

E-Finance for Digital and Financial Investments Company
Interim Condensed Separate Statement of Financial position as of June 30 , 2022

	<u>Note No.</u>	<u>June 30, 2022</u> <u>L.E.</u>	<u>December 31, 2021</u> <u>L.E.</u>
<u>Non current assets</u>			
Fixed assets	5	70 378 527	71 417 745
Prepaid employee benefits		2 196 168	2 765 168
Investments in subsidiaries	7	925 902 487	904 902 502
Equity-investment carried by FVOCI	6	139 851 000	136 851 000
Deferred tax assets	8-2	15 936 306	11 410 622
Total non current assets		1 154 264 488	1 127 347 037
<u>Current assets</u>			
Debtors and other debit balances	10	203 023 144	76 450 899
Due from related parties	22-1	172 896 650	38 516 931
Financial investments carried by amortized cost	9	1 855 492 428	501 687 737
Cash and cash equivalents	11	374 997 061	1 988 917 762
Total current assets		2 606 409 283	2 605 573 329
Total assets		3 760 673 771	3 732 920 366
<u>Owners equity & Liabilities</u>			
<u>Owners equity</u>			
Paid-up capital	12	924 444 445	888 888 889
Share Premium (Special reserve)	13	1 956 462 107	2 345 616 021
Reserves		538 364 726	148 909 046
Retained earnings		227 680 615	250 990 285
Total Equity		3 646 951 893	3 634 404 241
<u>Liabilities</u>			
<u>Non- Current Liabilities</u>			
End of service benefits		82 039 872	59 661 417
Total non current liabilities		82 039 872	59 661 417
<u>Current liabilities</u>			
Payables and other credit balances	15	26 705 232	38 854 708
Due to related parties	22-2	4 976 774	-
Total current liabilities		31 682 006	38 854 708
Total Liabilities		113 721 878	98 516 125
Total equity and liabilities		3 760 673 771	3 732 920 366

- The attached notes from (1) to (27) are an integral part of these interim condensed separate financial statements and to be read with them.
- The Review report is attached

Chief executive Financial Officer
Essam Bahgat

Chairman & Managing Director
Ibrahim Sarhan

E-Finance for Digital and Financial Investments Company

Interim Condensed Separate Statement of Profit or Loss for the period ended June 30 , 2022

	<u>Note No.</u>	<u>From April 1, 2022 to June 30, 2022</u>	<u>From April 1, 2021 to June 30, 2021</u>	<u>From January 1, 2022 to June 30, 2022</u>	<u>From January 1, 2021 to June 30, 2021</u>
		<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>
Revenue	16	-	-	217 631 048	2 956 010
Cost of Revenue	17	(28 807 675)	(11 364 432)	(61 872 878)	(21 892 714)
Gross profit/ (Loss)		(28 807 675)	(11 364 432)	155 758 170	(18 936 704)
Other Income		4 222 712	4 127 500	15 165 610	8 236 763
General and administrative expenses	18	(12 410 506)	(9 695 861)	(18 728 339)	(17 581 662)
Marketing and selling expenses	19	(18 233 302)	(1 792 230)	(28 209 157)	(1 792 780)
Other expenses		(302 000)	(456 000)	(1 016 000)	(1 211 500)
Operating Profit/ (Loss)		(55 530 771)	(19 181 023)	122 970 284	(31 285 883)
Finance cost	20	(10 886)	(23 465)	(125 920)	(132 656)
Finance Income	21	71 688 713	4 283 029	137 551 871	13 103 504
Net profit /(Loss) for the period before tax		16 147 056	(14 921 459)	260 396 235	(18 315 035)
Income tax expense/ Revenue	8-1	(7 932 138)	(209 120)	(39 181 046)	433 783
Net profit /(Loss) for the period after tax		8 214 918	(15 130 579)	221 215 189	(17 881 252)
Basic Earning Per Share	27	0.0046	(0.0095)	0.10	(0.011)

- The attached notes from (1) to (27) are an integral part of these interim condensed separate financial statements and to be read with them.

E-Finance for Digital and Financial Investments Company

Interim Condensed Separate Statement of Comprehensive income for the period ended June 30, 2022

	<u>From April 1, 2022 to June 30, 2022</u>	<u>From April 1, 2021 to June 30, 2021</u>	<u>From January 1, 2022 to June 30, 2022</u>	<u>From January 1, 2021 to June 30, 2021</u>
	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>
Net profit/ (Loss) for the period	8 214 918	(15 130 579)	221 215 189	(17 881 252)
<u>Other comprehensive income :-</u>				
Actuarial gain from employee benefit plan	23 083	-	389 375	-
Income Tax related to other comprehensive income	(5 193)	-	(87 609)	-
Total other comprehensive income	17 890	-	301 766	-
Total comprehensive Income for the period	8 232 808	(15 130 579)	221 516 955	(17 881 252)

- The attached notes from (1) to (27) are an integral part of these interim condensed separate financial statements and to be read with them.

E-Finance for Digital and Financial Investments Company

Interim Condensed Separate Statement of change in shareholders equity for the period ended June 30, 2022

Translation from Arabic

	Paid-Up Capital	Legal Reserve	General Reserve	Reserve for spin-off	Other Reserves	Share Premium (Special Reserve)	Retained earnings	Total
	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.
Balance as at 1/1/ 2022	888 888 889	55 290 530	20 000 000	69 713 888	3 904 628	2 345 616 021	250 990 285	3 634 404 241
<u>Comprehensive income items:</u>								
Net profit	-	-	-	-	-	-	221 215 189	221 215 189
Other comprehensive income items	-	-	-	-	301 766	-	-	301 766
Total comprehensive income					301 766		221 215 189	221 516 955
Transaction with the owners' of the company								
Legal Reserve	-	389 153 914	-	-	-	(389 153 914)	-	-
Capital Increase in March 17, 2022	35 555 556	-	-	-	-	-	(35 555 556)	-
Dividends according to the ordinary general assembly meeting held in March 31, 2022	-	-	-	-	-	-	(208 969 303)	(208 969 303)
Total transaction with the owner's of the company	35 555 556	389 153 914	-	-	-	(389 153 914)	(244 524 859)	(208 969 303)
Balance as of June 30 , 2022	924 444 445	444 444 444	20 000 000	69 713 888	4 206 394	1 956 462 107	227 680 615	3 646 951 893

- The attached notes from (1) to (27) are an integral part of these interim condensed separate financial statements and to be read with them.

