


Citadel Capital Company
(Egyptian Joint Stock Company)

Consolidated financial statements
for the year ended December 31, 2015
&
Auditor's report

 **Hazem Hassan**
Public Accountants & Consultants

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Auditor's report **To the shareholders of Citadel Capital Company**

We have audited the accompanying consolidated financial statements of Citadel Capital Company (Egyptian Joint Stock Company), which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

These consolidated financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.



Hazem Hassan

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

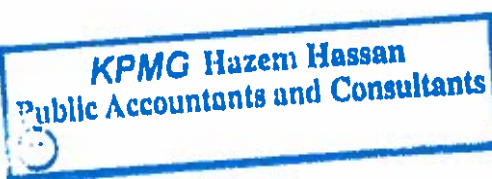
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Citadel Capital Company as at December 31, 2015 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these consolidated financial statements.

Hassan Bas
KPMG Hazem Hassan

Cairo, April 21, 2016



Citadel Capital Company
(Egyptian Joint Stock Company)
Consolidated statement of financial position
as at December 31, 2015

(All amounts in EGP)	Note	31/12/2015	31/12/2014 (*)
Assets			
Fixed assets (net)	(6)	4 866 770 745	5 836 564 267
Projects under construction (net)	(7)	17 162 443 847	11 841 308 885
Intangible assets (net)	(8)	1 862 436 797	1 892 728 739
Goodwill (net)	(9)	652 512 569	1 438 786 190
Biological assets (net)	(10)	196 044 381	189 042 811
Trade and other receivables (net)	(18)	710 407 485	588 802 009
Investment property (net)	(11)	24 000 000	373 068 956
Investments in associates (net)	(12)	899 994 224	1 953 010 353
Available-for-sale investments (net)	(13)	54 311 317	51 904 260
Payments for investments (net)	(14)	80 997 503	101 213 486
Loans to related parties	(15)	-	134 176 156
Other investments	(16)	269 800 533	441 352 959
Deferred tax assets	(28)	345 235 009	332 158 336
Total non-current assets		27 124 954 410	25 174 117 407
Inventories (net)	(17)	1 016 751 852	969 854 289
Biological assets	(10)	25 063 763	21 379 458
Work in process		17 768 790	47 816 848
Investments at fair value through profit or loss	(19)	33 789 381	80 849 353
Due from related parties (net)	(20)	606 398 440	983 982 939
Trade and other receivables (net)	(18)	1 167 538 152	949 139 548
Debtors and other debit balances (net)	(21)	1 357 698 069	1 029 169 941
Cash and cash equivalents	(22)	3 353 000 479	2 182 089 378
Assets classified as held-for-sale	(23.1)	2 473 539 263	1 402 289 227
Total current assets		10 051 548 189	7 666 570 981
Total assets		37 176 502 599	32 840 688 388

to be continued ...

* Restated - Note (56)

The accompanying notes on pages 8 to 118 are integral part of these consolidated financial statements and are to be read therewith.

Citadel Capital Company
(Egyptian Joint Stock Company)
Consolidated statement of financial position (continued)
as at December 31, 2015

