develop operations for Smart Way Transportation LLC or sell the subsidiary. Further, since the date of the second stage of the portfolio optimization plan, discussions have been underway to commence the liquidation and winding up process of the subsidiary. The liquidation process is expected to be completed within 12 months of the reporting date.

**34.2.4 Swvl MY For Information Technology SDN BHD**

As per the second stage of the portfolio optimization plan, there are no intentions to further develop operations for Swvl MY For Information Technology SDN BHD or sell the subsidiary. Further, since the date of the second stage of the portfolio optimization plan, discussions have been underway to commence the liquidation and winding up process of the subsidiary. The liquidation process is expected to be completed within 12 months of the reporting date.

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**34 Discontinued operations (continued)**
**34.2.5 Viapool Inc.**

As per the second stage of the portfolio optimization plan, there are no intentions to further develop operations for Viapool Inc. or sell the subsidiary. Further, since the date of the second stage of the portfolio optimization plan, discussions have been underway to commence the liquidation and winding up process of the subsidiary. The liquidation process is expected to be completed within 12 months of the reporting date.

**34.2.6 Swvl Germany GmbH**

As per the second stage of the portfolio optimization plan, there are no intentions to further develop operations for Door2Door GmbH or sell the subsidiary. Further, since the date of the second stage of the portfolio optimization plan, discussions have been underway to commence the liquidation and winding up process of the subsidiary. The liquidation process is expected to be completed within 12 months of the reporting date.

**35 Recapitalization costs**

The difference in the fair value of the shares issued by the Group, the accounting acquirer, and the fair value of the SPAC's, accounting acquiree's, identifiable net assets represent a service received by the accounting acquirer. This difference is considered as cost of listing (recapitalization) and recorded in the consolidated statement of profit or loss.

During the year, the Group incurred certain expenses as a result of the SPAC transaction. The following table displays the calculation of the listing costs recognized during the year:

	Number of shares/warrants	At Closing Date USD
<b>Net deficit from SPAC transferred to the Group</b>	—	18,532,095
SPAC ordinary shares outstanding	34,500,000	—
SPAC ordinary shares redeemed	(29,175,999)	—
Remaining Class A Ordinary Shares	5,324,001	—
SPAC Class B Sponsor Shares	8,625,000	—
Total shares issued to SPAC	13,949,001	—
Diluted share price at Closing Date	8.68	—
Total value transferred to the SPAC	—	121,077,329
<b>Recapitalization costs</b>	—	<b>139,609,424</b>

**Swvl Holdings Corp and its subsidiaries**
**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**
**36 Reclassifications**

Certain comparative figures have been reclassified in order to conform to the current year's presentation. The table below summarizes the significant reclassification for the line items affected in the consolidated statement of financial position and consolidated statement of comprehensive income:

	<u>As previously reported USD</u>	<u>Reclassification USD</u>	<u>As reclassified USD</u>
<b>Consolidated statement of financial position</b>			
Share capital	(88,881,717)	88,873,188	(8,529)
Share premium	—	(88,873,188)	(88,873,188)
Accounts payable, accruals and other payables	(23,606,454)	3,618,902	(19,987,552)
Deferred purchase price	—	(3,618,902)	(3,618,902)
<b>Consolidated statement of comprehensive income</b>			
Revenue	38,345,253	(12,781,308)	25,563,945
Cost of sales	(48,923,203)	17,573,224	(31,349,979)
General and administrative expenses	(74,718,946)	5,689,439	(69,029,507)
Selling and marketing costs	(13,715,238)	1,524,249	(12,190,989)
Provision for expected credit losses	(1,327,104)	225,490	(1,101,614)
Other expenses	(177,067)	176,260	(807)
Finance income	182,176	(55,727)	126,449
Loss for the year from discontinued operations	—	(12,399,838)	(12,399,838)
Finance cost	(45,873,304)	44,378,611	(1,494,693)
Change in fair value of financial liabilities	—	(44,330,400)	(44,330,400)

The reclassifications in the consolidated statement of comprehensive income pertain to presenting the results of discontinued operations separately to conform to the current year's presentation.

**Swvl Holdings Corp and its subsidiaries**

**Notes to the consolidated financial statements  
for the years ended 31 December 2022 and 2021 (continued)**

**37 Subsequent events**

*37.1 Discontinued operations*

Following the second stage of the portfolio optimization plan on 18 November 2022 (Note 34), the Group's shareholders approved the sale and discontinuation of operations for a number of the Group's subsidiaries. The details of the transactions, along with the relevant subsequent events, are outlined in Note 34.

*37.2 Stock split*

On 4 January 2023, the Group restructured its share capital structure through combining existing shares as detailed in Note 13.

*37.3 Group creditor settlement*

Throughout 2023, the Group entered into settlement agreements with a significant number of creditors. These agreements release the Group of a significant portion of creditor balances, mainly associated with the SPAC transaction, as of the reporting period by discounting a portion of the liability. These agreements resulted in discounts amounting to approximately USD 18.7 million that are contingent on the Group's immediate settlement of these outstanding balances upon the closing date of the agreements. Subsequently, the Group abided by the terms of these agreements and settled the outstanding balances at the respective closing date of each agreement.

*37.4 Sale of Urbvan Mobility Ltd*

Following the second stage of the portfolio optimization plan (Note 34), the Group focused on developing Urbvan Mobility Ltd and its operations. No sale discussions took place between the second stage of the portfolio optimization plan and the consolidated financial statements' reporting date with the subsidiary being a part of the Group's main entities during that period.

As a mean to refinance the Group, formal discussions with potential sellers for the subsidiary took place only after the reporting period with no intention to sell the subsidiary before the reporting date. The sale was closed and control was transferred to the buyer subsequently in September 2023 for a total sale consideration of \$ 12,000,000 (\$9,900,000 net of all selling costs).

Management has performed an assessment of the presentation and disclosure of the subsidiary in light of the transaction under IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Since the conditions for discontinued operations were only met subsequently in 2023 and the standard prohibits retroactive classification of an operation as a discontinued operation, when the criteria for that classification are not met until after the reporting period, the subsidiary is not presented as a discontinued operation in the consolidated financial statements.

*37.5 Sale of Voltlines B.V*

In January 2023, the Group finalized sale of Voltlines B.V for an amount of \$ 5,000,000, which was used to settle the deferred purchase price owed to the original shareholders of the subsidiary.

*37.6 Sale of Swvl Pakistan (Private) Ltd.*

In April 2023, the Group finalized sale of Swvl Pakistan (Private) Ltd. for an amount of \$ 20,000.

*37.7 Sale of Shotl Transportation, S.L.*

In February 2023, the Group finalized sale of Shotl Transportation, S.L. for an amount of \$ 377,829, which was used to settle a portion of the deferred purchase price owed to the original shareholders of the subsidiary.

## DESCRIPTION OF SECURITIES

The following summary of the material terms of our securities is not intended to be a complete summary of the rights and preferences of such securities. Please refer to the warrant agreement and to our amended and restated memorandum and articles of association (the “Swvl Public Company Articles”), each of which has been filed as an exhibit to our annual report on Form 20-F, for a complete description of the right and preferences of our securities.

### General

Swvl Holdings Corp (“Swvl” or the “Company”) is a British Virgin Islands company limited by shares and its affairs are governed by the Swvl Public Company Articles and the British Virgin Islands Companies Act (the “BVI Companies Act”) (each as amended or modified from time to time). Under the Swvl Public Company Articles, and subject to the BVI Companies Act, Swvl has full capacity to carry on or undertake any business or activity, do any act or enter into any transaction, and, for such purposes, full rights, powers and privileges. The registered office of Swvl is c/o Maples Corporate Services Limited, P.O. Box 173, Road Town, Tortola, British Virgin Islands.

As of October 30, 2023 there were 6,791,605 Common A Ordinary Shares, par value \$0.0025 per share (“Ordinary Shares”), 11,500,000 public warrants (“Warrants”) and 5,933,333 private warrants (“Sponsor Warrants”) outstanding.

### Authorized Shares

The Swvl Public Company Articles authorize the issuance of up to 75,000,000 shares, consisting of (a) 20,000,000 Ordinary Shares, par value \$0.0025 per share, and (b) 55,000,000 preferred shares, par value 0.0001 per share. All outstanding Ordinary Shares are fully paid and non-assessable. To the extent they are issued, certificates representing Ordinary Shares are issued in registered form.

All options, regardless of grant dates, will entitle holders to an equivalent number of Ordinary Shares once the vesting and exercising conditions are met.

### Key Provisions of the Swvl Public Company Articles and British Virgin Islands Law Affecting Swvl’s Ordinary Shares or Corporate Governance

#### Voting Rights

The holders of Ordinary Shares securities are entitled to one vote per share on all matters to be voted on by shareholders. The Swvl Public Company Articles do not provide for cumulative voting with respect to the election of directors.

#### Transfer

All Ordinary Shares are issued in registered form and may be freely transferred under the Swvl Public Company Articles, unless any such transfer is restricted or prohibited by another instrument, Nasdaq Stock Market LLC rules or applicable securities laws.

Under the BVI Companies Act, shares that are listed on a recognized exchange may be transferred without the need for a written instrument of transfer if the transfer is carried out in accordance with the laws, rules, procedures and other requirements applicable to shares listed on the recognized exchange and subject to the Swvl Public Company Articles.

Among other things, certain of the shareholders of Swvl, pursuant to the lock-up agreements entered into in connection with the business combination with Queen’s Gambit Growth Capital (the “Business Combination”) and

---

the sponsor agreement with Queen’s Gambit Holdings, LLC (the “Sponsor”), may not transfer their Ordinary Shares during the 6 or 12 month period (as applicable) following consummation of the Business Combination. Additionally, any Swvl securities received in the Business Combination by persons who are or become affiliates of Swvl for purposes of Rule 144 under the Securities Act may be resold only in transactions permitted by Rule 144, or as otherwise permitted under the Securities Act. Persons who may be deemed affiliates of Swvl generally include individuals or entities that control, are controlled by or are under common control with, Swvl and may include the directors and executive officers of Swvl, as well as its significant shareholders.

### **Redemption Rights**

The BVI Companies Act and the Swvl Public Company Articles permit Swvl to purchase its own shares with the prior written consent of the relevant members, on such terms and in such manner as may be determined by its board of directors and by a resolution of directors and in accordance with the BVI Companies Act.

### **Dividends and Distributions**

Pursuant to the Swvl Public Company Articles and the BVI Companies Act, the Swvl Board may from time to time declare dividends and other distributions, and authorize payment thereof, if, in accordance with the BVI Companies Act, the Swvl Board is satisfied that immediately after the payment of any such dividend or distribution, (a) the value of Swvl’s assets exceeds its liabilities and (b) Swvl is able to pay its debts as they fall due. Each of holder of Ordinary Shares has equal rights with regard to dividends and to distributions of the surplus assets of Swvl, if any.

### **Other Rights**

Under the Swvl Public Company Articles, the holders of Swvl securities are not entitled to any preemptive rights or anti-dilution rights. Swvl securities are not subject to any sinking fund provisions.

### **Calls on Ordinary Shares and Forfeiture of Ordinary Shares**

The Swvl Board may from time to time make calls upon members for any amounts unpaid on their Ordinary Shares in a notice served to such members at least 14 clear days prior to the specified time of payment. The Ordinary Shares that have been called upon and remain unpaid are subject to forfeiture.

### **Issuance of Additional Shares**

The Swvl Public Company Articles authorize the Swvl Board to issue additional Ordinary Shares from time to time as the board of directors shall determine, subject to the BVI Companies Act and the provisions, if any, in the Swvl Public Company Articles (and to any direction that may be given by Swvl in general meeting) and, where applicable, the rules and regulations of any applicable exchange, the SEC and/or any other competent regulatory authority and without prejudice to any rights attached to any existing shares.

However, under British Virgin Islands law, our directors may only exercise the rights and powers granted to them under the Swvl Public Company Articles for a proper purpose and for what they believe in good faith to be in the best interests of Swvl .

### **Meetings of Shareholders**

Under the Swvl Public Company Articles, Swvl may, but is not obligated to, hold an annual general meeting each year. The Swvl Board or the chair, if in office, may call an annual general meeting or an extraordinary general meeting upon not less than seven (7) days’ notice unless such notice is waived in accordance with the Swvl Public Company Articles. A meeting notice must specify the place, day and hour of the meeting and the general nature of the business to be conducted at such meeting. At any general meeting of Swvl shareholders, a majority of the voting power of the Swvl shares entitled to vote at such meeting shall constitute a quorum. Subject to the requirements of the BVI Companies Act, only those matters set forth in the notice of the general meeting or (solely in the case of a

---

meeting convened upon a Swvl Members' Requisition (as defined below)) properly requested in connection with a Members' Requisition may be considered or acted upon at a meeting of Swvl shareholders.

Each general meeting, other than an annual general meeting, shall be an extraordinary general meeting. Under the Swvl Public Company Articles, shareholders have the right to call extraordinary general meetings of shareholders (a "Swvl Members' Requisition"). To properly call an extraordinary general meeting pursuant to a Swvl Members Requisition, (a) the request of shareholders representing not less than 30% of the voting power represented by all issued and outstanding shares of Swvl in respect of the matter for which such meeting is requested must be deposited at the registered office of Swvl and (b) the requisitioning shareholders must comply with certain information requirements specified in the Swvl Public Company Articles.

In connection with any meeting of shareholders, the right of a shareholder to bring other business or to nominate a candidate for election to the Swvl Board must be exercised in compliance with the requirements of the Swvl Public Company Articles. Among other things, notice of such other business or nomination must be received at the registered office of Swvl not later than the close of business on the date that is 120 days before, and not earlier than the close of business on the date that is 150 days before, the one-year anniversary of the preceding year's annual general meeting, subject to certain exceptions.

### **Liquidation**

On a liquidation or winding up of Swvl, assets available for distribution among the holders of Ordinary Shares shall be distributed among the holders of Ordinary Shares on a pro rata basis.

### **Inspection of Books and Records**

A member of Swvl is entitled, on giving written notice to Swvl, to inspect (a) the memorandum and articles of association of Swvl; (b) the register of members; (c) the register of directors; and (d) the minutes of meetings and resolutions of members and of those classes of members of which he is a member; and to make copies of or take extracts from the documents and records. Subject to the Swvl Public Company Articles, the directors may, if they are satisfied that it would be contrary to the interests of Swvl to allow a member to inspect any document, or part of a document, specified in (b), (c) and (d) above, refuse to permit the member to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records.

Where a company fails or refuses to permit a member to inspect a document or permits a member to inspect a document subject to limitations, that member may apply to the BVI High Court for an order that he should be permitted to inspect the document or to inspect the document without limitation.

A company is required to keep at the office of its registered agent: its memorandum and articles of association of the company; the register of members or a copy of the register of members; the register of directors or a copy of the register of directors; and copies of all notices and other documents filed by the company in the previous ten years.

### **Preference Shares**

The Swvl Public Company Articles provide that preference shares may be issued from time to time in one or more series. The board of directors of Swvl are authorized to fix the voting rights, if any, designations, powers, preferences, the relative, participating, optional or other special rights and any qualifications, limitations and restrictions thereof, applicable to the shares of each series by an amendment to the Swvl Public Company Articles to be approved by the board of directors of Swvl. The board of directors of Swvl is able to, without shareholder approval, issue preference shares with voting and other rights that could adversely affect the voting power and other rights of the holders of Ordinary Shares and could have anti-takeover effects. The ability of the board of directors of Swvl to issue preference shares without shareholder approval could have the effect of delaying, deferring or preventing a change of control of us or the removal of existing management. Swvl has no preference shares issued and outstanding at the date of this Report. Any amendment to the Swvl Public Company Articles by the board of directors of Swvl in order to assign rights to any preference shares and the issuance of such preference shares would be subject to applicable directors' duties.

---

## Anti-Takeover Provisions

Some provisions of the Swvl Public Company Articles may discourage, delay or prevent a change of control of Swvl or management that members may consider favorable, including, among other things:

- a classified board of directors with staggered, three-year terms;
- the ability of the Swvl Board to issue preferred shares and to determine the price and other terms of those shares, including preferences and voting rights, potentially without shareholder approval;
- the right of Mostafa Kandil to serve as Chair of the Swvl Board so long as he remains Chief Executive Officer of Swvl and to serve as a director so long as he beneficially owns at least 1% of the outstanding shares of Swvl;
- until the completion of Swvl's third annual meeting of shareholders following the consummation of the Business Combination, commitments by major shareholders to vote in favor of the appointment of Swvl designees to the Swvl Board at any shareholder meeting (and, thereafter, to vote in favor of the appointment of Mostafa Kandil or his designee to the Swvl Board, subject to specified conditions);
- the limitation of liability of, and the indemnification of and advancement of expenses to, members of the Swvl Board;
- advance notice procedures with which shareholders must comply to nominate candidates to the Swvl Board or to propose matters to be acted upon at a shareholders' meeting, which could preclude shareholders from bringing matters before annual or special meetings and delay changes in the Swvl Board and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise from attempting to obtain control of Swvl;
- that directors may be removed only for cause and only upon the vote of two-thirds of the directors then in office;
- that shareholders may not act by written consent in lieu of a meeting or call extraordinary meetings;
- the right of the Swvl Board to fill vacancies created by the expansion of the Swvl Board or the resignation, death or removal of a director; and
- that the Swvl Public Company Articles may be amended only by the Swvl Board of Directors or by the affirmative vote of holders of a majority of not less than 75% of the voting power of all of the then-outstanding shares of Swvl.

However, under British Virgin Islands law, the directors of Swvl may only exercise the rights and powers granted to them under our the Swvl Public Company Articles for a proper purpose and for what they believe in good faith to be in the best interests of Swvl.

## Listing

Swvl's Ordinary Shares and Warrants are listed on the Nasdaq Capital Market under the symbols "SWVL" and "SWVLW," respectively.

## Warrants

As of October 30, 2023, there are 17,433,333 warrants outstanding, consisting of 11,500,000 Warrants and 5,933,333 Sponsor Warrants.

Each Warrant represents the right to purchase one Ordinary Share at a price of \$11.50 per share. The Warrants are exercisable on and after April 30, 2022, which is thirty (30) days after the consummation of the Business Combination and expire upon the earlier of (a) March 31, 2027, which is the date that is five (5) years after the consummation of the Business Combination and (b) a liquidation of the Company. Pursuant to the warrant agreement, a warrantholder may exercise its Warrants only for a whole number of Ordinary Shares. This means that only a whole Warrant may be exercised at any given time by a warrantholder. If, upon exercise, a holder would be entitled to receive a fractional interest in Ordinary Shares, Swvl will round down to the nearest whole number of shares to be issued to the warrantholder such that no fractional Warrants will be issued upon separation of the units and only whole Warrants will trade.

---

The exercise price of the Warrants, and the number of Ordinary Shares issuable upon exercise thereof, is subject to adjustment under certain circumstances, including if Swvl (a) pays any dividend in Ordinary Shares, (b) subdivides the outstanding Ordinary Shares or (c) pays an extraordinary dividend in cash.

Swvl is not obligated to deliver any Ordinary Shares pursuant to the exercise of a Warrant and has no obligation to settle such Warrant exercise unless a registration statement under the Securities Act of 1933, as amended (the “Securities Act”) with respect to the Ordinary Shares underlying the Warrants is then effective and a prospectus relating thereto is current, subject to Swvl satisfying its obligations described below with respect to registration. No Warrant will be exercisable and Swvl will not be obligated to issue Ordinary Shares upon exercise of a Warrant unless the Ordinary Shares issuable upon such Warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the Warrants. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a Warrant, the holder of such Warrant will not be entitled to exercise such Warrant and such Warrant may have no value and expire without value to the holder. In no event will we be required to net cash settle any Warrant.

Swvl has agreed that as soon as practicable, but in no event later than 20 business days, after the closing of the Business Combination, Swvl will use its commercially reasonable efforts to file with the SEC a registration statement for the registration, under the Securities Act, of the Ordinary Shares issuable upon exercise of the Warrants. Swvl will use its commercially reasonable efforts to cause the same to become effective and to maintain the effectiveness of such registration statement, and a current prospectus relating thereto, until the expiration of the Warrants in accordance with the provisions of the warrant agreement. Notwithstanding the above, if Swvl’s Ordinary shares are at the time of any exercise of a Warrant not listed on a national securities exchange such that it satisfies the definition of a “covered security” under Section 18(b)(1) of the Securities Act, Swvl may, at its option, require holders of Warrants who exercise their Warrants to do so on a “cashless basis” in accordance with Section 3(a)(9) of the Securities Act and, in the event Swvl so elects, Swvl will not be required to file or maintain in effect a registration statement, but Swvl will be required to use its commercially reasonable efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available. To exercise Warrants on a cashless basis, each holder would pay the exercise price by surrendering the Warrants in exchange for a number of Ordinary Shares equal to the lesser of (A) the quotient obtained by dividing (x) the product of (i) the number of Ordinary Shares underlying the Warrants, and (ii) the excess of the “fair market value” (defined below) over the exercise price of the Warrants by (y) the fair market value and (B) the product of the number of Warrants surrendered and 0.361 (subject to adjustment). The “fair market value” as used in this paragraph shall mean the average last reported sale price of Swvl’s Ordinary Shares for the 10 trading days ending on the trading day prior to the date on which the notice of exercise is received by the warrant agent.

A holder of a Warrant may notify Swvl in writing in the event it elects to be subject to a requirement that such holder will not have the right to exercise such Warrant, to the extent that after giving effect to such exercise, such person (together with such person’s affiliates), to the warrant agent’s actual knowledge, would beneficially own in excess of 9.8% (or such other amount as a holder may specify) of the Ordinary Shares outstanding immediately after giving effect to such exercise.

***Redemption of Warrants for cash when the price per Ordinary Share equals or exceeds \$18.00***

Once the Warrants are exercisable, Swvl has the right to redeem not less than all of the Warrants at any time prior to their expiration, at a redemption price of \$0.01 per Warrant, if (i) the last reported sales price of Ordinary Shares is at least \$18.00 per share on each of twenty (20) trading days within the thirty (30) trading-day period ending on the third (3rd) trading day prior to the date on which notice of the redemption is given and (ii) an effective registration statement covering the Ordinary Shares issuable upon exercise of the Warrants, and a current prospectus relating thereto, is available throughout the 30-day redemption period or the Company has elected to require the exercise of the Warrants on a “cashless basis.”

If and when the Warrants become redeemable by Swvl, Swvl may exercise its redemption right even if Swvl is unable to register or qualify the underlying securities for sale under all applicable state securities laws.

---

**Redemption of Warrants for cash when the price per Ordinary Share equals or exceeds \$10.00**

Once the Warrants are exercisable, Swvl has the right to redeem not less than all of the Warrants at any time prior to their expiration, at a redemption price of \$0.10 per Warrant upon a minimum of 30 days' prior written notice of redemption provided that during such 30-day period holders will be able to exercise their Warrants on a "cashless basis" prior to redemption and receive that number of Ordinary Shares determined by reference to the table below, based on the redemption date and the "fair market value" of Swvl's Ordinary Shares (as defined below) except as otherwise described below, if the last reported sales price of Ordinary Shares is at least \$10.00 per share on the trading day prior to the date on which Swvl sends the notice of redemption to the warrant holders.

Beginning on the date the notice of redemption is given until the Warrants are redeemed or exercised, holders may elect to exercise their Warrants on a "cashless basis." The numbers in the table below represent the number of Ordinary Shares that a warrant holder will receive upon a cashless exercise in connection with a redemption by Swvl pursuant to this redemption feature, based on the "fair market value" of Swvl's Ordinary Shares on the corresponding redemption date (assuming holders elect to exercise their Warrants and such Warrants are not redeemed for \$0.10 per Warrant), and the number of months that the corresponding redemption date precedes the expiration date of the Warrants, each as set forth in the table below.

Redemption Date (period to expiration of Warrants)	Fair Market Value of Ordinary Shares								
	≤\$10.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00	\$16.00	\$17.00	≥\$18.00
60 months	0.261	0.281	0.297	0.311	0.324	0.337	0.318	0.358	0.361
57 months	0.257	0.277	0.294	0.310	0.324	0.337	0.348	0.358	0.361
54 months	0.252	0.272	0.291	0.307	0.322	0.335	0.347	0.357	0.361
51 months	0.246	0.268	0.287	0.304	0.320	0.333	0.346	0.357	0.361
48 months	0.241	0.263	0.283	0.301	0.317	0.332	0.344	0.356	0.361
45 months	0.235	0.258	0.279	0.298	0.315	0.330	0.343	0.356	0.361
42 months	0.228	0.252	0.274	0.294	0.312	0.328	0.342	0.355	0.361
39 months	0.221	0.246	0.269	0.290	0.309	0.325	0.340	0.354	0.361
36 months	0.213	0.239	0.263	0.285	0.305	0.323	0.339	0.353	0.361
33 months	0.205	0.232	0.257	0.280	0.301	0.320	0.337	0.352	0.361
30 months	0.196	0.224	0.250	0.274	0.297	0.316	0.335	0.351	0.361
27 months	0.185	0.214	0.242	0.268	0.291	0.313	0.332	0.350	0.361
24 months	0.173	0.204	0.233	0.260	0.285	0.308	0.329	0.348	0.361
21 months	0.161	0.193	0.223	0.252	0.279	0.304	0.326	0.347	0.361
18 months	0.146	0.179	0.211	0.242	0.271	0.298	0.322	0.345	0.361
15 months	0.130	0.164	0.197	0.230	0.262	0.291	0.317	0.342	0.361
12 months	0.111	0.146	0.181	0.216	0.250	0.282	0.312	0.339	0.361
9 months	0.090	0.125	0.162	0.199	0.237	0.272	0.305	0.336	0.361
6 months	0.065	0.099	0.137	0.178	0.219	0.259	0.296	0.331	0.361
3 months	0.034	0.065	0.104	0.150	0.197	0.243	0.286	0.326	0.361
0 months	—	—	0.042	0.115	0.179	0.233	0.281	0.323	0.361

The "fair market value" of Swvl's Ordinary Shares shall mean the average last reported sale price of Swvl's Ordinary Shares for the 10 trading days immediately following the date on which the notice of redemption is sent to the holders of Warrants. Swvl will provide its warrant holders with the final fair market value no later than one business day after the 10 trading day period described above ends.

The exact fair market value and redemption date may not be set forth in the table above, in which case, if the fair market value is between two values in the table or the redemption date is between two redemption dates in the table, the number of Ordinary Shares to be issued for each Warrant exercised will be determined by a straight-line interpolation between the number of shares set forth for the higher and lower fair market values and the earlier and later redemption dates, as applicable, based on a 365-day year. For example, if the average last reported sale price of Swvl's Ordinary Shares for the 10 trading days immediately following the date on which the notice of redemption is sent to the holders of the Warrants is \$11.00 per share, and at such time there are 57 months until the expiration of the Warrants, warrant holders may choose to, in connection with this redemption feature, exercise their Warrants for 0.277 Ordinary Shares for each whole Warrant. For an example where the exact fair market value and redemption date are not as set forth in the table above, if the average last reported sale price of Swvl's Ordinary Shares for the 10 trading days immediately following the date on which the notice of redemption is sent to the holders of the Warrants is \$13.50 per share, and at such time there are 38 months until the expiration of the Warrants,

warrantholders may choose to, in connection with this redemption feature, redeem their Warrants at a “redemption price” of 0.298 Ordinary Shares for each whole Warrant. In no event will the Warrants be exercisable on a “cashless basis” in connection with this redemption feature for more than 0.361 Ordinary Shares per whole Warrant (subject to adjustment). Finally, as reflected in the table above, if the Warrants are “out of the money” (i.e. the last reported trading price of Ordinary Shares is below the exercise price of the Warrants) and about to expire, they cannot be exercised on a “cashless basis” in connection with a redemption by Swvl pursuant to this redemption feature, since they will not be exercisable for any Ordinary Shares.

### ***Redemption Procedures***

If Swvl exercises its right to redeem the Warrants, notice of such redemption shall be mailed by first class mail, postage prepaid, by Swvl to registered holders of the Warrants to be redeemed at their last addresses as they shall appear on the registration books.

### ***Anti-Dilution Adjustments***

The share prices set forth in the column headings of the table above shall be adjusted as of any date on which the number of shares issuable upon exercise of a Warrant is adjusted pursuant to the warrant agreement. The adjusted share prices in the column headings shall equal the share prices immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the number of shares deliverable upon exercise of a Warrant immediately prior to such adjustment and the denominator of which is the number of shares deliverable upon exercise of a Warrant as so adjusted. The number of shares in the table above shall be adjusted in the same manner and at the same time as the number of shares issuable upon exercise of a Warrant.

In case of certain reclassifications or reorganizations of the outstanding Ordinary Shares, or in the case of any merger or consolidation of Swvl with or into another corporation (other than a consolidation or merger in which Swvl is the continuing corporation and that does not result in any reclassification or reorganization of Swvl’s outstanding Ordinary Shares), or in the case of any sale or conveyance to another corporation or entity of the assets or other property of Swvl as an entirety or substantially as an entirety in connection with which Swvl is dissolved, the holders of the Warrants will thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the Warrants and in lieu of Ordinary Shares immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of shares or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the holder of the Warrants would have received if such holder had exercised their Warrants immediately prior to such event. If less than 70% of the consideration receivable by the holders of Ordinary Shares in such a transaction is payable in the form of ordinary shares in the successor entity that is listed for trading on a national securities exchange or is quoted in an established over-the-counter market, or is to be so listed for trading or quoted immediately following such event, and if the registered holder of the Warrant properly exercises the Warrant within thirty days following public disclosure of such transaction, the warrant exercise price will be reduced as specified in the warrant agreement based on the Black-Scholes value (as defined in the warrant agreement) of the Warrant.

The Warrants were issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and Swvl. The warrant agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 50% of the then outstanding Warrants to make any change that adversely affects the interests of the registered holders of Warrants.

### ***Sponsor Warrants***

The Sponsor Warrants (including the Ordinary Shares issuable upon exercise of the Sponsor Warrants) are not transferable, assignable or salable until April 30, 2022, which is 30 days after the completion of the Business Combination (except, among other limited exceptions, to the Sponsor’s officers and directors and other persons or entities affiliated with the Sponsor), and they will not be redeemable by Swvl so long as they are held by the Sponsor or its permitted transferees. The Sponsor, or its permitted transferees, has the option to exercise the Sponsor Warrants on a cashless basis. Except as described below, the Sponsor Warrants have terms and provisions that are

---

identical to those of the Warrants, including as to exercise price, exercisability and exercise period. If the Sponsor Warrants are held by holders other than the Sponsor or its permitted transferees, the Sponsor Warrants will be redeemable by Swvl in all redemption scenarios and exercisable by the holders on the same basis as the Warrants.

If holders of the Sponsor Warrants elect to exercise them on a cashless basis, they would pay the exercise price by surrendering his, her or its Sponsor Warrants in exchange for a number of Ordinary Shares equal to the quotient obtained by dividing (x) the product of (A) the number of Ordinary Shares underlying the Sponsor Warrants and (B) the excess of the fair market value over the exercise price of the Sponsor Warrants by (y) the fair market value. The “fair market value” shall mean the average last reported sale price of the Ordinary Shares as reported for the 10 trading days ending on the third trading day prior to the date on which the notice of warrant exercise is sent to the warrant agent.

---

**Execution Version**

**SHARE SALE AND PURCHASE AGREEMENT**

dated 6 January 2023

in respect of the entire issued share capital of

**Volt Lines B.V.**

(the **Company**)

between the parties set forth hereinafter



## CONTENTS

Clause 1 Definitions and Interpretation	5
Clause 2 Sale, Purchase and Transfer of the Shares	6
Clause 3 Fiduciary / Assignment of Purchase Price Receivables	7
Clause 4 Consideration	7
Clause 5 Completion	8
Clause 6 Seller's Warranties	8
Clause 7 Purchasers' Warranties	9
Clause 8 Confidentiality / Announcements	9
Clause 9 Termination	10
Clause 10 Notices	10
Clause 11 Miscellaneous Provisions	11
Clause 12 Governing Law / Jurisdiction	12

## SCHEDULES:

Schedule 1	- Definitions
Schedule 2	- SPA
Schedule 3	- Deed of Transfer
Schedule 4	- Completion Deliverables
Schedule 5	- Notice Details
Schedule 6	- Warranties
Schedule 7	- Retained Swvl Shares

---

**THIS SHARE SALE AND PURCHASE AGREEMENT is made on 6 January 2023 BETWEEN:**

1. **Mohamad Ali Al Halabi**, a Lebanese citizen of legal age, born in Saida Lebanon, on 2 March 1984, whose elected domicile for the purpose of this Agreement is Al Reem Island, The Gate District, Gate Tower II, 3117, Abu Dhabi, UAE (**Purchaser 1**);
  2. **Southeast Europe Equity Fund II, LP**, a Cayman Islands limited partnership, having its registered office at the address of c/o Intertrust Trustees (Cayman) Ltd, 190 Elgin Avenue, George Town, Grand Cayman, Cayman Islands KYI-9005, and having certificate of good standing of a partnership numbered OG 16589 issued by Registrar of Limited Partnerships Cayman Islands (**Purchaser 2** and together with Purchaser 1 the **Purchasers**);
  3. **Khaleej 1 Ltd**, a Cayman Islands exempted company, registered under number MC-295287, whose registered office is at P.O Box 309, Ugland House, Grand Cayman, KYI-1104, Cayman Islands, acting as the agent and the nominee of MEVFII;
  4. **HEDEF ARAc KIRALAMA VE SERVIS A.S.**, a joint stock company organized and validly existing under the laws of the Republic of Turkey, registered at Istanbul Trade Registry under registration number 508266, having its principal office located at Ofishane, Merkez Mahallesi Cendere Caddesi No:22 Kat:12-13 Kagithane, Istanbul;
  5. **March Holding Limited**, a limited liability company under the laws of the United Arab Emirates, having its registered office at Unit 110&111 Level 01 Gate Village Building 06, Dubai Financial Centre, Dubai, United Arab Emirates, registered with the Dubai registrar under number 2441;
  6. **Stichting DAI & Members**, a foundation (*stichting*) duly incorporated and validly existing under the laws of the Netherlands, with its registered offices at Maslak Mah. AOS 55. Sokak 42, Maslak Sitesi, No: 4 / 557, 34396 Sariyer, Istanbul, Turkey and registered with the trade Register of the Dutch Chamber of Commerce under number 75526174;
  7. **Stichting Turkish Investors**, a foundation (*stichting*) duly incorporated and validly existing under the laws of the Netherlands, with its registered offices at Maslak Mah. AOS 55. Sokak 42, Maslak Sitesi, No: 4 / 557, 34396 Sariyer, Istanbul, Turkey and registered with the trade Register of the Dutch Chamber of Commerce under number 75526034;
  8. **Stichting MEVP Investors**, a foundation (*stichting*) duly incorporated and validly existing under the laws of the Netherlands, with its registered offices at Maslak Mah. AOS 55. Sokak 42, Maslak Sitesi, No: 4 / 557, 34396 Sariyer, Istanbul, Turkey and registered with the trade Register of the Dutch Chamber of Commerce under number 75526182;
  9. **Lill CVC SAPI de CV**, a company organized and validly existing under the laws of Mexico having its registered address at Artilleros 123, Colonia 7 de Julia, Venustiano Carranza, Ciudad de Mexico, 15390, Mexico, under registration number LCV1806086QA;
  10. **Wamda Seed Limited**, a company organized and validly existing under the laws of the Cayman Islands, having its registered address at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, and registered with the register of companies under registration number 329833;
  11. **Stichting Volt Lines ESOP**, a foundation (*stichting*) duly incorporated and validly existing under the laws of the Netherlands, with its registered offices at Maslak Mah. AOS 55. Sokak 42,
-

Masla k Sitesi, No: 4 / 557, 34396 Sariyer, Istanbul, Turkey and registered with the trade Register of the Dutch Chamber of Commerce under number 81990650;

12. **Commoditynet Holding B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), duly incorporated and validly existing under the laws of the Netherlands, having its registered offices at Ambachtsweg 56 in 3542 DH, Utrecht, the Netherlands and registered with the Trade Register of the Dutch Chamber of Commerce under number 30271902;
13. **WSH**, a Cayman Islands company limited by shares, having its registered office at P.O Box 309, Ugland House, Grand Cayman, KYI-1104, Cayman Islands, registered with the Cayman registrar under number MC- 230084;
14. **Swvl GLOBAL FZE**, a Limited Liability Free Zone Establishment duly incorporated and validly existing under the Dubai World Trade Centre Authority ("DWTCA") Company Rules and Regulations under Dubai law No 9 of 2015, registered with the Mercantile Registrar of Companies of Dubai World Trade Center Authority under number 0361, having its registered office at Office No:02.08 the offices 4 at One Central, Dubai World Trade Centre and without tax identification code since there is no corporate income tax in UAE (the **Seller**), duly represented by Mr. Mostafa Essa Mohamed Mohamed Kandil, a citizen of The Arab Republic of Egypt, of legal age, with professional domicile in Office No :02.08 the offices 4 at One Central, Dubai World Trade Centre, and holder of valid Passport of his nationality number A-18493071, who is duly authorized to sign and execute this agreement in his capacity as CEO of the Buyer;
15. **Swvl Holdings Corp**, a company duly incorporated and existing under the laws of the territory of the British Virgin Islands, registered with the Registrar of Corporate Affairs of the British Virgin Islands under number 2070410, having its registered office at Maples Corporate Services (BVI) Limited Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands (the **Swvl Holdings**), duly represented by Mr. Mostafa Essa Mohamed Mohamed Kandil, a citizen of The Arab Republic of Egypt, of legal age, with professional domicile in Office No :02.08 the offices 4 at One Central, Dubai World Trade Centre, and holder of valid Passport of his nationality number A-18493071, who is duly authorized to sign and execute this agreement in his capacity as CEO and a director of Swvl Holdings; and
16. **Volt Lines B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), duly incorporated and validly existing under the laws of the Netherlands, having its registered offices at Jan van Goyenkade 8, 1075 HP Amsterdam, the Netherlands registered with the Trade Register of the Dutch Chamber of Commerce under number 74802992 (the **Company**);

Parties 1 through 13 hereinafter jointly referred to as the **Former Volt Lines Shareholders** and each individually as a **Former Volt Lines Shareholder**.