E-Finance for Digital and Financial Investments Company

Translation from Arabic

Interim Condensed Separate Statement of change in shareholders equity for the Period ended June 30, 2022

	<u>Paid up Capital</u>	<u>Legal Reserve</u>	<u>General Reserve</u>	<u>Reserve resulted from spin-off</u>	<u>Other Reserves</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>
Balance as at 1/1/ 2021	800 000 000	44 727 152	20 000 000	69 713 888	3 287 476	257 806 512	1 195 535 028
<u>Comprehensive Income items</u>							
Net Loss	-	-	-	-	-	(17 881 252)	(17 881 252)
Other comprehensive income	-	-	-	-	-	-	-
<u>Total comprehensive income</u>						<u>(17 881 252)</u>	<u>(17 881 252)</u>
<u>Transaction with the company's shareholders</u>							
Dividends according to the ordinary general assembly meeting held in March 17, 2021	-	-	-	-	-	(207 520 401)	(207 520 401)
<u>Total transaction with shareholders</u>						<u>(207 520 401)</u>	<u>(207 520 401)</u>
Balance as of June 30 , 2021	800 000 000	44 727 152	20 000 000	69 713 888	3 287 476	32 404 859	970 133 375

- The attached notes from (1) to (27) are an integral part of these interim condensed separate financial statements and to be read with them.

E-Finance for Digital and Financial Investments Company

Interim Condensed Separate Statement of Cash flows for the period ended June 30, 2022.

	<u>Financial period ended June 30, 2022</u>	<u>Financial period ended June 30, 2021</u>
	<u>L.E.</u>	<u>L.E.</u>
<u>Cash flow from operating activities</u>		
Net profit/ (Loss) for the period	260 396 235	(18 315 035)
<u>Adjustments to reconcile net profit to Net cash flow from operating activities</u>		
Fixed assets depreciation	1 413 445	1 017 794
Prepaid Amortization of employee benefits	569 000	864 848
Dividend income from equity investment at FVOCI	(31 625 598)	-
Credit interest	(137 603 785)	(1 809 987)
Debit interest	125 920	132 656
Employee end of service benefit formed	22 139 792	2 432 532
Foreign Currency Exchange	3 226	-
	115 418 235	(15 677 192)
Change in accounts receivable & other debit balances	(145 172 790)	(34 346 633)
Change in due from related parties	(134 379 719)	(14 334 330)
Change in Accounts payable & other credit balances	(11 524 663)	(25 515 544)
Change in due to related parties	4 976 774	79 711 561
Payment to employee benefits obligations	-	(58 406)
Cash flow (used in) operating activities	(170 682 163)	(10 220 544)
Debit interest paid	(125 920)	(132 656)
Income taxes paid	-	(78 901 366)
Employee dividends	(31 191 525)	(75 216 392)
Net cash (used in) operating activities	(201 999 608)	(164 470 958)
<u>Cash flow from investing activities</u>		
Proceeds of investments at amortized cost	39 000 000	-
Payments for the acquisition of investments at amortized cost	(1 304 499 900)	-
Payment of purchasing investments in associate companies	(20 999 985)	(34 999 975)
Proceeds from dividends from equity investments at FVOCI	28 508 003	-
Payment of purchasing fixed assets	(374 228)	(1 655 936)
Credit interest	27 222 795	1 809 987
Payment of purchasing Financial investments Available for Sale	(3 000 000)	(500 000)
Net cash (used in) investing activities	(1 234 143 315)	(35 345 924)
<u>Cash flow from financing activities</u>		
Dividends Payment	(177 777 778)	-
Net cash (used in) financing activities	(177 777 778)	-
Net change in cash & cash equivalent during the period	(1 613 920 701)	(199 816 882)
Cash & cash equivalent at beginning of the period	1 983 380 741	424 990 075
Cash & cash equivalent at end of the period	369 460 040	225 173 193

- The attached notes from (1) to (27) are an integral part of these interim condensed separate financial statements and to be read with them.

1- Company's background

1-1 Legal entity

- The company was established in the name of Raya for Technology of Operating Financial Institutions Company, and the name has been modified to E-finance for Digital and Financial investment Company– S.A.E- an Egyptian joint stock company - Giza Commercial Registry No. 15026 on 08/06/2005 in accordance with the provisions of Law No. 8 of 1997 Law of Guarantees And investment incentives, as amended by Law No. 72 of 2017 and Law No. 159 of 1981 and its executive regulations.
- The demerged company at 31 December 2020 will replace the demerger legally in terms of its rights and obligations, in what it have in rights and what it owes in obligations with what was included in the decision issued by the economic performance sector in the division (from the committee formed pursuant to a decision No. 380 of 2020), and the demerged company shall replace the demerger company in all contracts and agreements concluded before the demerge, as well as in all lease contracts concluded by the demrger company before the demerge. And replace it legally in what it have in rights and what it owes in obligations as well as all licensed agreements.
- The duration of the company is twenty-five years, starting from the date of registration in the commercial register.
- The company's headquarters: Building No. A3B 82 - Smart Village - Kilo 28 Cairo-Alexandria Desert Road - Giza.

2-1- Company's Purpose:

- Providing specialized operating services for information and communication technology systems, whether inside or outside the Arab Republic of Egypt (except for the Sinai region, prior approval of the authority is required) and these services include the following:
- Managing, operating and maintaining all devices, equipment and computer networks.
- Production, issuance, printing, packaging, management and operation of a smart card system.
- Managing and operating the applications for providing banking services over the phone and through the Internet, electronic payment services, and electronic circulation of secured documents.
- Establishing, managing and operating the systems and management of customer service centres through the phone, and implementing, managing and operating the networks and central activity for the internal systems of the banks.
- Establishing and managing training centres for preparing researchers and information technology transfer centres.
- Training for operating, managing and maintaining the computer, card system and applications for providing banking services, customer service centres and applications for electronic payment services.
- Technology business incubators and entrepreneurship support.
- Information and communication technology industry, including its industrial activities, design and development of electronics, data centres and outsourcing activities, software development and technology education.
- Description, design and development of computer systems of various kinds.
- Production, development and operations of embedded systems, and training on them.
- Description and design work for data transmission and circulation networks.
- Implementation and management of data transmission and circulation networks.

2- Financial statement approval

The financial statements were approved for issuance by the Company' Board of Directors on August 14, 2022.

3- Basis of preparation of separate financial statement

The separate financial statements are prepared according to the going concern assumption and the historical cost basis, except for financial assets and liabilities that are recorded at fair value through profit or losses or fair value through OCI and financial assets and liabilities carried at amortized cost. The historical cost in general depends on the fair value of the consideration that is delivered to obtain the assets.

3-1 Compliance by the Accounting Standards and Laws:

The attached stand-alone financial statements were prepared according to the Egyptian Accounting Standards released by the minister of investment number 243 for 2006 and in the light of Egyptian laws and regulations. the Egyptian accounting standards require referring back to IFRS regarding the events and transactions which do not have an applicable Egyptian accounting standard or legal requirements that clarify a way for treatment.

3-2 Presentation Currency:

The financial statements were prepared and presented in Egyptian pound, and all the financial data was presented in the Egyptian pound are rounded to the nearest Egyptian pound except for earnings per share, otherwise is stated in the financial statement or its disclosure.