(All amounts in EGP)	Note	31/12/2015	31/12/2014 (*)
Equity			
Share capital	(24)	9 100 000 000	8 000 000 000
Reserves		123 808 425	202 382 594
Retained loss		(5 271 987 040)	(4 336 949 028)
Net loss for the year		(1 155 345 236)	(879 593 450)
Total equity		<u>2 796 476 149</u>	<u>2 985 840 116</u>
Shareholders' credit balances	(25)	1 464 311	836 842 865
Total equity attributable to equity holders of the Company		<u>2 797 940 460</u>	<u>3 822 682 981</u>
Non - controlling interests		<u>8 152 325 712</u>	<u>8 183 513 791</u>
Total equity		<u>10 950 266 172</u>	<u>12 006 196 772</u>
Liabilities			
Long term loans	(26)	13 671 782 372	10 726 526 464
Long term liabilities and derivatives	(27)	436 369 089	402 110 017
Loans from related parties	(26)	24 484 249	792 754 848
Deferred tax liabilities	(28)	621 800 554	744 276 298
Total non-current liabilities		<u>14 754 436 264</u>	<u>12 665 667 627</u>
Banks overdraft	(29)	508 626 802	688 968 212
Short term loans	(26)	2 933 157 562	2 158 940 557
Loans from related parties	(26)	646 819 327	-
Due to related parties	(30)	730 606 339	477 202 021
Trade and other payables	(31)	2 855 366 230	1 830 582 902
Creditors and other credit balances	(32)	1 469 403 194	1 079 718 029
Provisions	(33)	620 451 082	489 587 562
Financial guarantees contracts	(34)	5 077 970	23 401 707
Liabilities classified as held-for-sale	(23.2)	1 013 436 568	938 117 930
Due to Tax Authority		688 855 089	482 305 069
Total current liabilities		<u>11 471 800 163</u>	<u>8 168 823 989</u>
Total liabilities		<u>26 226 236 427</u>	<u>20 834 491 616</u>
Total equity and liabilities		<u>37 176 502 599</u>	<u>32 840 688 388</u>

* Restated - Note (56)

The accompanying notes on pages 8 to 118 are integral part of these consolidated financial statements and are to be read therewith.

Auditor's report "attached"

Chairman
 Ahmed Heikal

Managing Director
 Hisham Hussein El Khazindar

Chief Financial Officer
 Moataz Farouk

Citadel Capital Company
(Egyptian Joint Stock Company)
Consolidated income statement
for the year ended December 31, 2015

(All amounts in EGP)		For the year ended	
	Note	31/12/2015	31/12/2014 (*)
<u>Continuing operation</u>			
Operating income	(37)	6 638 944 107	4 670 269 562
Operating costs	(38)	(5 478 999 361)	(4 059 284 428)
Gross profit		1 159 944 746	610 985 134
Advisory fee	(35.1)	13 550 201	10 537 825
Share of profit / loss of investment in associate	(36)	126 422 325	177 171 497
Total operating profit		1 299 917 272	798 694 456
Gains (losses) on sale of investment in associate	(43)	99 698 245	(25 381 815)
Administrative expenses	(39)	(1 175 176 909)	(1 010 881 627)
Other (expenses) / income	(40)	(888 601 620)	(92 683 035)
Net operating loss		(664 163 012)	(330 252 021)
Finance costs - net	(41)	(832 257 198)	(889 363 182)
Net loss before tax		(1 496 420 210)	(1 219 615 203)
Income tax	(42)	(123 214 939)	(109 020 317)
Net loss from continuing operation		(1 619 635 149)	(1 328 635 520)
<u>Discontinued operations</u>			
Operating income		1 605 411 362	1 845 011 927
Operating costs		(1 252 854 488)	(1 499 437 090)
Administrative expenses		(197 016 339)	(233 022 472)
Other (expenses) / income		(90 271 409)	(3 582 918)
Finance costs - net		(188 543 333)	(199 421 359)
Results from operating activities		(123 274 207)	(90 451 912)
Income tax		(33 798 835)	(8 526 403)
Results from operating activities, net of tax		(157 073 042)	(98 978 315)
Gains on sale of discontinued operations		551 081 169	57 641 866
Profit / (loss) from discontinued operations, net of tax	(23.3)	394 008 127	(41 336 449)
Net loss for the year		(1 225 627 022)	(1 369 971 969)
Attributable to:			
Equity holders of the Company		(1 155 345 236)	(879 593 450)
Non - controlling interests		(70 281 786)	(490 378 519)
		(1 225 627 022)	(1 369 971 969)
Earnings per share	(44)	(0.70)	(0.84)

* Restated - Note (56)

The accompanying notes on pages 8 to 118 are integral part of these consolidated financial statements and are to be read therewith.

