

**B Investments Holding**

**"S.A.E."**

**Condensed Consolidated Interim Financial Statements**

**For the nine months ended September 30, 2022**

**Together with Limited Review Report**

Translation of Limited Review  
Report Originally Issued in Arabic

Limited review report for the condensed consolidated interim financial statements

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

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of B investments Holding S.A.E. which comprise the condensed consolidated interim statement of financial position as of September 30, 2022 and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine 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 condensed consolidated interim financial statements in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements".

Our responsibility is to express a conclusion on these condensed consolidated 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 condensed consolidated 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 condensed consolidated interim financial statements do not present fairly in all material respects the consolidated financial position of B Investments Holding S.A.E. as of September 30, 2022, and of its consolidated financial performance and its consolidated cash flows for the nine months' period then ended in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements".

Cairo, November 15, 2022

Farid Samir Farid

F.R.A. No. (210)

R.A.A. 8739



**B Investments Holding "S.A.E"**  
**Condensed consolidated interim Statement of Financial Position as of September 30, 2022**

	<u>Note</u>	<u>September 30, 2022</u> EGP	<u>December 31, 2021</u> EGP
<b><u>Assets</u></b>			
<b><u>Non-current assets</u></b>			
Advance for investments	(4)	--	110 682 592
Investments in associates using equity method	(5)	477 236 741	414 523 621
Investments at fair value through OCI	(7)	381 572 723	381 572 723
Investments in joint ventures using equity method	(6)	431 017 702	564 962 226
Investment properties (net)		91 079 122	91 721 954
Loans to associates (net)	(10)	138 077 370	111 445 145
Notes receivable (net)	(12)	6 662 911	7 431 543
<b>Total non-current assets</b>		<b>1 525 646 569</b>	<b>1 682 339 804</b>
<b><u>Current assets</u></b>			
Debtors - purchase of investments	(8)	1 314 948 661	--
Loans to joint ventures (net)	(11)	12 770 509	24 707 408
Notes receivable (net)	(12)	2 355 664	2 447 060
Due from related parties (net)	(9)	212 493 195	--
Other debit balances (net)	(13)	6 151 183	7 810 918
Treasury bills (net)	(14)	259 674 718	337 851 188
Cash at banks	(15)	62 036 103	61 801 312
<b>Total current assets</b>		<b>1 870 430 033</b>	<b>434 617 886</b>
<b>Total assets</b>		<b>3 396 076 602</b>	<b>2 116 957 690</b>
<b><u>Equity and liabilities</u></b>			
<b><u>Equity</u></b>			
Issued and paid-up capital	(19)	800 122 080	800 122 080
Reserves		281 843 936	282 206 583
Revaluation reserve of investments at fair value through OCI		197 138 855	197 138 855
Retained earnings		648 767 679	632 637 893
Net profit attributable to shareholders of the parent company for the period /year		646 785 373	105 308 898
<b>Total Equity of the Parent Company</b>		<b>2 574 657 923</b>	<b>2 017 414 309</b>
Non-Controlling interest	(20)	380 665 137	--
<b>Total equity</b>		<b>2 955 323 060</b>	<b>2 017 414 309</b>
<b><u>Non-current liabilities</u></b>			
Deferred tax liabilities	(18)	75 738 457	69 489 898
<b>Total non-current liabilities</b>		<b>75 738 457</b>	<b>69 489 898</b>
<b><u>Current liabilities</u></b>			
Due to related parties	(16)	4 691 395	4 691 395
Accounts payable and other credit balances		27 425 198	4 935 973
Current income tax		330 746 687	16 385 464
Provisions	(17)	2 151 805	4 040 651
<b>Total current liabilities</b>		<b>365 015 085</b>	<b>30 053 483</b>
<b>Total equity and liabilities</b>		<b>3 396 076 602</b>	<b>2 116 957 690</b>

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

Chief Financial Officer  
Ahmed Abdel Monem Madbouly

Chief Executive Officer  
Dr. Mohamed Abdel Monem Omran

Chairman  
Mohamed Hazem Adel Barakat

- Review report attached.







**B Investments Holding "S.A.E"**  
**Condensed consolidated interim Statement of Profits or Losses**  
**For the nine months ended September 30, 2022**