3-3 Consolidated financial statements

The company has subsidiaries and parent companies, and the company is required to prepare consolidated financial statements in accordance with Egyptian Accounting Standard No.42 "Consolidated Financial Statements" and Article 188 of the executive regulations of the Companies Law No. 159 of 1981.

The company prepares consolidated financial statements for its subsidiaries and can be consulted to obtain a picture of the financial position, business results and cash flows of the group as a whole.

3-4 Use of professional judgment and estimates

Preparing these separate financial statements requires management to make judgments and estimates that affect the values of revenues, expenditures, assets and liabilities included in the separate financial statements and the accompanying disclosures, as well as disclosure of contingent liabilities at the date of the financial statements. The uncertainty surrounding these assumptions and estimates may result in results that require significant adjustments to the carrying value of the affected assets and liabilities in future periods.

Estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

The following are the main judgments and estimates that materially affect the company's separate financial statements:

Judgment

During the process of applying the company's accounting policies, management has taken the following provisions that have a significant impact on the amounts recognized in the separate financial statements:

The existence of significant influence of investments in equity instruments

The company's management decided that it has no significant influence on its investments in equity shares in some of its invested investments because the company does not have the ability to participate in the financial and operational policy decisions of the investee companies. Ownership structure and management of the other shareholders holding the majority of the shares.

Investments in associate companies

The associate company is a firm for which the company has significant influence through sharing in the financial and operational decision for this firm but not to the extent of control or Joint control. The value of investments in associate companies is stated in the company's financial statements at cost.

Estimates and assumptions

The following are the main assumptions regarding the future and other major sources of estimation in case of uncertainty in the history of the financial position, which involves significant risk that causes a material adjustment to the carrying values of assets and liabilities during the next financial year. The company made its assumptions and estimates based on the available criteria when preparing the financial statements. However, the current circumstances and assumptions related to future developments may change due to market changes or the existence of conditions beyond the company's control, and these changes are reflected in the assumptions when they occur.

The useful life of fixed assets

The company's management determines the estimated useful life of fixed assets for the purpose of calculating depreciation. This estimate will be determined after considering the expected useful life of the asset or the physical depreciation of the assets. Management periodically reviews the estimated useful life and depreciation method in order to ensure that the method and duration of depreciation is consistent with the expected pattern of economic benefits arising from these assets.

Estimate of expected credit losses

It's an estimated measurement for credit losses, the present value is calculated for all decline in cash (i.e., the difference between the cash flow of the company according to contract and the cash flow the company expect to collect).

Expected credit losses are discounted at the effective interest rate of the financial asset.

Impairment of non-financial assets

The Company assesses whether there are indicators of impairment in the value of non-financial assets in each reporting period. Non-financial assets are tested for impairment of value when there are indications that the carrying amount may not be recoverable. When calculating the value in use, management estimates the expected future cash flows from the asset or cash-generating unit and chooses the appropriate discount rate in order to calculate the present value of those cash flows.

Defined Benefit Plan

The defined benefit plan cost and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. This includes determining the discount rate, future salary increases, mortality rates, and employee turnover. Due to the complexities involved in valuation and its long-term nature, the defined benefit obligation is highly sensitive to changes in these assumptions, and all assumptions are reviewed at each financial position date.

The factor most subject to change is the discount rate. When determining the appropriate discount rate, the management takes into consideration the market return on high quality (company / government) bonds. The death rate is based on the death tables available in the country. These mortality tables change only at intervals in response to demographic changes. Future salary increases depend on the country's expected future inflation rates.

Fair value measurement

Fair value is the price that would be obtained to sell an asset or that would be 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 either occurs

- In the primary market for the asset, liability, or
- In the absence of the primary market, in the most beneficial market for the asset or liability

The fair value of the asset or liability is measured using the assumptions that market participants will use when pricing the asset or liability on the assumption that market participants will act in their economic interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits through using the asset in its best and best use or selling it to another participant who will use the asset in its best and best use.

The company uses valuation methods that are considered appropriate according to the circumstances and for which sufficient information is available to measure fair value, while maximizing the use of relevant observable inputs and limiting the use of unobservable inputs.

All assets and liabilities that are measured or disclosed in the financial statements are classified at fair value into categories of the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the entire measurement on the fair value measurement as a whole:

- The first level: it is the quoted prices (unadjusted) in an active market for identical assets or liabilities.
- Second level: evaluation techniques in which the lowest level inputs that are important for the entire measurement are directly or indirectly observable.
- Third level: evaluation techniques in which the lowest level inputs that are important for the entire measurement are unnoticed.

4 The most significant applied accounting policies

The accounting policies are applied when preparing the interim condensed financial statements on June 30, 2022 and are the same as the accounting policies applied in the Standalone financial statements on December 31, 2021.

E-Finance for Digital and Financial Investments Company

Notes to the Interim Condensed Separate Financial Statements for the period ended June 30, 2022

	<u>Lands & buildings</u>	<u>Computers</u>	<u>Leasehold Improvements</u>	<u>Furniture, Equipments and electrical appliances</u>	<u>Networks and electrical appliances</u>	<u>Total</u>
<u>Cost</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>
Cost as of 1/1/2022	86 402 331	619 699	1 276 847	1 228 160	64 718	89 591 755
Additions during the period	-	238 660	-	135 567	-	374 227
Balance as of 31/3/2022	86 402 331	858 359	1 276 847	1 363 727	64 718	89 965 982
<u>Accumulated depreciation</u>						
Accumulated depreciation as of 1/1/2022	17 873 154	149 497	65 926	83 730	1 703	18 174 010
Depreciation of the period	996 015	176 187	70 936	162 218	8 089	1 413 445
Accumulated depreciation as of 31/3/2022	18 869 169	325 684	136 862	245 948	9 792	19 587 455
Net book value as of 31/3/2022	67 533 162	532 675	1 139 985	1 117 779	54 926	70 378 527
<u>Depreciation charged under the following items:</u>	<u>30/06/2022</u>	<u>30/06/2021</u>				
	<u>L.E.</u>	<u>L.E.</u>				
Cost of Revenue (Note 17)	417 430	-				
General & Administrative expenses (Note 18)	996 015	1 017 794				
	1 413 445	1 017 794				

E-Finance for Digital and Financial Investments Company

Notes to the Interim Condensed Separate Financial Statements for the period ended June 30, 2022