#### WHEREAS:

- a. The Company is the registered owner of the 100% share capital of:
    - Volt Lines Akilli Ulasim Teknolojileri ye Tasimacilik Anonim Sirketi is a private joint stock company (*anonim Sirket*) duly incorporated and existing under the laws of Turkey for an indefinite period of time, registered with the Istanbul Trade Registry (*Istanbul Ticaret Sicili*) under the number 104265-5, having its registered office at Sultan Selim Mah. Hilmeyra Sok. Nef 09 Sitesi B Blok No:7/217 Kagithane/Istanbul, Turkey, and holder of the tax identification number 9250588457 (hereinafter, **Volt Lines Turkey**); and
-

- Volt Lines MENA Limited, a private limited liability company duly incorporated and validly existing under the rules and regulations of Abu Dhabi Global Market, having its registered address at Al Khatem Tower, ADGM Square, Al Maryah Island, Abu Dhabi, UAE, and registered with the ADGM registration authority under registration number 000005720 (hereinafter, **Volt Lines MENA**).

the Company, Volt Lines Turkey and Volt Lines MENA hereinafter jointly referred to as the **Group Companies**.

- b. The Group Companies are engaged in the business of the development, implementation and commercialization of new mobility and transport systems and more in particular, the Group Companies are the owner of (i) the passenger App (for iOS and Android) named "Volt Lines", (ii) the driver App (for iOS and Android) named "Volt Lines", used for the provision of mobility services (the **Business**).
- c. On 29 April 2022 Parties entered into a sale and purchase agreement, pursuant to which the Former Volt Lines Shareholders sold all issued and outstanding shares in the capital of the Company (the **Shares**) to the Seller (the **SPA**), a copy of the SPA is attached hereto as Schedule 2.
- d. Parties have agreed that the transaction contemplated by the SPA shall be reversed by way of the Seller selling and transferring the Shares to the Purchasers (whereby Purchaser 1 shall act as the fiduciary of the Former Volt Lines Shareholders other than the Purchasers, on the basis of a fiduciary agreement), under the terms and subject to the conditions laid down in this Agreement.

**IT IS HEREBY AGREED** as follows:

#### **Clause 1 Definitions and Interpretation**

- 1.1 Capitalised terms used in this Agreement have the meaning given thereto in Schedule 1 (Definitions) to this Agreement, except where the content or context of this Agreement requires otherwise.
  - 1.2 In this Agreement, unless otherwise specified:
    - (a) references to a "company" shall be construed so as to include any company, corporation or other body corporate or other legal entity, wherever and however incorporated or established;
    - (b) references to clauses, paragraphs, schedules and annexes are to clauses, paragraphs, schedules and annexes to this Agreement;
    - (c) references to a "person" shall be construed so as to include any private individual, legal entity (*rechtspersoon*), firm, company, government, state or agency of a state or any joint venture, association or partnership (whether or not having separate legal personality) and that person's successors in title and permitted assigns and transferees;
    - (d) any reference to a "day" or a number of "days" (without the explicit qualification of "Business" in front) shall be interpreted as a reference to a calendar day or number of calendar days. If any action or notice is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action or notice shall be deferred until, or may be taken or given, on the next Business Day;
-

- (e) any reference in this Agreement to "including" means "including, without limitation";
  - (f) words denoting the singular shall include the plural and vice versa;
  - (g) headings to clauses and schedules are for convenience only and do not affect the interpretation of this Agreement;
  - (h) the schedules and annexes form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement shall include the schedules and annexes;
  - (i) references to documents in the "agreed form" means a reference to a document in the form agreed between the relevant Parties as being final, subject to such amendments as may be agreed from time to time in writing between the relevant Parties;
  - (j) any references to a "subsidiary" (*dochtermaatschappij*), "group company" (*groepsmaatschappij*) or "participation" (*deelneming*) are to be construed in accordance with articles 2:24a, 2: 24b and 2: 24c of the DCC;
  - (k) references to "written" or "in writing" include any mode of reproducing words in a legible and non-transitory form;
  - (l) references to a law, provision of law or regulation includes a reference to that law, provision of law or regulation as amended or re-enacted from time to time, as well as to the law, provision of law or regulation by which it is replaced;
- 1.3 Terms in this Agreement refer to Dutch legal concepts only and shall be interpreted accordingly. The use of these or similar terms in any other jurisdiction shall be disregarded. In respect of any jurisdiction other than the Netherlands, references to any Dutch legal concept shall be deemed to refer to the concept that most approximates to the Dutch legal term in that jurisdiction.
- 1.4 References to any Dutch legal term for any action, remedy, method or judicial proceeding, legal document, legal status, court, official, or any legal concept or thing shall in respect of any jurisdiction other than the Netherlands be deemed to include what most nearly approximates in that jurisdiction to the Dutch legal term.

## Clause 2 Sale, Purchase and Transfer of the Shares

### Sale and Purchase

- 2.1 The Seller hereby sells the Shares to the Purchasers and the Purchasers hereby purchase the Shares from the Seller, on the terms and subject to the conditions of this Agreement, in the following proportions:
- (a) Purchaser 1: 33,330 class A shares, 47,423 class **B** shares and 10,000 class E shares; and
  - (b) Purchaser 2: 4,028 class **B** shares.

### Transfer

- 2.2 The Seller agrees to transfer to the Purchasers the Shares and the Purchasers agree to accept such Shares from the Seller, on the Completion Date, free from Encumbrances and with all rights attached to them by way of execution of the Deed of Transfer.
-

Transfer of benefit and risk

- 2.3 Subject to Completion, and the terms and conditions of this Agreement, the Shares, the Group Companies and the Business shall be for the benefit and risk of the Purchasers with effect from the Completion Date.

**Clause 3 Fiduciary / Assignment of Purchase Price Receivables**

- 3.1 The Former Volt Lines Shareholders hereby agree among each other that in the interest of an expedient Completion, Purchaser 1 shall act as fiduciary for all the other Former Volt Lines Shareholders, except for Purchaser 2, on the basis of a fiduciary agreement to be entered into between the Former Volt Lines Shareholders on or about the date hereof (the **Fiduciary Agreement**). Pursuant to the Fiduciary Agreement Purchaser 1 shall procure that as soon as reasonably possible after Completion, he shall transfer such number of Shares held by him after Completion to each of the other Former Volt Lines Shareholders, except for Purchaser 2, as were initially sold by such Former Volt Lines Shareholder to the Seller under the SPA.
- 3.2 Each of the Former Volt Lines Shareholders, other than the Purchasers, hereby assigns any and all outstanding receivables it has against the Seller ensuing from the SPA, including, but not limited to, the Purchase Price (as defined in the SPA) (such receivables the **Assigned Receivables** and together with any and all receivables that the Purchasers have against the Seller ensuing from the SPA hereinafter jointly the **Former Volt Lines Shareholders Receivables**) to Purchaser 1, which Assigned Receivables shall be offset against the purchase price due by the Former Volt Lines Shareholders (other than the Purchasers) to Purchaser 1 upon transfer by Purchaser 1 of the appropriate portion of the Shares to the Former Volt Lines Shareholders (other than the Purchasers) in accordance with Clause 3.1 and the Fiduciary Agreement.

**Clause 4 Consideration**

- 4.1 The purchase price for the Shares (the **Consideration**) shall be equal to the Former Volt Lines Shareholders Receivables and shall be paid by way of set-off against the Former Volt Lines Shareholders Receivables, as a result of which both the receivable of the Seller against the Purchasers ensuing from the Consideration and the Former Volt Lines Shareholders Receivables shall cease to exist.
- 4.2 As a result of the set-off set forth in Clause 4.1, neither Seller (and any of their Affiliates) nor the Former Volt Lines Shareholders and the remaining Purchase Price Beneficiaries as defined in the SPA (and any of their Affiliates) shall be obliged to make any payments to one another, other than any payment obligations arising from the Seller's Warranties or the Former Volt Lines Shareholders' Warranties in Schedule 6, and the Former Volt Lines Shareholders have no obligations in respect of the retransfer to the Seller or cancellation of the Swvl Shares that have already been issued by the Seller to the Former Volt Lines Shareholders and the remaining Purchase Price Beneficiaries (as defined in the SPA) at the date hereof and represented in the certificates issued by Continental Stock Transfer & Trust Company with a transaction date of 29 November 2022 in the numbers set forth in Schedule 7 (*Retained Swvl Shares*) (which, for the avoidance of doubt, may be retained by the Purchasers and the remaining Purchase Price Beneficiaries (the **Retained Swvl Shares**)).
- 4.3 Subject to Completion, the Seller on the one hand and each of the Former Volt Lines Shareholders, the Company and the remaining Purchase Price Beneficiaries as defined in the SPA (and any of their Affiliates) on the other hand hereby irrevocably and unconditionally release and discharge one another from any and all future claims, rights, liabilities, obligations, actions or demands, both actual or contingent, under or in connection with the SPA (including
-

the USD 1,400,000 the Seller contributed to the Company in accordance with the SPA as part of its Resource Commitment obligation as set forth in clause 3.4. of the SPA). All rights and obligations of each of the Parties under the SPA and all other Transaction Documents, including any which are expressly stated in any Transaction Document as surviving its termination, or which might otherwise have done so by implication, are hereby irrevocably and unconditionally waived, released and discharged in their entirety for all purposes.

## Clause 5 Completion

### Completion Date and place

- 5.1 Completion shall take place at the offices of the Notary on the date of this Agreement or at such other time and on such other date as the Seller and the Purchasers may agree in writing.

### Completion Deliverables

- 5.2 Each Party shall take (or has taken), or procures to be taken, the actions listed in relation to it or its Affiliates in Schedule 4 (Completion Deliverables) in the sequence set out therein, each such action up to Completion being conditional upon each of the preceding actions having been taken.

### Breach of Completion Deliverables

- 5.3 If a Party breaches any obligation in Clause 5.2, the non-breaching Party shall be entitled (in addition to and without prejudice to all other rights and remedies available, including the right to claim damages and the right to claim specific performance):
- (a) to effect Completion as far as practicable and to the extent reasonably permitted by Law with regard to the defaults that have occurred; or
  - (b) if there is a breach that can be remedied, to set a new date for Completion in which case the provisions of Clause 5 shall apply to Completion as so deferred; or
  - (c) terminate this Agreement with immediate effect, without incurring any liability as a result thereof and without any obligation on any Party to consummate the Transaction or to continue negotiations; in each case without prejudice to any other rights or remedies available to the Seller.

### Effects of termination

- 5.4 In case of termination of this Agreement pursuant to Clause 5.3(c) the provisions of Clause 10 (*Termination*) shall apply.

## Clause 6 Post Completion Covenants

- 6.1 The Seller and/or Swvl Holdings agree and acknowledge that, only if they file a new registration statement in the United States of America in the future, they: (i) intend, but shall not be required, to register the Retained Swvl Shares under the US Securities Act of 1933, as amended, (the **Securities Act**) or the securities laws of any state or other jurisdiction in any share registration filed after the date of this Agreement to ensure that the Retained Swvl Shares can be sold or transferred, and (ii) are not currently aware of any reason or circumstance that would result in the exclusion of the Retained Swvl Shares from any such share registration. Notwithstanding the foregoing, Swvl Holdings shall have no intention of registering the
-

Retained Swvl Shares at any time such shares may be sold pursuant to Rule 144 under the Securities Act.

- 6.2 As soon as available after Completion, the Company shall provide the Seller with the (consolidated) financial statements of the Group Companies, and any other information the Seller may reasonably require for its public filings, up to the Completion Date.

#### **Clause 7 Seller's Warranties**

- 7.1 The Seller hereby represents and warrants (*garandeert en verklaart*) to the Purchasers and the Former Volt Lines Shareholders that each of the statements included in Part I of Schedule 6 (Warranties) (the **Seller's Warranties**) is true and accurate as at the Completion Date.
- 7.2 Except as expressly otherwise provided in this Agreement and subject to the limitations of liability set out herein, in case of a breach of any of the Seller's Warranties or any other provision of this Agreement by the Seller, the Seller shall after the Completion Date, by means of an exclusive remedy, be liable to compensate the Purchasers, the Former Volt Lines Shareholders or the Company, as the Purchasers and the Former Volt Lines Shareholders may direct, for the Damages suffered or incurred by the Purchasers, the Former Volt Lines Shareholders or the Company as a direct result of such breach.
- 7.3 The Seller shall not be liable in respect of any Claim unless a notice of such claim is given to the Seller and the Former Volt Lines Shareholders before the lapse of 18 (eighteen) months since the Completion Date where any Claim for breach of the Seller's Warranties is concerned.
- 7.4 The maximum overall aggregate liability of the Seller in respect of any and all Claims resulting from a breach of the Sellers' Warranties shall not exceed a total amount equivalent to one hundred per cent. (100%) of the Consideration at any time.

#### **Clause 8 Former Volt Lines Shareholders' Warranties**

- 8.1 The Former Volt Lines Shareholders hereby represent and warrant (*garanderen en verklaren*) to the Seller that each of the statements included in Part II of Schedule 6 (Warranties) (the **Purchasers' Warranties**) is true and accurate as at the Completion Date.
- 8.2 Except as expressly otherwise provided in this Agreement in case of a breach of any of the Former Volt Lines Shareholders' Warranties or any other provision of this Agreement by the Former Volt Lines Shareholders, the Former Volt Lines Shareholders shall after the Completion Date, by means of an exclusive remedy, be liable to compensate the Seller for the Damages suffered or incurred by the Seller as a direct result of such breach.
- 8.3 The Former Volt Lines Shareholders shall not be liable in respect of any Claim unless a notice of such claim is given to the Purchasers and the Former Volt Lines Shareholders before the lapse of 36 (thirty six) months since the Completion Date where any Claim for breach of the Former Volt Lines Shareholders' Warranties is concerned.

#### **Clause 9 Confidentiality / Announcements Confidentiality**

- 9.1 Each of the Parties shall treat as strictly confidential and not disclose or use any information contained in or received or obtained as a result of entering into this Agreement (or any other agreement entered into pursuant to this Agreement) which relates to:

---

- (a) the provisions of this Agreement or any agreement entered into pursuant to this Agreement or the Transaction;
  - (b) the negotiations relating to this Agreement (or any such other agreement);
  - (c) any Party to this Agreement or the business carried out by it or any member of its group of companies.
- 9.2 Each of the Parties shall keep confidential the terms of this Agreement and all information provided to it by or on behalf of the other Party or otherwise obtained by or in connection with this Agreement which relates to the other Party.
- 9.3 Nothing in Clause 9.1 prevents any announcement being made or any confidential information being disclosed by any Party:
- (a) to the extent required by Law or any competent regulatory body or recognised stock exchange or under any agreement with any Tax Authority existing at the date of this Agreement or to comply with any applicable accounting requirements; any Party so required to disclose any confidential information shall promptly notify the other Party, where practicable and to the extent lawful to do so, before disclosure occurs and shall consult with the other Party regarding the timing and content of such disclosure and shall take such action which may reasonably be required to challenge the validity of such disclosure requirement;
  - (b) to the extent that such information is public knowledge other than through unlawful disclosure of which that Party at the time of such disclosure was aware that it was unlawful;
  - (c) in legal proceedings to the extent reasonably required to exercise its rights under this Agreement;
  - (d) to that Party's professional advisers, accountants or its financiers subject to a duty of confidentiality and only to the extent necessary for any lawful purpose; and
  - (e) to the extent that the other Party has given written approval of the disclosure or use. Clause 10 Termination Termination of this Agreement shall not affect the accrued rights and obligations of the Parties at the time, including enforcement of the rights and obligations under the SPA, nor the continued validity of the provisions of Clause 1 (*Definitions and interpretation*), Clause 8 (*Confidentiality/ Announcements*), this Clause 10 (*Termination*), Clause 12 (*Miscellaneous Provisions*) and Clause 13 (*Governing Law/Jurisdiction*).

#### **Clause 11 Notices**

- 11.1 Any notice or other communication under or in connection with this Agreement shall be in writing and delivered by hand or sent by courier, by registered mail or by e-mail to the Party to whom it is to be given as set-forth in Schedule 5 (*Notice Details*) or at any such other address or e-mail address of which it shall have given notice for this purpose to the other Parties under this Clause 11.
- 11.2 Any notice shall be delivered by hand or courier, or sent by registered post or email, and shall be deemed to have been received:
-

- (a) in the case of delivery by hand or courier service, at the time of delivery;
- (b) in the case of registered post, on the 3<sup>rd</sup> (third) Business Day following the date of posting;
- (c) in the case of email, on the date and time transmitted, as evidenced by confirmation of delivery by a delivery receipt.

11.3 Any notice not received on a Business Day or received after 17:00 on any Business Day in the place of receipt shall be deemed to be received on the following Business Day.

## Clause 12 Miscellaneous Provisions

### Further assurances

12.1 Each Party shall, at its own cost and expense, execute such documents and do such things, or procure (as far as it is reasonably able) that another person executes such documents and does such things, as the other Parties may from time to time reasonably require in order to give full effect to, and give each Party the full benefit of, this Agreement.

### Entire agreement

12.2 This Agreement contains the whole agreement of the Parties relating to the subject matter of this Agreement, to the exclusion of any terms implied by any applicable law in any jurisdiction which may be excluded by contract, and supersedes and extinguishes any previous written or oral agreement in relation to matters dealt with in this Agreement.

### No assignment

12.3 This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. None of the Parties may assign any of its rights or delegate any of its obligations under this Agreement by operation of law or otherwise, without the prior written consent of the of the other Parties, except as provided for in Clause 12.4 and except that each of the Seller and the Purchasers may assign any and all of its rights under this Agreement to one or more of its wholly owned subsidiaries (but no such assignment shall relieve the Seller or the Purchaser, as applicable, of any of its obligations under this Agreement).

12.4 Any obligation of any Party to one or more of the other Parties under this Agreement, which is performed, satisfied or fulfilled completely by a member of such Party's group, shall be deemed to have been performed, satisfied or fulfilled by such Party.

### No implied waiver

12.5 No waiver of any provision of this Agreement shall be effective unless in writing and signed by or on behalf of the Party entitled to give such waiver.

### Variations

12.6 A variation of this Agreement is valid only if it is in writing and signed by or on behalf of each Party.

### Third party rights

12.7 Subject to Clause **Error! Reference source not found.**, the terms of this Agreement may be enforced only by a Party to this Agreement or a Party's permitted successors or assigns. Save

---

as expressly stated otherwise, this Agreement does not contain any stipulation in favour of a third party (*derdenbeding*).

#### No rescission

- 12.8 To the extent permitted by law, the Parties hereby waive their rights, if any, to (i) in whole or in part annul, rescind or dissolve (including any *gehele dan wel gedeeltelijke ontbinding en vernietiging*) this Agreement, (ii) to invoke article 6:228 of the DCC in the sense that any error (*dwalen*) of a Party in entering into this Agreement and the Transaction will remain for the risk and account of such Party as the party in error and, (iii) to request modification by a court of (the effects of) this Agreement as set out in article 6:230 subarticle 2 of the DCC.

#### Invalidity/conversion

- 12.9 If any provision in this Agreement is held to be illegal, invalid or unenforceable, in whole or in part, under any law, then such provision or part shall to that extent be deemed not to form part of this Agreement but the legality, validity or enforceability of the remainder of this Agreement shall not be affected. Parties shall use reasonable efforts to agree a replacement provision that is legal, valid and enforceable to achieve so far as possible the intended effect of the illegal, invalid or unenforceable provision.

#### Notarial Independence

- 12.10 The Parties acknowledge that the Notary works with Van Campen & Partners N.V., the firm that advises the Company in the Transaction. With reference to the Code of Conduct (*Verordening beroeps- en gedragsregels*) established by the Royal Notarial Professional Organisation (*Koninklijke Notariële Beroepsorganisatie*), the Parties hereby explicitly agree that:

- (a) the Notary shall execute any notarial deeds related to this Agreement; and
- (b) the Company is and may in future be assisted and represented by Van Campen & Partners N.V. in relation to this Agreement and any agreements that may be concluded, or disputes that may arise, in connection therewith.

#### Costs and Expenses

- 12.11 Each Party shall pay the costs and expenses, including legal costs, incurred by it in connection with the negotiations leading up to the sale and purchase of the Shares, preparation entering into, and performing of this Agreement and all other documents referred to in it.
- 12.12 The costs and expenses of the Deed of Transfer and other notarial documents required to give effect to the transfer of the Shares shall be borne by the Former Volt Lines Shareholders on a pro rata basis.

#### Language

- 12.13 The language of this Agreement and the transactions envisaged by it is English and all notices, demands, requests, statements, certificates and other documents and communications shall be in English unless otherwise agreed by the Parties, or required by the laws of any applicable jurisdiction. Should any document be translated into a language other than English, then the English language version shall be the governing version and shall prevail in all respects.

#### Counterparts

12.14 This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.

**Clause 13 Governing Law / Jurisdiction**

13.1 This Agreement shall be governed by and construed in accordance with the laws of the Netherlands.

13.2 Any and all disputes arising from or in connection with this Agreement, or further contracts resulting there from, shall be submitted to the exclusive jurisdiction of the competent court in Amsterdam.

*(Signature page follows)*

---

IN WITNESS WHEREOF this Agreement has been signed on the date first above written for and on behalf of:

**Khaleej 1 Ltd**



By: Walid Hanna

**HEDEF ARAC KIRALAMA VE SERVİS A.Ş**



By: Onder Erdem

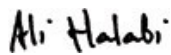
By: Ersan Ozturk

**March Holding Limited**



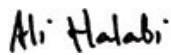
By: Mohammed Ali Radhi Al-Charchafci

**Stichting DAI & Members**



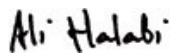
By: Mohamad Ali Al Halabi

**Stichting Turkish Investors**



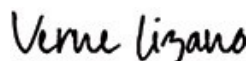
By: Mohamad Ali Al Halabi

**Stichting MEVP Investors**



By: Mohamad Ali Al Halabi

**Lill CVC SAPI de CV,**



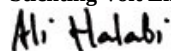
By: Verne Lizano

**Wamda Seed Limited**



By: Fadi Ali Ismail Ghandour

**Stichting Volt Lines ESOP**



By: Mohamad Ali Al Halabi

**Commoditynet Holding B.V**



By: Paul van Son

**WSH**



By: Walid Hanna

**Southeast Europe Equity Fund II, LP**

*represented by its general partner Southeast Europe GP LLC*

DocuSigned by:



By: David Mathewson

Mohamad Ali Al Halabi

Ali Halabi

By: Mohamad Ali Al Halabi

Swvl GLOBAL FZE

Mostafa Eissa Kandil

By: Mostafa Essa Mohamed Mohamed Kandil

Swvl Holdings Corp

Mostafa Eissa Kandil

By: Mostafa Essa Mohamed Mohamed Kandil

Volt Lines B.V.

Ali Halabi

Joachim van der Velde

By: Mohamad Ali Al Halabi

By: PraxisIFM Netherlands B.V.

**PURCHASE AGREEMENT**

**By and Between**

**KOLORS, INC.**

**and**

**URBVAN MOBILITY LIMITED**

**SEPTEMBER 6, 2023**

---

<b>Article 1 Certain Definitions</b>	<b>3</b>
<b>Article 2 The Membership Interest Purchase</b>	<b>10</b>
2.1 Purchase and Sale of Membership Interests	10
2.2 Consideration	10
2.3 Closing	10
2.4 Closing Deliveries	10
2.5 Holdback	11
2.6 Taxes	12
<b>Article 3 Representations and Warranties of the Seller</b>	<b>14</b>
3.1 Capacity	14
3.2 No Bankruptcy	15
3.3 Share Capital; Titles of Ownership	15
3.4 The Target Companies	15
3.5 Articles of Association, Statutory Books and Other Corporate Matters	17
3.6 Financial Statements	18
3.7 Absence of Changes	19
3.8 Assets	19
3.9 Agreements	19
3.10 Real Estate	20
3.11 Taxes	20
3.12 Employment and Social Security Aspects.	22
3.13 Protection of Personal Data	24
3.14 Intellectual and Industrial Property	25
3.15 Insurance	26
3.16 Subsidies	26
3.17 Environmental	26
3.18 Regulatory Matters	27
3.19 Anti-Corruption	27
3.20 Litigation and Judicial Proceedings	27
3.21 Permits and Licenses Related to the Business	27
3.22 Customers and Suppliers.	27
3.23 Exclusivity of Representations	28
<b>Article 4 Representations and Warranties of Buyer</b>	<b>28</b>
4.1 Organization and Good Standing	28
4.2 Capacity	29
4.3 No Bankruptcy	29
4.4 Solvency	30
4.5 Investment Intent	30
4.6 Broker's or Finder's Fees	30
4.7 Litigation	30
4.8 Exclusivity of Representations	30
<b>Article 5 Covenants</b>	<b>31</b>
5.1 Confidentiality	31
<b>Article 6 Survival, Indemnification and Remedies</b>	<b>31</b>
6.1 Survival	31
6.2 Agreement to Indemnify	31
6.3 Limitations	32
6.4 Notice of Claim	33
6.5 Defense of Third-Party Claims.	34
6.6 Resolution of Notice of Claim	36
6.7 Holdback Payments	36

6.8	Treatment of Indemnification Payments	37
<b>Article 7</b>	<b>Miscellaneous</b>	<b>37</b>
7.1	Governing Law	37
7.2	Assignment; Binding Upon Successors and Assigns	37
7.3	Severability	37
7.4	Counterparts	37
7.5	Other Remedies	37
7.6	Specific Performance	38
7.7	Amendments and Waivers	38
7.8	Expenses	38
7.9	Attorneys' Fees	38
7.10	Notices	38
7.11	Interpretation; Rules of Construction	39
7.12	No Wind-Down; Liquidation; Dissolution of Seller	39
7.13	No Joint Venture	39
7.14	Further Assurances	39
7.15	Third Party Beneficiary Rights	39
7.16	Public Announcement	39
7.17	Confidentiality	40
7.18	Entire Agreement	40
7.19	WAIVER OF JURY TRIAL	40
7.20	Legal Representation	40
7.21	Release	41
<b>EXHIBIT A</b>	<b>Form of Nominee Stock Sale and Purchase Agreement</b>	<b>44</b>
<b>EXHIBIT B</b>	<b>Form of Founder Restrictive Covenant Agreement</b>	<b>45</b>
<b>EXHIBIT C</b>	<b>Form of Seller Restrictive Covenant Agreement</b>	<b>46</b>
<b>Schedule 2.4(b)(vi)</b>	<b>Resigning Target and Company D&amp;Os</b>	

## PURCHASE AGREEMENT

This **PURCHASE AGREEMENT** (this “**Agreement**”) is made and entered into as of September 6, 2023 by and between Kolors, Inc., a Delaware corporation (“**Buyer**”) and Urbvan Mobility Limited, an exempted limited liability company duly incorporated and existing under the laws of the Cayman Islands (“**Seller**”).

### RECITALS

- A. Buyer wishes to purchase, and Seller wishes to sell, transfer and assign to Buyer, directly or indirectly all right, title and interest to (i) 100% of the Target Membership Interests (as defined below), all on the terms set forth herein (the “**Membership Interest Purchase**”) and (ii) the Nominal Share (as defined below) in the Company owned by Seller (“**Nominal Stock Purchase**”) on the terms set forth herein and the Mexican Purchase Transfer Documents (as defined below), and, in furtherance thereof, the board of directors of Seller has approved the Membership Interest Purchase, the Nominal Stock Purchase and the other transactions contemplated by this Agreement (the “**Seller Group Parties Approvals**”).
- B. Concurrently with the execution of this Agreement, and as a condition and inducement to the parties’ willingness to enter into this Agreement, each Founder (as defined below) has executed and delivered to Buyer an employment offer letter and services agreement (an “**Offer Letter**”), a termination letter evidencing the termination of such Founder’s employment with the Target Companies (as defined below), and a Founder Restrictive Covenant Agreement (as defined below), each to become effective upon the Closing.
- C. Buyer and Seller, desire to make certain representations, warranties, covenants and agreements in connection with the Membership Interest Purchase and the Nominal Stock Purchase.

**Now, THEREFORE**, in consideration of the foregoing and the mutual promises, covenants and conditions contained herein, the parties hereby agree as follows:

### ARTICLE 1 CERTAIN DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set forth below.

“**Accounting Standard**” has the meaning given to it in Section 3.6(d).

“**Acquisition Engagement**” has the meaning given to it in Section 7.20(a).

“**Action**” means any action, suit, litigation, arbitration, mediation, proceeding, claim, complaint, demand, charge, grievance, prosecution, investigation, inquiry, hearing, audit and examination, or subpoena (whether (A) civil, criminal, administrative, judicial, investigative or appellate, (B) formal or informal, (C) public or private, or (D) at law or at equity).

“**Affiliate**” means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the first Person, including without limitation a Subsidiary of the first Person, a Person of which the first Person is a Subsidiary or another Subsidiary of a Person of which the first Person is also a Subsidiary; “**control**” (including the term “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of a Person, whether

through the ownership of voting securities, by Contract or credit arrangement, as trustee or executor, or otherwise.

**“Applicable Law”** means, with respect to a Person, collectively, all foreign, supranational, federal, state, local or municipal laws, statutes, ordinances, principles of common law, regulations, requirements, codes and rules; and all Orders, in each case, applicable to such Person or any of their respective assets, properties or businesses.

**“ASC”** means the Accounting Standards Codification.

**“Audited Financial Statements”** has the meaning given to it in Section 3.6(a).

**“Business”** means all business related to the Business Technology (whether conducted by Target or another Target Company or by another Affiliate) and any other activities of Target or any Target Company.

**“Business Day”** means a day (A) other than Saturday or Sunday and (B) on which commercial banks are open for business in New York, New York or San Francisco, California.

**“Business Technology”** has the meaning given to it in Section 3.14(a).

**“Buyer Ancillary Agreements”** means, collectively, each agreement or document (other than this Agreement) that Buyer is to enter into as a party thereto pursuant to this Agreement.

**“Buyer Holdback Amount”** has the meaning given to it in Section 2.5.

**“Buyer Indemnified Person”** has the meaning given to it in Section 6.2.

**“Buyer Releasor”** has the meaning given to it in Section 7.21(a). **“Closing”** has the meaning given to it in Section 2.3.

**“Closing Date”** means the date of this Agreement.

**“Code”** means the Internal Revenue Code of 1986, as amended. **“Collateral Source”** has the meaning given to it in Section 6.3(c).

**“Company”** means Commute Technologies, S.A.P.I. de C.V., a Mexican Sociedad Anonima Promotora de Inversiones de Capital Variable.

**“Company Counsel”** has the meaning given to it in Section 7.20(a).

**“Confidential Information”** means all non-public information, documents and materials relating to the Target Companies and the Business (including trade secrets, Intellectual Property, software and documentation, client information, subcontractor information (including lists of clients and subcontractors), company policies, practices and codes of conduct, internal analyses, analyses of competitive products, strategies, merger and acquisition plans, marketing plans, corporate financial information, information related to negotiations with third parties, contracts and sales proposals, pricing and costs of specific products and services, training materials, and other sensitive information), in each case, obtained, produced or distributed on or prior to the Closing. The term “Confidential Information” shall not include any information (A) in the public domain by means other than disclosure by any Seller Group Party in breach of this Agreement, (B) information the Buyer previously agrees in writing may be disclosed or (C) was independently developed without use of any Confidential Information.

**“Contested Claim”** has the meaning given to it in Section 6.6(b).

**“Contract”** means any legally binding written, oral or other agreement, contract, subcontract, lease, sublease, understanding, instrument, note, promissory note (*pagare*), option, warranty, purchase order, license, sublicense, right, permit, mortgage, guarantee, purchase order, insurance policy, benefit plan or commitment or undertaking of any nature, in each case as amended, supplemented or otherwise modified.

**“Damages”** has the meaning given to it in [Section 6.2](#).

**“delivered”** means, with respect to any statement in [Article 3 \(Representations and Warranties of the Seller\)](#) of this Agreement to the effect that any information, document or other material has been “delivered” to Buyer or its representatives, that such information, document or material was available for review by Buyer or its representatives in the virtual data room hosted in Google Drives in connection with this Agreement as of 5:00 p.m. Pacific Time on the date three Business Days prior to the Closing Date.