Note	The period nine months ended		The period three months ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
	EGP	EGP	EGP	EGP
<b>Revenues and profits</b>				
Dividends income from investments at fair value through OCI	26 853 298	20 201 805	--	--
Profits from sale of investments (24)	1 227 495 561	--	1 227 495 561	--
Group's share of profits / (losses) of associate and joint venture entities (23)	28 172 597	24 351 873	27 386 267	(4 065 510)
Credit Interest (25)	40 154 019	55 050 938	12 798 819	16 164 452
Rental income of investment properties	6 627 509	3 071 250	2 263 320	1 023 750
Other income	199 662	9 408 000	--	30 000
	<b>1 329 502 646</b>	<b>112 083 866</b>	<b>1 269 943 967</b>	<b>13 152 692</b>
<b>Expenses and losses</b>				
Investment manager fees (26)	(13 921 205)	(13 921 205)	(4 691 395)	(4 691 395)
Consulting fees and other expenses	(8 380 459)	(4 973 764)	(6 318 438)	(2 106 736)
Tax expense on dividends income from investment in associate and joint venture entities using equity method	--	(4 952 950)	--	(2 521 208)
Board of directors allowances and other expenses	( 665 400)	( 151 800)	( 423 100)	--
Investment properties' depreciation	(1 305 182)	(1 342 506)	( 439 660)	( 448 640)
Expected credit losses	( 668 873)	--	( 126 688)	--
Foreign exchange gains / (losses)	31 361 892	( 434 459)	6 197 401	230 684
<b>Net profit for the period before tax</b>	<b>1 335 923 419</b>	<b>86 307 182</b>	<b>1 264 142 087</b>	<b>3 615 397</b>
Income tax	(330 746 687)	(13 071 247)	(324 381 905)	(3 129 392)
Deferred tax (18)	(6 248 559)	( 307 283)	(1 291 715)	( 67 593)
<b>Net profit for the period</b>	<b>998 928 173</b>	<b>72 928 652</b>	<b>938 468 467</b>	<b>418 412</b>
<b>Distributed as follows:</b>				
Attributable to the shareholders of the Parent Company	646 785 373	72 928 652	586 325 667	418 412
Non-controlling interests	352 142 800	--	352 142 800	--
<b>Net profit for the period</b>	<b>998 928 173</b>	<b>72 928 652</b>	<b>938 468 467</b>	<b>418 412</b>
<b>Basic earnings per share</b> (21)	<b>4.04</b>	<b>0.46</b>	<b>3.66</b>	<b>0.003</b>
<b>Diluted earnings per share</b> (21)	<b>4.04</b>	<b>0.46</b>	<b>3.66</b>	<b>0.003</b>

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

*Translation of Condensed consolidated interim financial statements*

*Originally Issued in Arabic*

**B Investments Holding "S.A.E"**

**Condensed consolidated interim Statement of Comprehensive Income**

**For the nine months ended September 30, 2022**

	<u>The period nine months ended</u>		<u>The period three months ended</u>	
	<u>September 30, 2022</u>	<u>September 30, 2021</u>	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Net profit for the period	998 928 173	72 928 652	938 468 467	418 412
<b><u>Other comprehensive income</u></b>				
Group's shares in Other comprehensive income items in joint venture entities' financial statements	(15 784 765)	323 334	(15 784 765)	168 151
<b>Total other comprehensive income for the period after tax</b>	<b>(15 784 765)</b>	<b>323 334</b>	<b>(15 784 765)</b>	<b>168 151</b>
<b>Total comprehensive income for the period</b>	<b>983 143 408</b>	<b>73 251 986</b>	<b>922 683 702</b>	<b>586 563</b>
<b><u>Distributed as follows:</u></b>				
Attributable to the shareholders of the parent company	631 000 608	73 251 986	570 540 902	586 563
Non-controlling interests	352 142 800	--	352 142 800	--
<b>Total comprehensive income for the period</b>	<b>983 143 408</b>	<b>73 251 986</b>	<b>922 683 702</b>	<b>586 563</b>

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



**B Investments Holding "S.A.R.L"**  
**Condensed consolidated interim Statement of Changes in Equity**  
**For the nine months ended September 30, 2022**