5- Fixed Assets

<u>Cost</u>	<u>Lands & Buildings</u>	<u>Computers</u>	<u>Rental Improvements</u>	<u>Furniture, Equipments and electrical appliances</u>	<u>Networks and electrical appliances</u>	<u>Total</u>
	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>
Cost as of 1/1/2021	85 108 581	-	-	-	-	85 108 581
Additions during the year	1 293 750	619 699	1 276 847	1 228 160	64 718	4 483 174
Cost as of 31/12/2021	86 402 331	619 699	1 276 847	1 228 160	64 718	89 591 755
<u>Accumulated depreciation</u>						
Accumulated depreciation as of 1/1/2021	15 886 914	-	-	-	-	15 886 914
Depreciation of the year	1 986 240	149 497	65 926	83 730	1 703	2 287 096
Accumulated depreciation as of 31/12/2021	17 873 154	149 497	65 926	83 730	1 703	18 174 010
Net book value as of 31/12/2021	68 529 177	470 202	1 210 921	1 144 430	63 015	71 417 745

6 Investment in fair value through other comprehensive income

		value of investment	
		June 30, 2022	December 31, 2021
	%	L.E	L.E
Misr for Government Technological Services – ESERVE (S.A.E.) *	%10.20	18 000 000	18 000 000
Misr Technology Services -MTS (S.A.E) **	%9.99	33 599 000	33 599 000
Delta Misr Company (S.A.E) ***	%10	2 000 000	500 0001
El Alameya for Consultations & Information System (ACIS) ****	%10	86 152 000	83 752 000
E -Comm Africa (S.A.E) *****	%1	100 000	–
		139 851 000	136 851 000

- The market risk for the available for sale investment is limited because these investments are equity instruments not dealt in active markets and with Egyptian pounds

* Investments are the value of the contribution of 10.20% in the Misr for Government Technological Services- ESERVE (S.A.E), which was Registered in the Commercial Registry under No. 105277 on May 7, 2017.

** The investments are the value of the contribution of 9.99% in Misr Technology Services (MTS), which was Registered in the Commercial Registry under No. 45813 on May 17, 2010.

*** Investments are the value of the contribution of 10% in the Delta Misr Company (S.A.E), which was Registered in the Commercial Registry under No. 8573 on February 21, during 2022, the amount of 500 000 pounds will be paid, so that the payment will be 100% of the capital.

**** Investments are the value of the cost of acquiring 25000 shares of the El Alameya for Consultations and Information Systems (ACIS). The company's contribution is 10% in the company's issued capital. The company has continued to measure the investment at cost, as the cost is an appropriate estimate of the fair value. Whereas the latest available information is insufficient to measure fair value, and since there is a wide range of possible fair value measurements, and the cost represents the best estimate of fair value within that range.

***** Investments are the value of the cost of acquiring 100,000 shares of the E -Comm Africa (S.A.E) according to the company's fair value report. The company's contribution is 1% in the company's issued capital

7 Financial investments in subsidiaries and Associate Companies

The financial investments in subsidiaries are represented in the following: -

	<u>%</u>	June 30, 2022	December 31, 2021
		<u>L.E</u>	<u>L.E</u>
Khales for Digital Payment Services Company (S.A.E.) - A	%70	70 000 000	000 000 70
Smart Card Operation Technology Company E-Cards (S.A.E) - B	%89	33 500 0001	33 500 0001
The Technological Company for Ecommerce Operations E-Aswaaq Misr (S.A.E) - C	%61	27 450 000	27 450 000
E-nable for Outsourcing Services (eNable) (S.A.E) - D	%99.98	24 995 000	24 995 000
Technological Operation for Financial Institution E-finance Company (S.A.E) -E	%99.99	599 957 537	599 957 537
Technological Operation for Tax solutions e tax (S.A.E) - F	%35	34 999 975	34 999 975
Insurance Services Operation Technology Company e-Health (S.A.E) – G	%35	34 999 975	13 999 990
		925 902 487	904 902 502

- A- The value of the company's contribution of 70% in the issued capital of Khales for Digital Payment Services Company (S.A.E), and the payer represents 100% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 144515 on December 30, 2019.
- B- The value of the company's contribution of 89% in the issued capital of the Smart Card Operation Technology Company E-Cards (S.A.E), and the payer represents 100% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 146132 on January 29, 2020.
- C- The value of the company's contribution of 61% in the issued capital of The Technology Company for Ecommerce Operations E-Aswaaq Misr (S.A.E) and the payer represents 100% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 150444 on 1 July,2020.
- D- The value of the company's contribution of 99.98% in the issued capital of the E-nable for Outsourcing Services (eNable) (S.A.E) and the payment represents 25% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 159506 on 29 -December-2020.
- E- The value of the company's contribution of 99.99% in the issued capital of the Technological Operation for Financial Institution E-finance Company (S.A.E), and the payer represents 100% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 159585 dated on December 30, 2020.
- F- The value of the company's contribution of 35% in the issued capital of the Technological Operation for Tax solutions e-tax (S.A.E), and the payer represents 25% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 161093 dated on February 1, 2021.
- G- The value of the company's contribution of 35% in the issued capital of the Insurance Services Operation Technology Company E-Health (S.A.E), and the payer represents 25% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 172265 dated on September 13, 2021.

8 Tax

8-1 Income tax

	For the period ended	
	<u>June 30,</u> <u>2022</u> <u>L.E</u>	<u>June 30,</u> <u>2021</u> <u>L.E</u>
Current Income Tax Expenses	-	-
Tax dividends income from equity investments through FVOCI	3 117 595	295 601
Tax dividends income from equity investments in subsidiaries	18 600 545	-
Treasury bills tax	22 076 199	-
Deferred tax (income)	(4 613 293)	(729 384)
Current and deferred tax income/expense	<u>39 181 046</u>	<u>(433 783)</u>
Deferred income tax on other comprehensive income	<u>87 609</u>	<u>-</u>

8-2 Deferred tax

A) Deferred tax assets (liabilities) recognized

	<u>June 30, 2022</u>		<u>December 31, 2021</u>	
	<u>Assets</u> <u>L.E</u>	<u>Liabilities</u> <u>L.E</u>	<u>Assets</u> <u>L.E</u>	<u>Liabilities</u> <u>L.E</u>
Depreciation of fixed assets	-	2 522 655	-	2 386 560
Employee benefit liability	18 458 961	-	13 423 819	-
Unrealized foreign exchange translation	-	-	373 363	-
	<u>18 458 961</u>	<u>2 522 655</u>	<u>13 797 182</u>	<u>2 386 560</u>
Net deferred tax assets	<u>15 936 306</u>	<u>-</u>	<u>11 410 622</u>	<u>-</u>
Deducts the previously charged deferred tax assets	(11 410 622)	-	-	-
Add the deferred tax assets charged to the statement of other comprehensive income	87 609	-	-	-
Deferred taxes for the period as income	<u>4 613 293</u>	<u>-</u>	<u>-</u>	<u>-</u>

B) Adjustment of the effective tax rate

	For the period ended	
	<u>June 30,</u> <u>2022</u> <u>L.E</u>	<u>June 30,</u> <u>2021</u> <u>L.E</u>
Net Profit of the period before Tax	260 396 235	(18 315 035)
Income Tax Based on Tax rate	58 589 153	22.5% -
Expenses that are not deductible and others	16 058 686	3 507 169
Revenues exempted	(299 301 728)	(14 249 285)
The tax Base	(22 846 807)	(14 862 998)
Current and deferred income tax 15%	39 181 046	433 783