Consolidated statement of changes in equity
for the year ended December 31, 2015

(All amounts in EGP)	Note	Share capital			Reserves			Retained loss	Net loss for the year	Shareholders' credit balances	Total	Non-controlling interests	Total equity
		Legal reserve	Fair value reserve - AFS	P.C. translation reserve	Company's share of changes in associates' equity	Share based payment reserve	Change in the fair value of hedge reserve-swap contract						
Balance as at December 31, 2014 (as previously issued)		8 000 000 000	89 578 478	(581 020)	446 559 328	(75 655 628)	(37 306 310)	(4 695 705 965)	(879 593 450)	836 842 865	3 463 926 044	8 419 273 206	11 883 199 250
Adjustments	(56)	-	-	-	-	-	-	358 756 937	-	-	358 756 937	(235 759 415)	122 997 522
Balance as at December 31, 2014 (after adjustments)		8 000 000 000	89 578 478	(581 020)	446 559 328	(75 655 628)	(37 306 310)	(4 336 949 028)	(879 593 450)	836 842 865	3 822 682 981	8 183 513 791	12 006 196 772
Carrying 2014 loss forward		-	-	-	-	-	-	(900 181 094)	879 593 450	-	(20 587 644)	(14 894 412)	(35 482 056)
Shareholders' credit balances	(25)	-	-	-	-	-	-	-	-	4 621 446	4 621 446	-	4 621 446
Share capital issuance	(25,24)	1 100 000 000	-	-	-	-	-	-	-	(840 000 000)	260 000 000	-	260 000 000
Exchange differences relating to foreign operations	(3,3)	-	-	(77 109 748)	-	-	-	-	-	-	(77 109 748)	(84 136 805)	(161 246 553)
Changes in the fair value of available-for-sale investments	(3,8,1)	-	(395 676)	-	-	-	-	-	-	-	(395 676)	-	(395 676)
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	138 124 924	138 124 924
Acquisition of non-controlling interests without change in control	(3,1,3)	-	-	-	-	-	-	(41 392 401)	-	-	(41 392 401)	-	(41 392 401)
Share-based payments	(3,11)	-	-	-	-	(2 959 962)	-	-	-	-	(2 959 962)	-	(2 959 962)
Change in the fair value of hedge reserve-swap contract		-	-	-	-	-	3 664 235	-	-	-	3 664 235	-	3 664 235
Company's share in changes of associates equity		-	-	-	(1 773 018)	-	-	6 535 483	-	-	4 762 465	-	4 762 465
Net loss for the year ended December 31, 2015		-	-	-	-	-	-	(1 155 345 236)	(1 155 345 236)	-	(1 155 345 236)	(70 281 786)	(1 225 627 022)
Balance as at December 31, 2015		9 100 000 000	89 578 478	(976 696)	369 449 580	(77 428 646)	(33 642 075)	(5 271 987 040)	(1 155 345 236)	1 464 311	2 797 940 460	8 152 325 712	10 950 266 172

to be continued ...

The accompanying notes on pages 8 to 118 are integral part of these consolidated financial statements and are to be read therewith.

Consolidated statement of changes in equity (continued)