**“Notice of Claim”** has the meaning given to it in [Section 6.4\(a\)](#).

**“Disclosure Schedule”** has the meaning given to it in [Article 3](#).

**“Encumbrance”** means, with respect to any asset, any mortgage, deed of trust, trust agreement (*ffideicomiso*), lien, pledge, hypothecation, charge, lease, sublease, easement, covenant, right-of-way (*servidumbre*), security interest, title retention device, collateral assignment, adverse claim, restriction, infringement, interference, option, right of first refusal, preemptive right, community property interest or other encumbrance or restriction of any kind in respect of such asset (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset); provided that the term “Encumbrances” shall not be deemed to refer to (i) any Permitted Encumbrances or (ii) any Encumbrances under applicable securities laws.

**“Entity”** means any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, proprietorship, company (including any company limited by shares, limited liability company or joint stock company), firm, society, enterprise, association, organization or other entity.

**“Final Holdback Release Date”** has the meaning given to it in [Section 2.5\(iv\)](#).

**“Financial Statements”** has the meaning given to it in [Section 3.6\(c\)](#).

**“Financial Statements 2022”** has the meaning given to it in [Section 3.6\(b\)](#).

**“Financial Statements 2023”** has the meaning given to it in [Section 3.6\(c\)](#).

**“Founders”** means Joao de Matos Coelho Albino and Renato Picard Alvarez.

**“Founder Restrictive Covenant Agreement”** has the meaning given to it in [Section 2.4\(b\)\(ii\)](#).

**“Fraud”** means common law fraud with the element of scienter under Delaware law (and not constructive fraud, equitable fraud or negligent or grossly negligent misrepresentation).

**“Governmental Authority”** means any: (A) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (B) federal, state, local, municipal, foreign or other government; (C) governmental authority of any nature (including any governmental division, department, agency, commission, instrumentality, official, ministry, fund, central

bank, foundation, center, organization, unit, body or Entity, any legislative body, and any court or other tribunal); or (D) Entity to whom a Governmental Authority has assigned or delegated any authority or oversight responsibilities.

**“Holdback”** has the meaning given to it in [Section 2.5](#).

**“Holdback Amount”** has the meaning given to it in [Section 2.5](#).

**“Indemnifying Party”** has the meaning given to it in [Section 6.2](#).

**“Independent Accountant”** means an internationally recognized, independent accounting firm reasonably acceptable to both Buyer and Seller.

**“Insurance Policies”** has the meaning given to it in [Section 3.15\(a\)](#).

**“Intellectual Property”** means Intellectual Property Rights and Technology.

**“Intellectual Property Rights”** means any and all industrial and intellectual property rights and all intangible rights associated therewith, throughout the world, including registrations and applications therefor, including (A) all patents and applications therefor, (B) all rights in inventions (whether patentable or not), invention disclosures, improvements, trade or industrial secrets, industrial designs, utility models, proprietary information, know how, technology, technical data, proprietary processes and formulae, algorithms, specifications, customer lists and supplier lists, (C) all rights in industrial designs and any registrations and applications therefor, (D) all rights in trade names, logos, trade dress, trademarks and service marks, trademark and service mark registrations, trademark and service mark applications, and any and all goodwill associated with and symbolized by the foregoing items, (E) all rights in Internet domain name registrations, (F) all copyrights, copyright registrations and applications therefor, and all other rights corresponding thereto, (G) all rights in computer software, including all source code, object code, firmware, development tools, files, records and data, (H) all rights in databases and data collections, (I) all rights in moral and economic rights of authors and inventors, however denominated, and (J) any similar or equivalent rights to any of the foregoing.

**“IP Agreements”** has the meaning given to it in [Section 3.9\(g\)](#).

**“IP Rights”** has the meaning given to it in [Section 3.14\(b\)](#).

**“IRS”** means the U.S. Internal Revenue Service.

**“Key Employees”** means Rinay Picard Perez Gil, Berenice Bribiesca Ibarra, and Carlos Andres Diener Cabieses.

**“knowledge of Seller”** means the actual knowledge of the Founders of a particular fact, circumstance, event or other matter in question after reasonable inquiry.

**“Leased Property”** has the meaning given to it in [Section 3.10\(a\)](#).

**“Liability”** means any debt, obligation, duty or liability of any nature (whether direct or indirect, known or unknown, disclosed or undisclosed, matured or unmatured, accrued or unaccrued, asserted or unasserted, absolute or contingent, determined or conditional, express or implied, fixed or variable and whether vicarious, derivative, joint, several or secondary), including any such debt, obligation, duty or liability arising under any Applicable Law or Contract, regardless of whether any such debt, obligation, duty or liability would be required to be disclosed on a balance sheet prepared in accordance with MFRS or is immediately due and payable.

**“Liability Cap”** means an amount equal to US\$2,000,000 as reduced upon the completion

of each 1-month period following the Closing Date by an amount equal to US\$2,000,000 *divided by 24*, rounded to the nearest whole number; provided, that if any Damages are actually paid to a Buyer Indemnified Person in accordance a Claim for indemnification properly made under Article 6 hereof during the twenty-four (24) months following the date of Closing (and the Liability Cap is thus further reduced pursuant to Section 6.3 hereof), the aforementioned per-month reduction shall be reduced proportionally such that the Liability Cap remains above US\$0 until such twenty-four (24) month period following the Closing has concluded. For illustration purposes, if US\$500,000 is paid in Damages by the Indemnifying Party in respect of an indemnification Claim properly made by Buyer under Article 6 hereof in the first month following the Closing, for months 2 through 24 following the Closing, the per-month reduction of the Liability Cap shall be based upon the remaining Liability Cap amount after subtracting the full amount of the Claim made (for a remaining Liability Cap in this example of US\$1,416,667) to be divided by the remaining amount of months (in this example, 23) rounded to the nearest whole number. In the event that a Claim that has been subtracted from the Liability Cap for purposes of the foregoing calculation, is resolved prior to the expiration of the aforementioned period of twenty-four months, and the total indemnification payment payable by the Indemnifying Party is lower than so subtracted, any difference between the subtracted amount and the amount actually payable by the Indemnifying Party shall be added to the total remaining Liability Cap amount and included in any further reductions. For the avoidance of doubt, if Closing occurs on August 30, the first reduction shall have occurred on the following September 30.

**“Licensed-In IP Rights”** has the meaning given to it in Section 3.14(f).

**“Loss”** means any judgments, payments, settlements, awards, fines, penalties, losses, compensation, Taxes, damages, charges, Liabilities, interest, costs or expenses (including all reasonable attorneys’ fees).

**“Management Accounts”** means the unaudited balance sheet of the Target Companies as and the unaudited profit and loss account of the Target Companies for the period ended on a specific date.

**“Material Adverse Effect”** when used in connection with an Entity means any change, event, circumstance, condition or effect (regardless of whether or not such change, event, circumstance, condition or effect is inconsistent with the representations or warranties made by such Entity in this Agreement) that, individually or in the aggregate, taking into account all other changes, events, circumstances, conditions or effects, is or is reasonably likely to: (A) have a material adverse effect on the condition (financial or otherwise), assets (including intangible assets), liabilities, or results of operations of such Entity and its Subsidiaries, taken as a whole, except to the extent that any such change, event, condition or effect is attributed to, arises out of or otherwise results from (1) changes in general economic conditions (to the extent that such changes do not affect such Entity and its Subsidiaries disproportionately as compared to other companies operating in the industries in which Entity and its Subsidiaries conduct business), (2) changes generally affecting the industry in which such Entity and its Subsidiaries operate (to the extent that such changes do not affect such Entity and its Subsidiaries disproportionately as compared to other companies operating in the industries in which Entity and its Subsidiaries conduct business), (3) any acts of terrorism, military action or war (to the extent that such changes do not affect such Entity and its Subsidiaries disproportionately as compared to other companies operating in the industries and geographic markets in which Entity and its Subsidiaries conduct business), (4) changes in Applicable Law, MFRS or ASC generally affecting the industry in which such Entity and its Subsidiaries operate (to the extent that such changes do not affect such Entity and its Subsidiaries disproportionately as compared to other companies operating in the industries in which Entity and its Subsidiaries conduct business) or (5) any failure such Entity or any of its Subsidiaries to meet internal or published projections, forecasts or revenue or earnings predictions, in and of itself (provided, that the facts or occurrences giving rise to or contributing to such failure that are not otherwise excluded from the definition of “Material Adverse Effect” may be taken into account in determining whether there has been a Material Adverse Effect); or (B) materially impede or delay such Entity’s ability to perform its obligations under or otherwise consummate the

transactions contemplated by this Agreement in accordance with its terms.

**“Material Contracts”** has the meaning given to it in Section 3.9.

**“Measurement Date”** has the meaning given to it in Section 6.3(a).

**“Membership Interest Purchase”** has the meaning given to it in Recital (A).

**“Mexican Purchase Transfer Documents”** means (i) the execution by the Seller and the Buyer of the Nominee Stock Sale and Purchase Agreement; (ii) a copy, certified by the Secretary of the Company, of the entry made in the shares’ registry book of the Company evidencing the purchase of the Nominal Share by the Buyer; (iii) original of stock certificate number 10 issued by the Company on March 10, 2022 and evidencing the Nominal Share, which shall be dully endorsed in property (*endosado en propiedad*) in favor of the Buyer; (iv) copies of the shareholders’ meeting unanimous resolutions of the Company, approving, (A) the waiver by all current shareholders of the Company to any applicable preferential or right of first refusal and their approval to the execution of the Nominee Stock Sale and Purchase Agreement; and (B) the Mexican Subsidiaries Resolutions.

**“Mexican Subsidiaries”** means Urbvan Commute Operations, S.A.P.I. de C.V., OPS Transit Mobility, S.A. de C.V., Admin Mobility, S.A. de C.V. and ID Vans, S.A.P.I. de C.V.

**“Mexican Subsidiaries Resolutions”** means copies of the shareholders’ meeting unanimous resolutions of each Mexican Subsidiary approving, (A) the resignation, effective as of the Closing, of the directors and officers of the Company whose names appear listed in Schedule 1.1(a)(A) of the Disclosure Schedule; (B) the revocation, effective as of the Closing, of the powers of attorney conferred by the Company in favor of the representatives (*apoderados*) whose names appear listed in Schedule 1.1(a)(B) of the Disclosure Schedule; (C) the appointment of the new members of the board of directors of the Company, effective as of the Closing, whose names appear listed in Schedule 1.1(a)(C) of the Disclosure Schedule; and (D) approval of each Mexican Subsidiary’s financial statements related to fiscal year ended on December 31, 2022.

**“MFRS”** means the Mexican Financial Reporting Standards.

**“Nominal Share”** means a Class I, Series A share owned by the Seller in the capital stock of the Company.

**“Nominal Stock Purchase”** has the meaning given to it in Recital (A).

**“Nominee Stock Sale and Purchase Agreement”** means, with respect to the Nominal Share, the stock sale and purchase agreement to be executed by and between the Buyer and the Seller in substantially the form attached hereto as Exhibit A.

**“Notice of Claim”** has the meaning given to it in Section 6.4(a).

**“Notice of Contested Claim”** has the meaning given to it in Section 6.6(b).

**“Offer Letter”** has the meaning given to it in Recital (B).

**“Order”** means any order, writ, injunction, judgment, decision, ruling, decree, award, determination or stipulation issued, promulgated or entered by, or any settlement or other agreement under the jurisdiction of, any Governmental Authority.

**“ordinary course of business”** means any action taken by a party if: (A) such action is consistent with such party’s past practices and is taken in the ordinary course of such party’s normal day to day operations; and (B) such action is similar in nature and magnitude to actions customarily taken, without

any separate or special authorization, in the ordinary course of the normal day to day operations of other Persons that are engaged in businesses similar to such party's business.

**"Pass-Through Retuns"** has the meaning given to it in Section 2.6(1).

**"PEs"** has the meaning given to it in Section 3.11(h).

**"Permitted Encumbrance"** means (a) any statutory encumbrances or other encumbrances arising by operation of law, in the ordinary course of business, securing payments not yet due that are not material to the businesses of the Seller Group Parties, (b) encumbrances for Taxes not yet due and payable or that may thereafter be paid without penalty or which are being contested in good faith and by appropriate proceedings and for which adequate accruals or reserves have been established in the Financial Statements, (c) with respect to any real estate, any easements, rights of way, permits, licenses, conditions, covenants, or similar restrictions, in each case, which do not materially detract from the value of such property or asset subject thereto, (d) encumbrances in favor of the lessors under any real property lease or encumbering the interests of the lessors in such real property, (e) encumbrances created by non-exclusive licenses granted in the ordinary course of business in any Intellectual Property on the Target Companies' standard forms provided to counsel for Buyer, and (f) any encumbrances created by this Agreement or by the actions of Buyer or any of its Affiliates.

**"Person"** means any individual, Entity or Governmental Authority.

**"Pre-Closing Tax Period"** shall mean any taxable period or portion thereof ending on or prior to the Closing Date, including the portion of any Straddle Tax Period ending on and including the Closing Date.

**"Purchase Price"** has the meaning given to it in Section 2.2.

**"Purchase Price Allocation"** has the meaning given to it in Section 2.6(d).

**"Qualifying Damage"** has the meaning given to it in Section 6.3(e).

**"Restrictive Agreements"** has the meaning given to it in Section 3.9(g).

**"Sales Taxes"** has the meaning given to it in Section 3.11(j).

**"SEC"** means the Securities and Exchange Commission.

**"Securities Act"** means the Securities Act of 1933, as amended.

**"Seller Ancillary Agreements"** means, collectively, each certificate to be delivered on behalf of any Seller Group Party by an officer or officers of a Seller Group Party at the Closing pursuant to Section 2.4 hereof and each agreement or document that a Seller Group Party is to enter into as a party thereto pursuant to this Agreement.

**"Seller Fundamental Representations"** means Section 3.1 (*Capacity*), Section 3.3 (*Share Capital; Titles of Ownership*); and Sections 3.4(a)-(d) and (f) (*The Target Companies*).

**"Seller Group Party"** means each of Company, Target, Seller and their respective Subsidiaries (including, prior to Closing, the Target Companies).

**"Seller Group Parties Approvals"** has the meaning given to it in Recital (A).

**"Seller Group Taxes"** means (A) any and all Liabilities for Taxes of the Target Companies or any subsidiary or predecessor of the Target Companies attributable or with respect to any Pre-Closing Tax Period or resulting from actions taken on or prior to the Closing Date; *provided*, that amounts described

in this definition shall be determined by treating any advance payments, deferred revenues or other prepaid amounts received or arising in any Pre-Closing Tax Period as subject to Tax in such period regardless of when actually recognized for income Tax purposes, (B) any Taxes of the Seller Group Parties for which any of the Target Companies is liable, whether by reason of any requirement to withhold or otherwise, including any such Taxes incurred in connection with the Membership Interest Purchase, this Agreement, or the Target LLC Agreement, (C) any Taxes for which any of the Target Companies is liable under Treasury Regulations section 1.1502-6 (or any corresponding or similar provision of state, local or non-U.S. Tax law) by reason of such entity being included in any consolidated, affiliated, combined or unitary group of which any of the Target Companies was a member in any Pre-Closing Tax Period, (D) any Taxes of the Target Companies attributable to any transactions contemplated by this Agreement, including, without limitation, any payroll Taxes or other Taxes arising in connection with any compensatory payment required pursuant to, or arising as a result of, this Agreement or the Membership Interest Purchase, and (E) 50% of any and all Transfer Taxes, in each case whether or not such Taxes are due and payable as of the Closing Date.

**“Seller Holdback Amount”** has the meaning given to it in Section 2.5.

**“Seller Releasor”** has the meaning given to it in Section 7.21(b).

**“Seller Restrictive Covenant Agreement”** has the meaning given to it in Section 2.4(b)(ii).

**“Significant Customer”** has the meaning given to it in Section 3.22(a).

**“Significant Supplier”** has the meaning given to it in Section 3.22(b).

**“Special Bonuses”** means the Transaction-specific bonuses payable by the Target Companies to the Founders in the overall amount of US\$2,100,000 in accordance with Sections 2.1 and 2.2 of that certain side letter entered into between SWVL Holdings Corp., Founders, the Seller and the Buyer on or about the date hereof (the **“Transaction Bonus Side Letter”**). For the avoidance of doubt, any additional amounts payable to the Founders by Seller pursuant to the Transaction Bonus Side Letter shall not be payable by the Target Companies to the Founders and shall in any circumstance be deemed “Special Bonuses” for the purposes of this Agreement.

**“Straddle Tax Period”** shall mean any taxable period beginning on or before and ending after the Closing Date.

**“Subsidiary”** with respect to any Person means any corporation or other business Entity: (A) in which a Person owns (directly or indirectly, beneficially or of record) at least a 50% equity, beneficial or financial interest; (B) in which a Person owns (directly or indirectly, beneficially or of record) an amount of voting securities or other interests in such Entity that is sufficient to enable such Person to elect at least a majority of the members of such Entity’s Board of Directors or other governing body; or (C) that is otherwise, directly or indirectly, controlled by such Person.

**“Target”** means Urbvan Intermediate Holdings, LLC, a Delaware limited liability company and wholly-owned subsidiary of Seller.

**“Target Companies”** means the Target and each of the Subsidiaries of Target, including Company and the Mexican Subsidiaries.

**“Target LLC Agreement”** means the Limited Liability Company Agreement of the Target, dated as of July 15, 2019, as may be amended or supplemented from time to time.

**“Target Membership Interests”** means the “membership interests” of Target (as such

term is used in the Target LLC Agreement).

**“Tax”** (and, with correlative meaning, **“Taxes”** and **“taxable”**) means (A) any net income, alternative or add-on minimum tax, gross income, estimated, gross receipts, sales, use, ad valorem, value added, transfer, franchise, fringe benefit, share capital, profits, license, registration, withholding, payroll, social security (or equivalent), employment, unemployment, disability, excise, severance, stamp, documentary, occupation, premium, property (real, tangible or intangible), escheat or unclaimed property, environmental or windfall profit tax, custom duty, duty, tariff (*arancel*), social security contribution (*aportacion de seguridad social*), contribution and quota to the National Pension Fund System (*contribucion al Sistema de Ahorro para el Retiro*), contribution and quota to the National Workers’ Housing Fund Institute Quotas (*contribucion al Infonavit*) or other tax, governmental fee or other like assessment or charge (direct or reverse) of any kind whatsoever, together with any interest, any penalty, any surcharge or addition to tax or additional amount in relation to such tax (whether disputed or not) imposed by any Governmental Authority (U.S. or non-U.S.), and (B) any liability for the payment of any amounts of the type described in clause (A) of this sentence as a result of being a member of an affiliated, consolidated, combined, unitary, aggregate or group (including any arrangement for group or consortium relief or similar arrangement) for any taxable period.

**“Tax Authority”** means any Governmental Authority responsible for the imposition, administration, assessment, and/or collection of any Tax.

**“Tax Return”** means any return (including any information return), report, statement, declaration, estimate, schedule, written notice, form, election, certificate, claim for refund or other document or information filed with or submitted to, or required to be filed with or submitted to, any Governmental Authority in connection with the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation or enforcement of or compliance with any legal requirement relating to any Tax, including any amendment thereof or attachment thereto and any related or supporting schedules or statements.

**“Technology”** means any or all of the following: (A) works of authorship including software programs, objects, modules, routines, algorithms, schematics, and architecture, whether in source code or executable code form, documentation (including programmers notes and annotations, technical and user documentation, specifications, manuals, instructions, designs, layouts, plans, drawings, and GDSII Files); (B) inventions (whether or not patentable), discoveries and improvements; (C) proprietary and confidential information and know how; (D) databases, data compilations and collections and technical data; (E) logos, trade names and trade dress; (F) domain names, web addresses and sites; (G) methods and processes, algorithms and formulae; (H) devices, prototypes, designs, specifications and schematics; (I) content (including textual content and visual, photographic or graphics content); and (J) and all other technology, embodiments, representations, manifestations, precursors, derivatives, portions and works in progress relating to any of the foregoing or to the development, production, use, support or maintenance thereof.

**“Third-Party Claim”** has the meaning given to it in [Section 6.4\(b\)](#).

**“Third-Party Claim Notice”** has the meaning given to it in [Section 6.4\(b\)](#).

**“Transfer Taxes”** has the meaning given to it in [Section 2.6\(a\)](#).

Other capitalized terms defined elsewhere in this Agreement and not defined in this [Article 1](#) shall have the meanings assigned to such terms in this Agreement.

**ARTICLE 2**  
**THE MEMBERSHIP INTEREST PURCHASE**

2.1 Purchase and Sale of Membership Interests. At the Closing, (i) upon the terms and subject to the conditions of this Agreement, the Seller shall sell, convey, transfer, assign and deliver to the Buyer, and the Buyer agrees to purchase and acquire from the Seller, all of Seller's right, title and interest in and to all of the Target Membership Interests, free and clear from any and all Encumbrances (other than restrictions on transfer which arise under applicable securities laws) and (ii) upon the terms and subject to the conditions of the Nominee Stock Sale and Purchase Agreement, the Seller shall sell, convey, transfer, assign and deliver to the Buyer, and the Buyer agrees to purchase and acquire from the Seller, all of Seller's right, title and interest in and to the Nominal Share, free and clear from any and all Encumbrances, in consideration for the payment of the Purchase Price as contemplated herein.

2.2 Consideration. The aggregate purchase price shall be an aggregate amount in cash equal to US\$12,000,000 *minus* the amount of the Special Bonuses (such aggregate amount, the **"Purchase Price"**).

2.3 Closing. The closing of the transactions contemplated hereby (the **"Closing"**) shall take place concurrently with the execution of this Agreement, and may occur remotely via electronic exchange of required Closing documentation in lieu of an in-person Closing.

2.4 Closing Deliveries.

(a) Buyer Deliveries. Buyer shall deliver to Seller, at the Closing:

(i) (x) (i) the Purchase Price and (ii) the Seller Holdback Amount (such Seller Holdback Amount to be delivered directly by Buyer to a separate bank account of Seller as agreed pursuant to the provisions of Section 2.5 hereof), *minus* (y) an amount equal to the Buyer Holdback Amount, paid by wire transfer of immediately available funds, to such bank account or accounts as may be designated in writing by Seller to Buyer;

(ii) documentary evidence to the reasonable satisfaction of Seller of: (i) the full and final settlement of the Special Bonuses by the Buyer on behalf of the Target Companies; and (ii) full settlement of the Buyer Holdback Amount and the Seller Holdback Amount in bank accounts as agreed pursuant to the provisions of Section 2.5 hereof; and

(iii) evidence reasonably satisfactory to Seller confirming that Buyer and the relevant signatory has been duly authorized to enter into this Agreement.

(b) Seller Deliveries. Seller shall deliver to Buyer, at or prior to the Closing, each of the following:

- (i) copies of the executed (x) Offer Letters and (y) termination letters of the Founders (for the avoidance of doubt, such Offer Letters being effective as of the Closing Date);
- (ii) executed counterpart signatures of (x) each of the Founders to a restrictive covenant agreement with Buyer substantially in the form attached as Exhibit B hereto (the **"Founders Restrictive Covenant Agreement"**); and (y) Seller to a restrictive covenant agreement with Buyer substantially in the form attached as Exhibit C hereto (the **"Seller Restrictive Covenant Agreement"**), in each case, to become effective upon the Closing and containing terms agreed to by Buyer and Seller, or each Founder, as applicable;
- (iii) a certificate, dated as of the Closing Date and executed on behalf of Target by its Secretary, certifying (A) the Target LLC Agreement, (B) Certificate of Formation of

Target, and (C) resolutions of Target's sole member approving the Membership Interest Purchase and this Agreement;

- (iv) (x) originals, duly executed, of the Mexican Purchase Transfer Documents; and (y) a certificate, dated as of the Closing Date and executed on behalf of the Company by an authorized officer of the Company, certifying (A) the legal existence of the Company, Company's Bylaws and historical amendments to Company's Bylaws, (B) composition of Company's Board of Directors, (C) the capacity and powers of the person signing on behalf, (D) current Capitalization Table of the Company, and (E) resolutions of the Company's shareholders approving the Membership Interest Purchase and this Agreement;
- (v) evidence reasonably satisfactory to Buyer that the Seller Group Parties Approvals have been obtained;
- (vi) duly executed resignation letters from each director and officer of the Target and Company, as identified by Buyer in Schedule 2.4(b)(vi);
- (vii) a certificate from the Secretary of State of the State of Delaware, that the Target is in good standing;
- (viii) an executed IRS Form W-8 from the regarded owner (for U.S. federal income Tax purposes) of Target;
- (ix) originals, duly executed, of the Mexican Subsidiaries Resolutions;
- (x) originals of, or if electronic, access to, all the corporate books of the Company and the Mexican Subsidiaries;
- (xi) originals of the Stock Registry Books of the Company and the Mexican Subsidiaries, all of which shall be completed and updated, and, the Stock Registry Books of the Mexican Subsidiaries (other than Urbvan Commute Operations, S.A.P.I. de C.V.) shall include an entry evidencing that the Company and Urbvan Commute Operations, S.A.P.I. de C.V. are their current and sole shareholders; and
- (xii) a copy of the Management Accounts as at: (i) end of the month immediately preceding Closing, (ii) three (3) days prior to Closing, and (iii) the date of this Agreement.

2.5 Holdback. On the Closing Date: (i) Buyer shall deposit US\$1,000,000 (the "**Buyer Holdback Amount**") in a separate bank account opened in the name of the Buyer at a financial institution reasonably satisfactory to Seller, and (ii) Buyer shall deposit US\$1,000,000 (the "**Seller Holdback Amount**", and collectively with the Buyer Holdback Amount, the "**Holdback Amount**") in a separate bank account opened in the name of the Seller at a financial institution reasonably satisfactory to Buyer, and such Holdback Amount shall constitute partial security for the indemnification obligations of the Indemnifying Party pursuant to Article 6 hereof (the "**Holdback**"). To the extent not first reduced to satisfy the indemnification obligations of the Indemnifying Party in accordance with the terms of Article 6, the Holdback Amount shall be paid and/or released to Seller as follows, subject to the terms of Section 6.7:

- (i) US\$500,000 from the Seller Holdback Amount shall be released on the date that is 3 months after the Closing Date;
- (ii) US\$500,000 from the Seller Holdback Amount shall be released on the date that is 6 months after the Closing Date;

(iii) US\$500,000 from the Buyer Holdback Amount shall be paid to the Seller by the Buyer on the date that is 9 months after the Closing Date;

(iv) US\$500,000 from the Buyer Holdback Amount shall be paid to the Seller by the Buyer on the date is the 1-year anniversary of the Closing Date (such date, the **“Final Holdback Release Date”**).

## 2.6 Taxes

(a) Transfer Taxes. All sales, gross receipts, income, transfer, bulk sales, stamp, value added or use Taxes, documentary charges, fees or similar Taxes associated with the Membership Interest Purchase, this Agreement, the Nominal Stock Purchase, the Mexican Purchase Transfer Documents, the Seller Ancillary Agreements and the transactions contemplated hereby and thereby (collectively, **“Transfer Taxes”**) shall be borne equally by Buyer and Seller. The Seller Group Parties shall timely file any Tax Return or other document with respect to such Transfer Taxes (and Buyer shall cooperate with respect thereto as necessary), the expense for which shall be borne equally by Buyer and Seller.

(b) Tax Cooperation. Each party shall (i) provide the other with such assistance as may reasonably be required in connection with the preparation of any Tax Return and the conduct of any audit or other examination by any Tax Authority or any other Tax proceeding, and (ii) retain for at least six years following the Closing Date and provide the other with all records or other information that may be relevant to the preparation of any Tax Returns, or the conduct of any audit or examination, or other proceeding related to Taxes; provided that such retention period may be extended up to an additional two years upon the reasonable written request of the other party that is accompanied by a satisfactory reason for the additional retention time period.

(c) Tax Consequences. Neither party makes any representations or warranties to the other party regarding the Tax treatment of the Membership Interest Purchase, or any of the Tax consequences to the other party, under this Agreement, the Membership Interest Purchase, the Seller Ancillary Agreements or any of the other transactions or agreements contemplated hereby or thereby.

(d) Allocation. As soon as practicable after the Closing, Buyer shall deliver to Seller a statement (the **“Purchase Price Allocation”**), allocating the Purchase Price (plus the liabilities of the Company, to the extent properly taken into account as part of the purchase price for U.S. federal income Tax purposes) among the assets of Target. If within twenty (20) days after the delivery of the Purchase Price Allocation, Seller notifies Buyer in writing that Seller objects to the allocation set forth in the Purchase Price Allocation, Buyer and Seller shall use commercially reasonable efforts to resolve such dispute within twenty (20) days. In the event that Buyer and Seller are unable to resolve such dispute within 20 days, Buyer and Seller shall jointly retain the Independent Accountant to resolve the disputed item. Upon resolution of the disputed items, the allocation reflected on the Purchase Price Allocation shall be adjusted to reflect such resolution. The costs, fees and expenses of the Independent Accountant shall be borne equally by Buyer and Seller. Buyer and Seller agree to act in accordance with the Purchase Price Allocation, as adjusted, if applicable, in the preparation and filing of any Tax Return, unless otherwise required by Applicable Law. Any adjustments to the Purchase Price shall be treated in a manner consistent with the Purchase Price Allocation (and Buyer shall provide Seller such revised Purchase Price Allocation and the parties shall cooperate in any matters related to reflecting such adjustment).

(e) Withholding Rights. Any party to this Agreement shall be entitled to deduct and withhold from any payment required to be made pursuant to this Agreement (other than in respect of the Purchase Price), such amounts as such party is required to deduct and/or withhold with respect to any such deliveries and payments under any provision of U.S. federal, state, local, provincial or non-U.S. Tax law (in the minimum amount required by the same). To the extent that amounts are so withheld, such withheld

amounts shall be treated for all purposes of this Agreement as having been delivered and paid to the Person in respect of which such deduction and withholding was made.

(f) Pass-Through Returns.

(1) The Seller Group Parties shall, at the Seller Group Parties' sole cost and expense, prepare (or cause to be prepared) in a manner consistent with past practices of the applicable Target Company, all income Tax Returns of Target and any other Target Company treated as a Tax transparent entity for U.S. federal income Tax purposes ("**Pass-Through Returns**") for any taxable period that ends on or before the Closing Date but that are required to be filed by Target or such other Target Company, as applicable, with any applicable Governmental Authority after the Closing Date. With respect to such Pass-Through Returns, the Seller Group Parties shall furnish drafts of such Pass-Through Returns to Buyer for its review and comment not later than twenty (20) days before the due date for filing such Pass-Through Returns (including extensions thereof). The Seller Group Parties shall consider in good faith any Buyer comments to such Pass-Through Returns.

(2) After the Closing Date, Buyer shall, at Buyer's sole cost and expense, cause the Target Companies to prepare and file all Tax Returns for the Target Companies that are not covered by Section 2.6(f)(1), including Tax Returns with respect to a Straddle Tax Period, it being understood that all Taxes indicated as due and payable shall be the responsibility of the Seller Group Parties to the extent they constitute Seller Group Taxes. In the case of Tax Returns that include Seller Group Taxes, Buyer shall deliver to the Seller Group Parties such Tax Returns, together with the calculation of Seller Group Taxes (including such Taxes for the Straddle Tax Period) Buyer determines (acting reasonably and in good faith) to be due from the Seller Group Parties, no less than fifteen (15) days prior to the applicable filing deadline (taking into account applicable extensions). Buyer shall fully reflect any reasonable comments made on the same by the Seller Group Parties received no less than five (5) days prior to the applicable filing deadline. The Seller Group Parties shall pay to Buyer the amount of Seller Group Taxes reflected on the Tax Returns to be filed by Buyer no less than three (3) Business Days prior to the applicable filing deadline.

(3) Tax Sharing Agreements. All Tax sharing agreements or similar agreements with respect to or involving a Target Company (other than those agreements solely between Target Companies) shall be terminated as of the Closing Date, and, after the Closing Date, the applicable Target Company shall not be bound thereby or have any liability thereunder.

(g) Straddle Tax Period. For purposes of this Agreement, (a) the amount of property (real, personal or intangible) Taxes and ad valorem Taxes of the Target Companies (and any other Taxes imposed on a periodic basis without regard to income, payroll, gross receipts or sales or use) allocable to the Pre-Closing Tax Period of any Straddle Tax Period (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding taxable period) shall be equal to the amount of such Taxes for the entire Straddle Tax Period multiplied by a fraction, (i) the numerator of which is the number of days in the Straddle Tax Period that are in the Pre-Closing Tax Period and (ii) the denominator of which is the total number of days in the entire Straddle Tax Period, and (b) the amount of all other Taxes of the Target Companies allocable to the Pre-Closing Tax Period of any Straddle Tax Period shall be computed as if the applicable taxable period ended as of the close of business on the Closing Date.

### ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE SELLER

Except for the disclosures set forth on the Disclosure Schedule delivered by Seller to Buyer simultaneously with the execution of this Agreement (the "**Disclosure Schedule**"), the Seller represents and warrants to Buyer as follows:

### 3.1 Capacity.

(a) Seller has full legal capacity to execute this Agreement and all other instruments and agreements to be delivered by Seller as contemplated hereby (including all Seller Ancillary Agreements to which Seller is a party), comply with the obligations arising hereunder and thereunder and to carry out and complete the transactions provided for herein and therein.

(b) This Agreement has been duly executed by Seller, assuming its due authorization, execution and delivery by Buyer, the obligations provided for herein are legal and valid obligations binding on Seller and each of the Seller Group Parties, as applicable, and which may be raised against the Seller and/or the Seller Group Parties, as applicable, in accordance with their respective terms, subject only to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other Applicable Laws affecting creditors' rights generally and general equitable principles.

(c) Seller has the necessary authority to execute this Agreement and all other instruments and agreements to be delivered by Seller as contemplated hereby (including all Seller Ancillary Agreements to which Seller is a party) and to perform the transactions contemplated herein and therein and, as of the date hereof, such authority has not been revoked or modified in any manner whatsoever.

(d) The execution and delivery of this Agreement by Seller and all other instruments and agreements to be delivered by Seller as contemplated hereby (including all Seller Ancillary Agreements to which Seller is a party) and the consummation of the transactions contemplated by Seller herein and therein, will not:

(i) contravene or violate or result in a breach or a default under or give rise to a right of termination, amendment or cancellation or the acceleration of any obligations of the Seller or the Seller Group Parties under (A) any provision of the constituent documents or by-laws of Seller or the Seller Group Parties; (B) any judgment, injunction, decree, order or award of any Governmental Authority, court, governmental body or arbitrator having jurisdiction over Seller or the Seller Group Parties; or (C) any Applicable Law;

(ii) violate, conflict with or permit the cancellation of, or constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, require any consent of any Person pursuant to, or result in the termination, modification or acceleration or maturity of, or result in the loss of a benefit or increase in any material fee, liability or other obligation under, any Contract or agreement to which Seller or the Seller Group Parties or any of their assets, rights or properties are bound;

(iii) result in the creation or imposition of any Encumbrance on the Target Membership Interests or the Nominal Share, other than Encumbrances under Applicable Law; or

(iv) result in the creation or imposition of any Encumbrance on any of the other properties, rights or assets of Seller or the Seller Group Parties.