	Issued and paid-up capital	Treasury stocks	Share Issuance Reserve	Revaluation reserve of investments at fair value through OCI	Legal reserve	Group's share in the change in equity of associate entities	Group's share in the combination reserve of joint venture entities	Group's share in the Other comprehensive income in joint venture and associate entities' financial statements	Retained earnings	Net profit of the period attributable to shareholders of the Parent Company	Total Equity of the Parent Company	Non-Controlling Interests	Total equity
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as of January 1, 2021	800 122 080	(5 471 154)	(4 111 018)	189 220 998	262 411 858	(1 558 677)	(4 522 300)	11 938 249	602 309 689	287 905 313	2 138 245 038	--	2 138 245 038
<b>Items of comprehensive income</b>													
Net profit of the period	--	--	--	--	--	--	--	--	--	72 928 652	72 928 652	--	72 928 652
Group's share in the Other comprehensive income in joint venture entities' financial statements	--	--	--	--	--	--	--	323 334	--	--	323 334	--	323 334
<b>Total Comprehensive income</b>	--	--	--	--	--	--	--	323 334	--	72 928 652	73 251 986	--	73 251 986
<b>The company's shareholders transactions</b>													
Transferred to legal reserve	--	--	--	--	11 133 187	--	--	--	--	(11 133 187)	--	--	--
Transferred to retained earnings	--	--	--	--	--	--	--	--	276 772 126	(276 772 126)	--	--	--
Group's share in the change in equity of associates entities	--	--	--	--	--	1 558 677	--	--	514 958	--	2 073 635	--	2 073 635
Dividends distribution	--	--	--	--	--	--	--	--	(203 786 520)	--	(203 786 520)	--	(203 786 520)
Selling treasury stocks	--	5 471 154	--	--	--	--	--	--	4 802 263	--	10 273 417	--	10 273 417
Retained earnings adjustments from joint venture entities	--	--	--	--	--	--	--	--	(138 715)	--	(138 715)	--	(138 715)
<b>Total company's shareholders transactions</b>	--	5 471 154	--	--	11 133 187	1 558 677	--	--	73 864 112	(287 905 313)	(191 576 183)	--	(191 576 183)
Balance as of September 30, 2021	800 122 080	--	(4 111 018)	189 220 998	273 545 045	--	(4 522 300)	--	12 261 583	680 473 801	2 019 918 841	--	2 019 918 841
Balance as of January 1, 2022	800 122 080	--	(4 111 018)	197 138 855	273 545 045	--	(4 522 300)	17 294 856	632 637 893	105 308 898	2 017 414 309	--	2 017 414 309
<b>Items of comprehensive income</b>													
Net profit of the period	--	--	--	--	--	--	--	--	--	646 785 373	646 785 373	352 142 800	998 928 173
Group's share in the Other comprehensive income in joint venture entities' financial statements	--	--	--	--	--	--	--	--	--	(15 784 765)	--	--	(15 784 765)
<b>Total Comprehensive income</b>	--	--	--	--	--	--	--	--	--	646 785 373	631 000 608	352 142 800	983 143 408
<b>The company's shareholders transactions</b>													
Transferred to legal reserve	--	--	--	--	6 171 515	--	--	--	--	(6 171 515)	--	--	--
Transferred to retained earnings	--	--	--	--	--	--	--	--	99 137 383	(99 137 383)	--	--	--
Impact of changing the accounting treatment of Inergia from joint venture to subsidiary	--	--	--	--	4 728 303	--	--	--	664 611	--	5 392 914	2 533 487	7 926 401
Group's share in the combination reserve of joint venture entities	--	--	--	--	--	--	4 522 300	--	--	--	4 522 300	--	4 522 300
Non-controlling interests	--	--	--	--	--	--	--	--	--	--	--	25 988 850	25 988 850
Dividends distributions	--	--	--	--	--	--	--	--	(83 672 208)	--	(83 672 208)	--	(83 672 208)
<b>Total company's shareholders transactions</b>	--	--	--	--	10 899 818	--	4 522 300	--	16 129 786	(105 308 898)	(73 756 994)	28 522 337	(45 234 657)
Balance as of September 30, 2022	800 122 080	--	(4 111 018)	197 138 855	284 444 863	--	--	15 100 091	648 767 679	646 785 373	2 574 657 923	380 665 137	2 955 323 060

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

**B Investments Holding "S.A.E"**  
**Condensed consolidated interim Statement of Cash Flows**  
**For the nine months ended September 30, 2022**

<u>Note</u>	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	<u>EGP</u>	<u>EGP</u>
<b><u>Cash flows from operating activities</u></b>		
Net profit for the period before tax	1 335 923 419	86 307 182
<b><u>Adjustments to reconcile net profit to cash flows from operating activities</u></b>		
Group's share of profits / (losses) of associate and joint venture entities	(28 172 597)	(24 351 873)
Reversal of dividends income from investments at fair value through OCI	(26 853 298)	(20 201 805)
Reversal of profits from sale of investments	(1 227 495 561)	--
Tax expense on dividends income from investment in associate and joint venture entities using equity method	--	4 952 950
Investment properties' depreciation	1 305 182	1 342 506
Foreign currency exchange differences	(31 361 892)	434 459
Credit interest - treasury bills	(27 964 372)	(45 856 905)
Credit interest	(12 189 647)	(9 194 033)
Expected credit losses	668 873	--
Provisions used	(17) (1 888 846)	--
<b>Operating (losses) before changes in working capital</b>	<b>( 18 028 739)</b>	<b>(6 567 519)</b>
Decrease in loans to associate and joint venture entities	20 386 662	9 811 359
Decrease in notes receivable	1 000 000	2 000 000
(Increase) in other debit balances	(9 327 605)	(6 449 165)
(Increase) decrease in due from related parties	( 238 801)	2 003 173
(Decrease) in due to related parties	--	(16 971 254)
Increase in accounts payable and other credit balances	16 286 415	114 818
Income tax paid during the period	(5 990 550)	(26 458 200)
Proceeds from dividends income from investments at fair value through OCI	26 853 298	20 201 805
Proceeds from dividends income from associate entities using equity method	--	15 262 098
<b>Net cash flows generated from (used in) operating activities</b>	<b>30 940 680</b>	<b>(7 052 885)</b>
<b><u>Cash flows from investing activities</u></b>		
Proceeds from credit interest	18 131 048	19 689 962
(Payments) to acquire investments in joint ventures	(28 220 310)	(32 606 800)
(Payments) to acquire investment in associates	(28 372 689)	--
(Payments) to acquire investment properties	( 662 350)	( 204 847)
Change in long term deposits	--	3 137 290
Net proceeds/ payments from sale, redemption and acquisition of treasury bills	190 161 448	87 370 170
<b>Net cash flows generated from (used in) investing activities</b>	<b>151 037 147</b>	<b>77 385 775</b>
<b><u>Cash flows from financing activities</u></b>		
Proceeds from sale of treasury stocks	--	10 273 417
Dividends paid during the period	(83 306 208)	(203 473 520)
<b>Net cash flows (used in) financing activities</b>	<b>(83 306 208)</b>	<b>(193 200 103)</b>
Net change in cash and cash equivalents during the period	98 671 619	(122 867 213)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60 236 312</b>	<b>174 557 359</b>
Effects of exchange rate changes on balances of cash held in foreign currencies	5 388 430	( 346 950)
<b>Cash and cash equivalents at the end of the period</b>	<b>(15) 164 296 361</b>	<b>51 343 196</b>

