

**B Investments Holding**  
**"S.A.E."**  
**Separate Condensed Interim Financial Statements**  
**For the Three months ended March 31, 2019**  
**Together with Limited Review Report**

Translation of Review  
Report Originally Issued in Arabic

**Review REPORT**

**To: The Board of Directors of B Investments Holding "S.A.E."**

**Introduction**

We have reviewed the accompanying separate condensed interim financial statements of B investments Holding – S.A.E which comprise the separate condensed interim statement of financial position as of March 31, 2019 and the related separate interim statements of income, comprehensive income, changes in equity and cash flows for the three months' period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of the separate condensed interim financial statements in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements". Our responsibility is to express a conclusion on these separate condensed interim financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with Egyptian Standard on Review Engagements (2410) "Review of Interim Financial Statement Performed by the Independent Auditor of the Entity". Review of separate condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate condensed interim financial statements do not present fairly in all material respects the separate financial position of the entity as at March 31, 2019, and of its separate financial performance and its separate cash flows for the three months' period then ended in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements".

Cairo, May 14, 2019



**B Investments Holding****Separate Condensed Interim Statement of Financial Position as of March 31, 2019**

	<u>Note</u>	<u>March 31, 2019</u>	<u>December 31, 2018</u>
		<u>EGP</u>	<u>EGP</u>
<b>Assets</b>			
<b>Non-current assets</b>			
Investments in subsidiaries (net)		9 453 732	9 453 732
Investments in joint ventures (net)	(4)	276 262 025	258 762 025
Investments in associates (net)		153 856 436	153 856 436
Available for sale investments		141 262 077	141 262 077
Investment properties (net)		113 191 998	113 283 717
Loans to associates	(5)	104 067 841	105 294 533
Project under construction	(6)	13 428 024	7 893 989
<b>Total-non current assets</b>		<b>811 522 133</b>	<b>789 806 509</b>
<b>Current assets</b>			
Treasury bills	(7)	408 962 076	416 658 384
Due from related party (net)		6 000	6 000
Other debit balances (net)	(8)	18 336 980	15 502 601
Cash at banks	(9)	79 243 231	87 564 146
<b>Total current assets</b>		<b>506 548 287</b>	<b>519 731 131</b>
<b>Total assets</b>		<b>1318 070 420</b>	<b>1309 537 640</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Issued and paid-up capital	(12)	800 122 080	800 122 080
Reserves		254 876 193	251 345 904
Retained earnings		214 104 944	147 029 450
Net profit for the period		7 939 319	70 605 783
<b>Total equity</b>		<b>1277 042 536</b>	<b>1269 103 217</b>
<b>Non-Current liabilities</b>			
Deferred tax liabilities		8 112 529	9 437 090
<b>Total-non current liabilities</b>		<b>8 112 529</b>	<b>9 437 090</b>
<b>Current liabilities</b>			
Due to related parties	(10)	4 398 516	5 016 014
Accounts payable and other credit balances		5 684 033	5 980 742
Income tax		16 971 261	13 192 988
Provisions	(11)	5 861 545	6 807 589
<b>Total current liabilities</b>		<b>32 915 355</b>	<b>30 997 333</b>
<b>Total equity and liabilities</b>		<b>1318 070 420</b>	<b>1309 537 640</b>

- The attached notes form an integral part of the separate condensed interim financial statements , and to be read therewith.

Chief Finance Officer

Ahmed Abdel Monem Madbouly

Chief Executive Officer

Dr. Mohamed Abdel Monem Omran

Chairman

Mohamed Hazem Adel Barakat



Review report attached.

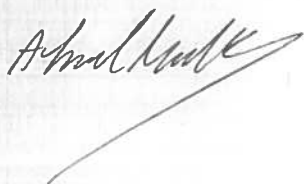
**B Investments Holding****Separate Condensed Interim Income Statement for the three months ended on March 31, 2019**