for the year ended December 31, 2015

	Note	Share capital			Reserves			Retained loss	Net loss for the year	Shareholders' credit balances	Total	Non-controlling interests	Total equity
		Legal reserve	Fair value reserve - AFS	F.C. translation reserve	Company's share of changes in associates' equity	Share based payment reserve	Change in the fair value of hedge reserve-swap contract						
(All amounts in EGP)													
Balance as at December 31, 2013 (as previously issued)		4 358 125 000	89 578 478	56 277	360 212 663	(75 655 628)	-	(2 656 143 924)	(374 655 290)	2 323 160 875	4 024 678 451	8 699 063 528	12 723 741 979
Impact of fair value adjustments on assets acquired and liabilities assumed	(5)	-	-	-	-	-	-	(633 982 483)	-	-	(633 982 483)	166 351 021	(467 631 462)
Balance as at December 31, 2013 (restated)		4 358 125 000	89 578 478	56 277	360 212 663	(75 655 628)	-	(3 290 126 407)	(374 655 290)	2 323 160 875	3 390 695 968	8 865 414 549	12 256 110 517
Carrying 2013 loss forward		-	-	-	-	-	-	(395 940 412)	374 655 290	-	(21 285 122)	-	(21 285 122)
Shareholders' credit balances	(25)	-	-	-	-	-	-	-	-	2 154 214 550	2 154 214 550	-	2 154 214 550
Share capital issuance	(24.25)	3 641 875 000	-	-	-	-	-	-	-	(3 640 532 560)	1 342 440	-	1 342 440
Exchange differences relating to foreign operations	(3.3)	-	-	86 346 665	-	-	-	-	-	-	86 346 665	68 038 708	154 385 373
Changes in the fair value of available-for-sale investments	(3.8.1)	-	(637 297)	-	-	-	-	-	-	-	(637 297)	-	(637 297)
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(23 801 532)	(23 801 532)
Acquisition of non-controlling interests without change in control	(3.1.3)	-	-	-	-	-	-	(982 755 332)	-	-	(982 755 332)	-	(982 755 332)
Share-based-payments	(3.3.1)	-	-	-	-	(220 212 254)	-	-	-	-	(220 212 254)	-	(220 212 254)
Change in the fair value of hedge reserve-swap contract		-	-	-	-	-	(37 306 310)	-	-	-	(37 306 310)	-	(37 306 310)
Company's share in changes of associates equity		-	-	-	-	-	-	(26 883 814)	-	-	(26 883 814)	-	(26 883 814)
Net loss for the year ended December 31, 2014		-	-	-	-	-	-	-	(879 593 450)	-	(879 593 450)	(490 378 519)	(1 369 971 969)
Balance as at December 31, 2014		8 000 000 000	89 578 478	(581 020)	446 559 328	(75 655 628)	(37 306 310)	(4 695 705 965)	(879 593 450)	836 842 865	3 463 926 044	8 419 273 206	11 883 199 250

The accompanying notes on pages 8 to 118 are integral part of these consolidated financial statements and are to be read therewith.

Citadel Capital Company
(Egyptian Joint Stock Company)
Consolidated statement of cash flows
for the year ended December 31, 2015

(All amounts in EGP)	For the year ended	
	31/12/2015	31/12/2014
Cash flows from operating activities		
Net loss before tax	(1 496 420 210)	(1 219 615 203)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net profit / (loss) from the discontinued operations (after tax)	394 008 127	(41 336 449)
Gains on sale of discontinued operations	(551 081 169)	(57 641 866)
(Gains) losses on sale of investment in associate	(99 698 245)	25 381 815
Depreciation and amortization	451 171 927	378 542 696
Company's share of profit / (loss) of equity accounted investees	(126 422 325)	(177 171 497)
Net change in the fair value of investments at fair value through profit or loss	657 422	581 529
Foreign currencies translation differences	289 285 255	196 408 362
Loss from foreign currencies exchange differences	203 134 156	207 004 281
Interest income	(38 123 316)	(17 729 114)
Loss on sale of fixed and biological assets	2 971 688	3 155 906
Gain from financial guarantee contracts	(2 798 162)	(1 845 159)
Interest expenses	491 630 055	826 120 017
Provisions formed	176 465 749	74 360 178
Impairment on assets	736 367 799	31 786 581
Provisions no longer needed	(11 039 866)	(7 961 112)
Provision used	(48 509 743)	(10 834 931)
Operating profit before changes in working capital	371 599 142	209 206 034
Change in working capital:		
Assets		
Inventories	(170 008 359)	29 033 099
Biological assets	-	108 516
Work in process	77 312 846	(12 036 811)
Investments at fair value through profit or loss	52 703 179	(2 445 632)
Due from related parties	13 983 715	(1 526 929 102)
Trade and other receivables	112 332 797	(32 580 934)
Debtors and other debit balances	(162 502 458)	(142 157 004)
Liabilities		
Due to related parties	(319 552 158)	960 047 789
Trade and other payables	(682 885 571)	(2 234 189 021)
Creditors, other credit balances and long term liabilities	151 231 347	381 223 320
Income tax paid	(30 674 521)	(247 390)
Discontinued operations	60 169 518	(35 096 221)
Net cash used in operating activities	(526 290 523)	(2 406 063 357)

to be continued...

The accompanying notes on pages 8 to 118 are integral part of these consolidated financial statements and are to be read therewith.