**Non-cash transactions:**

Non-cash transactions have been eliminated from the statement of cash flows as follows:

An amount of EGP (1 314 948 661) represents debtors - purchase of investments, an amount of EGP (212 493 195) from due from related parties, and an amount of EGP 207 935 459 from Investments in joint ventures using equity method.

- The attached notes form an integral part of the condensed consolidated 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 new location is 24 Talaat Harb Street, Cinema Radio Building – 1<sup>st</sup> Floor - Cairo. The company's new location was registered on July 15, 2020 in the 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 primary business activity is investing 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 principal 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 S.A.E, the change was registered in the company's commercial register on July 8, 2018.

The Board of Directors authorized the condensed consolidated interim financial statements for the nine months ended September 30, 2022 issue on November 15, 2022.

**2. Statement of compliance for the condensed consolidated interim financial statements**

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

**3. Basis for preparation of the condensed consolidated interim financial statements**

The condensed consolidated interim financial statements have been prepared using the same accounting policies applied in the last year. The condensed consolidated interim financial statements are to be read in conjunction with the consolidated financial statements issued for the year ended December 31, 2021.



#### 4. Advance for investments

On June 28, 2022, B Healthcare Investment (subsidiary) has acquired 51% of the Egyptian IVF Center with a total amount of EGP 111 323 844 and accounted for it as an investment in joint venture. (Note 6)

#### 5. Investments in associates using equity method

<u>Name of Company</u>	<u>No. of Shares</u>	<u>Ownership</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
		<u>%</u>	<u>EGP</u>	<u>EGP</u>
Al Retail for Trade and Investment S.A.E.	727 526	22.79	443 843	409 058
Madinet Nasr for Housing and Development "MNHD" S.A.E.	157 752 545	7.51	476 792 898	414 114 563
Infinity Solar 1 B. V.	246	24.6	--	--
Infinity Solar 2 B. V.	175	17.5	--	--
Infinity Solar 3 B. V.	175	17.5	--	--
			<b>477 236 741</b>	<b>414 523 621</b>

The main reason for the increase in investments in associates is due to the group's recognition in the share of profit of Madinet Nasr for Housing and Development "MNHD" in the statement of profit or loss amounted to EGP 34 305 513, Note (23).

In addition to payment of the company's share in Madinet Nasr for Housing and Development S.A.E capital increase, and that increase was registered in the investee company's commercial register on May 29, 2022.

#### 6. Investments in joint ventures using equity method

<u>Name of Company</u>	<u>No. of Shares</u>	<u>Ownership</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
		<u>%</u>	<u>EGP</u>	<u>EGP</u>
Inergia Technologies for Information Systems "Inergia" S.A.E.*	5 532 124	68.04	--	263 256 699
Red Sea Venture for Solar Power S.A.E.	7 425	49.5	5 727 150	5 727 150
Ebtikar Holding for Financial Investments S.A.E.	168 600 600	16.45	112 263 836	115 248 630
Gourmet Egypt .com Foods S.A.E.	4 316 572	52.9	101 753 448	112 472 756
Egyptian IVF Center S.A.E.	1 108 291	51	118 646 937	--
Basata Financial Holding S.A.E.	896 555	20.30	98 353 481	73 984 141
<b>Deduct:</b> Impairment of investment in Red Sea Venture for Solar Energy S.A.E.			(5 727 150)	(5 727 150)
			<b>431 017 702</b>	<b>564 962 226</b>

The main reason for the decrease in the investments in joint ventures is mainly due to:

- The group's recognition of the share of losses in Gourmet Egypt.com Foods S.A.E., losses in Ebtikar Holding for Financial Investments S.A.E. , profits in Basata Financial Holding S.A.E. in the statement of profit or loss by amounts of EGP 15 822 933, EGP 2 984 793, and EGP 5 316 932 respectively, Note (23).
- Payment of the company's share in Basata Financial Holding S.A.E. capital increase by an amount of EGP 22 277 200, and that increase was registered in the investee company's commercial register on September 6, 2022.