(e) To the knowledge of Seller, there is no pending action against Seller or any of the Target Companies which could affect the legality, validity or enforceability of this Agreement or any other instruments and agreements to be delivered by Seller as contemplated hereby (including all Seller Ancillary Agreements) or the consummation of the transactions contemplated hereby or thereby. There is no pending or threatened action by Seller or any of the Target Companies which could affect the legality, validity or enforceability of this Agreement or any other instruments and agreements to be delivered by Seller as contemplated hereby (including all Seller Ancillary Agreements) or the consummation of the transactions contemplated hereby or thereby. To the knowledge of Seller, there is no threatened action against Seller or any of the Target Companies which could affect the legality, validity or enforceability of this Agreement

or any other instruments and agreements to be delivered by Seller as contemplated hereby (including all Seller Ancillary Agreements) or the consummation of the transactions contemplated hereby and thereby.

3.2 No Bankruptcy. The Seller has not been declared insolvent or bankrupt or have filed for insolvency or bankruptcy, and the Seller is not aware of any of its Affiliates having filed an insolvency or bankruptcy request, provided that the foregoing representation with respect to Affiliates is only provided with respect to Affiliates, the insolvency or bankruptcy of which would have Material Adverse Effect on the transactions contemplated by this Agreement.

3.3 Share Capital; Titles of Ownership.

(a) Seller owns the Target Membership Interests and the Nominal Share free from any liens and Encumbrances (including any right-whether exercisable now or in the future and whether contingent or otherwise to call for the conversion, issue, sale or transfer, redemption or repayment of any membership interest or any other security of the Target Companies), other than Encumbrances under Applicable Law.

(b) Seller is entitled to sell and transfer the full legal and beneficial ownership of the Target Membership Interests and the Nominal Share in compliance with all applicable legal requirements and any other organizational requirements in this regard.

(c) Seller acknowledges and approves the transfer of the Target Membership Interests and the Nominal Share to Buyer and hereby waives any pre-emptive rights, or any other rights to acquire the Target Membership Interests or the Nominal Share that Seller may have pursuant to any organizational or constituent documents.

3.4 The Target Companies.

Seller represents and warrants, on behalf of the Target Companies, as follows:

(a) The Target is duly organized in accordance with the Laws of the State of Delaware and is in good standing.

(b) The Target Membership Interests have been validly issued, subscribed for and paid up in full. The Target Membership Interests represent 100% of the issued and outstanding membership interests of the Target.

(c) The Company and the Mexican Subsidiaries are Mexican companies duly incorporated and registered under Mexican law as follows: (i) Commute Technologies, S.A.P.I. de C.V. was incorporated through public deed 123,478, dated August 24, 2016, issued by Eduardo Garcia Villegas, Public Notary number 15 of Mexico City, and was registered before the Public Registry of Commerce of Mexico City under mercantile electronic folio number 563021-1; (ii) Urbvan Commute Operations, S.A.P.I. de C.V. was incorporated through public deed 123,479, dated August 24, 2016, issued by Eduardo Garcia Villegas, Public Notary number 15 of Mexico City, and was registered before the Public Registry of Commerce of Mexico City under mercantile electronic folio number 563022-1; (iii) ID Vans, S.A.P.I. de C.V. was incorporated through public deed 38,965, dated September 26, 2017, issued by Mario Rischia Velazquez, Public Notary number 80 of Mexico City, and was registered before the Public Registry of Commerce of Mexico City under mercantile folio number N-2017094685; (iv) Admin Mobility, S.A. de C.V. was incorporated through public deed 58,489, dated May 4, 2020, issued by Jose Luis Villavicencio Castaiieda, Public Notary number 218 of Mexico City, and was registered before the Public Registry of Commerce of Mexico City under mercantile electronic folio number N-2020040073; and (v) Ops Transit

Mobility, S.A. de C.V. was incorporated through public deed 58,488, dated May 4, 2020, issued by Jose Luis Villavicencio Castafteda, Public Notary number 218 of Mexico City, and was registered before the Public Registry of Commerce of Mexico City under mercantile electronic folio number N-2020040061.

(d) (i) All of the outstanding shares of the Company and the Mexican Subsidiaries are validly issued, fully subscribed and paid for, held, directly or indirectly, by the Seller and its Affiliates, free and clear of any Encumbrances (including with respect to voting, transfer or exercise of any attribute of ownership) and qualify as *acciones liberadas* under Applicable Law; (ii) there are no options, warrants, convertible securities, treasury securities, subscriptions, equity interest appreciation rights, phantom stock plans or equity interest equivalents or other rights, agreements, arrangements or commitments (contingent or otherwise) of any character, issued or authorized relating to the issued or unissued shares of the Company and the Mexican Subsidiaries, obligating any of them to issue or sell any shares or ownership interests of, options, warrants, convertible securities, subscriptions or other equity interests in, the Company or any of the Mexican Subsidiaries, and (iii) there are no outstanding contractual obligations to repurchase, redeem or otherwise acquire any equity interest in the Company or any Mexican Subsidiary or to pay any dividend or make any other distribution in respect thereof or to provide funds to, or make any investment (in the form of a loan, capital contribution or otherwise) in, any Person. There is no indebtedness of the Company or the Mexican Subsidiaries having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which holders of equity interests may vote. Immediately after the Closing, the Buyer and the Target will own, directly or indirectly, 100% of all the issued and outstanding shares in the Company and the Mexican Subsidiaries, free and clear of any Encumbrances.

(e) The Target Companies have (i) obtained all approvals, permits and authorizations and licenses required for the consummation of the transactions contemplated by this Agreement and all other instruments and agreements to be delivered by Seller as contemplated hereby (including all Seller Ancillary Agreements), other than such approvals, permits, authorizations and licenses which failure to obtain would not have a Material Adverse Effect; and (ii) made all notifications required for the consummation of the transactions contemplated by this Agreement and all other instruments and agreements to be delivered by Seller as contemplated hereby (including all Seller Ancillary Agreements), other than such notifications for which the failure to make would not have a Material Adverse Effect — in each case, other than such approvals, permits, authorizations, licenses or notifications which should be made after Closing.

(f) The authorized capital of (i) Commute Technologies, S.A.P.I. de C.V. consists of 43,004,587 shares, with a total value of MXN\$ 411,534,698.82, all of which at the Closing Date shall have been duly issued and shall be outstanding as fully paid and non-assessable; (ii) Urban Commute Operations, S.A.P.I. de C.V. consists of 29,577,000, with a total value of MXN\$ 29,577,000.00, all of which at the Closing Date shall have been duly issued and shall be outstanding as fully paid and non-assessable; (iii) ID Vans, S.A.P.I. de C.V. consists of 10,000 shares, with a total value of MXN \$1,000.00, all of which at the Closing Date shall have been duly issued and shall be outstanding as fully paid and non-assessable; (iv) Admin Mobility, S.A. de C.V. consists of 1,000 shares, with a total value of MXN \$1,000.00, all of which at the Closing Date shall have been duly issued and shall be outstanding as fully paid and non-assessable; and (v) Ops Transit Mobility, S.A. de C.V. consists of 1,000 shares, with a total value of MXN \$1,000.00, all of which at the Closing Date shall have been duly issued and shall be outstanding as fully paid and non-assessable.

(g) No transactions, including contributions for future increases in the membership interests or share capital of the Target Companies, or other acts in each case with respect to the membership interests or share capital of the Target Companies, are pending registration.

(h) None of the Target Companies has, directly or indirectly, declared any unpaid dividends or declared any other unpaid distribution on any of its shares of any class nor has, directly or indirectly, agreed to redeem, reimburse, purchase or otherwise acquire any of its currently outstanding shares of any class.

(i) Since December 31, 2022, none of Target Companies owns, nor has agreed to acquire, directly or indirectly, (i) any of the outstanding shares or securities convertible into shares of any other corporation, or (ii) any participating interest in any Person.

(j) Since December 31, 2022, none of Target Companies has entered into any loan or any other arrangement or credit facility by which the assets and business of the Target Companies are bound or made subject to the control by any creditors or any other third party.

(k) Since December 31, 2022, none of Target Companies has, by reason of actual or anticipated financial difficulties, commenced negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness. No creditor of the Target Companies has enforced any security over or has seized any assets of the Target Companies. No unsatisfied judgment is outstanding against any of the Target Companies, nor has any judgment been suspended or caused the cessation of all or any part of the Business.

(l) None of the Target Companies has traded or carried on any business from the date of its incorporation, which does not relate to the Business.

(m) Since December 31, 2021, there has occurred no event which would reasonably be expected to be material in any of the assets, business, financial condition, earnings, or results of operations of the Target Companies, nor has any other event, condition or state of facts occurred or arisen which would reasonably be expected to be material to the assets, business, financial condition, earnings, or results of operations of the Target Companies.

### 3.5 Articles of Association, Statutory Books and Other Corporate Matters.

(a) The statutory books, corporate books, books of accounts and other material records of any kind whatsoever of the Target Companies: (i) are maintained materially in accordance with Applicable Law on a proper and consistent basis; (ii) in all material respects contain true, up-to-date and complete records of the matters required to be contained in such books and records; and (iii) all the corporate resolutions required to be registered and the documents required to be delivered by Applicable Law have been properly registered and delivered.

(b) Other than the Target LLC Agreement, none of the Target Companies is a party to any joint ventures, profit sharing agreements, temporary co-operative companies or associations of economic interests, any shareholders' agreement or similar arrangement with any Person that is not a Target Company.

(c) Other than pursuant to the Target LLC Agreement, none of Target Companies, (i) holds any shares in any other Person, other than a Target Company, (ii) has the benefit of any option or agreement to acquire all or any part of the share or loan capital or other securities of any other Person, other than a Target Company; or (iii) has granted to any Person or party, other than a Target Company, the benefit of any option or agreement to acquire all or any part of the shares or loan capital or other securities representing the membership interests or share capital of the Target Companies.

(d) True, correct and complete copies of the organizational documents of each of the Target Companies have been made available to Buyer.

(e) No resolutions modifying the current organizational documents of the Target Companies are pending or pending to be registered.

### 3.6 Financial Statements.

(a) True, correct and complete copies of the audited financial statements (balance sheet and profit and loss account) of the Target Companies corresponding to the financial year ended on December 31, 2021 (the **"Audited Financial Statements"**) are attached as Schedule 3.6(a) of the Disclosure Schedule.

(b) True, correct and complete copies of the unaudited financial statements (balance sheet and profit and loss account) of the Target Companies corresponding to the financial year ended on December 31, 2022 (the **"Financial Statements 2022"**) are attached as Schedule 3.6(b) of the Disclosure Schedule.

(c) True, correct and complete copies of the unaudited financial statements (balance sheet and profit and loss account) of the Target, the Company and the Mexican Subsidiaries as of June 30, 2023 (collectively, the **"Financial Statements 2023"**, and together with the Audited Financial Statements and the Financial Statements 2022, the **"Financial Statements"**) are attached as Schedule 3.6(c) of the Disclosure Schedule.

(d) The Audited Financial Statements (i) have been prepared, except as described therein, in accordance with the Mexican Financial Reporting Standards (the **"Accounting Standard"**) in all material respects, and (ii) show a true and fair view of the assets and financial situation of the Target Companies, as well as their profit and loss on operations, equity and cash flows in each case in all material respects, carried out in the period to which the Audited Financial Statements relate in accordance with the requirements of the Accounting Standard. The Financial Statements 2022 and Financial Statements 2023 (i) have been prepared on a consistent basis in all material respects, and (ii) show a true and fair view of the assets and financial situation of the Target Companies, as well as their profit and loss on operations, equity and cash flows in each case in all material respects, carried out in the periods to which the Financial Statements 2022 and Financial Statements 2023 relate, and do not materially misstate the balances set forth therein.

(e) None of the Target Companies has any material liabilities or obligations (actual or contingent, accrued or un-accrued) to third parties, nor any debts, bonds, guarantees or securities of the type which should be accounted for in the Audited Financial Statements in accordance with the Accounting Standard and Applicable Law, but have not been so accounted for. None of the Target Companies has any material liabilities or obligations (actual or contingent, accrued or un-accrued) to third parties, nor any debts, bonds, guarantees or securities of the type which should be adequately disclosed and provided for in the Financial Statements 2022 and/or the Financial Statements 2023, but have not been so disclosed and provided for.

### 3.7 Absence of Changes.

(a) From December 31, 2022 until to the Closing Date:

(i) the Target Companies have carried out the Business, in all material respects, in the ordinary course of business and as a going concern;

(ii) the Target Companies have not changed their accounting and Tax policies, procedures, principles or practices and have not amended their practices of managing its working capital, including not seeking to defer payments to creditors or seeking to accelerate collections from debtors other than as consistent with past practice;

(iii) the Target Companies have not settled any material claims or litigation, arbitration or similar proceedings; and

(iv) none of the Target Companies has entered into any agreement, commitment with any third party involving payments to or from any Target Company, equal to or in excess of US\$250,000.00 (two hundred fifty thousand Dollars) or failed to comply with, breached, amended, changed, rescinded or in any manner altered the terms and conditions of any Material Contract to which a Target Company is a party, and there are no obligations to execute or approve new agreements or contracts involving payments to or from the Target, the Company or any of the Mexican Subsidiaries, in each case in excess of US\$250,000.00 (two hundred fifty thousand Dollars).

3.8 Assets. Each of the Target Companies possesses good and valid legal title or, in the case of leased assets, a valid leasehold interest, over the vehicles, equipment, fittings, and other moveable material assets it uses, in each case, free and clear of all Encumbrances, and such assets are in proper and safe working order and reasonably adequate for the purposes for which they are required, except for ordinary wear and tear in the ordinary course of business. Since December 31, 2022, none of the Target Companies has sold, transferred or disposed of any material assets other than in the ordinary course of business.

### 3.9 Agreements.

In relation to any Contract to which a Target Company is a party (i) with a value exceeding (or with respect to which a Target Company has obligations exceeding) US\$150,000 or (ii) that is an IP Agreement or a Restrictive Agreement (each as defined below), regardless of dollar amount (the “**Material Contracts**”):

(a) true, correct and complete copies of such Material Contracts, together with all amendments, modifications and supplements thereof, have been made available to the Buyer;

(b) the execution of this Agreement and all other instruments and agreements to be delivered by Seller as contemplated hereby (including all Seller Ancillary Agreements to which Seller is a party) does not result in a breach, acceleration or termination cause of any of such contracts or any provision therein;

(c) such contracts do not contain a change of control clause, change of ownership structure or similar clause that will be triggered or require the prior written consent of another party to such contract in connection with or as a consequence of the Closing;

(d) none of the Target Companies are in material breach of any of such contracts to which they are a party, and to the knowledge of Seller, no counter-party to any such contracts is in material breach thereof;

(e) (i) each such contract is in full force and effect and the applicable Target Company has performed all of the obligations required by it under each such contract in all material respects, (ii) there exists no default or event of default or event, occurrence, condition or act, with respect to any other contracting party, which, with the giving of notice, the lapse of time or the happening of any other event or

conditions, could reasonably be expected to become a default or event of default under any such contract, or give any third party (A) the right to declare a default or exercise any remedy under such Material Contract, (B) the right to any material rebate, chargeback, refund, credit, penalty or change in performance schedule under any Material Contract, (C) the right to accelerate the maturity or performance of any obligation of Target or any other Seller Group Party under any Material Contract, (D) the right to cancel, terminate or modify any Material Contract, or (E) result in the creation of any Encumbrance in or upon any of the properties or assets of any Target Company, and (iii) no Target Company has received any written notice or other communication regarding any actual or possible violation or breach of or default under, or intention to cancel or modify, any such contract;

(f) no customer contracts were negotiated materially off-form from the Target Companies' standard customer agreement, the form of which has been provided to Buyer's counsel; and

(g) there are no (i) options, licenses, agreements, claims, encumbrances or shared ownership interests of any kind relating to the Intellectual Property owned by any of the Target Companies ("**IP Agreements**") or (ii) Contracts involving exclusivity or non-compete provision provisions that purport to restrict any Target Company regarding any legal business activity ("**Restrictive Agreements**").

### 3.10 Real Estate.

(a) Condition of the Real Estate Properties: None of the Target Companies own any real property, including any buildings or interests therein, other than leasehold interests as set forth in Section 3.10 of the Disclosure Schedules (the "**Leased Property**").

(b) Leased Property. The Target Companies, as applicable, have a valid leasehold interest the Leased Property.

3.11 Taxes. The Seller and the Target Companies have complied in all respects with all applicable Tax law and regulations in relation to (i) all Tax periods open to inspection and are up-to-date with all required Tax payments and filing of declarations, returns, withholdings, information disclosures or any other obligations pursuant to any applicable Tax law or regulation, as well as any other fees, duties or payments to any governmental authority or agency or to any third party as may be required in connection with the Transaction; and (ii) the corporate reorganization of the Mexican Subsidiaries, any Affiliate and the creation of the Company are justified from a business perspective and comply in form and substance with all applicable Tax law and regulations (including disclosure obligations, reportable schemes and anti-avoidance rules under Mexican Tax laws) and will not derive any Tax or legal contingency (including, but not limited to, that Tax authorities determine that any capital redemption made in connection with the reorganization of the Mexican Subsidiaries or any Affiliate thereof is considered as a transfer of shares). The Seller and the Target Companies have timely filed or caused to be timely filed all income and other material Tax Returns that are required to be filed by, or with respect to the Target Companies on or prior to the date hereof (taking into account any applicable extension of time within which to file), and all such Tax Returns were correct and complete in all material respects.

(b) The Target Companies currently comply, and have at all times complied, in all material respects with any obligations relating to withholding and payment of income Tax, value added Tax and any other applicable Tax (local and federal).

(c) To the knowledge of Seller, no Tax inspection or verification procedures are being carried out in relation to periods prior to Closing against the Target Companies.

(d) Tax attributes existing prior to the Closing are in full force and in compliance with Applicable Law and the Target Companies have in their possession all supporting documents to evidence these Tax attributes, including where such attributes have arisen in periods that are now time barred.

(e) All transactions and agreements entered into by the Target Companies and any current or past associated enterprises or local affiliates or any third party have been entered reasonably applying arm's length terms. The Target Companies have maintained the transfer pricing documentation and records in relation to any related party payments as required under applicable Laws and regulations (including for purposes of Section 482 of the Code).

(f) All Taxes and Tax liabilities of the Target Companies that are due and payable have been timely paid in full (regardless of whether or not such Taxes were shown on any Tax Return as due and owing). There are no Encumbrances upon any properties or assets of the Target Companies arising from any failure or alleged failure to pay any Tax. No claim has ever been made by a Tax Authority in a jurisdiction where the Target Companies have not filed a particular type of Tax Return that the Target Companies are or may be subject to such particular taxation by that jurisdiction.

(g) The Target Companies have materially fulfilled the obligations legally incumbent in relation to any employees, independent contractors, subcontractors engaged during the years open to Tax inspection pursuant to the Applicable Law (including but not limited to grounds, verification of fulfilment of Tax, salary and social security obligations by contractor and/or subcontractor companies).

(h) The Target Companies have no permanent establishments ("PEs"), including fixed place PEs, service PEs, sales agent PEs, digital PEs and/ or any other forms of taxable presence.

(i) No benefit payable or that may become payable pursuant to any employee benefit plan or as a result of or in connection with the Membership Interest Purchase or arising under this Agreement could reasonably be expected to be characterized as a "parachute payment" (as defined in Section 280G(b)(2) of the Code) that would be subject to the imposition of an excise tax under Section 4999 of the Code or that would not be deductible by reason of Section 280G of the Code. No current or former employee or other service provider of the Target Companies is a U.S. taxpayer such that Section 280G of the Code applies to Target Companies or any of their Affiliates. No Person has any right against any of the members of the Target Companies to be grossed up for or reimbursed for any tax imposed under Section 4999 of the Code.

(j) The Target Companies have collected and remitted all sales, use, value added, ad valorem, personal property and similar Taxes ("Sales Taxes") with respect to sales made or services provided and, for all sales or provision of services that are exempt from Sales Taxes and that were made without charging or remitting Sales Taxes, the Target Companies have received and retained any required Tax exemption certificates or other documentation qualifying such sale or provision of services as exempt.

(k) None of the Target Companies currently is, or has ever been, a party to or bound by any Tax indemnity agreement, Tax sharing agreement, Tax allocation agreement or similar contract, and after the Closing Date, none of the Target Companies will be bound by any such agreement or similar arrangement or have any liability thereunder for any amounts.

(1) None of the Target Companies will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (i) change in method of accounting made on or prior to the Closing Date or use of an improper method of accounting for any taxable period (or portion thereof) ending on or prior to the Closing Date; (ii) closing agreement as described in Section 7121 of the Code (or any

corresponding or similar provision of state, local, or non-U.S. Tax law) executed on or prior to the Closing Date; (iii) intercompany transactions or excess loss accounts described in U.S. Treasury Regulations under Section 1502 of the Code (or any similar provision of state, local, or non-U.S. Tax law) with respect to a transaction occurring on or prior to the Closing Date; (iv) installment sale or open transaction disposition made on or prior to the Closing Date; (v) prepaid amount received or deferred revenue accrued on or prior to the Closing Date; or (vi) any other action or election occurring or made on or prior to the Closing Date that has deferred more than an immaterial amount of income (or accelerated more than an immaterial item of loss or deduction) that would otherwise have accrued, including in each case comparable provisions of state, local and non-U.S. Tax law.

(m) None of the Target Companies has ever been a member of an affiliated group filing a consolidated, combined or unitary Tax Return. None of the Target Companies has any liability for the Taxes of any Person under U.S. Treasury Regulations Section 1.1502-6 (or any analogous or similar provision of state, local or non-U.S. Tax law) as a transferee or successor, by assumption, operation of applicable law, contract or otherwise.

(n) The Target Companies have not made an election pursuant to U.S. Treasury Regulations section 301.7701-3. 1.11.10, and U.S. federal income Tax classification is not applicable to the Target Companies.

(o) None of the Target Companies own any "United States real property interests" as described in Section 897(c) of the Code.

### 3.12 Employment and Social Security Aspects.

(a) The employees of the Target Companies, at the execution date of this Agreement, are listed in Schedule 3.13(a) of the Disclosure Schedule, which also lists out their seniority, yearly gross earnings and remuneration in kind, and whether their employment contracts are fixed, part-time or any other type, in the understanding that no negotiations or modifications whatsoever have taken place or are under way regarding these conditions and there is no undertaking whatsoever to carry out any modifications.

(b) The Target Companies, currently comply, and have complied during the three years prior to the date hereof, in all material respects with any obligations relating to employment and employment practices, hours, dismissal, leaves of absence, holiday pay, withholdings and deductions, working time, rest breaks, immigration, Social Security, health and safety, discrimination and retaliation, collective bargaining, collective consultation (including collective redundancy consultation), immigration, and pensions undertakings set out in the Applicable Law relating to the Target Companies, and in the individual contracts it has signed with its employees, including any applicable reports under Applicable Law, not limited to filing of specialized services reports before the Social Security Mexican Institute (IMSS) through ICISOE platform and Social Housing Mexican Institute (INFONAVIT) through the SISUB platform.

(c) The Target Companies currently comply with Applicable Law relating to subcontracting, subcontracting of specialized services and self-employees (including without limitation, the corresponding registration with the Registry of Specialized Service Providers or Specialized Works).

(d) The Target Companies are up to date in the payment of all amounts which are payable to workers who currently offer their services to the Target Companies both directly and indirectly, either as independent services providers, as members of the board of directors, agents, representatives, etc.

(e) Except for the collective bargaining agreement executed between the Company and (i) Union Nacional Democratica de Trabajadores de la Transformacion; (ii) Manufactura de Metal, Automotriz, Autopartes, Mecanicas, similares y Conexos; and Sindicato Nacional de Servicios Alberto

Juarez Blancas, as applicable; there is no other collective bargaining agreement, covenant or collective agreement applicable, or which should be currently applied to the employees of the Target Companies.

(f) The Target Companies pay the employees' wages in the proper manner and amount in accordance with all material provisions of the Applicable Law.

(g) The Target Companies are up to date and compliant in their payment of the social security contributions required under Applicable Law, and have submitted their contribution payment reports and all the other required documentation in the manner and within the time periods required under Applicable Law. No failure to make payment, delay or deferral payments or deposited contributions for a lower amount than is due has taken place where the failure would result in a Material Adverse Effect.

(h) All the employees and executives of the Target Companies are duly included in the corresponding social security regime in accordance with Applicable Law.

(i) No covenant or commitment exists by virtue of which any of the Target Companies is bound to pay any severance or compensation whatsoever for contractual resolution in an amount greater than the corresponding legal severance provided for under Applicable Law.

(j) The Target Companies have complied and are currently complying in all material respects with all employment Applicable Laws and rules regarding work time registration and overtime.

(k) No employee or former employee is entitled to receive any grant of or benefit derived from the exercise or settlement of any right or option under a stock option or other equity-based plan or share plan from the Target Companies.

(l) No particular Target Companies' profit sharing and/or other performance related incentive schemes exist which are not required by Applicable Law. Likewise, the parameters of the variable remuneration policies subscribed by the Target Companies are correctly fixed in written form, in accordance with Applicable Law.

(m) No external pension schemes have been entered into by Target Companies for the benefit of its employees and the Target Companies do not have (nor ever have had or reasonably expect to have) any liability regarding any pension scheme (whether defined benefit or otherwise).

(n) There is no former employee of the Target Companies who has a statutory or contractual right to be considered as an employee of the Target Companies as of the date of this Agreement.

(o) All employees of the Target Companies have been duly registered as employees of the applicable Target Company, with the relevant social security authorities and each of the Target Companies has complied with all its respective social security contribution obligations within the prosecutable periods as at the date hereof and is up to date with such obligations and with all the legal obligations regarding social security and tax withholdings, in each case except where the failure would not result in a Material Adverse Effect.

(p) During the three years prior to the date hereof, none of the Target Companies has received written notification regarding any pending labor conflict, including strikes, work stoppages or collective claims in relation to its employees. There does not exist any judicial or administrative proceedings (including inspection or verification proceedings by the social security) in progress in relation to labor, social security or occupational risk prevention matters initiated in which the any of the Target Companies is a subject.

(q) No claims or Actions being brought or pending on behalf of any employees or former employees against the Target Companies, or other employees of the Target Companies, have been notified to the Target Companies, as applicable, or are reasonably expected to be notified at the execution date of this Agreement.

(r) Neither the execution and delivery of this Agreement nor the consummation of the Transaction (either alone or in combination with another event) will (1) result in any payment or benefit becoming due to any employee or under any employee benefit plan, (2) increase any compensation or benefits otherwise payable to any employee or to be provided under any employee benefit, (3) result in any acceleration of the time of payment, funding or vesting of any compensation or benefits to any employee or under any employee benefit plan or (4) result in the payment or provision of any amount or benefit that could trigger payment of any excise Tax or the loss of any Tax deduction, in each case, other than the Special Bonus.

(s) No material allegations or reports of sexual harassment or discrimination with respect to a protected classification, including race and gender, are or in the past have been made to any of the Target Companies regarding any employee.

### 3.13 Protection of Personal Data.

(a) The Target Companies have complied in all material respects and currently comply, in each case, with all the legal obligations set out in the Applicable Laws and regulations regarding protection of personal data and the collection, transmission, use, or security breach regarding personal data.

(b) All data subjects whose data are processed by any of the Target Companies as data controller have duly consented to such processing, when appropriate.

(c) The Target Companies have not (a) received any enforcement notices, information notices or prohibition notices from any relevant or competent Governmental Authority, regulatory or enforcement body in any jurisdiction, (b) received any written notice from any relevant or competent Governmental Authority, regulatory or enforcement body in any jurisdiction alleging non-compliance by the Target Companies with Applicable Laws or regulations related to data protection or (c) received any written notice from any relevant or competent Governmental Authority, regulatory or enforcement body in any other jurisdiction alleging a data subject has filed a complaint against it.

(d) To the knowledge of Seller, no claims or actions by third parties have been submitted against the Target Companies, and no inspections have been initiated by the public authorities, for the breach of any obligations in relation to personal data protection by the Target Companies, and the Seller Group Parties have no reason to expect any of the foregoing.

(e) The use by or on behalf of the Target Companies of any data, including any personal information, does not in any material respect infringe, misappropriate, or otherwise violate the rights of any Person or otherwise violate any Applicable Law. To the knowledge of the Seller, the Target Companies have not incurred any material personal data breach.

### 3.14 Intellectual and Industrial Property.

(a) Subject to any third party licenses related thereto listed in Schedule 3.9(f) of the Disclosure Schedule, the Target Companies are the legal owners of (i) the passenger App (for iOS and Android) named “Urbvan”, and “Urbvan Transporte en Vans” (ii) the driver App (for iOS and Android) named “Urbvan”, the web-based management module, as well as of (iii) all of the back end, architecture,

algorithms, simulator, data reports and map data sets and other underlying technology and intellectual property related to any of the foregoing or to the Business (collectively the **"Business Technology"**).

(b) All the Intellectual Property Rights owned or purported to be owned by the Target Companies (the **"IP Rights"**) belong to the Target Companies for the maximum extent permitted under Applicable Law, and are solely, legally and beneficially owned by the Target Companies free from any Encumbrance (other than non-exclusive licenses granted in the ordinary course of business on forms provided to counsel for Buyer) and their use has not been subject to license or permanent or temporary assignment to any third party (other than non-exclusive licenses granted in the ordinary course of business on forms provided to counsel for Buyer). In addition, the Target Companies are in a position to provide evidence of the ownership of any registrations of the IP Rights.

(c) The Target Companies are up to date in their payment of all fees required to maintain any registrations of the IP Rights and no other payments or actions are needed to maintain them for at least 6 months.

(d) The IP Rights are being used by the Target Companies in material compliance with all Applicable Law, and all contracts and agreements applicable thereto to which the Target Companies are a party.

(e) To the knowledge of the Seller, no third party has infringed, misappropriated, challenged the validity or enforceability, or carried out an unauthorized use of any IP Rights. None of the Target Companies uses or incorporates or links to any open-source software (including any public or similar software) in any of the Target Companies' software products or other proprietary software in a manner that would (as a condition of distribution or otherwise) require, pursuant to the terms of a license applicable to any such open-source software, that any proprietary source code of such software product or any other IP Rights be available or licensed to any licensees or any other Person. The Target Companies are in compliance with all applicable open source licenses. Any such open source software is listed on Schedule 3.15(e) with a link to each applicable license.

(f) The terms of the licenses and agreements relating to the intellectual and industrial property and software programs licensed by the Target Companies from third parties (the **"Licensed-In IP Rights"**) are valid, binding and currently in force. None of the Target Companies has materially breached the terms of any of these licenses and/or agreements, and no dispute (other than those that have been resolved) has arisen in this regard, and they are entitled to use all the programs, trademarks, patents, utility models and intellectual and industrial property rights in each case embodied in the Licensed-In IP Rights that they use or have used in the course of their business.

(g) The IP Rights and the Licensed-In IP Rights together with any Intellectual Property Rights in the public domain or that are freely available without charge and on terms consistent with the Business (including under open source licenses as disclosed above) are the only Intellectual Property Rights required by the Target Companies to carry on the Business. The Target Companies' conduct of the Business does not depend on the maintenance of licenses to any Licensed-In IP Rights which cannot be substituted for another license generally available in the market for substantially the same consideration.

(h) The Target Companies have not assigned to a third party any IP Rights necessary for the conduct of their Business.

(i) To the knowledge of the Seller, none of the Target Companies has, in the conduct of the Business infringed any third party Intellectual Property Rights and there are no written claims

received by them or by Seller or any Affiliate in this regard and there is no reason to reasonably expect any such claim to be forthcoming.

(j) The Business Technology and IP Rights have all been properly assigned to one or more of the Target Companies by any Person involved in its creation in accordance with Applicable Law, and there is no reason to reasonably expect any Person to dispute the sole ownership thereof by such Target Company or the Target Companies. To the knowledge of Seller, there has been no material breach, and there is no ongoing material breach, in each case, relating to the Target Companies' protection of trade secrets that are part of the Business Technology or IP Rights.

3.15 Insurance.

(a) The Target Companies (i) have entered into, and such remain in force, all the insurance policies necessary to comply with their legal and contractual obligations and to provide reasonably adequate coverage for their assets and day-to-day activities, (the **"Insurance Policies"**), and (ii) have paid all corresponding premiums on such insurance policies in accordance with their respective terms, other than any such non-compliance which has not been and would not reasonably be expected to be material to the Business, taken as a whole, or result in the cancellation of any such policy. Schedule 3.15 of the Disclosure Schedule sets forth a list of the Insurance Policies.

(b) None of the Target Companies has made any claim under any such insurance policies which is still outstanding and in respect of which any insurer has refused coverage.

3.16 Subsidies. None of the Target Companies has received any grant, subsidy or financial assistance from any Governmental Authority or agency or any local or other authority, whether under any regional development grant, or temporary employment subsidy or otherwise.

3.17 Environmental.

(a) No claims or proceedings have been notified in writing to any of the or that any of them is in material breach to any license, permission, registration, filing, permit, certificate, approval, consent or other authorization with respect to any breach by them of any Applicable Laws on environmental matters relating to the Target Companies.

(b) There are no active remedial projects involving environmental contamination being undertaken pursuant to Applicable Laws on environmental matters by the Target Companies at or around any property owned or leased thereof which could reasonably be expected to: (a) give rise under any Mexican Applicable Law on environmental matters to any material fines, penalties, losses, damages, expenses or other liabilities; or (b) otherwise directly or indirectly result in any material costs, losses or expenses being incurred. To the knowledge of the Seller, the Leased Property and any improvements thereon have not, at any time, been deemed by any Governmental Authority or under any Applicable Laws, as a contaminated site (*sitio contaminado*), environmental emergency (*emergencia ambiental*) or environmental contingency (*pasivo ambiental*).

3.18 Regulatory Matters.

(a) The Target Companies comply in all material respects with all Applicable Laws and have and comply with all material licenses, permissions, registrations, filings, permits, certificates, approvals, consents or other authorizations (public or private) required to legally and fully operate and carry out its Business and such are in full force and effect (including but not limited to any authorization, license or permit currently in process of renewal).

(b) None of the Target Companies has received a notice from a public administration claiming that it lacks a material license, permission, registration, filing, permit, certificate, approval, consent or other authorization (public or private) required in order to legally and fully operate and carry out its Business or that any of them is in breach of any license, permission, registration, filing, permit, certificate, approval, consent or other authorization.

3.19 Anti-Corruption. Neither the Target Companies, nor, to the knowledge of the Seller, any officer, attorney, representative or agent of the Target Companies, has either in private business dealings or in dealings with the public or government sector of the Target Companies, in each case acting on behalf of the Target Companies, directly or indirectly given, made, offered or received or agreed (either themselves or in agreement with others) to give, make offer, or receive any payment, gift or other advantage which under Applicable Law is illegal or improper, or committed or attempted to commit (either themselves or in agreement with others) any other corrupt act.

3.20 Litigation and Judicial Proceedings. There are no Actions, judicial or administrative, (whether or not purportedly on behalf of the Target Companies) pending or, to the knowledge of Seller, threatened, by or against or affecting the Target Companies, at law or in equity, or before or by any Governmental Authority, in each case with a potential value exceeding US\$120,000. To the knowledge of Seller, there are no grounds on which any such Action, suit or proceeding might be commenced with any reasonable likelihood of success. There is not presently outstanding against any of the Target Companies, any judgment, injunction or other order of any Governmental Authority that restricts the operation of the Business or which is or would reasonably be expected to be, individually or in the aggregate, material to the Target Companies, taken as a whole.