8-3 Income Tax payable

	For the period ended	
	<u>June 30,</u> <u>2022</u> <u>L.E</u>	<u>December 31,</u> <u>2021</u> <u>L.E</u>
Income Tax at beginning of the period	(9 466 207)	78 605 765
Formed during the period/ Year	-	306 851
Income tax paid/ Year	-	(78 912 616)
Tax Adjustments	-	(9 466 207)
	(9 466 207)	(9 466 207)

8-4 Tax position

A) corporate tax

- The company had tax exemption until December 31, 2017, and the company was subject to tax according to the letter of the General Authority for Investment and Free Zones, starting from January 1, 2018.
- The company submits the tax return on the corporate profits tax on the legal dates, and the company pays the tax due based on these returns.
- The tax examination of the company was carried out and the dispute was ended for the years 2005/2007, and the company paid all the tax differences.
- The company's tax examination for the years 2008/2009 and dispute for the years 2008/2015 was ended.
- The company has not been tax examined for the years from 2016 until now.

B) Payroll tax

- The company pays the tax on the legal dates and provides tax settlements in accordance with the provisions of the law.
- The company's tax inspection and assessment were carried out from the beginning of the activity until 2016, and all dues were paid.
- The company has been examined for the years 2017 and 2018 and the difference has been paid.
- The company has not been tax examined for the years from 2019 until now.

C) General sales tax and value added tax

- The company submits monthly tax returns regularly on legal dates.
- The tax was examined for the company until 2015, and the company was informed of the tax differences of 258 thousand Egyptian pounds, which were fully paid.
- The company's tax examination was carried out for the years from January 1, 2016, until December 31, 2018, and forms are being extracted.

D) Stamp Tax

- The tax was examined for the company from the beginning of the activity until 2014, and the company paid all tax dues.
- The company has not been tax inspected for the years from 2015 until now.

E) Withholding taxes

- Withholding taxes is paid on legal dates.
- The company has not received any tax claims to date.

9 Financial investments at amortized cost

Treasury bills in the financial position represent as the following:

Purchasing value	Purchasing date	Due date	Return	Duration	Return	Present Value	Face Value
L.E			%		L.E	L.E	L.E
618 954 000	1/4/2022	1/3/2023	13.13%	364	31 527 784	650 481 784	700 000 000
470 070 000	4/13/2022	10/11/2022	12.84%	181	12 038 144	482 108 144	500 000 000
234 967 500	4/12/2022	10/11/2022	10.24%	182	6 013 000	240 980 500	250 000 000
469 870 000	4/12/2022	10/11/2022	10.26%	182	12 052 000	481 922 000	500 000 000
1 793 861 500					61 630 928	1 855 492 428	1 950 000 000

10 Debtors and other debit balance

	<u>June 30,</u> <u>2022</u> <u>L.E</u>	<u>June 30,</u> <u>2021</u> <u>L.E</u>
Prepaid expenses	953 735	349 003
Deposits with others	160 000	100 000
Value added tax (VAT)	14 111 873	15 757 209
Income Tax (Note 8-3)	9 466 207	9 466 207
Notes Receivable	-	32 051 421
Prepaid employee benefits	1 138 000	1 138 000
Withholding Tax	3 839 179	3 757 447
Supplier Advance Payment	-	5 685 125
Accrued Revenue from dividends	167 404 905	6 201 122
Investment Revenue from equity investments at FVOCI	3 306 075	-
Other	2 643 170	1 945 365
	<u>203 023 144</u>	<u>76 450 899</u>

11 Cash and cash Equivalents

	<u>June 30,</u> <u>2022</u> <u>L.E</u>	<u>December 31,</u> <u>2021</u> <u>L.E</u>
Banks – Saving Accounts	338 421 698	1 913 928 065
Banks - time deposits	2 654 749	2 606 060
Investment funds*	33 920 614	72 383 637
Balance of cash and cash equivalents	<u>374 997 061</u>	<u>1 988 917 762</u>

*Investment Funds

	<u>June 30,</u> <u>2022</u> <u>L.E</u>	<u>December 31,</u> <u>2021</u> <u>L.E</u>
Themar Fund, QNB	6 370 561	24 161 101
Sioula Fund	6 776 982	48 117 917
Fund 30/15	20 664 740	-
Youm by youm Account - Bank Misr	108 331	104 619
	<u>33 920 614</u>	<u>72 383 637</u>

For the purposes of preparing the statement of cash flows, cash and cash equivalents is represented in the following:

	<u>June 30, 2022</u> <u>L.E</u>	<u>December 31, 2021</u> <u>L.E</u>
Cash and Its equivalents	374 997 061	230 710 214
<u>Deduct:</u>		
Mortgaged cash investment fund against letters of guarantee in favor of others	(5 537 021)	(5 537 021)
Cash and cash equivalents for the purpose of preparing the cash flow statement	<u>369 460 040</u>	<u>225 173 193</u>

12 Capital

12-1 The authorized capital

The company's authorized capital has been set at 4 billion Egyptian pounds (four billion Egyptian pounds) after increasing it from 3.5 billion Egyptian pounds to four billion Egyptian pounds, an increase of 500 million Egyptian pounds based on the decisions of the extraordinary general assembly meeting of the company held on 20 December 2020

12-2 Issued and paid-up capital

- The issued capital on the date of the company's incorporation amounted to 60 million Egyptian pounds distributed over 600 thousand shares with a par value of 100 Egyptian pounds in the commercial register on 16 August 2005.
- The issued capital was increased by 60 million Egyptian pounds based on the decision of the extraordinary general assembly meeting of the company held on December 20, 2006, so that the issued and paid-up capital of the company became 120 million Egyptian pounds.
- The extraordinary general assembly held on December 11, 2013 decided to transfer an amount of 55 million Egyptian pounds (fifty-five million Egyptian pounds) from the general reserve to increase the issued and paid-up capital of the company to become the issued and paid-up capital after the increase of 175 million Egyptian pounds (one hundred seventy five million Egyptian pounds) distributed in the same proportions of ownership of the shareholders and this was entered in the Commercial Registry on May 20, 2014.
- The extraordinary general assembly held on March 24, 2016 decided to transfer an amount of 50 million Egyptian pounds (fifty million Egyptian pounds) from the general reserve to increase the issued and paid-up capital of the company to become the issued and paid-up capital after the increase is 225 million Egyptian pounds (two hundred twenty five million Egyptian pounds) Distributed in the same proportions of shareholder ownership and this was entered in the Commercial Registry on August 1, 2016.
- The extraordinary general assembly convened on November 20, 2016 decided to increase the issued capital of the company by an amount of 22.5 million Egyptian pounds (twenty-two million five hundred thousand Egyptian pounds) to make the issued capital after the increase 247.5 million Egyptian pounds (two hundred forty-seven million five hundred thousand Egyptian pounds) And the payment of it is 236.250 million Egyptian pounds (two hundred thirty-six thousand and two fifty thousand Egyptian pounds) with the reduction of ownership percentages for shareholders after the entry of a new shareholder, the Egyptian Company for Investment Projects, by 9.09%, and this was indicated in the commercial register on December 29, 2016.
- The extraordinary general assembly held on March 21, 2018, decided to increase the issued capital of the company by an amount of 103 million Egyptian pounds (one hundred and three million Egyptian pounds) transferred from reserves and retained earnings, so that the issued capital after the increase becomes 350.5 million Egyptian pounds (three hundred fifty million five hundred thousand Egyptian pounds) paid in full distributed in the same proportions of shareholder ownership.
- The minutes of the Board of Directors held on November 13, 2018 decided to increase the issued capital of the company by an amount of 149.5 million Egyptian pounds (one hundred forty-nine million five hundred thousand Egyptian pounds) so that the issued capital after the increase becomes 500 million Egyptian pounds (five hundred million Egyptian pounds) paid in full