- Payment of the company's share in Gourmet Egypt.com Foods S.A.E. "Gourmet" capital increase by an amount of EGP 5 943 110, and that increase was registered in the investee company's commercial register on July 03, 2022.
- The change of investment in Egyptian IVF Center to become investment in joint venture (refer to note 4), in addition to the recognition of the group's share of profits in Egyptian IVF center S.A.E in the statement of profit or loss by an amount of EGP 7 323 093. Note (23).
- The application of the equity method in the investment of the joint venture of Inergia has been discontinued, as in accordance with the decision of the Board of Directors of B Investments Holding on 3 April 2022, it has been agreed upon an offer to acquire the entire shares of Inergia in Giza Systems Company. The offer requires signing the final sale agreement and obtaining all necessary approvals from the concerned authorities to complete the acquisition process.

The investment in Inergia Technologies for Information Systems "Inergia" S.A.E. includes an amount of EGP 207 935 459 (representing the investment in Giza Systems Company) in the books of Inergia, as B Investments Holding owns 68.04% of Inergia, which owns 65.7 % of Giza Systems Company and thus the indirect share of B Investments Holding Company in Giza Systems Company becomes 44.7%.

On September 11, 2022, the GAM of Inergia Technologies agreed on selling all or part of the shares owned in Giza systems, and also approved the execution of related parties contracts with the shareholders and the board of directors members for the sale of ( 819 244 share) from the company's shares in Giza Systems capital by USD 13.235 per share.

After obtaining all the necessary approvals from the concerned authorities for the completion of the acquisition process, and as per the shareholders agreement and the undertaking deed letter, Inergia Technologies for Information Systems has lost control over Giza Systems company on September 30, 2022.

On September 29, 2022, B investments holding, and the management parties of Giza systems S.A.E.(contracting parties) have terminated the previous shareholders agreement dated September 27, 2006, throughout which the contracting parties had joint control over Giza systems S.A.E. and based on that, the investment in Inergia Technologies for Information Systems S.A.E. has been reclassified from a joint venture to a subsidiary.

#### 7. Investments at fair value through OCI

<u>Name of Company</u>	<u>No. of Shares</u>	<u>Ownership</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
			<u>EGP</u>	<u>EGP</u>
Total Egypt LLC "Total"	330 248	6.375%	113 009 935	113 009 935
<u>Add:</u> Valuation of remaining Quotas			268 562 788	268 562 788
			<b>381 572 723</b>	<b>381 572 723</b>

The Company's management made an assessment to measure the fair value of the investment in Total Egypt LLC "Total" on September 30, 2022 and concluded that the value does not differ from that measured on December 31, 2021.

The company has considered the effect of the new Corona virus (COVID-19) considering the conflict break out between Russia and Ukraine, which has a negative impact on the economies of many countries, which was reflected on the performance of the capital market and the volume of global trade as well as any other influences.

**8. Debtors - purchase of investments**

<u>Description</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Arabian Internet and Communication Services Company	1 314 948 661	--
	<b>1 314 948 661</b>	<b>--</b>

As described in detail in (note 6) the Arabian Internet and Communication Services Company has purchased 5 095 071 share for a price of USD 13.235 per share equivalent to EGP 1 314 948 661 on September 30, 2022.

**9. Due from related parties (net)**

<u>Description</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Red Sea Venture for Solar Energy S.A.E.	1 126 101	1 150 528
Mr. Mohamed Shehab El Din Mohamed Atef Nawawi	90 490 414	--
Mr. Hazem Ahmed Abdel Fattah Maharem	91 624 426	--
Mr. Mohamed Sedik Hussein	12 084 550	--
Mr. Ossama Mahmoud Sorrou	18 293 805	--
<b>Deduct:</b>		
Expected credit losses - Red Sea Venture for Solar Energy S.A.E.	(1 126 101)	(1 150 528)
	<b>212 493 195</b>	<b>--</b>

**10. Loans to associates (net)**

<u>Description</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Infinity Solar (1) B.V.	40 268 273	32 696 342
Infinity Solar (2) B.V.	68 740 823	56 731 029
Infinity Solar (3) B.V.	29 838 185	22 259 077
<b>Deduct:</b> Expected credit losses	(769 911)	(241 303)
	<b>138 077 370</b>	<b>111 445 145</b>

The main reason for the increase in loans to associates' balance is due to the recognition of the accrued interest amounted to EGP 9 310 085 for the period (note 25) in addition to unrealized foreign currency revaluation gains by an amount of EGP 26 165 962 taking into consideration the collection of an amount of EGP 8 315 214 from the balance due during the period.

**11. Loans to joint ventures (net)**

<u>Description</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Gourmet Egypt.com Foods S.A.E. "Gourmet"	12 824 538	24 772 315
<b>Deduct:</b> Expected credit losses	(54 029)	(64 907)
	<b>12 770 509</b>	<b>24 707 408</b>



The main reason for the decrease in loans to joint ventures is due to the collection of an amount of EGP 13 537 705 from the balance due during the period, taking into consideration the recognition of the accrued interest income during the period by an amount of EGP 1 589 928 (note 25).