3.21 Permits and Licenses Related to the Business. The Target Companies hold the corresponding licenses, permits, registrations, filings, certificates, approvals, consents or other authorizations (public or private) to legally, duly and fully operate and carry out the Business, including but not limited to any license for mobility apps or a license for transportation of personnel and the items listed in Schedule 3.21 of the Disclosure Schedule. To the knowledge of Seller, to the extent required by Applicable Law, the Target Companies comply with requirements applicable to the Target Companies with respect to: (i) registration of the applicable company holder of the license, (ii) registration of the vehicles with which they provide the service and, (iii) registration of the drivers who use the vehicles.

3.22 Customers and Suppliers.

(a) No Target Company has any outstanding material disputes concerning its products and/or services with any customer or distributor who, in the year ended December 31, 2022 or the six months ended June 30, 2023, was one of the 10 largest sources of revenues for the Business, based on amounts paid or payable (each, a “**Significant Customer**”), and Target Company has any knowledge of any material dissatisfaction on the part of any Significant Customer. Each Significant Customer is listed on Schedule 3.22(a) of the Disclosure Schedule. No Target Company has received any written, or to the knowledge of the Seller, oral notice from any Significant Customer that such customer shall not continue as a customer of one of the Target Companies (or Buyer) after the Closing or that such customer intends to terminate or materially modify existing contracts with such Target Company (or Buyer).

(b) No Target Company has any outstanding material dispute concerning products and/or services provided by any supplier who, in the year ended December 31, 2022 or six months ended June 30, 2023, was one of the 10 largest suppliers of products and/or services to the Business, based on amounts paid or payable and any Person whose Intellectual Property is incorporated in or distributed with any product or service (whether or not in the top 10 based on amounts paid or payable) (each, a “**Significant Supplier**”), and no Seller Group Party has any knowledge of any material dissatisfaction on the part of any

Significant Supplier. Each Significant Supplier is listed on Schedule 3.22(b) of the Disclosure Schedule. No Target Company has received any written, or to the knowledge of the Seller, oral notice from any Significant Supplier that such supplier shall not continue as a supplier to any Target Company (or Buyer) after the Closing or that such supplier intends to terminate or materially modify existing Contracts with such Target Company (or Buyer).

3.23 Exclusivity of Representations. Notwithstanding anything herein to the contrary, it is the explicit intent of the parties hereto, and the parties hereto hereby agree, that the representations and warranties made by the Seller, on behalf of the Seller Group Parties in this Article 3 (as modified by the Disclosure Schedule) shall be the exclusive representations and warranties made by the Seller on behalf of the Seller Group Parties, and none of the Seller nor the Seller Group Parties has made or makes any other representations or warranties, whether express or implied, written or oral, including any representation or warranty as to the accuracy or completeness of any information regarding the business, assets, liabilities, condition (financial or otherwise), operations or results of operations or prospects of the Target Companies that has been furnished or made available to Buyer and its Representatives (including any information, documents or material made available in an electronic data room, management presentations or in any other form in expectation of the transactions contemplated hereby) or as to the future revenue, profitability or success of the Target Companies. The Seller, on behalf of the Seller Group Parties, acknowledges and agree that, except for the representations and warranties expressly set forth in Article 4, each Seller Group Party is not acting (including, as applicable, by entering into this Agreement or consummating the transactions contemplated hereby) in reliance on, and hereby disclaims reliance on, (i) any representation or warranty, express or implied made by Buyer; (ii) information (including any statement, document or agreement delivered pursuant to this Agreement) provided by or on behalf of Buyer, its Affiliates or any of their respective stockholders, controlling persons or representatives or otherwise made available to such Seller Group Party or any of its Affiliates; or (iii) the accuracy or completeness of any of the foregoing.

#### **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller as follows:

4.1 Organization and Good Standing. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has the corporate power and authority to own, operate and lease its properties and to carry on its business as now conducted and as presently proposed to be conducted. Buyer is duly qualified or licensed to do business, and is in good standing, in each jurisdiction where the character of the properties owned, leased or operated by it or the nature of its activities makes such qualification or licensing necessary, except where the failure to be so qualified or licensed would not individually or in the aggregate be material to Buyer's ability to consummate the Membership Interest Purchase or to perform its obligations under this Agreement and the Buyer Ancillary Agreements. Buyer is not in violation of its certificate of incorporation or bylaws, each as currently in effect.

4.2 Capacity.

(a) Buyer has full legal capacity to execute this Agreement and all other instruments and agreements to be delivered by Buyer as contemplated hereby (including all Buyer Ancillary Agreements to which Buyer is a party), comply with the obligations arising hereunder and thereunder and to carry out and complete the transactions provided for herein and therein.

(b) This Agreement has been duly executed by Buyer, assuming its due authorization, execution and delivery by Seller, the obligations provided for herein are legal and valid obligations binding

on Buyer, and which may be raised against Buyer, as applicable, in accordance with their respective terms, subject only to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other Applicable Laws affecting creditors' rights generally and general equitable principles.

(c) Buyer has the necessary authority to execute this Agreement and all other instruments and agreements to be delivered by Buyer as contemplated hereby (including all Buyer Ancillary Agreements to which Buyer is a party) and to perform the transactions contemplated herein and therein and, as of the date hereof, such authority has not been revoked or modified in any manner whatsoever.

(d) The execution and delivery of this Agreement by Buyer and all other instruments and agreements to be delivered by Buyer as contemplated hereby (including all Buyer Ancillary Agreements to which Buyer is a party) and the consummation of the transactions contemplated by Buyer herein and therein, will not:

(i) contravene or violate or result in a breach or a default under or give rise to a right of termination, amendment or cancellation or the acceleration of any obligations of Buyer under (A) any provision of the constituent documents or by-laws of Buyer; (B) any judgment, injunction, decree, order or award of any Governmental Authority, court, governmental body or arbitrator having jurisdiction over Buyer; or (C) any Applicable Law; or

(ii) violate, conflict with or permit the cancellation of, or constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, require any consent of any Person pursuant to, or result in the termination, modification or acceleration or maturity of, or result in the loss of a benefit or increase in any material fee, liability or other obligation under, any Contract or agreement to which Buyer or any of their assets, rights or properties are bound.

(e) There is no pending action against Buyer which could affect the legality, validity or enforceability of this Agreement or any other instruments and agreements to be delivered by Buyer as contemplated hereby (including all Buyer Ancillary Agreements) or the consummation of the transactions contemplated hereby or thereby. There is no pending or threatened action by Buyer which could affect the legality, validity or enforceability of this Agreement or any other instruments and agreements to be delivered by Buyer as contemplated hereby (including all Buyer Ancillary Agreements) or the consummation of the transactions contemplated hereby or thereby. To the knowledge of Buyer, there is no threatened action against Buyer which could affect the legality, validity or enforceability of this Agreement or any other instruments and agreements to be delivered by Buyer as contemplated hereby (including all Buyer Ancillary Agreements) or the consummation of the transactions contemplated hereby and thereby.

4.3 No Bankruptcy. Buyer has not been declared insolvent or bankrupt or have filed for insolvency or bankruptcy, and Buyer is not aware of any of its Affiliates having filed an insolvency or bankruptcy request, provided that the foregoing representation with respect to Affiliates is only provided with respect to Affiliates, the insolvency or bankruptcy of which would have Material Adverse Effect on the transactions contemplated by this Agreement.

4.4 Solvency. Buyer is not entering the transactions contemplated hereby with the intent to hinder, delay or defraud either present or future creditors of Buyer or any of its Affiliates. Immediately after giving effect to the transactions contemplated hereby, the Target and its Subsidiaries shall be solvent and shall have adequate capital to carry on their respective businesses.

4.5 Investment Intent.

(a) Buyer is acquiring the Target Membership Interests for its own account, for investment purposes only and not with a view toward, or for sale in connection with, any distribution

thereof, nor with any present intention of distributions or selling the Target Membership Interests in violation of the federal securities laws or any applicable foreign or state securities law.

(b) Buyer understands that the acquisition of the Target Membership Interests to be acquired by it pursuant to the terms of this Agreement involves substantial risk. Buyer and its officers have experience as an investor in securities and equity interests of companies such as the ones being transferred pursuant to this Agreement, and Buyer can bear the economic risk of its investment (which may be for an indefinite period) and has such knowledge and experience in financial or business matters that Buyer is capable of evaluating the merits and risks of its investment in the Target Membership Interests to be acquired by it pursuant to the transactions contemplated hereby.

(c) Buyer understands that the Target Membership Interests to be acquired by it pursuant to this Agreement have not been registered under the Securities Act. Buyer acknowledges that such securities may not be transferred, sold, offered for sale, pledged, hypothecated or otherwise disposed of without registration under the Securities Act and any other provision of applicable state securities laws or pursuant to an applicable exemption therefrom. Buyer acknowledges that there is no public market for the Target Membership Interests and that there can be no assurance that a public market shall develop.

4.6 Broker's or Finder's Fees. No agent, broker, Person or firm acting on behalf of Buyer is, or shall be, entitled to any fee, commission or broker's or finder's fees in connection with this Agreement or any of the transactions contemplated hereby from any of the other parties hereto or from any Affiliate of the other parties hereto.

4.7 Litigation. There is no Action pending or, to the knowledge of Buyer, threatened, against or affecting Buyer, or any of its properties or rights, which would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.8 Exclusivity of Representations. Notwithstanding anything herein to the contrary, it is the explicit intent of the parties hereto, and the parties hereto hereby agree, that the representations and warranties made by Buyer in this Article 4 shall be the exclusive representations and warranties made by Buyer, and Buyer has not made or makes any other representations or warranties, whether express or implied, written or oral. Buyer acknowledges and agrees that, except for the representations and warranties expressly set forth in Article 3, it is not acting (including, as applicable, by entering into this Agreement or consummating the transactions contemplated hereby) in reliance on, and hereby disclaims reliance on, (i) any representation or warranty, express or implied made by a Seller Group Party; (ii) information (including any statement, document or agreement delivered pursuant to this Agreement) provided by or on behalf of the Seller Group Parties, its Affiliates or any of their respective stockholders, controlling persons or representatives or otherwise made available to Buyer or any of its Affiliates; or (iii) the accuracy or completeness of any of the foregoing.

## **ARTICLE 5 COVENANTS**

5.1 Confidentiality. From the Closing until the second year anniversary of the Closing, the Seller Group Parties, excluding the Target Companies, shall keep the Confidential Information confidential and not disclose to any Person any Confidential Information in any manner whatsoever except to the extent (a) necessary to comply with the terms of this Agreement or any agreement contemplated herein, (b) requested in writing by the Buyer, or (c) in connection with the defense or prosecution of any Action or Order arising from or relating to this Agreement or the transactions contemplated herein, or (d) provided to investors and prospective investors in funds affiliated with any such Seller Group Parties for ordinary course reporting or marketing purposes consistent with past practices. For the avoidance of doubt, any such Seller Group Party may disclose any Confidential Information to its representatives who need to know such

information for the performance of their respective duties on a confidential basis, provided that such representatives shall be bound by the confidentiality restrictions reasonably equivalent to the restrictions contained herein. The restrictions set forth in this Section 5.1 shall not apply to any Affiliate or representative of such Seller Group Parties that has not actually received any Confidential Information. Such Seller Group Parties and their respective representatives may disclose any Confidential Information which is requested or required to be disclosed by Applicable Law (including the rules and regulations promulgated by the SEC and any interpretations thereof by its staff) or the rules of any exchange to which it is subject or pursuant to a demand of any Governmental Authority (in which case, the applicable Seller Group Party shall promptly notify Buyer as soon as reasonably practicable and use commercially reasonable efforts to cooperate with Buyer to limit such disclosure, in each case to the extent permitted under any Applicable Law).

## ARTICLE 6 SURVIVAL, INDEMNIFICATION AND REMEDIES

6.1 Survival. The representations and warranties of Seller contained in this Agreement shall expire and be of no further force or effect as of the date that is two (2) years from the Closing Date; provided, that no right to indemnification pursuant to Article 6 in respect of any Claim based upon any failure of a representation or warranty that is set forth in a Notice of Claim (as defined below) delivered in good faith in accordance with the terms of this Agreement prior to the expiration of the applicable claims period with respect to such representation or warranty shall be affected by the expiration of such representation or warranty until such Claim is finally resolved; provided further, that such expiration shall not affect the rights of any Buyer Indemnified Person to seek recovery of Damages arising out of any Fraud. All covenants of the parties (including the covenants set forth in Article 5) shall expire and be of no further force or effect as of the Closing, except to the extent such covenants provide that they are to be performed after the Closing; provided, however, that no right to indemnification pursuant to Article 6 in respect of any Claim based upon any breach of a covenant that is set forth in a Notice of Claim delivered in good faith prior to the expiration of the claims period with respect to such covenant shall be affected by the expiration of such covenant until such Claim is finally resolved.

6.2 Agreement to Indemnify. Following the Closing, Seller (the “**Indemnifying Party**”) shall indemnify and hold harmless Buyer and its Subsidiaries (including the Target Companies), and their respective officers, directors, employees, agents and representatives (each hereinafter referred to individually as a “**Buyer Indemnified Person**” and collectively as “**Buyer Indemnified Persons**”) from and against any and all damages, losses, Taxes, costs, penalties, Liabilities and expenses (including attorneys’ fees, other professionals’ fees, experts’ fees, costs of investigation (in each case, to the extent reasonable, actually incurred and documented) and court costs (including such fees and costs incurred in connection with enforcing the provisions of this Article 6)) (hereinafter collectively referred to as “**Damages**”), arising from claims, demands, assertions of liability, assessments, Taxes, or actual or threatened Actions directly or indirectly arising out of, resulting from or in connection with the following:

- (i) any failure of any representation or warranty set forth in Article 3 hereof to be true and correct;
- (ii) any breach of any of the covenants or agreements made by Seller in this Agreement and/or the Seller Restrictive Covenant Agreement; and
- (iii) any and all Liabilities to employees or contractors of any Target Company in connection with the ongoing labor litigation case with Alusio Marins Junior, before the 6th Special Labor Court in Mexico City, under file 721/2020, to the extent such Liabilities arise from any event during such employee’s or contractor’s employment or service with, or termination by, any Target Company prior to the Closing.

### 6.3 Limitations.

(a) Except in respect of any Damages in connection with Claims for breaches of Seller Fundamental Representations, Fraud, and Claims pursuant to Section 6.2(ii) or (iii), the maximum aggregate liability of the Indemnifying Party for Damages pursuant to Section 6.2 shall not in any event exceed the amount of the Liability Cap (such number to be reduced in accordance with the definition of “Liability Cap” set forth herein) at the time the Indemnifying Party receives a Notice of Claim delivered in good faith in respect of such Claim, less any amounts paid by any Indemnifying Party prior thereto. For the avoidance of doubt, the Liability Cap shall not correspond to the Holdback Amount or release schedule as set forth in Section 2.5 and Section 6.7 and shall be decreased in accordance with the definition of “Liability Cap” set forth herein, provided that no Buyer Indemnified Person shall have any Claim against the Indemnifying Party in respect thereof other than a Claim against the then-remaining amount of the Liability Cap (as decreased in accordance with the definition of “Liability Cap” set forth herein). The maximum aggregate liability of the Indemnifying Party for Damages pursuant to a Claim for breach of Seller Fundamental Representations and any other indemnifiable Claims (other than as specified in this Section 6.3(a) and Fraud) shall not in any event (together with any other payments made pursuant to this Article 6) exceed the Purchase Price. For the avoidance of doubt, the amount of the Liability Cap on the date of any Notice of Claim (the **“Measurement Date”**) delivered to the Indemnifying Party in good faith by the Buyer shall remain the same throughout any Claims process in accordance with this Article 6 (and shall not be decreased from the amount of the Liability Cap on such Measurement Date for the purposes of determining the amount of an Indemnifying Party’s liability in connection with any indemnifiable Damages).

(b) Other than in the case of Fraud, intentional misrepresentation or willful breach by or on behalf of the members of the Seller Group Parties, following the Closing, recovery under this Article 6 shall be the sole and exclusive remedy of the Buyer Indemnified Persons against the members of the Seller Group Parties in connection with this Agreement; it being understood that none of the limitations contained herein shall apply to claims of Fraud by or on behalf of the Seller Group Parties.

(c) Damages shall be calculated net of (a) any specific accruals or reserves on the Financial Statements; (b) any amounts recovered by the Buyer Indemnified Person (net of any costs of investigation of the underlying claim and of collection) pursuant to any indemnification by or indemnification agreement with any Person (other than this Agreement), and (c) any insurance proceeds (net of any costs of investigation of the underlying claim and of collection) received as an offset against such Loss (each source of recovery referred to in clauses (b) and (c), a **“Collateral Source”**). If the amount to be netted hereunder in connection with a Collateral Source from any payment required under this Article 6 is received after payment by the Indemnifying Party of any amount otherwise required to be paid to an Buyer Indemnified Person pursuant to this Article 6, the Buyer Indemnified Person shall repay to the Indemnifying Party, promptly after such receipt, any amount that the Indemnifying Party would not have had to pay pursuant to this Article had such receipt occurred at the time of such payment. Each Buyer Indemnified Person shall take commercially reasonable steps to mitigate any Losses as soon as reasonably practicable after such Buyer Indemnified Person becomes aware of any event which does, or could reasonably be expected to, give rise to any such Losses.

(d) Indemnification payments pursuant to this Article 6 shall be required to be made (i) first, from the Seller Holdback Amount, and then Buyer Holdback Amount, in each case, to the extent recovery is available thereunder (including in consideration of coverage amounts then remaining), and (ii) then, directly from Seller in accordance with this Article 6.

(e) Notwithstanding anything to the contrary contained in this Agreement, an Indemnifying Party shall not be liable for any Claim for indemnification pursuant to Section 6.2(i) unless and until the aggregate amount of Qualifying Damages that may be recovered equals or exceeds 1% of the Purchase Price, in which case such Indemnifying Party shall be liable for the entire amount of such

Damages; provided, that, the Indemnifying Party shall only be liable for any individual Loss or Damage (that is not related to any other Loss or Damage) in excess of 0.1% of the Purchase Price (such Loss, a **“Qualifying Damage”**).

(f) Buyer acknowledges and agrees that the Seller shall not have any liability under any provision of this Agreement for any Loss to the extent that such Loss relates to (i) action taken by Buyer or its Affiliates, (ii) the conduct by any Seller, the Company or any of their respective officers, directors, employees, shareholders, agents, Affiliates or advisors before the Closing Date at the direction or request of the Buyer or any their respective officers, directors, employees, shareholders, agents, Affiliates or advisors, or (iii) the matter or thing giving rise to such Loss is discharged without cost to the Buyer or the relevant Buyer Indemnified Person.

(g) NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, EXCEPT TO THE EXTENT SUCH LOSSES ARE FOUND BY A COURT OF COMPETENT JURISDICTION TO BE OWED TO A NON-AFFILIATED THIRD PARTY IN CONNECTION WITH A THIRD-PARTY CLAIM, IN NO EVENT SHALL BUYER OR SELLER BE REQUIRED TO INDEMNIFY, DEFEND, HOLD HARMLESS, PAY OR REIMBURSE ANY BUYER INDEMNIFIED PERSON FOR ANY LOSSES CALCULATED BY REFERENCE TO ANY MULTIPLE OF EARNINGS OR EARNINGS BEFORE INTEREST, TAX, DEPRECIATION OR AMORTIZATION OR SIMILAR METRIC OR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES (INCLUDING LOST PROFITS AND SIMILAR DAMAGES) OF SUCH OTHER PERSON, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED TO SUCH PARTY IN ADVANCE OR COULD HAVE BEEN REASONABLY FORESEEN BY SUCH PARTY.

(h) The obligations to indemnify and hold harmless any party pursuant to Section 6.2(iii) shall terminate upon the date that is 36 months following the Closing Date; provided, that no right to indemnification pursuant to Section 6.2(iii) in respect of any Claim that is set forth in a Notice of Claim delivered in good faith prior to the expiration of such period shall be affected by the expiration of such period until such Claim is finally resolved.

#### 6.4 Notice of Claim.

(a) As used herein, the term **“Claim”** means a claim for indemnification of Buyer or any other Buyer Indemnified Person for Damages under this Article 6. Buyer may give notice of a Claim under this Agreement, whether for its own Damages or for Damages incurred by any other Buyer Indemnified Person. Buyer shall give written notice of a Claim other than a Third-Party Claim (as defined below) executed by an officer of Buyer (a **“Notice of Claim”**) to Seller promptly after becoming aware of the existence of any Claim by a Buyer Indemnified Person for indemnification from the Indemnifying Party under this Article 6, arising from any indemnifiable matters (a **“Direct Claim”**). The Indemnifying Party shall have forty-five (45) days after its receipt of such notice to respond in writing to such Direct Claim.

(b) Buyer shall give written notice (a **“Third-Party Claim Notice”**) to Seller promptly after becoming aware of the assertion, whether orally or in writing, against Buyer or any other Buyer Indemnified Person of a Tax, claim, demand or Action brought by a third party against Buyer or such other Buyer Indemnified Person that, if the allegations were true, arises out of or results from any indemnifiable matter (in each such case, a **“Third-Party Claim”**).

(c) Each Notice of Claim by Buyer and any Third-Party Claim Notice shall contain the following information:

(i) that Buyer or another Buyer Indemnified Person has directly or indirectly incurred, paid, sustained, reserved or accrued Damages;

(ii) to the extent reasonably practicable, a non-binding, preliminary estimate of the amount of such Damages; and

(iii) a brief description, in reasonable detail (to the extent reasonably available to Buyer), of the facts, circumstances or events giving rise to such Damages based on Buyer's good faith belief thereof, including (x) the basis for such liability and the nature of the breach to which such Damages are related and (y) the identity of any third-party claimant (to the extent reasonably available to Buyer), and copies of all material written evidence thereof; provided, however, that the Notice of Claim (i) need only specify such information to the knowledge of such officer of Buyer as of the date thereof, (ii) shall not limit any of the rights or remedies of any Buyer Indemnified Person with respect to the underlying facts and circumstances specifically set forth in such Notice of Claim, and (iii) may be updated and amended from time to time by Buyer by delivering an updated or amended Notice of Claim, so long as the delivery of the original Notice of Claim is made within the applicable claims period and such update or amendment relates to the underlying facts and circumstances specifically set forth in such original Notice of Claim; provided further, that all Claims for Damages properly set forth in good faith in the original Notice of Claim or any update or amendment thereto shall remain outstanding until such Claims for Damages have been resolved or satisfied, notwithstanding the expiration of such claims period.

(d) Subject to Section 6.5(b), no delay on the part of Buyer in giving Seller a Notice of Claim (or any update or amendment thereto after conducting discovery regarding the underlying facts and circumstances set forth therein) shall relieve the Indemnifying Party from any of its obligations under this Article 6 unless (and then only to the extent that) the Indemnifying Party is materially prejudiced thereby.

#### 6.5 Defense of Third-Party Claims.

(a) The Indemnifying Party shall be entitled to participate in the defense of any Third-Party Claim. The Indemnifying Party shall have the right to assume the defense of any Third-Party Claim with counsel selected by the Indemnifying Party, provided that the ability of the Indemnifying Party to assume such defense shall be conditioned upon the delivery by the Indemnifying Party to the Buyer Indemnified Person of a written acknowledgement by the Indemnifying Party (countersigned by the Buyer Indemnified Person) that such Third-Party Claim is indemnifiable and that the Indemnifying Party is liable for the Damages resulting therefrom subject to the provisions of Section 6.4. Should the Indemnifying Party so elect in writing to assume the defense of a Third-Party Claim, the Indemnifying Party shall not be liable to the Buyer Indemnified Person for any costs or expenses (including attorneys' fees, other professionals' fees, experts' fees and costs of investigation) subsequently incurred by the Buyer Indemnified Person in connection with such investigation or defense in connection with the defense thereof. If the Indemnifying Party assumes such defense, the Buyer Indemnified Person shall have the right to participate in such defense and to employ counsel, at its own expense, separate from the counsel employed by the Indemnifying Party, it being understood that the Indemnifying Party shall control such defense, subject to the provisions of Section 6.5(c). Whether or not the Buyer Indemnified Person chooses to participate in such defense, the Buyer Indemnified Person shall have the right to receive copies of all pleadings, notices and communications with respect to the Third-Party Claim (to the extent that receipt of such documents by the Buyer Indemnified Person does not affect any privilege relating to the Indemnifying Party and subject to execution by the Buyer Indemnified Person of a customary non-disclosure agreement to the extent that such materials contain confidential or proprietary information).

(b) The Indemnifying Party shall be liable for the reasonable and documented costs and expenses of the Buyer Indemnified Person (including counsel fees and expenses) as they are incurred, for any period during which the Indemnifying Party has not assumed the defense of such Third-Party Claim (other than during any period in which the Buyer Indemnified Person shall have failed to give notice of the Third-Party Claim in accordance with Section 6.4).

(c) If the Indemnifying Party chooses to defend or prosecute a Third-Party Claim in accordance with Section 6.5(a), the Buyer Indemnified Persons shall cooperate in the defense or prosecution thereof in all respects. Such cooperation shall include the retention and (upon the Indemnifying Party's request) the provision to the Indemnifying Party of records and information that are reasonably relevant to such Third-Party Claim, and making employees available on a mutually convenient basis to testify and provide additional information and explanation of any material provided hereunder.

(d) Whether or not the Indemnifying Party assumes the defense of a Third-Party Claim, the Buyer Indemnified Person shall not admit any liability with respect to, or settle, compromise or discharge, such Third-Party Claim without the Indemnifying Party's prior written consent. If the Indemnifying Party assumes the defense of a Third-Party Claim, the Buyer Indemnified Person shall agree to the settlement, compromise or discharge of a Third-Party Claim that the Indemnifying Party recommends, which such settlement, compromise, or discharge by its terms obligates the Indemnifying Party to pay the full amount of the Damages in connection with such Third-Party Claim and which releases the Buyer Indemnified Person completely and unconditionally in connection with such Third-Party Claim; provided, however, that the Indemnifying Party shall not, without prior written consent of the Buyer Indemnified Person, settle, compromise, or discharge, or offer to settle, compromise or discharge any Third-Party Claim that would result in (i) injunctive, equitable or other nonmonetary relief against the Buyer Indemnified Person or its Affiliates, including the imposition of a consent order, injunction or decree that would restrict the future activity or conduct of the Buyer Indemnified Person or its Affiliates or (ii) involves any finding or admission of any wrongdoing or any violation of Applicable Law by the Buyer Indemnified Person.

(e) Notwithstanding anything else contained herein to the contrary, the Indemnifying Party shall not be entitled to assume the defense and control of, and shall pay the fees and expenses of counsel retained by, the Buyer Indemnified Person in connection with a Third-Party Claim as they are incurred if: (A) such Third-Party Claim relates to or arises in connection with any criminal proceeding, action, indictment, allegation or investigation, (B) such Third-Party Claim seeks non-monetary relief which, if granted, could adversely affect the Buyer Indemnified Person, and that after conferring with its outside counsel, the Buyer Indemnified Person determines cannot be readily separated from any related claim for money damages (provided that if such equitable relief or other relief portion of the Third-Party Claim can be so separated from that for money damages, the Indemnifying Party shall be entitled to assume the defense of the portion relating to money damages), (C) the Buyer Indemnified Person has been advised in writing by outside counsel that a reasonable likelihood exists of conflict of interest between the Indemnifying Party and the Buyer Indemnified Person, or (D) if the Claim involves Taxes.

6.6 Resolution of Notice of Claim. Each Notice of Claim given by Buyer shall be resolved as follows:

(a) Uncontested Claims. If, within 45 days after a Notice of Claim is received by Seller, Seller does not contest such Notice of Claim in writing to Buyer as provided in Section 6.6(b), the Indemnifying Party shall be conclusively deemed to have consented to the recovery by the Buyer Indemnified Person of the full amount of Damages specified in the Notice of Claim in accordance with this Article 6, and, without further notice, to have stipulated to the entry of a final judgment for damages against the Indemnifying Party for such amount in any court having jurisdiction over the matter where venue is proper.

(b) Contested Claims. If Seller or the Indemnifying Party gives the Buyer Indemnified Person written notice (a "**Notice of Contested Claim**") contesting all or any portion of a Notice of Claim (the "**Contested Claim**") within the 45 day period specified in Section 6.6(a), then the Buyer Indemnified Person and the Indemnifying Party shall use commercially reasonable efforts to resolve such Contested Claim by a written settlement agreement within 45 days following receipt by Buyer of the Notice of

Contested Claim. If the parties fail to reach such agreement within the specified time, the Buyer Indemnified Person or the Indemnifying Party may bring suit to resolve the Contested Claim in the Court of Chancery of the State of Delaware or, if such court declines to accept jurisdiction over a particular matter, any federal court within the State of Delaware.

6.7 Holdback Payments.

(a) The Holdback shall be available to indemnify, compensate and reimburse the Buyer Indemnified Persons for any Damages resulting from any Claim arising under this Article 6 for which they are entitled to recover in accordance with this Article 6. Each Claim that is to be satisfied through the delivery of any portion of the Holdback Amount to Buyer pursuant to this Article 6 shall be satisfied by delivery to Buyer, on behalf of the Seller, of an amount of cash equal to the applicable Damages.

(b) From time to time until the Final Holdback Release Date, and subject to the provisions of the release schedule of the Holdback Amount included in Section 2.5, Buyer shall be entitled to retain in Buyer's bank account holding the Buyer Holdback Amount, and shall be entitled to cause Seller to retain in Seller's bank account holding the Seller Holdback Amount, an amount equal to any amount that may be necessary to satisfy all unresolved, unsatisfied or disputed Claims for Damages by a Buyer Indemnified Person arising under Article 6, as such amount is specified in any Notice of Claim delivered to the Seller by such Buyer Indemnified Person in good faith before the Final Holdback Release Date (with such amount to be retained being the total maximum amount of Damages then being claimed by the Buyer Indemnified Person in such unresolved, unsatisfied or disputed Claims for Damages arising under Article 6); it being understood that if the total maximum amount of Damages being claimed by the Buyer Indemnified Person in any specific Notice of Claim delivered to the Seller before the Final Holdback Release Date exceeds the remaining Holdback Amount (due to the Holdback Amount having been reduced to satisfy other indemnification obligations or released to Seller in accordance with Section 2.5), Buyer shall be entitled to retain, and to cause Seller to retain, for purposes of this Section 6.7(b), no more than up to the total of the then remaining amount of the Holdback Amount. Provided that the Buyer Indemnified Persons properly deliver their Notices of Claims pursuant to this Article 6, Buyer shall be entitled to retain possession and custody of the applicable amount of the Buyer Holdback Amount, and shall cause Seller to retain possession and custody of the applicable amount of the Seller Holdback Amount (with such applicable amounts being derived from the Notices of Claims delivered to Seller by such Buyer Indemnified Persons in accordance with this Section 6.7(b)), until all such unresolved, unsatisfied or disputed Claims for Damages have been resolved; upon which time, Buyer shall deliver any remaining amounts of the Buyer Holdback Amount to the Seller, and Seller shall release any remaining amounts of the Seller Holdback Amount to itself or its designee, all as in accordance with Section 2.5 hereof. For the avoidance of doubt, any amounts of the Holdback that are retained pursuant to this Section 6.7(b) shall be retained in the order set forth in Section 6.3(d).

6.8 Treatment of Indemnification Payments. The Seller Group Parties and Buyer agree to treat (and cause their Affiliates to treat) any payment received pursuant to this Article 6 as adjustments to the Purchase Price for all purposes, including Tax purposes, except as otherwise required by Applicable Law.

**ARTICLE 7  
MISCELLANEOUS**

7.1 Governing Law. The internal laws of the State of Delaware, irrespective of its conflicts of law principles, shall govern the validity of this Agreement, the construction of its terms, and the interpretation and enforcement of the rights and duties of the parties hereto. The parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, if such court declines to accept jurisdiction over a particular matter, any federal court within the State of Delaware, solely in respect of the interpretation and enforcement of the provisions of this Agreement

and of the documents referred to in this Agreement, and in respect of the transactions contemplated hereby and thereby, and hereby waive, and agree not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or thereof, that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Agreement or any such document may not be enforced in or by such courts, and the parties hereto irrevocably agree that all claims with respect to such action or proceeding shall be heard and determined in such court. The parties hereby consent to and grant any such court jurisdiction over the person of such parties and over the subject matter of such dispute and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 7.10 or in such other manner as may be permitted by Applicable Law, shall be valid and sufficient service thereof.

7.2 Assignment; Binding Upon Successors and Assigns. This Agreement shall inure to the benefit of the successors and assigns of Buyer, including any successor to, or assignee of, all or substantially all of the business and assets of Buyer. Except as set forth in the preceding sentence, no party hereto may assign any of its rights or obligations hereunder without the prior written consent of the other parties hereto. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Any assignment in violation of this provision shall be void.

7.3 Severability. If any provision of this Agreement, or the application thereof, shall for any reason and to any extent be invalid or unenforceable, then the remainder of this Agreement and the application of such provision to other persons or circumstances shall be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that shall achieve, to the extent possible, the economic, business and other purposes of the void or unenforceable provision.

7.4 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original as regards any party whose signature appears thereon and all of which together shall constitute one and the same instrument.

7.5 Other Remedies. Except as otherwise expressly provided herein, any and all remedies herein expressly conferred upon a party hereunder shall be deemed cumulative with and not exclusive of any other remedy conferred hereby or by law on such party, and the exercise of any one remedy shall not preclude the exercise of any other. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof.

7.6 Specific Performance. Except as otherwise provided herein, the parties agree hereto agree that, in the event of any breach or threatened breach by the other party or parties hereto, of any covenant, obligation or other agreement set forth in this Agreement, (i) each party shall be entitled, without proof of actual damages (and in addition to any other remedy that may be available to it), to a decree or order of specific performance or mandamus to enforce the observance and performance of such covenant, obligation or other agreement and an injunction preventing or restraining such breach or threatened breach, and (ii) no party hereto shall be required to provide or post any bond or other security or collateral in connection with any such decree, order or injunction or in connection with any related action or legal proceeding.

7.7 Amendments and Waivers. Any term or provision of this Agreement may be amended, and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only by a writing signed by each of Buyer and the Seller Group Parties. The waiver by a party of any breach hereof or default in the performance hereof shall not be deemed to constitute a waiver of any other default or any succeeding breach or default. At any time prior to the

Closing, each of the Seller Group Parties and Buyer may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other, (b) waive any inaccuracies in the representations and warranties made to it contained herein or in any document delivered pursuant hereto, and (c) waive compliance with any of the agreements or conditions for its benefit contained herein. No such waiver or extension shall be effective unless signed in writing by the party against whom such waiver or extension is asserted. The failure of any party to enforce any of the provisions hereof shall not be construed to be a waiver of the right of such party thereafter to enforce such provisions.

7.8 Expenses. Except as otherwise provided herein, whether or not the Membership Interest Purchase is successfully consummated, each party shall bear its respective legal, auditors', investment bankers' and financial advisors' fees and other expenses incurred with respect to this Agreement, the Membership Interest Purchase and the transactions contemplated hereby.

7.9 Attorneys' Fees. Should suit be brought to enforce or interpret any part of this Agreement, the prevailing party shall be entitled to recover, as an element of the costs of suit and not as damages, reasonable attorneys' fees to be fixed by the court (including costs, expenses and fees on any appeal). The prevailing party shall be entitled to recover its costs of suit, regardless of whether such suit proceeds to final judgment.