distributed in the same Shareholders ownership percentages and this was entered in the Commercial Registry on December 19, 2018.

- The Extraordinary General Assembly held on December 23, 2019, decided to increase the issued capital by an amount of 300 million Egyptian pounds, to make the issued capital 800 million Egyptian pounds (eight hundred million Egyptian pounds) paid in full, and the entry was made in the company's commercial register on December 15, 2019.
- The extraordinary general assembly convened on December 23, 2019, decided to amend the par value of the share to 0.5 Egyptian pounds (fifty piasters) instead of 100 Egyptian pounds (one hundred Egyptian pounds) so that the issued capital becomes 800 million Egyptian pounds (eight hundred million Egyptian pounds) distributed on 1.6 billion shares,
- The Extraordinary General Assembly held on October 13, 2021 decided to increase the capital by an amount of 88 888 889 Egyptian pounds (eighty-eight million eight hundred and eighty-eight thousand eight hundred and eighty-nine Egyptian pounds) so that the issued capital amounted to 88 888 889 Egyptian pounds (Eight hundred eighty-eight Egyptian pounds) One million eight hundred and eighty-eight thousand eight hundred and eighty-nine Egyptian pounds) distributed over the number of 1 777 777 778 shares.
- The Extraordinary General Assembly, held on September 15, 2021, decided to approve authorizing the company's board of directors to take the necessary measures to increase the issued capital by 4%, by issuing 71 111 111 shares, with a nominal value of fifty piasters per share, with a total value of 35 555 556 pounds, provided that the increase is limited to ESOP system. On January 31, 2022, the company's board of directors convened to approve the increase, and the commercial register was entered on March 17, 2022.

and these shares are distributed in the capital as follows:

<u>Shareholder</u>	<u>Equity Ratio</u>	<u>Number of shares</u>	<u>Nominal value in EGP</u>
	<u>%</u>		
The National Investment Bank	46.8	865 455 038	432 727 519
National Bank of Egypt	6.69	123 636 240	61 818 120
Banque Misr	6.69	123 636 240	61 818 120
Egypt Banks Company for Technological Progress	6.69	123 636 240	61 818 120
Egyptian Company for Investment Projects	6.69	123 636 240	61 818 120
Public shares	22.6	417 777 778	208 888 890
ESOP Fund	3.84	71 111 111	35 555 556
	%100	1 848 888 889	924 444 445

13 Share Premium

Capital of E-Finance for Financial and Digital Investments S.A.E has been increased. With a number of 177 777 778 shares at a price of 13.98 pounds per share, the value of those shares has been collected with a total amount of 2 485 333 336 Egyptian pounds and this value has been reduced by direct expenses related to the issuance of capital increase shares amounting to 50 828 426 Egyptian pounds, as well as by the nominal value of the shares amounting to 88 888 889 Egyptian pounds, so the share premium balance on December 31, 2021 amounted to 2 345 616 021 Egyptian pounds. Share premium has transferred to the Legal reserve to be decreased by 389 153 914 on June 30, 2022 then the balance of Legal reserve became 1 956 462 107 LE.

14 Credit facilities

<u>Bank</u>	<u>Authorized facility limits on June 30, 2022 L.E or Its equivalents of Foreign Currency</u>	<u>Used until June 30, 2022 L.E</u>	<u>Nature of facility</u>
Banque Misr	100 000 000	-	Limit to issuing local letters of guarantee
Banque Misr	50 000 000	-	Import letters of credits
Banque Misr	80 000 000	-	Current debt limit
QNB	50 000 000	-	Current debt limit
National Bank of Egypt	75 000 000	-	Current debt limit
National Bank of Egypt	75 000 000	-	Limit to issuing local letters of guarantee
Egyptian Bank for Imports Development	100 000 000	-	Current debt limit
The United National Bank	150 000 000	-	Current debt limit
Arab African International Bank	75 000 000	-	Limit on issuing letter of credits
Arab African International Bank	75 000 000	-	Limit to issue letters of guarantee
Arab African International Bank	500 000	-	Issuance limit for issuing credit cards with a guarantee of deposits
Commercial International Bank	150 000 000	-	Current debt limit

15 **Payables and other credit balances**

	<u>June 30, 2022</u>	<u>December 31, 2021</u>
	<u>L.E</u>	<u>L.E</u>
Accounts payable	1 737 252	10 288 318
	1 737 252	10 288 318
<u>Other credit balance</u>		
Accrued expenses	9 236 904	6 408 738
Payroll tax	751 316	576 691
Withholding tax	4 159 601	4 972 551
Notes Payables	9 900 000	-
Other Credit balances	920 159	16 608 410
	24 967 980	28 566 390
	26 705 233	38 854 708

16 **Revenue:**

	From April 1, 2022 to June 30, 2022	From April 1, 2021 to June 30, 2021	From January 1, 2022 to June 30, 2022	From January 1, 2021 to June 30, 2021
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Dividend income from equity investments through FVOCI	-	-	31 625 598	2 956 010
Dividend income from financial investments in subsidiaries	-	-	186 005 450	-
	-	-	217 631 048	2 956 010

17 Cost of Revenue

	From April 1, 2022 to June 30, 2022 <u>L.E</u>	From April 1, 2021 to June 30, 2021 <u>L.E</u>	From January 1, 2022 to June 30, 2022 <u>L.E</u>	From January 1, 2021 to June 30, 2021 <u>L.E</u>
Salaries and Wages	15 239 903	9 624 178	27 043 731	18 520 956
Bounce for Employees	10 273 094	–	10 273 094	–
Employee benefit cost	1 228 099	1 269 951	22 139 792	2 432 532
Maintenance cost	4 694	21 819	15 262	25 833
Depreciation of Fixed Assets	417 430	–	417 430	–
Technical advice and support	1 345 665	–	1 345 665	–
Employee benefits (cars)	298 790	448 484	637 904	913 393
	28 807 675	11 364 432	61 872 878	21 892 714