## 12. Notes Receivable (net)

<u>Description</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Current notes receivable	3 000 000	3 000 000
<b>Deduct:</b> Present value of the current portion	(640 525)	(549 668)
<b>Deduct:</b> Expected credit losses	(3 811)	(3 272)
<b>Short term notes receivable – Net</b>	<b>2 355 664</b>	<b>2 447 060</b>
Non-current portion of notes receivable	11 000 000	12 000 000
<b>Deduct:</b> Present value of the non-current portion	(4 316 263)	(4 559 117)
<b>Deduct:</b> Expected credit losses	(20 826)	(9 340)
<b>Long term notes receivable – Net</b>	<b>6 662 911</b>	<b>7 431 543</b>

The main reason for the decrease in notes receivable is the collection of EGP 1 million.

## 13. Other debit balances (net)

<u>Description</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Deposits held with others	46 795	46 795
Accrued interest	19 447	3 902
Accrued rental income	2 804 500	2 804 500
Prepaid expenses	352 871	148 105
Withholding tax receivable	139 234	131 277
Withholding tax on treasury bills	3 052 855	6 325 602
Advance payment to tax authority	1 197 300	400 000
Advance payment to suppliers	673 878	363 932
Other debit balances	679 620	394 476
<b>Deduct:</b> Expected credit losses	(2 815 317)	(2 807 671)
	<b>6 151 183</b>	<b>7 810 918</b>

The main reason for the decrease in the other debit balances is mainly due to deducted withholding tax on treasury bills and withholding tax receivable due to the usage of the opening balance during the period to settle part of the prior year accrued income tax.



**14. Treasury bills (net)**

<u>Description</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Treasury bills at face value – maturity of more than three months	160 975 000	342 200 000
Treasury bills at face value – maturity of less than three months	108 125 000	--
<b>Deduct:</b> Unrealized interest	(9 409 331)	(4 337 700)
<b>Deduct:</b> Expected credit losses	(15 951)	(11 112)
	<b>259 674 718</b>	<b>337 851 188</b>

**15. Cash at banks**

<u>Description</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Current accounts in local currency	36 910 087	47 813 001
Current accounts in foreign currencies	23 198 827	12 430 632
Time deposits at banks in foreign currencies	1 950 000	1 565 000
<b>Deduct:</b> Expected credit losses	(22 811)	(7 321)
	<b>62 036 103</b>	<b>61 801 312</b>

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

<u>Description</u>	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Cash at banks	62 036 103	19 121 006
<b>Add:</b> Treasury bills – Less than three months	104 210 258	33 787 190
<b>Deduct:</b> Time Deposits – More than three months	( 1 950 000)	( 1 565 000)
	<b>164 296 361</b>	<b>51 343 196</b>

**16. Due to related parties**

	<u>Relationship</u>	<u>Account nature</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>nature</u>		<u>EGP</u>	<u>EGP</u>
BPE Partners S.A.E.	Management company	Management fees	4 691 395	4 691 395
			<b>4 691 395</b>	<b>4 691 395</b>

**17. Provisions**

	<u>January 1st, 2022</u>	<u>Used during the period</u>	<u>September 30, 2022</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Provision for claims	4 040 651	( 1 888 846)	2 151 805
	<b>4 040 651</b>	<b>( 1 888 846)</b>	<b>2 151 805</b>

Provision balance is related to claims from external parties arising from the ordinary course of business. Management reviews these provisions on quarterly basis and revise the amounts based on the latest developments, or negotiations or agreements reached with claiming parties.

# **18. Deferred tax liabilities**

<u>Description</u>	<u>Movement during the period</u>			
	<u>January 1st, 2022</u> <u>Asset / (Liability)</u>	<u>Asset/(Liability)</u>		<u>September 30, 2022</u> <u>Asset / (Liability)</u>
		<u>Charged to</u>	<u>Charged to</u>	
		<u>consolidated</u>	<u>consolidated</u>	
		<u>statement of profit</u>	<u>statement of other</u>	
	<u>and loss</u>	<u>comprehensive</u>		
	<u>EGP</u>	<u>EGP</u>	<u>income</u> <u>EGP</u>	<u>EGP</u>
Deferred tax liability arising from variance between the accounting and taxable base of investment properties	(622 901)	(159 248)	--	(782 149)
Deferred tax asset / (liability) arising from unrealized foreign currency exchange	2 556 936	( 6 089 311)	--	( 3 532 375)
Differences in valuation of investments at fair value through OCI	(71 423 933)	--	--	(71 423 933)
	<u>(69 489 898)</u>	<u>( 6 248 559)</u>	--	<u>(75 738 457)</u>

The deferred tax assets were not recognized on the temporary differences arising from the following items due to insufficient assurance to realize them in the future:

<u>Description</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Impairment of investment in joint ventures	5 727 150	5 727 150
Impairment of Investment in associates	7 273 507	7 273 507
Provisions	2 151 805	4 040 651
Expected credit losses on financial assets	4 964 327	4 295 454
	<u>20 116 789</u>	<u>21 336 762</u>