7.10 Notices. All notices and other communications required or permitted under this Agreement shall be in writing and shall be either hand delivered in person, sent by email, sent by certified or registered first-class mail, postage pre-paid, or sent by nationally recognized express courier service. Such notices and other communications shall be effective upon receipt if hand delivered or sent by email (provided no "bounceback" or notice of non-delivery is received), three days after mailing if sent by mail, and one day after dispatch if sent by express courier, to the following addresses, or such other addresses as any party may notify the other parties in accordance with this Section 7.10:

If to Buyer:

Kolors, Inc.  
1725 Hughes Landing Boulevard, 11th Floor  
The Woodlands, TX 77380  
Attention: Rodrigo Martinez; Karl Vergara  
Email: rodrigo@kolors.com.mx; karl@kolors.com

If to Seller:

Urbvan Mobility Limited  
Campbells Corporate Services Limited  
Floor 4, Willow House, Cricket Square  
Grand Cayman KY1-9010  
Cayman Islands  
Attention: Directors; Mostafa Kandil; Abdullah Mansour  
Email: mk@swvl.com; abdullah.mansour@swvl.com

7.11 Interpretation; Rules of Construction. When a reference is made in this Agreement to Exhibits, such reference shall be to an Exhibit to this Agreement unless otherwise indicated. When a reference is made in this Agreement to Sections, such reference shall be to a Section of this Agreement unless otherwise indicated. When a reference is made in this Agreement to Articles, such reference shall be to an Article of this Agreement unless otherwise indicated. The words "include", "include" and "including" when used herein shall be deemed in each case to be followed by the words "without limitation". The headings contained in this Agreement are for reference purposes only and shall not affect in any way the

meaning or interpretation of this Agreement. Reference to the subsidiaries of an entity shall be deemed to include all direct and indirect subsidiaries of such entity. The parties hereto agree that they have been represented by legal counsel during the negotiation and execution of this Agreement and, therefore, waive the application of any law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document shall be construed against the party drafting such agreement or document.

7.12 No Wind-Down; Liquidation; Dissolution of Seller. The Seller covenants and agrees that it will not wind up, liquidate or dissolve until the date that is two (2) years from the Closing Date.

7.13 No Joint Venture. Nothing contained in this Agreement shall be deemed or construed as creating a joint venture or partnership between any of the parties hereto. No party is by virtue of this Agreement authorized as an agent, employee or legal representative of any other party. No party shall have the power to control the activities and operations of any other and their status is, and at all times shall continue to be, that of independent contractors with respect to each other. No party shall have any power or authority to bind or commit any other party. No party shall hold itself out as having any authority or relationship in contravention of this Section 7.13.

7.14 Further Assurances. Prior to and following the Closing, each party agrees to cooperate fully with the other parties and to execute such further instruments, documents and agreements and to give such further written assurances as may be reasonably requested by any other party to evidence and reflect the transactions described herein and contemplated hereby and to carry into effect the intents and purposes of this Agreement.

7.15 Third Party Beneficiary Rights. No provisions of this Agreement are intended, nor shall be interpreted, to provide or create any third party beneficiary rights or any other rights of any kind in any client, customer, employee, consultant, contractor, Affiliate, member, unitholder, equityholder or partner of any party hereto or any other Person unless specifically provided otherwise herein and, except as so provided, all provisions hereof shall be personal solely between the parties to this Agreement; except that Article 6 (Survival, Indemnification and Remedies) is intended to benefit the Buyer Indemnified Persons.

7.16 Public Announcement. Following execution of this Agreement, each of Buyer and Seller may issue a press release announcing the proposed Membership Interest Purchase. Each party will provide the other party with a reasonable opportunity to review and comment on such press release and shall not make any public statements that are inconsistent with such press releases (other than as required by Applicable Law (including the rules and regulations promulgated by the SEC and any interpretations thereof by its staff) or the rules of any exchange to which such party is subject or pursuant to a demand of any Governmental Authority). Each party shall use its reasonable efforts to prevent any public announcement by its officers, directors, employees, consultants, contractors, members, unitholders, equityholders and agents. Thereafter, each of Buyer and Seller may issue such press releases, and make such other public statements regarding the Membership Interest Purchase, as it reasonably determines are required under Applicable Law or regulatory rules (including any listing agreement with any national securities exchange or stock market), but neither party shall issue any press release or make any public statement regarding the Membership Interest Purchase without first consulting with such party (including by providing such party the opportunity to review and comment thereon) and obtaining such party's agreement to such press release or public statement, except as either party reasonably determine is required by Applicable Law (in which case they shall notify such other party a reasonable time in advance of any such press release or public statement).

7.17 Confidentiality. Each Seller Group Party covenants and agrees with Buyer that, from and at all times after the Closing, all confidential and/or proprietary information relating to the Business, including any trade secrets, will be held in strict confidence by such Seller Group Party and will not be disclosed by such Seller Group Party without Buyer's prior written consent.

7.18 Entire Agreement. This Agreement, the exhibits and schedules hereto, the Seller Ancillary Agreements and the Buyer Ancillary Agreements constitute the entire understanding and agreement of the parties hereto with respect to the subject matter hereof and supersede all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the parties with respect hereto. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof.

7.19 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY AND ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF ANY PARTY HERETO IN NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT HEREOF.

7.20 Legal Representation

(a) Buyer, on behalf of itself and its Affiliates (including, after the Closing, the Target Companies) acknowledges and agrees that White & Case LLP ("**Company Counsel**") has acted as counsel for Seller Group Parties in connection with this Agreement and the transactions contemplated hereby (the "**Acquisition Engagement**"), and in connection with this Agreement and the transactions contemplated hereby, Company Counsel has not acted as counsel for any other Person, including Buyer.

(b) Only the Seller Group Parties (including, prior to Closing, the Target Companies) and their respective Affiliates shall be considered clients of Company Counsel in the Acquisition Engagement. Buyer, on behalf of itself and its Affiliates (including after the Closing, the Target Companies) acknowledges and agrees that all confidential communications between the Seller Group Parties (including, prior to Closing, the Target Companies), on the one hand, and Company Counsel, on the other hand, in the course of the Acquisition Engagement, and any attendant attorney-client privilege, attorney work product protection, and expectation of client confidentiality applicable thereto, shall be deemed to belong solely to the Seller Group Parties and their respective Affiliates (other than the Target Companies), and not the Target Companies, and shall not pass to or be claimed, held, or used by Buyer or the Target Companies upon or after the Closing. Accordingly, Buyer shall not be entitled to request or require access to any such communications, or to the files of Company Counsel relating to the Acquisition Engagement, whether or not the Closing occurs. Without limiting the generality of the foregoing, upon and after the Closing, (i) to the extent that files of Company Counsel in respect of the Acquisition Engagement constitute property of the client, only the Seller Group Parties and its Affiliates shall hold such property rights and (ii) Company Counsel shall have no duty whatsoever to reveal or disclose any such attorney-client communications or files to the Target Companies or Buyer by reason of any attorney-client relationship between Company Counsel and the Target Companies or otherwise; provided, however, that notwithstanding the foregoing, Company Counsel shall not disclose any such attorney-client communications or files to any third parties (other than representatives, accountants and advisors of Seller and its Affiliates; provided that such representatives, accountants and advisors are instructed to maintain the confidence of such attorney-client communications). If and to the extent that, at any time subsequent to Closing, Buyer or any of its Affiliates (including after the Closing, the Target Companies) shall have the right to assert or waive any attorney-client privilege with respect to any communication between the Target Companies or their Affiliates and any Person representing them that occurred at any time prior to the Closing, Buyer, on behalf of itself and its Affiliates (including after the Closing, the Target Companies) shall be entitled to waive such privilege only with the prior written consent of Seller (such consent not to be unreasonably withheld). Notwithstanding the foregoing, in the event that a dispute arises between Buyer or its Affiliates (including, following the Closing, the Target Companies), on the one hand, and a third party other than the Seller Group Parties or their Affiliates, on the other hand, Buyer or its Affiliates may assert the attorney-client privilege to prevent the disclosure of the privileged information to such third party.

(c) Buyer, on behalf of itself and its Affiliates (including after the Closing, the Target Companies) acknowledges and agrees that Company Counsel has acted as counsel for the Seller Group Parties and their respective Affiliates and that Seller reasonably anticipate that Company Counsel will continue to represent them and/or their respective Affiliates in future matters. Accordingly, Buyer, on behalf of itself and its Affiliates (including after the Closing, the Target Companies) expressly consents to Company Counsel's representation of Seller and/or their respective Affiliates and/or any of their respective agents (if any of the foregoing Persons so desire) in any post-Closing matter in which the interests of Buyer and the Target Companies, on the one hand, and any of the Seller Group Parties or any of their respective Affiliates, on the other hand, are adverse, relating to the transactions contemplated by this Agreement.

(d) From and after the Closing, the Target Companies shall cease to have any attorney-client relationship with Company Counsel, unless and to the extent Company Counsel is expressly engaged in writing by the Target Companies to represent the Target Companies after the Closing and either (i) such engagement involves no conflict of interest with respect to any Seller Group Party and/or any of its Affiliates or (ii) Seller Group Party and/or any such Affiliate, as applicable, consent in writing to such engagement.

#### 7.21 Release.

(a) Effective as of the Closing, Buyer on behalf of each Target Company and its respective officers, directors, stockholders, Subsidiaries, Affiliates and representatives, and each of their respective successors and assigns (each a **"Buyer Releasor"**), hereby releases, acquits and forever discharges, to the fullest extent permitted by law, Seller and its respective direct and indirect equityholders, representatives and each of their respective past, present and future officers, managers, directors, partners, members, Affiliates, employees, counsel, agents and representatives of, from and against any and all Actions and Liabilities of every kind, nature and description whatsoever, including for the avoidance of doubt, encumbrances, counterclaims, suits, debts, offsets, setoffs, damages, demands, rights obligations, costs, attorneys' fees, interest, loss of service, expenses and compensation, whether known, unknown, fixed or contingent, based on acts or omissions occurring on or before the Closing, known or unknown, which such Buyer Releasor or its successors or assigns ever had, now has or may have on or by reason of any matter, cause or thing whatsoever as of the Closing Date; provided, that such Buyer Releasor does not release (i) its claims or rights under this Agreement or any other agreement entered into with Seller in connection with the transactions contemplated hereby, including but not limited to the Seller Ancillary Agreements and the Buyer Ancillary Agreements, (ii) if a Buyer Releasor is or was a manager or officer of Seller, any rights of such Buyer Releasor to indemnification effective prior to the date hereof or (iii) such Buyer Releasor's right to receive any unpaid salary, expense reimbursement or other employment-related compensation accrued in the ordinary course of business of Seller.

(b) Effective as of the Closing, Seller and its respective officers, directors, stockholders, Subsidiaries, Affiliates and representatives, and each of their respective successors and assigns (each a **"Seller Releasor"**), hereby releases, acquits and forever discharges, to the fullest extent permitted by law, Buyer, the Target Companies and their respective direct and indirect equityholders, representatives and each of their respective past, present and future officers, managers, directors, partners, members, Affiliates, employees, counsel, agents and representatives of, from and against any and all Actions and Liabilities of every kind, nature and description whatsoever, including for the avoidance of doubt, encumbrances, counterclaims, suits, debts, offsets, setoffs, damages, demands, rights obligations, costs, attorneys' fees, interest, loss of service, expenses and compensation, whether known, unknown, fixed or contingent, based on acts or omissions occurring on or before the Closing, known or unknown, which such Seller Releasor or its successors or assigns ever had, now has or may have on or by reason of any matter, cause or thing whatsoever as of the Closing Date; provided, that such Seller Releasor does not release (i) its claims or rights under this Agreement or any other agreement entered into with Buyer in connection with the transactions contemplated hereby, including but not limited to the Seller Ancillary

Agreements and the Buyer Ancillary Agreements, (ii) if a Seller Releasor is or was a manager or officer of a Target Company, any rights of such Seller Releasor to indemnification effective prior to the date hereof or (iii) such Seller Releasor's right to receive any unpaid salary, expense reimbursement or other employment-related compensation accrued in the ordinary course of business of any Target Company.

[SIGNATURE PAGE NEXT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

**KOLORS, INC.**

By: Rodrigo Martinez  
Name: Rodrigo Martinez  
Title: Chief Executive Officer

**URBVAN MOBILITY LIMITED**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[Signature Page to Purchase Agreement]

\_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

**KOLORS, INC.**

By: \_\_\_\_\_

Name: Rodrigo Martinez \_\_\_\_\_

Title: Chief Executive Officer \_\_\_\_\_

**URBVAN MOBILITY LIMITED**

By: Renato Picard Alvarez

Name: Renato Picard Alvarez

Title: Director

*[Signature Page to Purchase Agreement]*

---

DEFINED TERM EMPLOYMENT CONTRACT	عقد عمل محدد المدة
<p>This Contract is made and entered into on (15th December 2021) by and between:</p> <p>1. (Swvl For Smart Transport Applications and Services), registered at Cairo Investment Commercial Registry Office No. (101975). having its registered office at (150- St Villa 12- .Maadi- Cairo represented by Mr. Mostafa Eissa Mohamed Kandil, in his capacity as CEO hereinafter referred to as the "Company"/ "Employer"); and</p> <p>Mr. /Miss (Abdullah Osama Ismaail Mansour), Residing at ( 49Hadara Street - Nerco Residences - Maadi).</p> <ul style="list-style-type: none"> <li>Nationality: (Egyptian).</li> <li>ID/Passport Number (29009018800779).</li> </ul> <p>Hereinafter referred to as the "Second Party" / "Employee";</p> <p>The Employer and Employee are jointly referred to herein as the "Parties" and individually as a "Party".</p> <p><b>Preamble:</b></p> <p>Whereas, the Employer is engaged in Smart Transport Applications</p> <p>Whereas, the employee knows the requirements, tasks and responsibilities assigned in this contract. At all times, the Employee shall be in compliance with all rules and regulations related to his/her duties and responsibilities, based on the monthly reports issued by his superiors. On the basis of which the Employer has the right to terminate the Employment Contract immediately, in case the Employee does not comply with the requirements of his job or in case of issuance of two consecutive reports that include poor performance of the Employee.</p> <p>Whereas, the Employee affirms that he is fully qualified to carry out the duties assigned to him and the obligations arising out of this Contract in a manner highly satisfactory to the Employer;</p> <p>A. Whereas, the Employer wishes to employ the Employee to perform as (Abdullah Osama Ismaail Mansour).</p> <p>B. Whereas, the Employee accepts the Employer's offer of employment in accordance with the terms set out below.</p> <p>THEREFORE, the Parties have declared their legal capacity to enter into this Contract and agreed as following:</p> <ul style="list-style-type: none"> <li>The foregoing Preamble forms an integral part of this Contract (the "Contract").</li> </ul> <p><b>1. Job description, Reassignment and Transfer of the Employee</b></p> <p>1.1. The Employer hereby appoints the Employee for the position of (Finance Manager) to perform the duties and responsibilities therefore, The Employee shall report to the manager of the Company or whomever he delegates or such other person as the Employer may decide from time to time.</p> <p>1.2. The Employee agrees that the Employer may, from time to time, require him to perform duties related to his position which are commensurate with his education,</p>	<p>أبرم هذا العقد في يوم: (15th December 2021) بين كل من:</p> <p>1. السادة/ (شركة سويلف لخدمات وتطبيقات النقل الذكي ش.ذ.م.م) والمقيدة بسجل تجاري استثمار القاهرة تحت رقم <b>101975</b> ويقع مقرها الرئيسي شارع 150 فيلا 12 - المعادي - القاهرة ، ويمثلها في هذا العقد السيد مصطفى عيسى محمد قنديل ، بصفته الرئيس التنفيذي ويشار إليه فيما بعد بـ (" الشركة" أو "رب العمل")؛ و</p> <p>السيدة/ (عبدالله أسامة إسماعيل منصور). والمقيم حالياً في: ( 49شارع الحضارة - مساكن نيركو - المعادي).</p> <ul style="list-style-type: none"> <li>الجنسية: ( مصري ).</li> <li>بطاقة رقم قومي/ (29009018800779).</li> </ul> <p>ويشار إليه فيما بعد بـ ("الطرف الثاني" أو "العامل")؛</p> <p>ويشار إلى كل منهما فيما بعد منفرداً بـ "الطرف" وإلى كليهما مجتمعين بـ "الطرفين".</p> <p><b>تمهيد</b></p> <p>حيث أن رب العمل يعمل في مجال خدمات وتطبيقات النقل الذكي</p> <p>وحيث يعلم العامل بالمتطلبات و المهام والمسؤوليات المحددة بهذا العقد وكل هذا بشرط التزام العامل بمتطلبات الوظيفة وحسن الأداء في العمل والتي ترجع الى التقارير الشهرية التي ستصدر من رؤسائه والتي على اساسها يحق لرب العمل إنهاء عقد العمل فور عدم التزام العامل بمتطلبات الوظيفة أو صدور تقريرين متتاليين بضمنا سوء ادائه في العمل .</p> <p>وحيث يقر العامل بأنه مؤهل وقادر على القيام بالمهام المسندة إليه والواجبات الناشئة عن هذا العقد بطريقة مرضية تماماً لصاحب العمل</p> <p>- وحيث أن رب العمل يرغب في تعيين العامل (عبدالله أسامة إسماعيل منصور)</p> <p>-بناء عليه أعرب العامل عن قبوله لذلك التعيين طبقاً للعرض المقدم من رب العمل بالشروط التالية ذكرها في هذا العقد.</p> <p>وعليه بعد أن أقر الطرفان بأهليتهما القانونية لتوقيع هذا العقد والتزامهم بأحكامه، فقد اتفقا على ما يلي:</p> <p>- يعتبر التمهيد السابق جزء لا يتجزأ من هذا العقد.</p> <p><b>1. الوظيفة، التكليف و الندب</b></p> <p>1.1. عين رب العمل بموجب هذا العقد العامل القابل لذلك في وظيفة (مدير مالي) وذلك للقيام بالمهام والواجبات المتعلقة بهذه الوظيفة على ان يكون رئيس العامل المباشر مدير الشركة او من يفوضه او أي شخص آخر قد تحدده الشركة من وقت إلى آخر.</p>

<p>qualifications and salary, but which are not specifically related to his job title, also The Employer has the right, at its sole discretion, to assign the Employee to any other position suitable to his education or to instruct him to perform work within his qualifications or for which he has become qualified through his work at the Employer or work which he could reasonably be asked to perform at the Employer's discretion</p> <p>1.3. The Employee's workplace shall be in Arab Republic of Egypt area. However, the Employee agrees that the Employer may require the Employee to travel to different locations in Egypt and outside of Egypt as per the business needs.</p> <p>1.4. The Employee agrees to undertake necessary training, inductions and exams to improve his performance elsewhere in Egypt or at a location outside of Egypt as may be required by the Employer. Provided that, the Employee shall successfully pass the training and exams.</p> <p>2. <u>Employee's Documents</u></p> <p>2.1. ( accordingly with article 2.3) The Employee shall provide the Employer, upon signature of this Contract, the employee shall receive written document that the employer received the following required documents :</p> <p>2.1.1. Original or official extract of the Employee's birth certificate;</p> <p>2.1.2. The Employee's registration certificate from the competent Labour Office (for Egyptian nationals only);</p> <p>2.1.3. Origin of the employee's educational or technical certificate</p> <p>2.1.4. A photocopy of the Employee's identity card;</p> <p>2.1.5. Six passport-sized photographs;</p> <p>2.1.6. A health certificate establishing that the Employee is physically qualified for work;</p> <p>2.1.7. The original termination and release forms signed by the Employee's previous Employer;</p> <p>2.1.8. A copy of the Employee's marital status certificate and birth certificates of children (married Employees only);</p> <p>2.1.9. The Employee's recent criminal record;</p> <p>2.1.10. The original Employee's military record (for males);</p> <p>2.1.11. Social Insurance Form No. 6 from previous work; and</p> <p>2.1.12. Any other documents which may be required according to the Egyptian Labour Law No. 12 for the year 2003.</p> <p>2.2. The Employee undertakes that he/she shall notify the Employer in writing of any updates or amendments that may occur in details of the above mentioned documents within one week of the occurrence of any such update or amendment.</p> <p>2.3. "Notwithstanding, the Employee undertakes to provide the above-mentioned documents, no later than</p>	<p>1.2. يوافق العامل على حق رب العمل في أن يطلب منه من وقت لآخر القيام بأعمال تتعلق بوظيفته وتتفق مع تعليمه ومؤهلاته وراتبه حتى وإن لم تكن متعلقة بمنصبه الوظيفي المبين عليه كما للشركة الحق في تكليف العامل بأية وظيفة أخرى أو أداء أية أعمال تدخل ضمن مؤهلات العامل أو التي يصبح العامل أهلاً بها من خلال عمله لدى صاحب العمل أو تكليفه بأداء أي عمل مناسب لمؤهلة من الممكن أن يطلب منه تنفيذه بشكل معقول وذلك وفقاً لما يقرره صاحب العمل وحده</p> <p>1.3. يكون مقر عمل العامل ومحل أدائه لمهامه، بجمهورية مصر العربية ومع ذلك يوافق العامل بموجب هذا على أنه يحق لرب العمل مطالبته بالعمل في أي منطقة أخرى داخل أو خارج جمهورية مصر العربية، حسب متطلبات العمل</p> <p>1.4. يوافق العامل على تلقي التدريب والاختبارات اللازمة للرقى بأدائه داخل أو خارج جمهورية مصر العربية حسبما يقرر رب العمل على أن يلزم اجتياز التدريبات والاختبارات بنجاح</p> <p>2. <u>مسوغات التعيين</u></p> <p>2.1. ( مع مراعاة البند 2.3) يتعين على العامل تقديم المستندات اللازمة للتعين عند التوقيع على هذا العقد وذلك مقابل استلام العامل ما يفيد كتابياً استيفاء الشركة مسوغات التعيين و الا، والموضحة كالتالي:</p> <p>2.1.1. أصل أو مستخرج رسمي من شهادة ميلاد العامل؛</p> <p>2.1.2. شهادة قيد العامل لدى مكتب العمل المختص (للمصريين فقط)؛</p> <p>2.1.3. أصل المؤهل العلمي أو الفني للعامل ؛</p> <p>2.1.4. ست صور فوتوغرافية من الحجم الصالح لجواز السفر؛</p> <p>2.1.5. صور من البطاقة القومية للعامل؛</p> <p>2.1.6. شهادة صحية تثبت أن العامل لائقاً طبياً للعمل؛</p> <p>2.1.7. أصل شهادة إخلاء طرف العامل من عمله السابق؛</p> <p>2.1.8. صورة من قسيمة زواج العامل وصور من شهادات ميلاد الأبناء (للمتزوجين)؛</p> <p>2.1.9. مستخرج حديث من صحيفة الحالة الجنائية؛</p> <p>2.1.10. أصل شهادة الموقف من التجنيد للعامل (للذكور)؛</p> <p>2.1.11. استمارة رقم 6 تأمينات اجتماعية من عمله السابق؛و</p> <p>2.1.12. أي أوراق أخرى قد تكون مطلوبة بموجب قانون العمل المصري رقم 12 لسنة 2003.</p>
---	---

one month or for time considered reasonable for the employer from the signature date of this Contract, and in the event, that the Employee fails to comply with this article; this will be considered as major wrongful act and the employer shall be entitled to terminate the contract according to the Egyptian labor law.

### 3. Employee Duties and Responsibilities

#### 3.1. The Employee shall:

- 3.1.1. During his/her working hours, devote his/her full-time service and attention to the performance of his/her duties assigned to him/her to the best of his abilities and in accordance with the Employer's policies and regulations
- 3.1.2. At all times, fully comply with all rules and regulations related to his/her duties and responsibilities as well as all orders, directives and instructions issued to him by the Employer's authorized personnel, whether written or verbal, including but not limited to, management staff and technical and administrative supervisors;
- 3.1.3. As may require by the Employer, under go any and all medical examinations and vaccinations required by the Employer or as otherwise required by law;
- 3.1.4. At all times, fully comply with all laws and regulations in force in the Arab Republic of Egypt;
- 3.1.5. At all times, hold all permits, licenses and certificates required to be held by him/her under any Egyptian law or regulation or by any governmental authority having direct or indirect control or supervision over the Employer's business to perform the job duties.
- 3.1.6. Report to the Employer any matters of concern that come to the Employee's attention, in particular any acts of misconduct, dishonesty, breach of the rules of any relevant regulatory bodies committed, contemplated or discussed by any staff member or other third Party.
- 3.1.7. Maintain all Company's confidential data, including but not limited, to commercial secrets, company records, customer information, vendor information, intellectual property, and all matters that should not be known to public, and therefore divulge no information connected with the work once it is treated as confidential by its nature or according to the written instructions issued by the Company. Therefore, the obligations under this article shall survive the termination of this Contract and shall continue for so long as the information covered by the confidentiality has not become public knowledge, as detailed in Article 4 hereof.
- 3.1.8. Dress in a professional manner that commensurate with the company's standards.

2.2. يتعهد العامل بإخطار رب العمل كتابة عن أي تعديلات في المعلومات أو الوثائق المقدمة منه، في خلال أسبوع واحد من تاريخ هذه التعديلات.

2.3. وإستثناء مما تقدم، يتعهد العامل بتقديم كافة المستندات المشار إليها أعلاه بتاريخ أقصاه شهر أو المدة التي يراها رب العمل معقولة من تاريخ التوقيع على هذا العقد، وفي حالة إخلال العامل بهذا البند يعتبر خطأه جسيم يحق للشركة معه إنهاء هذا العقد، وفقاً لأحكام قانون العمل المصري .

#### 3. الواجبات والمسئوليات الجوهرية للعامل

##### 3.1. يتعين على العامل:

- 3.1.1. أن يكرس كل وقته وعنايته خلال ساعات العمل للقيام بالمهام الموكولة إليه على اكمل وجه و طبقاً للوائح والقواعد الخاصة برب العمل
- 3.1.2. أن يمثل دائماً لجميع اللوائح والتوجيهات والتعليمات الصادرة له من رب العمل والمتعلقة بواجباته ومسئوليته وكذلك الأوامر والتوجيهات والتعليمات الموجهة إليه من قبل مديريه سواء التعليمات المكتوبة أو الشفوية و على سبيل المثال وليس الحصر، طاقم الإدارة ومشرفي الطاقم الفني والإداري؛
- 3.1.3. أن يجري جميع الفحوصات والتحاليل الطبية وفقاً لما يراه رب العمل وأن يأخذ التطعيمات التي يطلبها رب العمل أو ينص عليها القانون؛
- 3.1.4. أن يمثل في كل الأوقات لجميع القوانين واللوائح المعمول بها في جمهورية مصر العربية؛
- 3.1.5. أن يحصل على التراخيص والتصاريح والشهادات التي يمكن أن يطلب منه الحصول عليها طبقاً للقانون المصري أو لوائحه أو بواسطة أية جهة حكومية لها سلطة الإشراف المباشر أو غير المباشر على نشاط رب العمل وبما يمكنه من أداء العمل.
- 3.1.6. إبلاغ رب العمل بكافة الأمور الهامة التي ترد إلى علم العامل وبصفة خاصة الأعمال التي تنتم بسوء التصرف أو خيانة الأمانة أو انتهاك القواعد الخاصة برب العمل أو بأي جهة رقابية والتي ارتكبتها أو ناقشها أحد العاملين أو أي طرف آخر من الغير.
- 3.1.7. الحفاظ على سرية بيانات الشركة، بما في ذلك، على سبيل المثال و ليس الحصر، الأسرار التجارية، وسجلات الشركة، ومعلومات العملاء، والملكية الفكرية، وغيرها من المسائل غير المعروفة لعامة الناس، فلا يفشي المعلومات المتعلقة بالعمل متى كانت سرية بطبيعتها أو وفقاً للتعليمات الكتابية الصادرة من الشركة، ذلك مع الإشارة إلى أن الالتزامات المنصوص عليها في هذا البند سوف تستمر مدة سريان هذا العقد وتستمر أيضاً إلى مدد غير محددة طالما المعلومات المراد الحفاظ على سريتها لم تصبح معلومات عامة، ذلك كما هو موضح تفصيلاً بالبند 4 من هذا العقد.
- 3.1.8. أن تكون ملابس الموظف بطريقة مهنية تتناسب مع معايير الشركة
- 3.1.9. الحفاظ على ما يسلمه إليه رب العمل من أدوات أو أجهزة أو مستندات، وأن يقوم بجميع الأعمال اللازمة لسلامتها، ويلتزم بأن يبذل في ذلك عناية الشخص المعتاد.
- 3.1.10. إتباع وتطبيق إجراءات الصحة المهنية الواردة بالقانون ولوائح العمل المصرية ولوائح رب العمل في هذا الشأن.
- 3.1.11. أن يحسن معاملة عملاء الشركة.
- 3.1.12. أن يراعي النظم الموضوعه للمحافظة على سلامة الشركة وأمنها

<p>3.1.9. Maintain the tools, equipment, documents or any other objects delivered to him by the Employer, do all necessary works for keeping them in good condition as that of a reasonable person.</p> <p>3.1.10. Apply Occupational Health and Safety standards determined by Egyptian law and labour regulations and the Employer's policies in this matter.</p> <p>3.1.11. To treat the Company's customers decently</p> <p>3.1.12. To maintain the dignity of work and act accordingly;</p> <p>3.1.13. To observe the working hours and follow the procedures in case of absence from work or contravention of its duty hours and to bind by the Employer's internal Regulations and Disciplinary rules;</p> <p>3.2. By signing this Contract, the Employee shall undertake not to have any financial or other interest in any other company or business which competes with the Employer's business or that of any associated company or conflicts with his employment with the Employer.</p> <p>3.3. <u>The Employee shall not:</u></p> <p>3.3.1. without written authorization from the Employer, engage in any work for a third party or be self-employed with or without remuneration even outside official working hours, for at least one year from the date of termination of this Contract.</p> <p>3.3.2. Threaten or use violence against any other Employee.</p> <p>3.3.3. Undertake any form of religious, racial, sexual, gender discrimination action towards any co-workers or the Company's clients.</p> <p>3.3.4. Disclose any of his salary or bonus related information with co-workers during and/or at any time after employment.</p> <p>3.3.5. Mention the Company in inappropriate way.</p> <p>3.3.6. In case of violation to the abovementioned obligations, the Employer shall have the right to dismiss the Employee and terminate this Contract and without any objections from the Employee. The Employer shall have the right to claim damages of any kind.</p> <p>3.3.7. working for a third party, with or without pay, without obtaining the prior written consent of the Company;</p> <p>3.3.8. engaging in an activity similar to that being exercised by the Company during the validity period of this Contract, or participating in an activity of that sort, whether in his capacity as partner or employee without obtaining the prior written consent of the Company;</p> <p>4. <u>Proprietary and Confidential Information:</u></p> <p>4.1. The Employee agrees that all information and know-how, whether or not in writing, of a private, secret or confidential nature concerning the Employer's</p>	<p>3.1.13. أن يحافظ على مواعيد العمل، وأن يتبع الإجراءات المقررة في حالة التغيب عن العمل أو مخالفة مواعيده وأن يلتزم بلائحة النظام الأساسي ولائحة جزاءات صاحب العمل.</p> <p>3.2. بتوقيع العامل على هذا العقد يقر العامل بأنه ليس لديه أية مصالح مالية أو أية مصالح أخرى من أي نوع في أي شركة أخرى أو عمل آخر منافس لنشاط رب العمل أو مع نشاط إحدى الشركات المرتبطة أو يتعارض مع عمله لدى رب العمل.</p> <p>3.3. <u>يمتنع العامل عن:</u></p> <p>3.3.1. الارتباط بأي علاقة عمل في نفس النشاط مع أي طرف من الغير أو العمل لحسابه الخاص بنفس النشاط بدون الحصول على إذن كتابي من رب العمل سواء كان هذا الارتباط بمقابل أو بدون مقابل وحتى إن كان خارج ساعات العمل الرسمية ، وذلك لمدة سنة على الأقل من تاريخ انتهاء هذا العقد.</p> <p>3.3.2. معاملة زملائه بطريقة فظة أو بها نوع من العنف.</p> <p>3.3.3. التمييز على أساس الجنس أو الدين أو القيام بالمضايقات تجاه زملائه بالعمل أو عملاء الشركة.</p> <p>3.3.4. الإفصاح عن أي من المعلومات المتعلقة براتبه أو المكافآت الخاصة به مع باقي الموظفين خلال مدة عمله أو في أي وقت بعد انقضاء مدة عمله.</p> <p>3.3.5. ذكر الشركة بطريقة غير لائقة أو بالفاظ غير لائقة تهين الشركة</p> <p>3.3.6. وفي حالة مخالفة ما سبق يحق لرب العمل إنهاء عقد العمل مع العامل دون أي إعتراض منه مع حقه رب العمل في الرجوع عليه إن كان له مقتضى.</p> <p>3.3.7. العمل للغير سواء بأجر أو بدون أجر بدون إذن كتابي مسبق من الشركة.</p> <p>3.3.8. ممارسة نشاط مماثل للنشاط الذي تمارسه الشركة أثناء مدة سريان عقده، أو الاشتراك في نشاط من هذا القبيل، سواء بصفته شريكاً أو عاملاً دون موافقة مسبقة من الشركة</p>
---	--

business or financial affairs (collectively, "Proprietary Information") is and shall be the exclusive property of the Employer. By way of illustration but not limitation, Proprietary Information may include systems, software and codes, or systems, software and codes in the course of development, or planned or proposed systems, software or codes, customer and prospect lists, contacts at or knowledge of customers or prospective customers, customer accounts and other customer financial information, price lists and all other pricing, marketing and sales information relating to the Employer or any customer or supplier of the Employer, databases, modules, products, processes, methods, techniques, operations, projects, developments, plans, research data, financial data and personnel data. The Employee will not disclose any Proprietary Information to others outside the Employer or use the same for any unauthorized purposes without written approval by an officer of the Employer, either during or at any time after employment, unless and until such Proprietary Information has become public knowledge without fault by the Employee.

- 4.2. The Employee agrees that all disks, files, letters, memoranda, reports, records, data, drawings, notebooks, program listings, or written, photographic, or any other record containing Proprietary Information, whether created by the Employee or others, which shall come into the Employee's custody or possession, shall be and are the exclusive property of the Employer to be used only for accomplishing the Employee's duties and obligations under this Contract. Upon termination, the Employee agrees to return to the Employer any and all copies of materials in the Employee's custody or possession, containing Proprietary Information.

- 4.3. The Employee acknowledges that his obligations with regard to Proprietary Information which are set out in Articles 5.1 and 5.2 above, extends to all information, know-how, records and tangible property of customers of the Employer or suppliers to the Employer or of any third party who may have disclosed or entrusted the same to the Employer or to the Employee in the course of the Employer's business.

## 5. Confidentiality

- 5.1. The Employee shall at all times, during and after termination of his employment, hold in strict confidence all information obtained by him in the course of performing his duties and responsibilities hereunder that, directly or indirectly, relate to the Employer's business or the Employer's clients, including but not limited to operations, processes and business dealings.

- 5.2. The Employee further acknowledges that the nature of the Employer's business requires the protection of its proprietary and confidential information as it is critical to Company's business' survival and success. With regards to Articles 4, 7 and 8, the Employer shall include its corporate affiliates and associated companies.