	<u>Note</u>	<u>March 31, 2019</u>	<u>March 31, 2018</u>
		<u>EGP</u>	<u>EGP</u>
<b><u>Income and profits</u></b>			
Finance income	(15)	22 643 266	9 927 413
Rental income		-	1 350 000
Provisions no longer required		-	2 500 000
		<b>22 643 266</b>	<b>13 777 413</b>
<b><u>Expenses and losses</u></b>			
Depreciation of investment properties		( 91 718)	( 79 578)
Management fees	(16)	( 4 589 408)	(2 912 837)
Consulting fees and other expenses		( 1 476 236)	(5 218 770)
Board of directors allowances		( 49 392)	-
Foreign exchange differences		( 6 043 481)	( 797 457)
<b>Net profit for the period before income tax</b>		<b>10 393 031</b>	<b>4 768 771</b>
Income tax		( 3 778 273)	-
Deferred tax		1 324 561	-
<b>Net profit for the period</b>		<b>7 939 319</b>	<b>4 768 771</b>
Basic and diluted earnings per share	(13)	<b>0.05</b>	<b>0.04</b>

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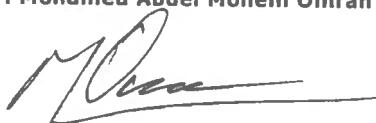
Chief Finance Officer

Ahmed Abdel Monem Madbouly



Chief Executive Officer

Dr. Mohamed Abdel Monem Omran



Chairman

Mohamed Hazem Adel Barakat



**B Investments Holding**

**Separate Condensed Interim statement of Comprehensive Income for the three months ended on March 31, 2019**

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the period	7 939 319	4 768 771
Other comprehensive income	-	-
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>7 939 319</b>	<b>4 768 771</b>

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Separate Condensed Interim Statement of Changes in Equity for the three months ended March 31, 2019  
B Investments Holding

	Issued and paid-up capital EGP	Amount paid under capital increase EGP	Legal reserve EGP	Capital issuance costs EGP	Retained earnings EGP	Net profit for the year EGP	Total equity EGP
Balance as of January 1, 2018	584 464 310	-	10 577 468	-	104 004 637	45 289 276	744 335 691
<b>Items of other comprehensive income</b>							
Other comprehensive income	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	4 768 771	4 768 771
<b>Total Other Comprehensive income</b>	-	-	-	-	-	4 768 771	4 768 771
<b>The company's shareholders transactions</b>							
Transferred to legal reserve	-	-	2 264 463	-	(2 264 463)	-	-
Transferred to retained earnings	-	-	-	-	45 289 276	(45 289 276)	-
Capital Increase	-	400 552 368	-	-	-	-	400 552 368
<b>Total company's shareholders transactions</b>	-	400 552 368	2 264 463	-	43 024 813	(45 289 276)	400 552 368
<b>Balance as of March 31, 2018</b>	<b>584 464 310</b>	<b>400 552 368</b>	<b>12 841 931</b>	<b>-</b>	<b>147 029 450</b>	<b>4 768 771</b>	<b>1 149 656 830</b>
<b>Balance as of January 1, 2019</b>	<b>800 122 080</b>	<b>-</b>	<b>255 456 922</b>	<b>(4 111 018)</b>	<b>147 029 450</b>	<b>70 605 783</b>	<b>1 269 103 217</b>
<b>Items of other comprehensive income</b>							
Other comprehensive income	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	7 939 319	7 939 319
<b>Total Other Comprehensive income</b>	-	-	-	-	-	7 939 319	7 939 319
<b>The company's shareholders transactions</b>							
Transferred to legal reserve	-	-	3 530 289	-	(3 530 289)	-	-
Transferred to retained earnings	-	-	-	-	70 605 783	(70 605 783)	-
<b>Total company's shareholders transactions</b>	-	-	3 530 289	-	67 075 494	(70 605 783)	-
<b>Balance as of March 31, 2019</b>	<b>800 122 080</b>	<b>-</b>	<b>258 987 211</b>	<b>(4 111 018)</b>	<b>214 104 944</b>	<b>7 939 319</b>	<b>1 277 042 536</b>

- The attached notes form an integral part of these separate condensed interim financial statements, and to be read therewith.