Citadel Capital Company
(Egyptian Joint Stock Company)
Consolidated statement of cash flows (continued)
for the year ended December 31, 2015

(All amounts in EGP)	For the year ended	
	31/12/2015	31/12/2014
Cash flows from investing activities		
Payments for purchase of fixed assets and projects under construction	(3 491 359 164)	(2 827 646 722)
Proceeds from sale of fixed assets and projects under construction	17 996 686	40 802 096
Payments for purchase of biological assets	(58 276 112)	(56 391 977)
Proceeds from sale of biological assets	20 890 323	11 558 461
Payments for purchase of intangible assets	(39 875 257)	(275 433 088)
Proceeds from sale of assets classified as held for sale	1 839 075 635	1 243 955 963
Payments for purchase of investment property	(39 388)	(69 475)
Payments for loans to related parties	(38 450 000)	(25 493 200)
Proceeds from loans to related parties	67 893 541	371 070 965
Payments for investments	(33 000 000)	(37 454 151)
Payments for other investment	(27 115 420)	(79 511 535)
Proceeds from other investment	-	154 576 587
Interest received	48 209 522	36 743 698
Dividends received	25 968 183	51 707 611
Net cash used in investing activities	(1 668 081 451)	(1 391 584 767)
Cash flows from financing activities		
Proceeds from capital increase	260 000 000	1 342 440
Payments of shareholders' credit balances	(23 630 169)	(2 139 135)
Proceeds from loans	4 356 241 085	4 561 043 910
Payments for loans	(1 390 001 208)	(1 047 643 792)
Payments for / proceeds from banks overdraft	(63 296 142)	35 856 103
Proceeds from non-controlling interests	646 130 761	799 384 734
Dividends payout	(35 482 056)	(21 285 122)
Interest paid	(351 401 976)	(284 346 074)
Net cash provided from financing activities	3 398 560 295	4 042 213 064
Net changes in cash and cash equivalents during the year	1 204 188 321	244 564 940
Acquisition of subsidiaries	33 225 339	19 112 256
Cash related to deconsolidation of subsidiaries - (Note 23)	(408 689)	(57 868 617)
Cash and cash equivalents at the beginning of the year - (Note 22)	2 115 995 508	1 976 280 799
Cash and cash equivalents at the end of the year - (Note 22)	3 353 000 479	2 182 089 378

The accompanying notes on pages 8 to 118 are integral part of these consolidated financial statements and are to be read therewith.

1. Company background

1.1 Legal status and activity

Citadel Capital Company - an Egyptian Joint Stock Company - was founded in accordance with the applicable Egyptian laws and in pursuance to law no. (159) of 1981 and its executive regulations. The Company has been registered in the commercial register at Giza under number 11121 on April 13, 2004.

1.2 Purposes of the company

- The Company's basic activity extends to the region of the Middle East and north East Africa, especially Egypt, Algeria, Libya, Syria and Sudan. The purpose of the Company is represented as follows:
 - Providing consultancy in financial and financing fields for different companies and preparing and presenting the feasibility studies in the economical, technological, engineering, marketing, financing, management, borrowing contracts arrangements fields and financing studies in addition to preparing and presenting studies and consultancy regarding projects' promotion and offering the necessary technical support in different fields except legal consultancy.
 - Working as an agent in contracting and negotiation in different fields and steps especially negotiation in the management contracts, participation and technical support.
 - Managing, executing and restructuring of projects.
- On October 20, 2013 the extra-ordinary general assembly has agreed on amending the statute of the Company in accordance with the Capital Market Law and its executive regulations on the basis that the Company is involved in establishing other companies and participating in the capital increases of other companies pursuant to the provision of article no. (27) of the Capital Market Law and article no.(122) of its executive regulations, provided that required legal procedures for amending the statute of the company will take place after completing the required legal procedures for the aforementioned capital increase.
- The company will be known as "Qalaa Holdings" in the English language. Qalaa has been the firm's Arabic name since it was founded in 2004. Subsequently to the successful completion of the capital

increase, the company has transformed its business model from being a private equity company to an investment company with a focus on business segments of energy, cement, agrifoods, transportation & logistics, and mining. The required procedures to amend the Company's commercial register are taking place.