# **19. 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.

# **20. Non-Controlling interests**

<u>Inergia Technologies for Information Systems</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Capital	25 988 850	--
Legal reserve	2 221 265	--
Retained earnings	312 222	--
Net Profit of the period	352 142 800	--
	<u>380 665 137</u>	<u>--</u>

## 21. Basic and diluted earnings 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 period.

**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>Description</u>	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the period	646 785 373	72 928 652
Weighted average number of outstanding ordinary shares	160 024 416	160 024 416
<b>Basic earnings per share</b>	<b>4.04</b>	<b>0.46</b>
Net profit for the period	646 785 373	72 928 652
Weighted average number of outstanding ordinary shares	160 024 416	159 223 127
<b>Add:</b> Treasury stocks	--	704 074
Weighted average number of shares after deducting treasury stocks	160 024 416	159 927 201
<b>Diluted earnings per share</b>	<b>4.04</b>	<b>0.46</b>

## 22. Significant related parties' transactions

Significant transactions made during the period represent management fees and expenses paid on behalf of the company or the company has paid on behalf of those Parties and interest charged to related parties.

The significant transactions during the period are as follows:

<u>Company name</u>	<u>Type of relation</u>	<u>Type of transaction</u>	<u>Volume of transaction for the period</u> <u>EGP</u>
BPE Partners S.A.E.	Management company	Management fees	(13 921 205)
Infinity Solar (1) B.V.	Associate entity	Credit interest income	2 712 223
Infinity Solar (2) B.V.	Associate entity	Credit interest income	4 644 968
Infinity Solar (3) B.V.	Associate entity	Credit interest income	1 952 894
Mr. Mohamed Shehab El Din	Shareholder in	Selling shares	90 044 726
Mohamed Atef Nawawi	subsidiary entity	Expenses paid on his behalf	445 688
Mr. Hazem Ahmed Abdel Fattah	Shareholder in	Selling shares	91 173 837
Maharem	subsidiary entity	Expenses paid on his behalf	450 589
Mr. Mohamed Sedik Hussein	Shareholder in	Selling shares	12 019 160
	subsidiary entity	Expenses paid on his behalf	65 390
Mr. Ossama Mahmoud Sorrou	Shareholder in	Selling shares	18 194 816
	subsidiary entity	Expenses paid on his behalf	98 989



**23. Group's share of profits / (losses) of investment in associates and joint venture entities**

<u>Description</u>	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Madinet Nasr for Housing and Development S.A.E.	34 305 513	16 327 011
Inergia Technologies for information systems S.A.E. (Note 6)	--	22 890 865
Egyptian IVF Center S.A.E.	7 323 093	--
Al Retail for Trade and Investment S.A.E.	34 785	35 089
Gourmet Egypt.com Foods S.A.E. *	(15 822 933)	(18 460 194)
Ebtikar Holding for Financial Investment S.A.E.	( 2 984 793)	804 132
Basata Financial Holding S.A.E.	5 316 932	2 754 970
	<u>28 172 597</u>	<u>24 351 873</u>

\* The Group's share of the interest income on loans to joint ventures was eliminated, so, the Group's share of loss of Gourmet Egypt.com Foods S.A.E. was reduced by an amount of EGP 839 485, which represents related transactions between the Group and Gourmet Egypt.com Foods S.A.E.

**24. Profits from sale of investments**

As described in detail in (note 6), Inergia Technologies sold all of the shares owned in Giza Systems, and recognized profits amounted to EGP 1 227 495 561 as shown below:

<u>Description</u>	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Proceeds from sale of investments	1 526 381 201	--
<b>Deduct:</b>		
Investment cost in Giza systems	(81 445 782)	--
Brokerage fee and other transfer expenses	(4 392 585)	--
Expenses related to sale of investment	(13 149 487)	--
Disposal of investment in Inergia from investments in joint ventures using equity method	(207 935 459)	--
Disposal of Combination reserve	(4 522 300)	--
Disposal of other comprehensive income items	12 559 973	--
	<u>1 227 495 561</u>	<u>--</u>

**25. Credit interest**

	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Credit interest of time deposits and bank current accounts	2 129 119	522 629
Credit interest of loans to associates	9 310 085	7 862 567
Credit interest of loans to joint ventures	750 443	808 837
Credit interest of treasury bills	27 964 372	45 856 905
	<u>40 154 019</u>	<u>55 050 938</u>

The decrease in credit interest during the period is mainly due to the decrease of credit interest of treasury bills by an amount of EGP 17.9 million.



In addition to credit interest for loans to Gourmet Egypt.com Foods S.A.E. amounted to EGP 1 589 928 and for the purpose of presentation of the investments in joint ventures in the group's financial statements, an amount of EGP 839 485 was eliminated from the credit interest from loans to joint ventures and the group's share in losses in investment in Gourmet Egypt.com Foods S.A.E. as per the application of equity method, Note (23).