4.1. يوافق العامل على أن جميع المعلومات والمعرفة الفنية (سر الصنعة) المكتوبة وغير المكتوبة والتي تكون ذات طبيعة خاصة أو سرية متعلقة بأعمال رب العمل أو بشئونه المالية (وتسمى فيما بعد مجتمعة بـ "المعلومات الخاصة") ستكون وستظل مملوكة ملكية خاصة لرب العمل. وعلى سبيل التوضيح وليس الحصر تشمل المعلومات الخاصة النظم والبرمجيات والمدونات سواء كانت مكتملة أو جاري تطويرها أو مقترحة أو مخطط لوضعها وقوائم العملاء والعاملين المحتملين وبيانات وسبل الاتصال بالعملاء القائمين أو المحتملين وحسابات العملاء ومعلومات مالية أخرى عن العملاء وقوائم الأسعار ومبائر التسعير ومعلومات عن المبيعات والتسويق المتعلقة برب العمل أو أي من عملاء أو موردي رب العمل وقواعد البيانات ومنتجات وعمليات وأساليب وتقنيات ومشاريع وتطورات وخطط وبيانات البحوث وبيانات مالية وعمليات. لن يكشف العامل عن أي معلومات خاصة للغير أو يستعمل المعلومات الخاصة لأي أغراض غير مصرح بها دون موافقة كتابية من مسئول لدى رب العمل سواء خلال مدة العمل أو في أي وقت بعد انتهاء مدة العمل إلا إلى أن تصبح هذه المعلومات الخاصة من معلومات المعارف العامة بغير خطأ من جانب العامل.

4.2. يوافق العامل على أن كافة الأقراص والملفات والرسائل والمذكرات والتقارير والسجلات والبيانات والرسومات والدفاتر وقوائم البرامج أو أية معلومات خاصة مكتوبة أو أي صورة فوتوغرافية منها أو نسخ إيا كانت أو أية سجلات أخرى تحتوي على معلومات خاصة التي أنشأها رب العمل أو غيره والتي ستكون في حيازة العامل وسوف تستخدم في أداء واجبات العامل لرب العمل فقط. يوافق العامل على رد كافة المواد التي تكون في حيازة العامل والتي تحتوي على معلومات خاصة إلى رب العمل عند إنتهاء العقد.

4.3. يقر العامل بأن التزاماته الخاصة بالمعلومات المملوكة ملكية خاصة الوارد بيانها في المواد 5.1 و 5.2 أعلاه تمتد لتشمل كافة المعلومات والمعرفة الفنية والسجلات والممتلكات الملموسة الخاصة بعملاء رب العمل أو مورديه أو الغير والتي يمكن أن تكون قد تم الكشف عنها لرب العمل أو للعامل أو انتمن عليها بمناسبة مباشرة رب العمل لنشاطه.

## 5. السرية

5.1. يتعين على العامل أن يحافظ في كل الأوقات أثناء فترة التعاقد أو بعد انقضائها على سرية جميع المعلومات التي يتلقاها بمناسبة أدائه واجباته والمتعلقة مباشرة أو بصورة غير مباشرة برب العمل أو ينطلق أعماله أو يعملانه بما في ذلك، على سبيل المثال وليس الحصر، عملياته ونظمه ومعاملاته؛

5.2. يقر العامل بأن طبيعة أعمال رب العمل تستلزم أن تكون حماية المعلومات المملوكة ملكية خاصة والمعلومات السرية الخاصة به أمراً هاماً وحيوياً لضمان استمرارية أعماله ونجاحها. لأغراض المواد 7,4، 8، يشمل مصطلح رب العمل كافة الشركات المنبثقة منه والمرتبطة به.

5.3. طوال مدة عمله لدى رب العمل، يلتزم العامل ببذل أفضل جهوده لمنع نشر أو الإفصاح عن المعلومات المملوكة ملكية خاصة والمعلومات السرية الخاصة برب العامل والتي تتصل بأعماله ومنتجاته أو العمليات التي يقوم بها أو

5.3. While employed by the Employer the Employee will use best efforts to prevent publication or disclosure of any confidential or Proprietary Information concerning the business, products, processes or affairs of the Employer.

#### 6. Restrictive Covenants

6.1. The Employee shall not, directly or indirectly, during the twelve (12) month period after the date of the termination of his/her employment, be engaged by, or concerned or interested in, any ride-sharing business which might be considered to directly or indirectly compete with the business of the Company

6.2. The Employee shall not during the twelve (12) month period after the date of termination of his/her employment, either on his/her own account or in conjunction with or on behalf of any other period, solicit or entice away or endeavour to solicit or to entice away or asses any other person whether by means of the supply of names or expressing views on suitability or otherwise howsoever to solicit or entice away from the Company or any Group Company, any individual who is an employee or director of the Company of any Group Company, whether or not any such person would commit a breach of contract by reason of his/her leaving service.

6.3. The Employee shall not during the twelve (12) month period after the date of termination of his/her employment either on his/her own or in conjunction with or on behalf of any other person; solicit, interfere with the Company's or any Group Company's relationship with or entice away; or attempt to solicit, interfere with the Company's or any Group Company's relationship with any person who is an existing or a Prospective Client, provided always that nothing contained in this clause shall be deemed to prohibit the seeking or doing of business not in direct or indirect competition with the business of the Company

6.4. Each of the restrictive covenants in this clause 6 shall be construed as a separate and independent restriction and if one of the restrictive covenants is found to be void and unenforceable, the validity of the remaining covenants shall not be affected

6.5. The restrictive covenants contained in this clause 6 are considered reasonable by the parties and necessary for the protection of the legitimate interests of the Company but if any such restriction shall be found to be void or voidable but would be valid and enforceable if some part of some parts thereof were deleted, such restriction shall apply with such modification as may be necessary to make it valid and enforceable.

6.6. Without prejudice to the other terms of this clause 6, if any court or other competent authority finds any restrictive covenant, to be void or unenforceable the parties shall negotiate in good faith to replace such void or unenforceable restrictive covenant with a valid restriction which, as far as possible, has the same legal and commercial effect as that which it

بشئون رب العمل.

#### 6. تعهدات الزامية

6.1. لا يجوز للموظف خلال فترة اثني عشر شهر من تاريخ انتهاء خدمته ان يعمل بشكل مباشر او غير مباشر في اي من خدمات النقل الجماعي المناقسه بطريقة مباشرة او غير مباشرة.

6.2. لا يجوز للموظف خلال فترة اثني عشر شهرا من تاريخ انتهاء خدمته سواء لحسابه او لحساب اي شخص آخر ان يسعى، باي وسيلة، لحدث اي من موظفي الشركة او من موظفي المجموعة بالعمل لديه او لدى اي شخص آخر سواء كان ترك الشركة ام لا، سوف يعد إخلال بعقد العامل.

6.3. لا يجوز للموظف خلال فترة اثني عشر شهرا من تاريخ انتهاء خدمته سواء لحسابه او لحساب اي شخص آخر ان يتدخل، باي وسيلة، في علاقة الشركة باي من عملائها (الحاليين والمحتملين) او من عملاء المجموعة وذلك لا يمنع من السعي لإقامة علاقات عمل شريطة ألا يكون العمل منافساً بطريقة مباشرة او غير مباشرة لنشاط الشركة.

6.4. كل من التعهدات الواردة في هذا البند 6، تؤخذ كتعهد منفصل و مستقل ،. في حالة بطلان اي من التعهدات او وجودها غير قابله للتنفيذ، هذا لا يؤثر على بقية التعهدات.

6.5. تعتبر التعهدات الواردة في هذا البند 6 مقبولة من قبل الطرفين وضرورية لحماية المصالح المشروعة للشركة ولكن إذا وجد أن أي تعهد من هذا القبيل لا غيا أو باطلا ولكنه سيكون ساريا وقابلا للتنفيذ إذا حذف أجزاء منها، ينطبق هذا التعهد مع ما قد يلزم من تعديل لجعله صالحا وقابلا للتنفيذ.

6.6. دون المساس بأي من بنود الفقرة 6، في حاله بطلان او عدم قابلية تنفيذ اي من التعهدات سواء من قبل المحكمة او اي سلطه اخر، على جميع الاطراف التفاوض بحسن نيه لتعديل التعهدات وجعلها سارية وقابله للتنفيذ، مع مراعاة الحفاظ على التأثير القانوني والتجاري.

#### 7. الابتكارات وحقوق الملكية الفكرية

7.1. يوافق العامل على ان يتعاون بصورة كاملة مع رب العمل سواء أثناء مدة عمله او بعد انتهائها وذلك فيما يتعلق بتدبير او المحافظة على أو تنفيذ حقوق التأليف والنشر وبراءات الاختراع (سواء داخل مصر أو في الدول الأجنبية) والتي تخص الابتكارات. يلتزم العامل بتوقيع كافة الأوراق بما في ذلك على سبيل المثال لا الحصر طلبات الحصول على حقوق النشر وبراءات الاختراع والافقرارات وحلف اليمين والتنازلات الرسمية والتنازل عن حق الأولوية والتوكيلات والتي يراها رب العمل ضرورية أو مرغوبة لحماية حقوقه ومصالحه في الابتكارات.

replaces.

## 7. Developments and Intellectual Property Rights

7.1. The Employee agrees to fully cooperate with the Employer, during and after termination to his employment regardless of the termination reason with the Employer, with respect to the procurement, maintenance and enforcement of copyrights and patents (in Egypt and/or foreign countries) relating to Developments. The Employee shall sign all papers, including, without limitation, copyright applications, patent applications, declarations, oaths, formal assignments, assignment of priority rights, and powers of attorney, which the Employer may deem necessary or desirable in order to protect its rights and interests in any Development.

## 8. Working Hours:

8.1. It is agreed between the Parties that the working days shall be 5 days from Sunday to Thursday of each week, for 8 hours starting at 9:00 AM until 6:00 PM or it will be based on the agreement between both of employee and employer working hours includes an hour for the Employee to rest.

8.2. If the Employee is absent from work regardless of the reason, he, or someone on his behalf, must contact his supervisor on the first day of absence to inform the supervisor of the reason for his absence and its expected duration.

8.3. If the Employee's absence is due to sickness and/or injury and lasts for more than 2 (two) calendar days he will be required to provide a medical certificate stating the reason for absence to Employer. Medical certificates must cover the whole period of absence. Failure or delay by the Employee in providing the required medical certificates shall be deemed as a legitimate reason to disapprove Employee absence.

8.4. In the event of an unapproved absence, a deduction will be made from the Employee's monthly salary equal to by the number of unapproved absence days. A daily salary will be calculated as the monthly salary divided on the days of the month, in accordance with the provisions of Labor Law No. 12 of 2003 specially article 69.

## 9. Salary and Deductions:

9.1. The Employer shall pay to the Employee a total monthly salary **48000 EGP. (Forty Eight Thousand)** (the "Monthly Salary").

9.2. The Employer shall pay the Employee the Monthly Salary after deducting the salaries and wages tax and social insurance installments according to the provisions of Law No. 79 of 1975 as amended.

9.3.

## 10. Duration

10.1 This Contract shall commence on **15th of December 2021** The duration of this Contract is **one** calendar year(s) ending on **14th of December 2022**

10.2 This Contract shall terminate automatically upon the expiration of its duration referred to hereinabove

## 8. ساعات العمل:

8.1. تكون أيام العمل المتفق عليها 5 أيام من كل أسبوع، من الأحد إلى الخميس وذلك لمدة 9 ساعات تتخللها ساعة راحة للعامل. على أن تكون ساعات العمل من الـ 9:00 صباحاً وحتى الـ 6:00 مساءً، أو بناء على فترات العمل المتفق عليها مع المدير المختص

8.2. في حالة غياب الموظف عن العمل لأي سبب من الأسباب فإن عليه - أو أي شخص من طرفه - الاتصال برئيسه في أول يوم غياب وأخطاره بسبب ومدة الغياب.

8.3. إذا كان غياب الموظف مرضي أو بسبب إصابة واستمر لأكثر من يومين عمل متصلة فإنه يلتزم بتقديم شهادة طبية ليبيان سبب الغياب كما أنه لا بد أن تشمل الشهادة فترة غيابه كاملة، وفي حالة تعذر الموظف أو تقاعسه عن تقديم هذه الشهادة الطبية فإن ذلك يعد سبب مشروع لعدم اعتماد إجازاته

8.4. وفي حالة الغياب غير المصرح به يتم الاستقطاع من راتب العامل بما يعادل أجره عن كل يوم يستمر فيه هذا الغياب غير المصرح به، ويتم حساب الأجر اليومي بقسمة الراتب الشهري على عدد أيام الشهر، ذلك مع مراعاة أحكام قانون العمل رقم 12 لسنة 2003 في هذا الشأن وخاصة المادة 69

## 9. الأجر والاستقطاعات

9.1. يدفع صاحب العمل للعامل إجمالي راتب شهري قدره **48000** جنيهاً مصرياً (الثمانية وأربعون ألف جنيهاً فقط لا غير) خاضع للمستقطاعات القانونية (المرتب الشهري).

9.2. تقوم الشركة بدفع المرتب الشهري للعامل المنصوص عليه عالية بعد خصم ضريبة المرتبات و الأجر و أقساط التأمينات الاجتماعية طبقاً لأحكام القانون رقم 79 لسنة 1975 وتعديلاته .

## 10. مدة العقد

10.1. تبدأ مدة هذا العقد إعتباراً من ١٥ ديسمبر ٢٠٢١ وتستمر لمدة سنة أي حتى تاريخ ١٤ ديسمبر ٢٠٢٢

10.2. و ينتهي هذا العقد تلقائياً بانتهاء المدة المشار إليها أعلاه وذلك دون الحاجة إلى قيام أي من الطرفين بإخطار الطرف الآخر بالإنهاء و دون الحاجة أيضاً إلى إتخاذ أي إجراء آخر. و لا يحدد هذا العقد إلا باتفاق كتابي بين الطرفين.

without any need to serve a termination notice or take any other termination procedure. This Contract shall not be renewed for another period(s), unless otherwise agreed upon in writing between the parties.

#### 11. حالات الإنهاء

#### 11. Termination Of The Contract

- 11.1. The following shall be considered as gross faults and accordingly shall entitle the Company to discharge the Employee in accordance with the provisions of law:
- a- If the Employee fails to fulfill any of his/ her essential duties, or any obligations associated with her/his job;
- b- in the event that the Employee fails to provide the Company, within thirty days from the commencement date of the Contract, or the period of time that the Company considers reasonable with all employment documents requested by the Company; also in the event that the Employee fails to obtain any governmental or non-governmental approvals, authorizations, permits, documents or papers required by the laws and/or regulations, or considered necessary for the Employee's work at the Company; or if the Company discovers that the information or data presented by the Employee are misleading, or do not represent the truth; and/or that the documents and papers submitted by the Employee are totally or partially false or incorrect or became so without notifying the Company.
- c- The Employee incompetence as per the Company's disciplinary list.
- d- If the Employee acts in an unprofessional manner that contradicts with his/her job; or
- e- If the Employee commits any act that constitutes a ground for termination as per the Egyptian law provisions.

11.1. تعد من حالات الخطأ الجسيم و التي تخول الشركة فصل العامل وفقا للإجراءات المنصوص عليها قانونا الحالات الآتية:

أ. إذا أخفق العامل في أداء واجبات أو التزامات جوهرية تتصل بعمله.  
ب. إذا أخفق العامل أو تعذر عليه في خلال 30 يوما من تاريخ هذا العقد أو المدة التي تراها الشركة مناسبة لتزويد الشركة بمسوغات تعيينه التي تطلبها منه الشركة أو إذا فشل العامل في الحصول على أية موافقات أو تراخيص أو تصاريح أو مستندات أو أوراق حكومية أو غير حكومية تتطلبها القوانين و/أو اللوائح أو تكون لازمة للعمل لدى الشركة أو إذا تبين للشركة أن المعلومات و البيانات التي قدمها لها العامل مضللة و لا تعبر عن الحقيقة أو أن المستندات و/أو الأوراق المقدمة من العامل كلها أو بعضها مزور أو غير مطابق للحقيقة أو أصبحت كذلك دون إخطار الشركة.

ج. ثبوت عدم كفاءة العامل وفق لائحة العمل.  
د. إذا أتى العامل أفعالا منافية لأصول الوظيفة.  
هـ. إذا ارتكب العامل أي فعل يشكل سببا لإنهاء الخدمة طبقاً لأحكام القانون المصري.

11.2. يخضع العامل لفترة اختبار مدتها 3 أشهر، حيث يكون لرب العمل الحق في إنهاء هذا العقد في أي وقت خلالها وبدون الحاجة إلى إنذار مسبق.

11.3. يتعهد الموظف بأنه في حالة رغبته في ترك العمل بإخطار رب العمل لمدة شهرين على الأقل قبل الاستقالة.

#### 12. الالتزامات عند انتهاء العقد

12.1. في حالة إنهاء هذا العقد يتعين على العامل ما يلي:

12.1.1. عدم أخذ أو إخفاء أو إتلاف أية سجلات أو معلومات سرية متعلقة بعمله أو برب العمل؛

12.1.2. إعادة كافة ممتلكات رب العمل التي تسلمها على سبيل الأمانة فور انتهاء علاقة العمل بما في ذلك ولكن بدون حصر كافة السجلات والمعلومات السرية المتعلقة بالعمل والمفاتيح والسيارات والحاسبات المحمولة والتلفونات المحمولة وغيرها من المعدات المقدمة للعامل والمتعلقة بعمله و إلا تعتبر جريمة تبديد أو خيانة أمانة؛ و

12.1.3. ألا يقوم في أي وقت بتقديم بيان كاذب أو مضلل شفهي أو كتابي يتعلق بالعمل أو بشئون رب العمل أو أي من الشركات المرتبطة برب العمل خاصة في أي من وسائل التواصل الاجتماعي، كما لن يقوم العامل بتقديم نفسه أو يسمح لنفسه بالظهور كما لو كان متصلا أو مهتما بطريقة ما بعمل أو شئون رب العمل أو بأي شركة من الشركات المرتبطة برب العمل (إلا كموظف سابق لغرض الاتصال بأصحاب العمل المحتملين أو التقيد بأية متطلبات قانونية نافذة)

12.1.4. تسوية كافة القروض و أية مبالغ مالية أخرى مستحقة الشركة

12.1.5. في حالة إخلال العامل بأي من تلك الالتزامات الواردة بالبند المائل يحق للشركة تأخير سداد مستحقات العامل لحين تسوية الأمر، مع عدم الإخلال بحق الشركة في اتخاذ أية إجراءات قانونية أخرى.

#### 13. الراحة والأجازة السنوية

12.1.3. shall not at any time make any untrue or misleading oral or written statement concerning the Employer's business or affairs or any

associated company specially in any of the social media, nor represent himself nor permit himself to be held out as being in any way connected with or interested in the Employer's business or affairs or any associated company (except as a former Employee for the purpose of communications with prospective Employers or complying with any applicable statutory requirements)

12.1.4. To immediately settle all borrowings or other financial sums due to the Company

12.1.5. In the event the Employee breaches any of his obligations under of this article, the Company shall be entitled to withhold any payments due to the Employee until the breach is remedied, notwithstanding the right of the Company to take any legal action.

### 13. Holidays and Annual Leave

13.1. After the first full year of employment, the Employee, after the completion of the one year, is entitled to twenty-one (21) days paid annual leaves. This annual leave shall be increased to thirty (30) days for Employees who spent ten (10) years of service with the Employer or any other Employer, or if the Employee is above fifty (50) years. Official holidays and weekends are not included in the annual leave.

13.2. The time and use of annual or other authorized leaves shall be subject to rules and regulations stipulated by the Employer. The Employee shall utilize his annual leave on the dates and for the periods specified by the Employer and if the Employee refuses to take such leave, he waives his claim to his annual leave and its allowance and he agrees not to be financially compensated.

### 14. Notices

Any notice or other communication under or in connection with this Contract shall be in writing in the English language (or the Arabic Language, if required by law) and signed by or on behalf of the Party sending it. The notice or communication may be served by being delivered personally or sent by facsimile transmission to the respective addresses of the Parties stated in this Contractor such other address as that Party may specify from time to time in writing to the other Party within one week from the date of changing his address.

### 15. General Provisions

#### 15.1. No Conflict:

The Employee represents that the execution and performance by him/her of this Contract does not and will not conflict with or breach the terms of any other Contract by which the Employee is bound.

#### 15.2. Successors and Assigns:

This Contract shall be binding upon and inure to the benefit of both Parties and their respective successors and assigns, including any corporation or entity with which or into which the Employer may be merged or which may succeed to all or substantially all of its assets or business, provided however that the

13.1. تكون الإجازة السنوية (21) يوماً بأجر كامل لمن أمضى في الخدمة سنة كاملة، تزداد إلى ثلاثين (30) يوماً متى أمضى العامل في الخدمة عشر سنوات من الخدمة لدى رب عمل أو غيركما تكون الإجازة ثلاثين (30) يوماً لمن تجاوز سن الخمسين. ولا يدخل في حساب الإجازة أيام الأعياد والمناسبات الرسمية والراحة الأسبوعية.

13.2. يكون تحديد وقت واستخدام الاجازات السنوية أو غيرها من الاجازات وفقاً للقواعد والنظم التي يضعها رب العمل، ويلتزم العامل بالقيام بالإجازة في التاريخ والمدة التي حددها ر بالعمل وإذا رفض العامل القيام بالإجازة سقط حقه في اقتضاء مقابليها.

### 14. الإخطارات

تتم كتابة الإخطارات أو المراسلات المتعلقة بموضوع هذا العقد ويتم توقيعها من طرف المرسل أو بالنيابة عنه ويتم تسليم هذه الإخطارات أو المراسلات شخصياً أو إرسالها بالفاكس طبقاً لعناوين الطرفين المبينة بصدر هذا العقد وبهذا تكون قد تمت بصورة صحيحة. ويلتزم كل من الطرفين بإخطار الطرف الآخر كتابة في حالة تغيير عنوانه في مدة أقصاها أسبوع واحد من تاريخ ذلك التغيير.

<p>obligations of the Employee are personal and shall not be assigned by the Employee.</p> <p>15.3. The Confidentiality clause, as well as any clause that imposes an obligation on the part of the Employee to not disclose any Proprietary and Confidential Information, shall be in effect through the duration of this Contract, and shall remain in full force and effect for two years after the duration or the termination of the Contract by any of the Parties.</p> <p>16. <u>Entire Agreement - Amendments</u></p> <p>16.1. This Contract and any document referred to herein shall constitute the entire understanding of the Parties relating to the subject matter hereof and shall supersede, cancel and replace all prior agreements between the Parties.</p> <p>16.2. No amendments to this Contract shall be valid or effective unless made in writing and signed by the duly representatives of the respective Parties.</p> <p>17. <u>Governing Law</u> This Contract shall be governed by and construed in all respects in accordance with Egyptian law. Any matter that is not specifically addressed in this Contract shall be subject to the Egyptian Labour Law.</p> <p>18. <u>Jurisdiction</u> The Courts, where the address of the Employer is in its jurisdiction, shall have exclusive jurisdiction over any dispute between the Parties hereto, arising out of, or in connection with, the interpretation or implementation of this Contract.</p> <p>19. <u>Language</u> In case of conflict between the English and Arabic texts, the Arabic shall prevail.</p> <p>20. <u>Counterparts</u></p> <p>This Contract is drawn up in three (3) counterparts, one for each of the Parties and one for the Social Insurance Authority if applicable.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="text-align: center;"> <p>First Party (The Employer)</p> </div> <div style="text-align: center;"> <p>Second Party (The Employee)</p> </div> </div>	<p>15. أحكام عامة</p> <p>15.1. <u>عدم التعارض</u> يقر العامل بأن توقيعه وتنفيذه لهذا العقد لا ولن يتعارض مع أو يخل بشروط أي تعاقّد آخر يكون العامل ملتزماً به.</p> <p>15.2. <u>الخلف العام و الخلف الخاص</u> يعتبر هذا العقد ملزماً لأطرافه ومنفعة خلفهم العام والخاص، بما في ذلك أية شركة أو منشأة قد يقوم رب العمل بالاندماج معها أو قد تخلفه في كل أو ما يقرب من عناوين المواد كل أصوله وأعماله. ومع ذلك تكون التزامات العامل المنصوص عليها في هذا العقد شخصية ولا يجوز للعامل التنازل عنها.</p> <p>15.3. سيظل بند السرية كما هو وأي بند يفرض التزام على عاتق العامل بشأن عدم الإفصاح عن المعلومات الخاصة والسرية نافذة وسارية المفعول طوال مدة هذا العقد وحتى بعد مرور سنتين من إنتهاء مدته أو إنهائه من قبل أحد الطرفين.</p> <p>16. <u>مجمل العقد والتعديلات</u></p> <p>16.1. يُشكل هذا العقد وأي مستند يُشار إليه به كل ما تم الاتفاق عليه فيما بين الطرفين من حيث موضوعه، كما يلغى وينسخ بل ويحل محل كل ما سلفه من اتفاقات بين الطرفين.</p> <p>16.2. لا تسري أية تعديلات في هذا العقد مالم تصدر كتابة ويوقعها الممثلين المُعتمدين لكلا الطرفين.</p> <p>17. <u>القانون واجب التطبيق</u> يُفسر هذا العقد ويخضع للقوانين واللوائح المعمول بها في جمهورية مصر العربية ويطبق قانون العمل المصري بشأن أية مسألة لم ينص عليها بصفة خاصة في هذا العقد.</p> <p>18. <u>الاختصاص</u> تختص المحاكم الكائن بدانترتها مقر رب العمل- بصورة حصرية - بجميع درجاتها بنظر أي نزاع ينشأ بين الطرفين عن تفسير أو تنفيذ هذا العقد .</p> <p>19. <u>اللغة</u> في حالة أي تعارض بين النص الإنجليزي والنص العربي يسري النص العربي.</p> <p>20. <u>نسخ العقد</u> حرر هذا العقد من ثلاث نسخ بيد كل من الطرفين نسخة للعمل بموجبها ونسخة تسلم للتأمينات الاجتماعية متى كان ذلك واجبا.</p> <p>21. الطرف الأول (رب العمل)      الطرف الثاني (العامل)</p>
---	--



Name: **Abdullah Osama Ismaail Mansour**

Emp. ID: **838**

Designation: **Chief Financial Officer**

Job Level: **L9**

Department: **Finance & Accounting**

Location: **Egypt**

#### **INCREMENT LETTER**

**Dear**

We are pleased to inform you that your compensation has been revised effective

Subsequently, your revised monthly Gross Salary would be 80000 EGP out of which 64000 EGP will be a fixed portion and 16000 EGP will be a variable portion effective 1<sup>st</sup> of April 2023.

All other terms and conditions of your contract shall remain same.

Onwards and upwards!

On behalf of SWVL For Smart Transport Applications and Services LLC.

**Note:** *The contents of this letter are strictly confidential and must not be discussed with or disclosed to anyone within or outside the organization.*

/s/ Mostafa Kandil

Chief Executive Officer

**Mostafa Kandil**

/s/ Abdullah Osama Ismaail Mansour

Employee's Signature

**Abdullah Osama Ismaail Mansour**

---

Dated 2023

**SWVL INC.**

and

**DANISH ELAHI**

and

**SWVL PAKISTAN (PVT.) LTD.**

---

**AGREEMENT**

---

---

## **TABLE OF CONTENTS**

<b>1.</b>	<b>DEFINITIONS AND INTERPRETATION</b>	<b>2</b>
<b>2.</b>	<b>ACQUISITION OF SHARES</b>	<b>6</b>
<b>3.</b>	<b>CONDITIONS PRECEDENT</b>	<b>6</b>
<b>4.</b>	<b>ACTIONS PENDING ACQUISITION</b>	<b>6</b>
<b>5.</b>	<b>ACQUISITION</b>	<b>8</b>
<b>6.</b>	<b>WARRANTIES</b>	<b>8</b>
<b>7.</b>	<b>UNDERTAKING</b>	<b>9</b>
<b>8.</b>	<b>WHOLE AGREEMENT AND REMEDIES</b>	<b>9</b>
<b>9.</b>	<b>OTHER PROVISION</b>	<b>10</b>
	<b>SCHEDULE 1 PARTICULARS OF THE TARGET COMPANY</b>	<b>13</b>
	<b>SCHEDULE 2 CONDITIONS PRECEDENT</b>	<b>14</b>
	<b>SCHEDULE 4 SHAREHOLDING STRUCTURE OF THE TARGET COMPANY</b>	<b>16</b>
	<b>SCHEDULE 5 SWVL'S WARRANTIES</b>	<b>17</b>
	<b>SIGNATURE PAGE</b>	<b>20</b>

---

- (1) **SWVL INC.** (Corporate Unique Identification Number:1945550, a company incorporated under the laws of the British Virgin Islands having its office at Kingston Chambers, PO Box 173, Road Town, British Virgin Islands (the “**SWVL**”), which expression, where the context so permits, shall include its successors in interest and permitted assigns;
- (2) **SWVL PAKISTAN (PVT.) LTD.** (Corporate Unique Identification Number: 0136112), a company incorporated under the Laws of Pakistan having its office at Karachi, Pakistan (the “**Target Company**”) which expression, where the context so permits, shall include its successors in interest and permitted assigns; and
- (3) **DANISH ELAHI** S/o Mr. Arif Elahi, holding CNIC No. 42301-4760782-7 resident of House No. 143-A-III, Kh-e-Badar, Phase7, DHA, Karachi (the “**Danish Elahi**”) which expression, where the context so permits, shall include his legal heirs, successors in interest and permitted assigns;

(collectively the “**Parties**” and each a “**Party**”)

**WHEREAS:**

- (a) The Target Company is a company limited by shares incorporated in Pakistan. Further details of the Target Company as at the date of this Agreement are set out in Schedule 1.
- (b) As at the date of this Agreement:
  - (i) The Target Company's authorized share capital (on an as converted basis inclusive of loan conversions if any, as envisaged herein) is 458,524,100 shares of PKR 10/- face value.

- (ii) The issued and paid-up share capital of the Target Company (on an as converted basis inclusive of loan conversions if any, as envisaged herein) is Rs.4,585,240,580/- comprising of 458,524,058 ordinary shares of PKR 10/- face value ("**Issued Capital**").
  - (iii) The Target Company is wholly owned by SWVL, which (on an as converted basis inclusive of loan conversions if any, as envisaged herein) owns 458,523,958 ordinary shares in the Target Company on its own accord, whereas the remaining 100 ordinary shares ("**Acquisition Shares**") are held by SWVL's nominee directors on the board of the Target Company's namely Mr. Shahzeb Memon and Mr. Mostafa Essa Mohamed Mohamed Kandil ("**Directors**")
- (c) The Parties have agreed that:
- (i) Danish Elahi, relying on the representations, warranties and undertakings given and covenants made by the Target Company hereunder, has agreed to purchase, either on its own accord or through third party, the entire shareholding of SWVL in the Target Company on a fully diluted basis including shares held by the Target Company's Directors i.e. Acquisition Shares against payment of Acquisition Consideration (as defined in hereunder) and SWVL has agreed to sell to and transfer its entire shareholding in the Target Company including that of its Directors in the name of Danish Elahi, or such third party as Danish Elahi may direct, on the terms and subject to the conditions of this Agreement.

**IT IS AGREED** as follows:

## **1. DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement, unless the context otherwise requires, the provisions in this Clause 1 apply:

<b>"Assessment"</b>	: means, in relation to Tax, any notice of assessment or amended assessment or other document of any kind issued or served or deemed to be issued or served by a Taxation Authority which notifies or imposes, or is deemed to notify or impose, a liability to pay Tax;
<b>"Acquisition"</b>	: has the meaning ascribed to it in Clause 2.1(a);
<b>"Acquisition Consideration"</b>	: means the aggregate purchase consideration for the Acquisition Shares which shall be determined in accordance with Clause 2.2 and Schedule 3;
<b>"Acquisition Shares"</b>	: means the ordinary shares of the Target Company as defined in the Recitals of this Agreement;
<b>"Agreement"</b>	: means this agreement as may be amended or supplemented from time to time;
<b>"Business Day"</b>	: means a day on which commercial banks are open for business in Pakistan (excluding Saturdays, Sundays or gazetted public holidays);
<b>"Completion Date"</b>	: means the date on which the Acquisition occurs which shall not be later than 15.04.2023 (or such other date as may be agreed between the Parties);
<b>"Conditions Precedent"</b>	: means the conditions set out in Schedule 2;
<b>"Disclosure Letter"</b>	: means the letter (if any) (in the form and substance acceptable to Danish Elahi) from SWVL to Danish Elahi executed and delivered immediately prior to the execution of this Agreement;
<b>"Encumbrances"</b>	: means any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity, claim, right of pre-

	emption, right of first refusal, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including retention of title claim), hypothecation, conflicting claim of ownership or any other encumbrance, third party right or security interest of any nature whatsoever, or any agreement, arrangement or obligation to create any of the foregoing;
<b>“Fairly Disclosed”</b>	: means fairly disclosed in the Disclosure Letter, with sufficient explanation and detail to enable Danish Elahi to identify clearly the nature, scope and implications of the matters disclosed with clear reference to the relevant SWVL Warranty;
<b>“Long Stop Date”</b>	: has the meaning ascribed to it in Clause 3.2(a);
<b>“Governmental Authority”</b>	: shall mean any relevant governmental or quasi-governmental authority, statutory authority or quasi-statutory or regulatory authority, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or stock exchange or taxing authority or anybody entitled to exercise executive power or power of any nature or any authority, body or other organisation to the extent that the rules, regulations, standards, requirements, procedures or orders of such authority, body or other organisation have the force of Law;
<b>“Incoming Directors”</b>	: means the two (02) persons nominated by Danish Elahi who will be appointed and serve as directors of the Target Company in place of the Resigning Directors with effect from the Completion Date;
<b>“Intellectual Property”</b>	: means any trademarks, service marks, trade names, domain names, logos, get-up, patents, inventions, registered and unregistered design rights, copyrights, database rights and all other similar rights in any part of the world (including Know-how) including, where such rights are obtained or enhanced by registration, any registration of such rights and applications and rights to apply for such registrations;
<b>“Know-how”</b>	: means confidential and proprietary industrial and commercial information and techniques in any form including, without limitation, drawings, formulae, test results, reports, project reports and testing procedures, instruction and training manuals, tables of operating conditions, market forecasts, and lists and particulars of customers and suppliers;
<b>“Law”</b>	: shall mean and include all applicable statutes, enactments, acts of legislature or the Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, tribunal, board, court or a recognised stock exchange;
<b>“Material Adverse Change”</b>	: means the occurrence of any fact, matter, event or circumstance which relates to the Target Company that results in or could reasonably be expected to result in a material adverse effect on the financial condition, earnings, business, undertakings, assets or properties of the Target Company;

<b>"Notice"</b>	: has the meaning ascribed to it in Clause 11.10(a);
<b>"Personal Data"</b>	: means all data which is defined to be "personal data" and all data which is protected as "personal data" or an equivalent, under any applicable Data Protection Legislation;
<b>"PKR"</b>	: means the lawful currency of the Islamic Republic of Pakistan;
<b>"Resigning Directors"</b>	: means two (02) existing nominees of SWVL who will resign as directors of the Target Company on the Completion Date;
<b>"Surviving Clauses"</b>	: Means all Clauses that impose obligations on the Parties, and any other provision, expressed to survive the termination of this Agreement or which by its nature or context is contemplated to survive the termination of this Agreement;
<b>"SWVL's Bank Account"</b>	: refers to the bank account, as intimated by SWVL, wherein Danish Elahi shall make payment of the Acquisition Consideration details of which are set out below:  Account name: SAIDUDDIN & CO. Bank: Bank Al Habib Ltd. Account Number: 1103-0981-005513-01-6 Swift Code: BAHK PKKA IBAN: PK79 BAHK 1103098100551301
<b>"Tax" or "Taxation"</b>	: means all forms of taxation whether direct or indirect and whether levied by reference to income, profits, gains, net wealth, asset values, turnover, added value or other reference and statutory, governmental, impositions, duties, contributions, rates and levies, whenever and wherever imposed (whether imposed by way of a withholding or deduction for or on account of tax or otherwise) and in respect of any person and all penalties, charges, costs and interest relating thereto;
<b>"Tax Authority"</b>	: means any taxing or other authority competent to impose any liability in respect of Taxation or responsible for the administration and/or collection of Taxation or enforcement of any Law in relation to Taxation;
<b>"Tax Liability"</b>	: means any amounts payable by the Target Company in respect of any Assessment.
<b>"Transaction Documents"</b>	: means this Agreement and any other agreement or document to be entered into pursuant to or in connection with this Agreement; and
<b>"USD \$"</b>	: mean the lawful currency of United States of America.