18 General and Administrative Expenses

	From April 1, 2022 to June 30, 2022 <u>L.E</u>	From April 1, 2021 to June 30, 2021 <u>L.E</u>	From January 1, 2022 to June 30, 2022 <u>L.E</u>	From January 1, 2021 to June 30, 2021 <u>L.E</u>
Wages and Salaries	–	50 488	–	72 862
Depreciation of fixed assets (Note 5)	301 945	524 652	996 015	1 017 794
Consulting	3 729 736	4 279 669	5 678 496	7 133 197
Facility Expenses	312 862	1 305 498	598 189	2 554 493
Maintenance Expenses	54 912	588 771	245 991	858 123
Rent	6 150	–	622 600	–
Donations	3 333 334	2 000 000	3 583 334	2 000 000
Hospitality expenses	1 139 422	–	1 596 608	–
Other expenses	3 532 145	946 783	5 407 106	3 945 193
	12 410 506	9 695 861	18 728 339	17 581 662

19 Selling and Marketing Expenses

	From April 1, 2022 to June 30, 2022	From April 1, 2021 to June 30, 2021	From January 1, 2022 to June 30, 2022	From January 1, 2021 to June 30, 2021
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Exhibitions	259 407	1 146 863	2 027 009	1 146 863
Public Relations	173 600	171 285	266 600	171 285
Advertisements	15 648 150	179 094	23 612 501	179 094
Other Marketing Expenses	2 152 145	294 988	2 303 047	295 538
	18 233 302	1 792 230	28 209 157	1 792 780

20 Finance Expenses

	From April 1, 2022 to June 30, 2022	From April 1, 2021 to June 30, 2021	From January 1, 2022 to June 30, 2022	From January 1, 2021 to June 30, 2021
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Bank charges and Finance Cost	10 886	23 465	125 920	132 656
	10 886	23 465	125 920	132 656

21 Finance income

	From April 1, 2022 to June 30, 2022	From April 1, 2021 to June 30, 2021	From January 1, 2022 to June 30, 2022	From January 1, 2021 to June 30, 2021
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Foreign currencies exchange gain/ (Loss)	3 274	-	(3 226)	242
Income from Investment in cash funds	1 041 290	3 768 948	2 915 288	11 293 275
Revenue on Investments at amortized cost	63 706 580	-	110 380 990	-
Bank interest on current accounts	6 840 251	467 666	24 161 501	1 761 373
Bank interest on deposits	97 318	46 415	97 318	48 614
	71 688 713	4 283 029	137 551 871	13 103 504

E-Finance for Digital and Financial Investments Company

Notes to The Interim Condensed Separate Financial Statements for the 6 months ended Jun 30, 2022

22 Related parties

Related parties are represented in investee companies, major shareholders, companies controlled by or jointly affected by these parties, pricing policies and the duration of these transactions are approved by the company's management and shareholders. The following is a summary of the related party balances and the transactions that were executed during the period between the company and related parties

22-1 Due from Related Parties:

	<u>Relations</u>	<u>Transaction</u>	<u>Transaction</u>	<u>Balance</u>	
	<u>Nature</u>		<u>Volume</u>	<u>,June 30</u>	<u>,December 31</u>
			<u>during the</u>	<u>2022</u>	<u>2021</u>
			<u>period</u>	<u>L.E</u>	<u>L.E</u>
Smart Card Operation Technology Company E-Cards	Subsidiary	Payment on behalf	11 984 310		
		Service	25 058 885	47 278 767	10 235 572
E-nable for Outsourcing Services (eNable)	Subsidiary	Payment on behalf	5 625 521	8 120 694	2 495 173
Technological Operation for Tax solutions e-tax	Associate	Payment on behalf	99 438	8 713 256	8 613 818
E-Aswaaq The Technology Company for Ecommerce Operations	Subsidiary	Payment on behalf	76 554 809	89 580 229	13 025 420
Khales for Digital Payment Services Company	Subsidiary	Payment on behalf	10 070 516	12 457 083	2 386 567
E-finance Technological Operation For Financial Institutions	Subsidiary	Payment on behalf		-	1 234 919
E-Health (Technological Operation for Health Insurance Services)	Associate	Payment on behalf	6 221 159	6 746 621	525 462
				172 896 650	38 516 931

E-Finance for Digital and Financial Investments Company
Notes to The Interim Condensed Separate Financial Statements for the 6 months ended Jun 30, 2022

<u>22-2 Due to Related Parties:</u>	<u>Relations</u>	<u>Transaction</u>	<u>Volume during the</u>	<u>June 30</u>	<u>December 31</u>
	<u>Nature</u>	<u>Nature</u>	<u>period</u>	<u>2022</u>	<u>2021</u>
Technological Operation for Financial	Subsidiary	Services Rendered	1 772 041	<u>L.E</u> -	<u>L.E</u> -
Institution E-finance Company	Subsidiary	Services Received	(119 116)	-	-
	Subsidiary	Payment on behalf	(7 864 619)	4 976 774	-
				4 976 774	-

23 Objectives and policies of financial instruments risk management

The Company is exposed to the following risks arising from the use of financial instruments:

- A) Credit risk
- B) Market risk
- C) Liquidity risk

This note provides information about the Company's exposure to each of the risks mentioned above, and the Company's objectives, policies and processes in relation to measuring and managing these risks.

The company's board of directors is responsible for developing and supervising a framework for managing the risks that the company is exposed to. The top management of the company is responsible for setting and monitoring risk management policies and submitting reports to the Board of Directors dealing with its activities on a regular basis.

The current framework for managing financial risks in the Company is a combination of formally documented risk management policies in specific areas and undocumented risk management policies used in other areas.

A) Credit risk

They are financial losses that the company incurs in the event that the client or the counterparty fails to fulfill its obligations that are regulated by the financial instrument contract, and then the company is exposed to credit risk mainly from clients, notes and other receipts, and due from related parties as well as from its financial activities, including balances with Banks.

Other financial assets and cash deposits

With respect to credit risk arising from the company's other financial assets at amortized cost, the entity is exposed to credit risk as a result of default by the counterparty in payment to a maximum equivalent to the carrying value of these assets.

The financial sector manages credit risk arising from bank balances, and the company limits its exposure to credit risk by depositing balances with international banks only or with reputable local banks, and local banks are subject to the supervision of the Central Bank of Egypt, and thus the risk of exposure to credit risk is weak.