## 26. Investment manager fees

	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Management fees	13 921 205	13 921 205
	<u>13 921 205</u>	<u>13 921 205</u>

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 Egyptian Stock Market. 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 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 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.

## 27. Dividends distribution

On May 24, 2022, the Company's Ordinary General Assembly meeting approved the distribution of dividends for the year ended December 31, 2021, to the shareholders by 50 piasters per share amounted to EGP 80 012 208 and an amount of EGP 3 660 000 to the board of directors' members.

## 28. Significant Events during the period

The continuous spread of the epidemic of emerging coronavirus (COVID-19) during the year 2022 is still having a negative impact on the performance of financial markets globally and locally.

The governments of world's countries, including the Egyptian government, have taken several actions of precautionary measures to limit the spread of this epidemic, and as a result, the industrial and commercial operations of various economic activities were affected, which led to a state of economic slowdown at the global and local levels. The company has conducted a study for the purpose of evaluating the potential risks and the management evaluation included the following factors:

- The risk of impairment of real estate assets and investment portfolio.
- Risks of not being able to collect debit balances and loans due from debtors and related parties on the maturity date.
- The risk of not being able to pay obligations owed to creditors on maturity.
- Risks that may arise from any claims resulting from lawsuits

The management concluded that there is no impact on the company's work that could lead to a decrease in the value of real estate assets and investment portfolio in addition to debit balances and loans due from debtors and related parties, and the company pays all its obligations on the due date as well.

And the continuous and accelerating changes associated with that pandemic still impose a state of uncertainty and the inability to accurately predict due to the continuing economic repercussions of the Coronavirus crisis.

The administration closely monitors the situation and adjusts the necessary plans to face these repercussions, by extension, if the situation continues to evolve for a longer period of time.

In February 2022, the Russian-Ukrainian conflict erupted. Situations change rapidly resulting in high volatility in all markets. Nevertheless, management is closely monitoring and analyzing market developments in this highly volatile situation. However, it is too early to fully assess the effects of the situation. Despite the current uncertainties, there is currently no indication of a major disruption in the company's business or non-fulfilment of the Group's obligations to its customers, and there are no indications of a material impact on its future operational performance.

On March 21, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided in its extraordinary meeting to raise the rates of the overnight deposit and lending rates and the price of the main operation of the Central Bank by 100 basis points to 9.25%, 10.25% and 9.75%, respectively. The credit and discount rates were also raised by 100 basis points to reach 9.75%.

On April 27, 2022, Prime Minister Decision No. 1568 of 2022 was issued to amend some provisions of the Egyptian Accounting Standards by adding Annex (B) to the Egyptian Accounting Standard No. (13) "The effects of changes in foreign exchange rates". This annex aims to develop a special accounting treatment to deal with The effects of the exceptional economic decision related to the moving of the exchange rate by placing an additional, temporary option for paragraph No. (28) of the Egyptian Accounting Standard No. (13) "The effects of changes in foreign exchange rates", which requires the recognition of foreign currencies exchange differences in the statement of profit or loss for the period in which these differences arise, and alternatively, it is allowed for the entity that has outstanding liabilities in foreign currency at the date of moving the exchange rate, related to fixed assets, property investments, intangible assets (excluding goodwill) and exploration and evaluation assets acquired during the period from the beginning of January 2020 until the date of moving the exchange rate, to recognize the debit foreign currencies exchange differences resulting from the translation of these liabilities on the date of moving the exchange rate within the cost of these assets, and the treatment also allows the entity to recognize the debit and credit foreign currencies exchange differences Resulting from translating the balances of monetary assets and liabilities in foreign currencies that exist at the date of moving the exchange rate within the items of other comprehensive income and closing it in the retained earnings of the same period. The management has chosen not to apply this accounting treatment.



On May 19, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to raise the rates of the overnight deposit and lending rates and the price of the main operation of the Central Bank by 200 basis points to 11.25%, 12.25% and 11.75%, respectively. The credit and discount rates were also raised by 200 basis points to reach 11.75%.

On June 23, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to keep the rates of the overnight deposit and lending rates and the price of the main operation of the Central Bank at 11.25%, 12.25% and 11.75%, respectively. The credit and discount rates were also kept at 11.75%.

On August 18, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to keep the rates of the overnight deposit and lending rates and the price of the main operation of the Central Bank at 11.25%, 12.25% and 11.75%, respectively. The credit and discount rates were also kept at 11.75%.

On September 22, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to keep the rates of the overnight deposit and lending rates and the price of the main operation of the Central Bank at 11.25%, 12.25% and 11.75%, respectively. The credit and discount rates were also kept at 11.75%.

**29. Subsequent Events to the date of the financial statements**

On October 27, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided in its extraordinary meeting to raise the rates of the overnight deposit and lending rates and the price of the main operation of the Central Bank by 200 basis points to 13.25%, 14.25% and 13.75%, respectively. The credit and discount rates were also raised by 200 basis points to reach 13.75%.