1.2 References to a statutory provision include any subsidiary legislation made from time to time under that provision.

1.3 References to a statute or statutory provision include that statute or provision as from time to time modified, re-enacted or consolidated, whether before or after the date of this Agreement, so far as such modification, re-enactment or consolidation applies or is capable of applying to any transactions entered into in accordance with this Agreement and (so far as liability thereunder may exist or can arise) shall include also any past statute or statutory provision (as from time to time modified, re-enacted or consolidated) which such statute or provision has directly or indirectly replaced.

- 1.4 Unless the context otherwise requires, references to the singular number shall include references to the plural number and *vice versa*, and the use of any gender shall include all genders.
- 1.5 References to:
- (a) a person include any company, limited liability partnership, partnership, business trust or unincorporated association (whether or not having separate legal personality); and
  - (b) a company shall include any company, corporation or anybody corporate, wherever incorporated.
- 1.6 All references to the Parties shall, unless contrary to the context and meaning thereof, be deemed to include their respective successors and permitted assigns.
- 1.7 The word “**affiliate**” means, with respect to any specified person, any other person who, directly or indirectly, controls, is controlled by, or is under common control with such person.
- 1.8 The word “**control**” (including its correlative meanings, “**controlled by**”, “**controlling**” and “**under common control with**”) shall mean, with respect to a corporation, the right to exercise, directly or indirectly, more than 50 per cent. of the voting rights attributable to the shares of the controlled corporation and, with respect to any person other than a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person.
- 1.9 Any reference to books, records or other information means books, records or other information in any form including paper, electronically stored data, magnetic media, film and microfilm.
- 1.10 The headings in this Agreement are inserted for convenience only and shall not affect the interpretation hereof.
- 1.11 References to “**Clauses**”, “**Recitals**” and “**Schedules**” are, respectively, to the clauses of, and the recitals and schedules to, this Agreement. The Recitals and the Schedules to this Agreement shall form an integral part of, and shall be deemed to be incorporated into, this Agreement.
- 1.12 References to any agreement or document including this Agreement shall include such agreement or document as amended, modified, varied or supplemented from time to time.
- 1.13 References in this Agreement to anything which any Party is required to do or not to do shall include its acts, defaults and omissions, whether direct or indirect, on its own account, or for or through any other person, and those which it permits or suffers to be done or not done by any other person.
- 1.14 The word “**including**” and similar words and terms shall not be construed as being by way of limitation and shall mean “**including without limitation**” and “**otherwise**” shall not be construed as limited by words with which it is associated.
- 1.15 The words “**written**” and “**in writing**” include any means of visible reproduction.
- 1.16 Any reference to “**procure**” shall mean an absolute obligation (and not a reasonable obligation) to cause or bring about.
- 1.17 Anything or obligation to be done under this Agreement which is required or falls to be done on a stipulated day shall be done on the next succeeding Business Day, if the day upon which that thing or obligation is required or falls to be done falls on a day which is not a Business Day.
- 1.18 References to “**fully-diluted**” means on the basis of the total number of outstanding ordinary shares of the relevant company assuming all convertible securities (including preference shares) are converted or exchanged and all rights, options or warrants to subscribe for or acquire shares of the relevant company are exercised and including all shares of the relevant Company which are reserved or authorised for future issuance or grant under any equity incentive, share option or similar plan of the relevant company.

## 2. ACQUISITION OF SHARES

2.1 Danish Elahi, either on its own accord or through a third party relying on (among other things) the representations, warranties and undertakings from SWVL and the Target Company in this Agreement, agrees to purchase from SWVL:

(a) the Acquisition Shares at the Acquisition Consideration ("**Acquisition**"),

free from all Encumbrances and together with all rights and advantages attaching to them as at Completion Date based on the terms and conditions of this Agreement.

2.2 In relation to the Acquisition:

(a) SWVL shall sell the Acquisition Shares to Danish Elahi or such other third party as Danish Elahi may direct.

(b) The aggregate purchase consideration for the Acquisition Shares i.e. the Acquisition Consideration amounting to USD 20,000/- shall be paid to the SWVL on or before 15.04.2023.

2.3 The Parties agree that:

(a) save in connection with the transaction contemplated herein, the Target Company shall not enter into or be bound by any agreement, arrangement or obligation (conditional or not) to issue any shares or equity interest in the capital of the Target Company (including, without limitation, any options or other rights convertible into or exchangeable or exercisable for any shares or equity interests in the capital of the Target Company); and

(b) upon completion of the Acquisition, Danish Elahi or such third party as Danish Elahi may direct to hold in their name the Acquisition Shares shall own 99.99% of the issued share capital of the Target Company.

## 3. CONDITIONS PRECEDENT

3.1 The obligation of Danish Elahi to subscribe for the Acquisition Shares and payment of the Acquisition Consideration is conditional upon the satisfaction (or waiver, as the case may be) of the Conditions Precedent as set out in Schedule 2 of this Agreement.

3.2 The Target Company and SWVL shall use all reasonable endeavours to ensure the satisfaction of:

(a) all the Conditions Precedent no later than 15.04.2023 ("**Long Stop Date**").

3.3 If the Conditions Precedent are not satisfied or waived on or before Long Stop Date, then without prejudice to the rights of Danish Elahi, Danish Elahi may, in its sole discretion, elect to:

(a) terminate this Agreement (other than Surviving Clauses) and no Party shall have any claim against Danish Elahi under this Agreement, save for any claim arising from the breach of any Surviving Clauses; or

(b) defer the Completion Date of Acquisition to a subsequent date.

## 4. ACTIONS PENDING ACQUISITION

4.1 SWVL shall procure that and be obligated to ensure that, pending the Acquisition:

(a) the Target Company shall carry on business only in the ordinary and usual course consistent with past practices, save insofar as agreed in writing by Danish Elahi;

(b) Danish Elahi and its agents shall, upon reasonable notice, be allowed access to, and to take copies of, the books and records of the Target Company including, without limitation, the statutory books, minute books, leases, licences, contracts, details of receivables, Intellectual

Property, Tax records, supplier lists and customer lists in the possession or control of the Target Company;

- (c) the Target Company shall not incur any additional borrowing and/or indebtedness save insofar as agreed in writing by Danish Elahi (such consent not to be unreasonably withheld or delayed); and
- (d) the Target Company shall take all reasonable steps to preserve its assets (including its Intellectual Property).

4.2 Without prejudice to the generality of Clause 4.1, SWVL shall collaborate fully with Danish Elahi in relation to all material matters concerning the running of the Target Company in the period between the date of this Agreement and Acquisition and during that period shall procure that the Target Company shall not, except as may be required to give effect to and comply with the Transaction Documents, without the prior written consent of Danish Elahi (such consent not to be unreasonably withheld or delayed):

- (a) enter into any agreement or incur any commitment involving any capital expenditure in excess of US\$5,000.00 per item and US\$50,000.00 in aggregate, or incur any contingent liability;
- (b) enter into or amend any contract or incur any commitment which is not capable of being terminated without compensation at any time with three months' notice or less or which is not in the ordinary and usual course of business or which involves or may involve total annual expenditure in excess of US\$25,000.00;
- (c) in relation to any premises:
  - (i) agree to any new rent or fee payable under any lease, tenancy or licence; or
  - (ii) enter into or vary any agreement, lease, tenancy, licence or other commitment which is material in the context of the Target Company;
- (d) delay making payment to any trade creditor generally beyond the date on which payment of the relevant trade debt should be paid in accordance with the credit period authorised by the relevant creditor (or (if different) the period extended by any particular creditor in which to make payment);
- (e) amend, to any material extent, any of the terms on which goods, facilities or services are supplied, such supplies being material to the Target Company except where required to do so in order to comply with any applicable legal or regulatory requirement;
- (f) enter into any guarantee, indemnity or other agreement to secure any obligation of a third party or create any Encumbrance over the assets or undertaking of the Target Company;
- (g) amend any insurance contract, fail to notify any insurance claim in accordance with the provisions of the relevant policy or settle any such claim below the amount claimed;
- (h) allot, issue, redeem or repurchase any share or loan capital (or option to subscribe for the same) of the Target Company;
- (i) acquire or agree to acquire any share, shares or other interest in any company, partnership or other venture;
- (j) declare, make or pay any dividend or other distribution to shareholders or make any other payment to a shareholder (including but not be limited to, the payment of any royalties and/or management or directors' fees);
- (k) make any change to the accounting practices or policies of the Target Company or amend the constitutional documents of the Target Company;
- (l) enter into any related party transaction which is not in the ordinary course of business or on arms' length basis; or

- (m) engage in any act which could adversely affect the value, financial position or reputation of the Target Company, including without limitation reducing the working capital required by the Target Company to carry on its business

## **5. ACQUISITION**

- 5.1 Subject to Clause 5.2, the Acquisition shall take place remotely via exchange of documents on the Completion Date. Details of the Target Company's share capital immediately after the Acquisition is set out in Schedule 4.
- 5.2 On the Acquisition, the Target Company and SWVL shall procure that the obligations specified in Schedule 3 are fulfilled.
- 5.3 If any of the obligations specified in Schedule 3 is not fully complied with by the Target Company or SWVL (as the case may be) by or on the date set for the Acquisition, Danish Elahi (in the case of non-compliance by the Target Company or SWVL) shall be entitled (in addition to and without prejudice to all other rights or remedies available to Danish Elahi including the right to claim damages) by written notice to the other served on such date:
  - (a) elect not to proceed with Acquisition; or
  - (b) effect the Acquisition so far as practicable having regard to the defaults which have occurred; or
  - (c) fix a new date for Acquisition (not being more than twenty (20) Business Days after the agreed date for the Acquisition), in which case the foregoing provisions of this Clause shall apply to Acquisition as so deferred but provided such deferral may only occur once.

## **6. WARRANTIES**

- 6.1 Each Party hereby represents and warrants to and undertakes with the other Parties as follows:
  - (a) (in the case of a Party who is a company) it is a company duly organised or incorporated and validly existing under the Laws of its jurisdiction, and has full power and authority to execute and deliver and perform all of its obligations under this Agreement and any other agreements to be executed by it hereunder;
  - (b) (in the case of a Party who is an individual) he has the legal right and full power and capacity to execute and deliver and perform all of his obligations under this Agreement and any other agreements to be executed by him hereunder;
  - (c) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) in order (i) to enable such Party lawfully to enter into, exercise its rights and perform and comply with its obligations under, this Agreement and (ii) to ensure that those obligations that are legally binding and enforceable, have been taken, fulfilled and done;
  - (d) this Agreement is, and all other agreements and instruments of such Party contemplated hereby shall be, the legal, valid and binding agreement of such Party, enforceable against such Party in accordance with their terms; and
  - (e) the execution, delivery and performance of this Agreement by it will not conflict with any Law, order, judgment, decree, rule or regulation of any court, arbitral tribunal or government agency, any provision of its constitutional documents (if applicable), or any agreement, instrument or indenture to which such Party is a party or by which such Party is bound.
- 6.2 SWVL further warrants and represents to Danish Elahi that:
  - (a) it will on Acquisition be legally and beneficially entitled to or is otherwise able to transfer the relevant Acquisition Shares to Danish Elahi in accordance with the terms and conditions of this Agreement; and

- (b) the relevant Acquisition Shares are or will on the Completion Date be free from any Encumbrances whatsoever.
- 6.3 SWVL represents and warrants to and undertakes to Danish Elahi that the statements set out in Schedule 5 ("**SWVL Warranties**") are true, accurate and not misleading. All the SWVL Warranties shall be deemed to be made by SWVL on the date of this Agreement and on each day up to and including the Completion Date.
- 6.4 The Parties agree and acknowledge that Danish Elahi has entered into this Agreement in reliance on SWVL Warranties as well as the warranties in Clauses 6.1 and 6.2.
- 6.5 The SWVL Warranties are qualified by the matters Fairly Disclosed in the SWVL Disclosure Letter (if applicable).
- 6.6 Save as provided in Clause 6.5 above, the representations, warranties and undertakings on the part of SWVL contained in this Agreement shall not be limited by anything in this Agreement. The representations, warranties and undertakings on the part of the Target Company and SWVL contained in this Agreement shall not in any respect be extinguished or affected by the Acquisition.
- 6.7 Each of the Target Company and SWVL agrees to disclose promptly to Danish Elahi in writing immediately upon becoming aware of any matter, event or circumstance (including any omission to act) which may arise or become known to it after the date of this Agreement and before the Acquisition which would cause any warranty provided by it (if such warranties were repeated with reference to the facts and circumstances then existing) to become untrue or inaccurate or misleading in any material respect.
- 6.8 Danish Elahi acknowledges and agrees that it has carried out its own due diligence in respect of the Target Company and has independently and diligently verified the information in respect of the Target Company, including but not limited to its existing liabilities, compliances, etc. using its own sources, and that the Acquisition Shares shall stand transferred to Danish Elahi or such other person as Danish Elahi may direct on an "as is, where is" basis, and that SWVL makes and gives no representation or warranty in relation to the said Acquisition Shares and/or the Target Company except to the extent expressly provided otherwise in this Agreement.

## **7. UNDERTAKING**

- 7.1 In respect of SWVL's shareholding in the Target Company after execution of this Agreement but on or before Completion Date, SWVL undertakes in favour of Danish Elahi that:
- (a) it shall not exercise any rights in respect of such shares unless express approval is obtained from Danish Elahi; and
- (b) it shall assign all economic rights in respect of such shares to Danish Elahi.

## **8. AS IS WHERE IS BASIS**

- 8.1 The Parties agree that post consummation of the instant Acquisition, all proceedings so initiated against the Target Company by the taxation authorities or other governmental bodies shall be handled by the new shareholders of the Target Company i.e. Danish Elahi or such other party as Danish Elahi so nominates. Provided further that the same does not preclude SWVL's liability from any claims raised by vendors or customers of the Target Company with respect to the operations of the Target Company prior to the Completion Date.

## **9. NOT USED**

## **10. WHOLE AGREEMENT AND REMEDIES**

- 10.1 This Agreement and the other Transaction Documents contain the whole agreement between the Parties relating to the subject matter of this Agreement and the relevant Transaction Documents at the date hereof to the exclusion of any terms implied by Law which may be excluded by contract and supersede any previous written or oral agreement between the Parties in relation to the matters dealt with in the Transaction Documents.
- 10.2 Unless otherwise provided, no remedy conferred by any of the provisions of this Agreement is intended to be exclusive of any other remedy which is otherwise available at Law, in equity, by statute or otherwise, and each and every other remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at Law, in equity, by statute or otherwise. The election of any one or more of such remedies by any of the Parties shall not constitute a waiver by such Party of the right to pursue any other available remedies.
- 10.3 Each Party to this Agreement confirms that it has received independent legal advice relating to all the matters provided for in this Agreement, including the provisions of this Clause, and agrees, having considered the terms of this Clause and the Agreement as a whole, that the provisions of this Clause are fair and reasonable.

## **11. OTHER PROVISION**

- 11.1 Any liability to Danish Elahi under this Agreement may in whole or in part be released, compounded or compromised or time or indulgence given by Danish Elahi in its absolute discretion without in any way prejudicing or affecting its rights against any other Party.
- 11.2 No announcement or circular in connection with the existence or the subject matter of this Agreement shall be made or issued by or on behalf of the any Party without the prior written approval of the other Parties. This shall not affect any announcement or circular required by Law or any regulatory body or the rules of any recognised stock exchange.
- 11.3 Confidentiality
- (a) Subject to sub Clause (b), each of the Parties shall treat as confidential and not disclose or use any information received or obtained as a result of entering into this Agreement (or any of the Transaction Documents) which relates to:
- (i) the provisions of this Agreement and any of the Transaction Documents; or
  - (ii) the negotiations relating to this Agreement (and such other Transaction Documents).
- (b) Sub Clause (a) shall not prohibit disclosure or use of any information if and to the extent:
- (i) the disclosure or use is required by Law, any regulatory body or the rules and regulations of any recognised stock exchange;
  - (ii) the disclosure or use is required to vest the full benefit of this Agreement in the relevant Party;
  - (iii) the disclosure or use is required for the purpose of any judicial or arbitration proceedings arising out of this Agreement or any other agreement entered into under or pursuant to this Agreement or the disclosure is reasonably required to be made to a Tax Authority in connection with the Tax affairs of the disclosing Party;
  - (iv) the disclosure is made to professional advisers, related corporations, investors or potential investors of the Parties on confidential basis and on terms that such professional advisers undertake to comply with the provisions of Clause 11.3(a) in respect of such information as if they are a party to this Agreement;
  - (v) the information becomes publicly available (other than by a breach of this Agreement);
  - (vi) the other Parties have given prior written approval to the disclosure or use; or
  - (vii) the information is independently developed after Completion Date,

provided that prior to disclosure or use of any information pursuant to sub Clauses (b)(i), (ii) or (iii) (except in the case of disclosure to a Tax Authority), the Party concerned shall promptly notify the other Parties of such requirement with a view to providing the other Parties with the opportunity to contest such disclosure or use or otherwise to agree to the timing and content of such disclosure or use.

- 11.4 This Agreement is personal to the Parties. Accordingly, no Party may assign or transfer all or part of its rights or obligations under this Agreement without the prior written consent of the other Parties.
- 11.5 Save for shareholders and directors of the Parties to this Agreement or in the case of Danish Elahi, his legal heirs or successors in interest or such other Party as Danish Elahi may direct for the Acquisition Shares to be acquired by, who shall be entitled to enforce this Agreement, a person who is not a party to this Agreement has no rights to enforce any term of this Agreement.
- 11.6 No variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the Parties.
- 11.7 Time shall be of the essence of this Agreement.
- 11.8 At any time after the date of this Agreement each Party shall, and shall use its best endeavours to procure that any necessary third party shall, execute such documents and do such acts and things as the other Parties may require for the purpose of giving to the other Parties the full benefit of all the provisions of this Agreement.
- 11.9 Costs
- (a) Each Party shall bear its own legal and other costs and expenses of and incidental to the negotiation, preparation, execution and performance by it of this Agreement and the Transaction Documents.
- 11.10 Notices
- Any notice or other communication in connection with this Agreement shall be in writing in English ("**Notice**") and shall be sufficiently given or served if delivered or sent on the addresses provided in the Preamble of this Agreement or to such other address or electronic mail address as the relevant Party may have notified to the other Parties in accordance with this Clause.
- (a) Any Notice may be delivered by hand or, sent by electronic mail or prepaid registered post. Without prejudice to the foregoing, any Notice shall conclusively be deemed to have been received on the next Business Day in the place to which it is sent, if sent by electronic mail, or five (5) Business Days from the time of posting, if sent by post, or eight (8) Business Days from the time of posting, if sent by airmail, or at the time of delivery, if delivered by hand.
- 11.11 If any term in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of Law, such term or part shall to that extent be deemed not to form part of this Agreement but the legality, validity or enforceability of the remainder of this Agreement shall not be affected.
- 11.12 This Agreement may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any Party may enter into this Agreement by executing any such counterpart.
- 11.13 Governing Law and Arbitration
- (a) This Agreement shall be governed by and construed in accordance with the Laws of Pakistan.
- (b) Any dispute, whether contractual or not, arising out of or in connection with this Agreement (including any question regarding its existence, validity or termination) shall be referred to and finally resolved by arbitration in Pakistan in accordance with the Arbitration Act, 1940. The seat of the arbitration shall be Karachi. The arbitration tribunal shall consist of one (1) arbitrator namely Mr. Ammar Ather Saeed, Advocate Supreme Court of Pakistan. The language of the

arbitration shall be English. The arbitral award made and granted by the arbitrator shall be final, binding, incontestable and may be enforced by a Party against the assets of the other Party/Parties wherever those assets are located or may be found and may be used as a basis for judgement thereon in Pakistan or elsewhere.

## SCHEDULE 1

### PARTICULARS OF THE TARGET COMPANY

1. Name: SWVL Pakistan (Private) Limited
2. Corporate Unique Identification Number: 0136112
3. Correspondence address: Same as recitals
4. Date of Incorporation: 18<sup>th</sup> July, 2019
5. Place of Incorporation: Karachi, Pakistan
6. Issued and Fully Paid-Up Share Capital as at the date of this Agreement (on an as converted basis inclusive of loan conversions if any, as envisaged herein): PKR 4,585,240,580/- comprising of 458,524,058 ordinary shares of PKR10/- face value
7. Shareholders and Percentage Owned as at the date of this Agreement (on an as converted basis inclusive of loan conversions if any, as envisaged herein): PKR 4,585,241,000/- comprising of 458,524,100 ordinary shares of PKR 10/- face value
8. Directors: Mr. Shahzeb Memon and Mr. Mostafa Essa Mohamed Mohamed Kandil
9. Chief Executive Officer: Mr. Shahzeb Memon
10. Auditor: BDO Ebrahim & Co.

**CONDITIONS PRECEDENT**

1. Completion of business, legal, regulatory, tax and accounting due diligence on the Target Company to the satisfaction of Danish Elahi;
2. Conversion of all outstanding loans and advances standing in the name of SWVL in the financial statements of the Target Company in the financial statements of the Target Company into equity, to the satisfaction of Danish Elahi;
3. Repayment or settlement of any and all financial liabilities of the Target Company, except such loans and advances as are required to be converted in the manner aforesaid i.e. Clause 2 of Schedule 2;
4. Receipt of all necessary approval to effect the Acquisition including but not limited to all necessary approval from the regulators. If any approval is subject to any conditions, all such conditions having been fulfilled to the satisfaction of Danish Elahi;
5. There is no Material Adverse Change affecting the Target Company; and
6. all representations and warranties provided by the Target Company and SWVL are true and accurate

**OBLIGATIONS**

1. SWVL shall on the Completion Date:
  - (a) deliver to Danish Elahi certified true copy of directors' resolution of the Target Company approving the transfer of the Acquisition Shares from SWVL to Danish Elahi or such other person as Danish Elahi may direct, the resignations of the Resigning Directors, the appointment, by co-option and rotation, of the Incoming Directors as directors to fill casual vacancies on the Board and if applicable, revocation of all powers of attorney and other similar authorisations granted by the Target Company to any Resigning Director;
  - (b) deliver to Danish Elahi share transfer forms in respect of the relevant Acquisition Shares duly signed by or on behalf of SWVL;
  - (c) shall file all the relevant documents for the transfer of Acquisition Shares with the relevant authority i.e. the Securities and Exchange Commission of Pakistan ("SECP") and deliver to Danish Elahi:
    - (i) A copy of all filings made by the Target Company with SECP in Pakistan; and
    - (ii) official confirmation from SECP that Danish Elahi or such third party as Danish Elahi may direct is the registered holder of the Acquisition Shares within 7 Business Days from the Completion Date.
  - (d) procure that the Resigning Directors shall resign their offices as such with immediate effect and to relinquish any rights which they may have in their capacity as directors and chairman (as the case may be), such resignations to be tendered at the Board meeting referred to in paragraph (a) above;
  - (e) certified true copy of the waivers of transfer restrictions from all relevant parties in respect of transfer of the Acquisition Shares by SWVL to Danish Elahi or such third party as Danish Elahi may direct.
2. Danish Elahi or such third party as Danish Elahi may direct shall on the Completion Date (except where expressly provided for otherwise):
  - (a) remit the Acquisition Consideration to SWVL's Bank Account;
  - (b) countersign share transfer forms in respect of the Acquisition Shares;

## SHAREHOLDING STRUCTURE OF THE TARGET COMPANY

SHAREHOLDING STRUCTURE OF THE TARGET COMPANY ON A FULLY-DILUTED BASIS (AS CONVERTED BASIS INCLUSIVE OF LOAN CONVERSIONS IF ANY, AS ENVISAGED HEREIN) IMMEDIATELY BEFORE THE ACQUISITION

Shareholders of Target Company	Number of ordinary shares	Shareholding Percentage
SWVL Inc.	458,523,958	99.99%
Shahzeb Memon	90	0.009%
Mostafa Essa Mohamed Mohamed Kandil	10	0.001%
<b>TOTAL</b>		<b>100.00%</b>

SHAREHOLDING STRUCTURE OF THE TARGET COMPANY ON A FULLY-DILUTED BASIS IMMEDIATELY AFTER THE ACQUISITION

Shareholders of Target Company	Shareholding Percentage
Danish Elahi or such third party as Danish Elahi may direct	99.99%
Muhammad Arif Shafi	0.01%
<b>TOTAL</b>	<b>100.00%</b>

## SWVL'S WARRANTIES

**1. Share Capital**

- 1.1 The particulars of the Target Company as set out in Schedule 1 are true and accurate as at the date of this Agreement.
- 1.2 The shares of the Target Company were properly allotted and issued as fully paid free of any Encumbrances.
- 1.3 There is no Encumbrance, and there is no agreement, arrangement or obligation to create or give any Encumbrance, in relation to any of the shares or equity interests in the capital of the Target Company.
- 1.4 All necessary approvals and consents for the transfer of the Acquisition Shares have been obtained and are continuing in force, including waivers by all of the shareholders of the Target Company if any and all right of first refusal and tag along rights that each of them may have pursuant to the memorandum and articles of association of the Target Company or otherwise.
- 1.5 There is no agreement, arrangement or obligation requiring the issue, transfer, redemption or repurchase of, or the grant to a person of the right (conditional or not) to require the issue, transfer, redemption or repurchase of, any shares or equity interests in the capital of the Target Company (including, without limitation, any right of pre-emption or options or other rights convertible into or exchangeable or exercisable for any shares or equity interests in the capital of the Target Company).

**2. Capacity and Authority**

- 2.1 The Target Company is duly incorporated and validly existing under the Laws of Pakistan and has been in continuous existence since its incorporation, registration or organisation.
- 2.2 The execution and performance of any of the Transaction Documents shall not breach or constitute a default under the memorandum and articles of association of the Target Company, or any other agreement or instrument to which the Target Company is a party or by which the Target Company is bound, and shall not constitute a breach under any order, judgment, decree or other restriction applicable to the Target Company.

**3. Information**

- 3.1 All information contained in the Transaction Documents relating to the Target Company (including the information contained or referred to in the Recitals and the Schedules) is true, complete and accurate and not misleading.
- 3.2 All information (including the responses to the due diligence questions or due diligence request lists submitted by or on behalf of the Target Company to Danish Elahi and the summaries of contracts or other due diligence materials prepared by or on behalf of the Target Company) which has been provided by or on behalf of the Target Company or its authorised representatives to Danish Elahi, and its advisers or agents in the course of the due diligence conducted by Danish Elahi and the negotiations leading to this Agreement is true, complete, accurate and not misleading.
- 3.3 All information about the Acquisition Shares and business of the Target Company which might be material for disclosure to a purchaser of the Acquisition Shares has been Fairly Disclosed to Danish Elahi.

**4. Events since the incorporation of the Target Company**

- 4.1 the Target Company has not (i) acquired or disposed of or agreed to acquire or dispose of any business or any asset (other than trading stock in the ordinary course of the business carried on by it) or (ii) assumed or acquired any liability including a contingent liability (other than in the ordinary course of the business carried on by it);

## **5. Tax**

- 5.1 The Target Company is only liable to pay Taxes in Pakistan. The Target Company is not liable to pay and has at no time incurred any liability to Tax chargeable under the Laws of any jurisdiction other than Pakistan.
- 5.2 The Target Company has paid all Tax which it has become liable to pay and is not, and has not been, liable to pay any penalty, surcharge, fine or interest in connection with Tax.
- 5.3 The Target Company has correctly deducted or withheld all Tax which it has been obliged by applicable Laws to deduct or withhold from amounts paid by it, and has properly accounted to the relevant Tax Authority for all amounts of Tax so deducted or withheld.
- 5.4 The Target Company has filed all returns, provided all such information and maintained all such records as required to be filed or provided or maintained by it under applicable Laws.
- 5.5 The Target Company is not involved in any dispute with any Tax Authority in relation to Tax.
- 5.6 The Target Company has complied with all statutory provisions, regulations and notices relating to Tax and has duly and punctually accounted for and/or paid all the relevant Taxes which it ought to have so accounted for and/or paid.

## **6. Litigation**

- 6.1 Neither the Target Company nor, so far as SWVL is aware, any person for whose acts and defaults the Target Company may be vicariously liable, is at present engaged whether as claimant, defendant or otherwise in any legal action, proceeding or arbitration which is either in progress or is threatened and which have been served on the Target Company or, so far as SWVL is aware, is pending.
- 6.2 No person acting for or on behalf of the Target Company is being prosecuted for an offence, nor are they or have they been the subject of any investigation, or inquiry by, or on behalf of, any governmental, administrative or regulatory authority, in respect of any offence or alleged offence, under any applicable Laws or regulations of any jurisdiction (including anti-corruption Laws or regulations), and there is no circumstance known to SWVL likely to give rise to any such prosecution, investigation or inquiry.

## **7. Compliance with Laws**

- 7.1 The Target Company has conducted its business in all respects in accordance with all applicable Laws and all permits, authorities, licences and consents have been obtained and all conditions applicable thereto complied with and there are no circumstances which might lead to the suspension, alteration or cancellation of any such permits, authorities, licences or consents, nor is there any agreement which restricts the fields within which the Target Company may carry on its business.
- 7.2 No person, not being a director of the Target Company, has any actual or ostensible authority, whether under a power of attorney, agency agreement or otherwise, to commit the Target Company to any obligation other than an obligation of a nature which is usual for it to incur in the ordinary course of its business.

## **8. Records**

The records (including computer records), statutory books, registers, minute books and books of account of the Target Company are duly entered up and maintained in accordance with all legal requirements applicable thereto and contain true, full and accurate records of all matters required to be dealt with therein and all such books and all records and documents (including documents of title) which are its property are in its possession or under its control.

## **9. Agreements and Capital Commitments**

- 9.1 The Target Company:

- (a) has no material capital commitments;
  - (b) is not a party to any contract, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of an unusual, onerous or long-term nature or which involves or could involve a material obligation or liability;
  - (c) is not bound by any guarantee or contract of indemnity or suretyship under which any liability or contingent liability is outstanding;
  - (d) has not entered into any agreement which requires or may require, or confers any right to require, the sale (whether for cash or otherwise) or the transfer by it of any asset;
  - (e) is not a party to any joint venture, consortium, partnership, unincorporated association or profit-sharing arrangement or agreement;
  - (f) is not a party to nor does it enjoy the benefit of any agreement requiring registration or notification under or by virtue of any statute; and
  - (g) is not in default of any agreement or arrangement to which it is a party.
- 9.2 The Target Company has not been and is not a party to any contract or arrangement binding upon it for the purchase or sale of property or the supply of goods or services at a price different to that reasonably obtainable on an arm's length basis.
- 9.3 No fact or circumstance exists which might invalidate or give rise to a ground for termination of any agreement, arrangement or obligation to which the Target Company is a party. No party with whom the Target Company has entered into any agreement, arrangement or obligation has given notice of its intention to terminate such agreement, arrangement or obligation.
- 9.4 Neither the Target Company nor any party with whom the Target Company has entered into any agreement, arrangement or obligation is in breach of such agreement, arrangement or obligation. So far as SWVL is aware, no fact or circumstance exists which might give rise to a breach of this type by the counter party to such agreement, arrangement or obligation.

#### **10. Borrowings and Facilities**

- 10.1 The Target Company does not have any outstanding bank overdraft facility or borrowing.
- 10.2 The Target Company does not have any liabilities (whether actual or contingent), except as may be disclosed to Danish Elahi in writing prior to the entering into of this Agreement.

**AS SWVL**

For and on behalf of **SWVL Inc.** through its  
authorised signatories

**SIGNATURE**

in the presence of:  
signature of witnesses

1- Name:  
Address:  
CNIC/Passport No:

2- Name:  
Address:  
CNIC/Passport No:

**AS DANISH ELAHI**

For and on behalf of **Danish Elahi** through its  
authorised signatories

**SIGNATURE**

in the presence of:  
signature of witnesses

1- Name:  
Address:  
CNIC/Passport No:

2- Name:  
Address:  
CNIC/Passport No:

**AS TARGET COMPANY**

For and on behalf of **SWVL Pakistan (Pvt.) Limited** through its authorised signatories

in the presence of:  
signature of witnesses



**SIGNATURE**

.....

.....

.....

- 1- Name:  
Address:  
CNIC/Passport No:
- 2- Name:  
Address:  
CNIC/Passport No:



## Subsidiaries of Swvl Holdings Corp

Legal Name	Country of Incorporation
Pivotal Merger Sub Company I	Cayman Islands
Swvl For Smart Transport Applications and Services LLC	Egypt
Swvl Global FZE	United Arab Emirates
Swvl Holdco Corp	British Virgin Islands
Swvl Inc.	British Virgin Islands
Swvl MY For Information Technology SDN BHD	Malaysia
Swvl NBO Limited	Kenya
SWVL Saudi for Information Technology	Saudi Arabia
Swvl Technologies FZE	United Arab Emirates
Swvl Technologies Limited	Kenya
Swvl Germany GmbH (formerly “Blitz B22-203 GmbH”)	Germany
Door2Door GmbH	

---

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Mostafa Kandil, certify that:

1. I have reviewed this annual report on Form 20-F of Swvl Holdings Corp;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: October 30, 2023

By: /s/ Mostafa Kandil  
Name: Mostafa Kandil  
Title: Chief Executive Officer

---

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Abdullah Mansour, certify that:

1. I have reviewed this annual report on Form 20-F of Swvl Holdings Corp;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: October 30, 2023

By: /s/ Abdullah Mansour

Name: Abdullah Mansour

Title: Interim Chief Financial Officer

---

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Swvl Holdings Corp (“Holdings”) on Form 20-F for the year ended December 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mostafa Kandil, Chief Executive Officer of Holdings, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Holdings.

Date: October 30, 2023

By: /s/ Mostafa Kandil  
Name: Mostafa Kandil  
Title: Chief Executive Officer

---

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Swvl Holdings Corp (“Holdings”) on Form 20-F for the year ended December 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Abdullah Mansour, Interim Chief Financial Officer of Holdings, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Holdings.

Date: October 30, 2023

By: /s/ Abdullah Mansour

Name: Abdullah Mansour

Title: Interim Chief Financial Officer

---