**B Investments Holding**

**Separate Condensed Interim Statement of Cash Flows for the three months ended March 31, 2019**

<u>Note</u>	<u>March 31, 2019</u>	<u>March 31, 2018</u>
	<u>EGP</u>	<u>EGP</u>
<b><u>Cash flows from operating activities</u></b>		
Net profit for the period before income tax	10 393 031	4 768 771
<b><u>Adjusted by :</u></b>		
Foreign exchange differences	6 043 481	797 457
Utilization of the provision	( 946 044)	-
Credit interest - treasury bills	(19 433 339)	(4 022 827)
Credit interest	(3 209 927)	(4 181 453)
Provisions no longer required	-	(2 500 000)
Depreciation of investment properties	91 718	79 578
<b>Operating loss before changes in working capital</b>	<b>(7 061 080)</b>	<b>(5 058 474)</b>
Increase in due from related parties	-	( 6 000)
Increase in other debit balances	(2 044 708)	( 661 554)
Increase in share price stability guarantee fund	-	(55 650 000)
( Decrease )Increase in due to related parties	( 617 498)	2 161 461
( Decrease )Increase in accounts payable and other credit balances	( 296 709)	9 434 951
<b>Net Cash flows used in operating activities</b>	<b>(10 019 995)</b>	<b>(49 779 616)</b>
<b><u>Cash flows from investment activities</u></b>		
Proceeds from credit interest	15 952 062	3 216 779
Payments to acquire investments in joint ventures	(17 500 000)	(13 750 000)
Payments for project under construction	(5 534 035)	-
Change in long term deposits	866 612	-
Net proceeds from sale and redemption of treasury bills	3 488 163	52 866 646
<b>Net cash flows (used in) generated by investment activities</b>	<b>(2 727 198)</b>	<b>42 333 425</b>
<b><u>Cash flows from financing activities</u></b>		
Proceeds from capital increase	-	409 914 206
Payment for new shares issuance cost	-	(9 361 838)
<b>Net cash flows generated by financing activities</b>	<b>-</b>	<b>400 552 368</b>
Net change in cash and cash equivalents during the period	(12 747 193)	393 106 177
<b>Cash and cash equivalents at the beginning of the period</b>	<b>431 286 479</b>	<b>26 461 610</b>
Effects of foreign exchange rate changes	37 301	(1 046 635)
<b>Cash and cash equivalents at the end of the period</b>	<b>(9) 418 576 587</b>	<b>418 521 152</b>

- The attached notes form an integral part of these separate condensed interim financial statements, and to be read therewith.

**1. General information**

B Investments Holding "S.A.E." (BPE Holding for Financial investments -formerly) "The Company" was established under the provisions of Law No 95 for 1992 and its executive regulations. The Company was registered on December 31, 2005 under No 52455 at South Cairo Commercial Register pursuant to the Capital Market Authority License No. 348 dated April 11, 2006. Then The Company registered on October 24, 2012 under No 63264 at South Cairo Commercial Register.

The Company's purpose is to participate in incorporation of other entities, which issue securities, or increase their capital. The Company may have interest or participate in any form with corporate companies pursuing similar activities, or which may assist it in realizing its purpose in Egypt or abroad. The Company may also merge, purchase or become a subsidiary to companies according to the provisions of law and its executive regulation. The Company's duration is 20 years commencing from the Commercial Register date.

The Company's principle business activity is investment in other entities, in accordance with its established investment policy. The Company aims to identify, research, negotiate, make and monitor the progress of and sell, realize and exchange investments and distribute proceeds of such investments with the principle objective of providing shareholders with a high relative overall rate of return by means of both Income, capital growth and exit.

On January 11, 2016 the Company's extraordinary general assembly decided to change the Company name to be BPE Holding for Financial Investments, the change was registered in the Company's commercial register on February 24, 2016.

On May 8, 2018 the Company's extraordinary general assembly decided to change the Company name to be B investments Holding, the change was registered in the Company's commercial register on July 8, 2018.

The Board of Directors authorized these separate condensed interim financial statements for the three months ended March 31, 2019 issue on May 14, 2019.

**2. Statement of compliance**

The separate condensed interim financial statements have been prepared in accordance to the Egyptian Accounting Standard No. (30)" Interim financial statements".

**3. Separate financial statements' basis of preparation**

The separate condensed interim financial statements have been prepared using the same accounting policies applied in the last year. The interim financial statements are to be read in conjunction with separate financial statements issued for the year ended December 31, 2018.



**4. Investments in joint ventures (net)**

	<u>No. of Shares</u>	<u>Ownership %</u>	<u>March 31, 2019 EGP</u>	<u>December 31, 2018 EGP</u>
Inergia Technologies for Information Systems S.A.E" Inergia	5 532 124	%68.04	55 321 240	55 321 240
Ebtikar for Financial Investment	869 412	%19.68	94 609 700	77 109 700
Gourmet Egypt.Com Foods S.A.E.	3 127 950	%52.9	92 627 255	92 627 255
Payments under capital increase in Gourmet Egypt.Com Foods S.A.E.	--	--	33 703 830	33 703 830
Red Sea Venture for Solar Energy	7 425	%49.5	5 727 150	5 727 150
<b>Less:</b> Impairment in Red Sea Venture for Solar Energy			(5 727 150)	(5 727 150)
			<b>276 262 025</b>	<b>258 762 025</b>

The decrease in the balance is due to the Company's subscription during the period in the capital increase of "Ebtikar for Financial Investments" by an amount of EGP 17 500 000.