The maximum exposure to risk is limited to the balances shown in (Note 10)

Due from related parties

Balances due from related parties are considered to have a minimum credit risk where the maximum exposure is equivalent to the book value of these balances.

Investments

The company limits its exposure to credit risk by preparing detailed investment studies and is reviewed by the board of directors. The company's management does not expect any failure of any of the dealing parties to fulfill its obligations.

B) Market risk

Market risk arises from the fluctuation of the fair value of future cash flows of a financial instrument as a result of changes in market prices. Examples are foreign exchange rate risk and interest rate risk, which are risks that affect the company's income. Financial instruments that are affected by market risks include interest-bearing loans and deposits, the objective of market risk management is to manage and control risk within acceptable limits while at the same time achieving remunerative returns. The company does not hold or issue derivative financial instruments.

Exposure to interest rate risk

Interest rate risk arises from fluctuations in the fair value or future cash flows of a financial instrument as a result of changes in market interest rates. The Company's exposure to risk of changes in market interest rates or not is mainly related to the company's obligations with a variable interest rate and interest-bearing deposits.

The general form of the interest rate of the company's financial instruments appears at the date of the financial statements as follows:

	<u>June 30, 2022</u>	<u>December 31, 2021</u>
	<u>L.E</u>	<u>L.E</u>
<u>Floating interest rate financial instruments</u>		
Financial Assets	374 997 061	1 988 917 762
	<u>374 997 061</u>	<u>1 988 917 762</u>
	<u>June 30, 2022</u>	<u>December 31, 2021</u>
	<u>L.E</u>	<u>L.E</u>
<u>Fixed interest rate financial instruments</u>		
Treasury bills	1 855 492 428	501 687 737
	<u>1 855 492 428</u>	<u>501 687 737</u>

Exposure to foreign exchange rate risk

The following table shows the impact of a possible acceptable change in the exchange rates of the US dollar and the Euro. Considering maintaining of all other variable's constant, and the impact that occurred on the company's profits before taxation is due to changes in the value of assets and cash liabilities. Changes in the exchange rates of all other foreign currencies are not material.

<u>Foreign Currencies</u>	<u>Value</u>	<u>Exchange rate</u>	<u>Net Liabilities</u>
US Dollar	5 246	18.53	97 213

C) Liquidity risk

The company's management monitors the company's cash flows, financing and liquidity requirements of the company. The company's goal is to achieve a balance between continuity of financing and flexibility by obtaining loans from banks. The company manages liquidity risk by maintaining adequate reserves and by obtaining borrowing facilities, whereby the company maintains credit limits of 980.5 million Egyptian pounds by continuously monitoring expected and actual cash flows and matching the maturity of assets and financial liabilities.

The company has sufficient cash to pay the expected operating expenses, including the financial liabilities expenses.

The table below summarizes the maturity dates of the Company's financial obligations based on contractual undiscounted payments.

<u>On June 30, 2022</u>	Net Book Value <u>L.E</u>	Less than year <u>L.E</u>	From 2 to 5 years <u>L.E</u>	More than 5 years <u>L.E</u>
Suppliers and other credit balances	26 705 232	26 705 232	-	-
Due to related parties	4 976 774	4 976 774	-	-
Other liability	82 039 872	-	-	82 039 872
Total	113 721 878	31 682 006	-	82 039 872

<u>On December 31, 2021</u>	Net Book Value <u>L.E</u>	Less than year <u>L.E</u>	From 2 to 5 years <u>L.E</u>	More than 5 years <u>L.E</u>
Suppliers and other credit balances	38 854 708	38 854 708	-	-
Due to related parties	-	-	-	-
Other liability	59 661 417	-	-	59 661 417
Total	98 516 125	38 854 708	-	59 661 417

24 Capital Management

For the purpose of managing the company's capital, it includes the capital, the issued capital and all other equity reserves of the company's shareholders.

The company manages its capital structure and makes adjustments to it in light of changes in business conditions as well as to meet future developments of the activity. No changes were made in the objectives, policies or processes during the period, and the Company is not subject to any external requirements imposed on its capital.

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Total liability	113 721 878	98 516 125
<u>Less</u>		
Cash & Equivalent	(374 997 061)	(1 988 917 762)
Net Liability	(261 275 182)	(1 890 401 637)
Total Equity	3 646 951 893	3 634 404 241
Percentage of net liabilities to total equity	(%7.2)	(52%)

25 Contingent liabilities

Contingent liabilities are represented in the values of letters of guarantee that were not covered by the accounts of the Company's banks on behalf of others, except for what is covered by investment fund documents, as follows:

	<u>June 30, 2022</u>	<u>December 31, 2021</u>
	<u>L.E</u>	<u>L.E</u>
Letter of Guarantee	210 707 740	210 707 740

26 Employee share option plan

- The extraordinary general assembly of the company, held on December 23, 2019, agreed to add a new chapter to the company's articles of association, which is concerned with rewarding and motivating employees and managers.
- On December 15, 2021, the Extraordinary General Assembly decided to approve the employee stock ownership plan for the company's employees by promising to sell shares at decreased prices and granting free shares, with percentage 4% of the issued capital, and these shares are provided by increasing the capital from the retained earnings at the nominal value of the share is distributed as follows: -
 - 1) 1% of the shares allocated to the scheme under the system of promise to sell at reduced price (40% of the average share price through a period of three months).
 - 2) 3% of the shares allocated to the system are granted free of charge to the beneficiaries.
- The beneficiary of the plan must meet the plan requirements of the services period to be not less than one year before transferring the ownership of the shares to him/her, and his/her evaluation rate is not less than 90% on the annual performance evaluation reports prepared by the competent department of the company. One of these conditions could be by passed or other extra conditions could be added to them, after obtaining the approval of the Financial Supervisory Authority, and provided that no owe of the beneficiaries has voted on a decision relevant to his/her benefit, and the company is committed to include it in its annual disclosure. The period of this plan is five years starting from the adoption of the plan by the Financial Supervisory Authority.
- On January 16, 2022, the Employee Reward and Incentive Scheme was approved by the Financial Supervisory Authority, and on January 25, the General Authority for Investment and Free Zones approved the ESOP. On January 21, 2022, the company's board of directors convened to approve the company's capital increase by 4%, related to the ESOP.

27 Basic Earnings per share

Basic earnings per share is calculated by dividing the net profit distributable to common shareholders by the weighted average number of outstanding shares during the period.

	From 1 Jan. 2022 to June 30, 2022 <u>L.E</u>	From 1 Jan. 2021 to June 30, 2021 <u>L.E</u>
Net (Losses)/ profit for the period distributable	221 215 189	(17 881 252)
Employees Share and BOD	(35 855 286)	-
Net profit distributable to common shareholder	185 359 903	(17 881 252)
Average number of shares outstanding during the period for basic earnings (share)	1 777 777 778	1 600 000 000
Basic share in earnings for the period (EGP/share)	0.10	(0.011)