**5. Loans to associates**

	<u>March 31, 2019 EGP</u>	<u>December 31, 2018 EGP</u>
Infinity Solar 1 B.V	31 051 560	31 417 578
Infinity Solar 2 B.V	52 095 819	52 709 895
Infinity Solar 3 B.V	20 920 462	21 167 060
	<b>104 067 841</b>	<b>105 294 533</b>

The decrease in the account balance is due to the recognition of foreign currency revaluation loss by an amount of EGP 3 563 889., in addition to the accrual of interest income by an amount of EGP 2 337 197

**6. Project under construction**

Project under construction represents the amounts paid for decorations and fixtures work for the administrative building located in Maadi area with the aim of leasing the building in the future, On April 15, 2018 a lease agreement for the building was signed for three years that will start from the delivery date after completion of the decorations and facilities, and at the financial statements date the building has not been delivered.

**7. Treasury bills**

	<b><u>March 31, 2019</u></b>	<b><u>December 31, 2018</u></b>
	<b><u>EGP</u></b>	<b><u>EGP</u></b>
Treasury bills – less than three months	423 600 000	432 125 000
<b>Less:</b> unrealized interest	(14 637 924)	(15 466 616)
	<b><u>408 962 076</u></b>	<b><u>416 658 384</u></b>

The decrease in treasury bills is due to purchase of treasury bills during the period by an amount of EGP 420.8 million, selling and redemption of treasury bills by an amount of EGP 428.4 million in addition to return on treasury bills by an amount of EGP 19.4 million (note 15).

**8. Other debit balances (Net)**

	<b><u>March 31, 2019</u></b>	<b><u>December 31, 2018</u></b>
	<b><u>EGP</u></b>	<b><u>EGP</u></b>
Deposits held with others	46 795	46 795
Accrued interest	1 537 789	932 930
Accrued rental income	3 404 500	3 404 500
Accrued dividends income	--	2 207 002
Prepaid expenses	431 358	128 308
Debit income tax	47 852	47 852
Withholding tax receivable	9 000	9 000
Withholding tax on treasury bills	15 335 626	11 332 271
Advance payment to suppliers	478 560	348 443
<b>Less :</b> Impairment in other debit balances	(2 954 500)	(2 954 500)
	<b><u>18 336 980</u></b>	<b><u>15 502 601</u></b>

The increase in other debit balances is mainly due to the increase of withholding tax on treasury bills by an amount of EGP 4 003 355, deducted on the selling and redemption of treasury bills during the period in addition to collection of the accrued dividends.

**9. Cash at banks**

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
	<u>EGP</u>	<u>EGP</u>
Current accounts - local currencies	9 592 214	14 604 697
Current accounts - foreign currencies	22 297	23 398
Time deposits - foreign currencies	69 628 720	72 936 051
	<u>79 243 231</u>	<u>87 564 146</u>

For the purpose of preparing separate condensed cash flow statement, the cash and cash equivalents are comprised of the following:

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
	<u>EGP</u>	<u>EGP</u>
Cash at banks	79 243 231	486 559 981
Treasury bills - less than three months	408 962 076	--
<b>Less:</b> Time Deposits - More than three months	(69 628 720)	(68 038 829)
	<u>418 576 587</u>	<u>418 521 152</u>

**10. Due to related parties**

	<u>Relationship nature</u>	<u>Account nature</u>	<u>March 31, 2019</u>	<u>December 31, 2018</u>
			<u>EGP</u>	<u>EGP</u>
BPE Partners S.A.E	Management company	Management fees and expenses	4 398 516	5 016 014
			<u>4 398 516</u>	<u>5 016 014</u>

**11. Provisions**

	<u>December 31, 2019</u>	<u>Used during the period</u>	<u>March 31, 2018</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Provision for claims	6 807 589	( 946 044)	5 861 545
	<u>6 807 589</u>	<u>( 946 044)</u>	<u>5 861 545</u>

**12. Capital**

The Company's authorized capital amounted to EGP 2.4 billion, and the issued and paid-up capital amounted to EGP 800 122 080 divided into 160 024 416 shares of EGP 5 par value each.

**13. Basic and diluted profits per share**

**Basic:** Basic earnings per share is calculated by dividing the net profit attributable to shareholders' of the Company by the weighted average number of ordinary shares outstanding during the year.

**Diluted:** Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all convertible financial instruments and share options. The net profit is adjusted by omission of the cost of convertible debt instruments taking tax effect into consideration. As there are no debt instruments that are convertible to shares, so diluted and basic earnings per share are equal.

	<u>March 31, 2019</u>	<u>March 31, 2019</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the period	7 939 319	4 768 771
Weighted average number of shares	160 024 416	116 892 862
<b>Basic and diluted earnings per share</b>	<b>0.05</b>	<b>0.04</b>

**14. Significant related parties' transactions**

Related parties transactions occurred during financial period on current accounts nature represented mainly in management fees and the expenses related to the company or expenses the company paid instead of related parties

<u>Company name</u>	<u>Type of relation</u>	<u>Type of transaction</u>	<u>Value of transaction</u>
BPE Partners S.A.E.	Management company	Management fees	(4 589 409)
		Expenses paid instated of the related parties	190 893
Infinity Solar 1 B.V	Associate	Credit interest	697 368
Infinity Solar 2 B.V	Associate	Credit interest	1 169 989
Infinity Solar 3 B.V	Associate	Credit interest	469 840

**15. Finance income**

	<b><u>March 31, 2019</u></b>	<b><u>March 31, 2018</u></b>
	<b><u>EGP</u></b>	<b><u>EGP</u></b>
Credit interest for loans to associates	2 337 197	2 356 457
Interest income on time deposits and bank current accounts	872 730	3 548 128
Return on treasury bills	19 433 339	4 022 828
	<b><u>22 643 266</u></b>	<b><u>9 927 413</u></b>

The increase in finance income during the period is mainly due to the increase of return on treasury bills by an amount of EGP 15.4 million , in addition to decrease in the interest income on time deposits and current accounts by an amount of EGP 2.6 million .

**16. Management agreement**

On 19 July 2017, The Company signed a new management agreement with BPE Partners SAE, the new management agreement became effective on the date of completion of listing the company's shares on the EGX. The trading on the company's shares started on March 29, 2018. Pursuant to the terms of the new management agreement, the management company is entitled to a management fees of 2% of the company's paid up capital up to EGP 600 million and 1.5% of any capital increase (Included share premium) of more than EGP 600 million Up to EGP 1.2 billion and 1% on any capital increase of more than EGP 1.2 billion.

Additionally, the management company is entitled to a performance fee, the performance fee will be due to the management company only on the exit of investments entered into by the Company. Performance fees for existing investments are accrued for the management company and calculated as the difference between cash proceeds net of taxes and fees received from the disposal and distribution (dividend, interest, or rent) of the investment and the adjusted cost of the existing investment. The adjusted cost is the historical cost of the investment accumulated at an acceptable rate of return on investment (10% annually) for each year following the acquisition date of the investment until the date on which the new management agreement takes effect.

Performance fees on new investments entered into by the Company starting from the date on which the new management agreement takes effect will be 15% of the gain on the investment calculated as the difference between the cash proceeds net of taxes and fees received from the disposal and distribution (dividend, interest, or rent) of the investment and the aggregate cost of such investment.

B Investments Holding "S.A.E"

Notes to the separate condensed interim financial statements

For the three months ended March 31, 2019

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**17. Contingent liabilities**

Pursuant to the Purchase Agreement dated September 18, 2018, if Gourmet Egypt.com Foods recognized profits exceeds certain level of profits for the financial year ended 31 December 2019, B Investments Holding shall pay price difference for the old shareholders up to 60 MEGP.

**18. Significant Events during the period**

- On March 28, 2019, the Minister of Investment and International cooperation issued Decision No. 96 of 2019 amending some of Egyptian Accounting standards and published three accounting standards, The Egyptian Accounting standard No.(47) for financial instruments , The Egyptian Accounting standard No.(48) for revenue from contracts with customers and the Egyptian Accounting standard No (49) for leasing contracts in implementation of the financial leasing and Allocation Act No.176 of 2018.
- On March 28, 2019, The company Board of Directors approved dividends proposal for the year ending in December 31,2018 for the shareholders of 50 piasters per share and an amount of EGP 1 353 469 for the Board of Directors members , the company general assembly approved the dividends proposal on May 13,2019.