1.3 Registered headquarters

The Company performs its activities from its branch located on 1089 Nile Corniche, Four Season Nile Plaza – Garden City, Cairo.

1.4 Frame work

The consolidated financial statements of the Company for the year ended December 31, 2015 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates.

2. Basis of preparation

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the Egyptian Accounting Standards and applicable laws and regulations. The financial statements were approved by the Board of Directors on April 21, 2016.

2.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except assets and liabilities which are measured at fair value as follows:

- Financial instruments at fair value through the profit or loss.
- Available-for-sale investments.
- Derivative financial instruments.

The methods used to measure the fair value are discussed in note (4).

2.3 Functional and presentation currency

These consolidated financial statements are presented in Egyptian Pound, which is the Company's functional currency.

2.4 Use of estimate and judgements

The preparation of financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note (12) measurements of the recoverable amounts of investments in associates.
- Note (28) deferred tax.
- Note (33) provisions.

2.5 New Egyptian Accounting Standards and its application

On July 9, 2015 the minister Decree No. 110 for the year 2015 was issued to modify the Egyptian Accounting Standards "EAS" by modifying some of the existing and issuing new to replace the old one that was issued by the ministry decree No. 243 for the year 2006 and to start using the new standards after January 1, 2016 to be used by the entities that its financial year starts in or after that date

In the following table the most prominent amendments on the Egyptian Accounting Standards (EAS) that may have a significant impact on the financial statements of the company at the beginning of the implementation thereof:

Citadel Capital Company
(Egyptian Joint Stock Company)
Notes to the consolidated financial statements
for the year ended December 31, 2015
(In the notes all amounts are shown in EGP unless otherwise stated)

New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
EAS (1) Presentation of Financial Statements	<p><u>Statement Of Financial Position</u></p> <ul style="list-style-type: none"> • The standard does not require to present the working capital presentation. The reference financial statements that was included in 2006 Standards was excluded; which presented the working capital presentation. • A column shall be added to the statement of financial position including balances of the beginning of the first presented comparative period in case of retrospective implementation or change in an accounting policy or reclassification carried out by the entity. 	<ul style="list-style-type: none"> • Re-presenting all the presented financial statements, disclosures and their accompanying notes including the comparative figures to be in conformity with the required amendments to the standard.
	<p><u>Income Statement (Profit or Loss)/Statement of Comprehensive Income</u></p> <p>The entity shall disclose all recognized income and expense captions during the financial period in two separate statements; one of them presents the profit or loss components (<i>Income Statement</i>) and the other one starts with the profit or loss and presents the other comprehensive income items (<i>Statement of Comprehensive Income</i>).</p>	<ul style="list-style-type: none"> • Adding a new statement, 'Statement of Comprehensive Income', for the current and comparative period.

Citadel Capital Company
(Egyptian Joint Stock Company)
Notes to the consolidated financial statements
for the year ended December 31, 2015
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New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
<u>EAS (10)</u> Property, Plant and Equipment (<i>PPE</i>)	<ul style="list-style-type: none"> • The financial shall disclose amount movement of the PPE and its depreciations in the notes accompanying the financial statements at the beginning and the end of the current period and the comparable period. • The option of using the revaluation model in the subsequent measurement of PPE has been canceled 	<p>Re-presenting the comparative figures related to the PPE in the notes accompanying the financial statements to be in conformity with the required amendments on the standard.</p> <p>Currently, the management is assessing the potential impacts on its financial statements resulting from application of the standard</p>
<u>EAS (23)</u> Intangible Assets	<ul style="list-style-type: none"> • The option of using the revaluation model in the subsequent measurement of intangible assets has been canceled. 	The amendment on the standard has no impact on the figures presented in the financial statements.
<u>EAS (34)</u> Investment Property	<ul style="list-style-type: none"> • The option of using the fair value model in the measurement after recognition of the Property Investment has been canceled. 	The fair value of the investment at the beginning of the implementation of this Standard shall be considered deemed cost of that investment for the purposes of the subsequent accounting treatment according to EAS (10) "PPE".
<u>EAS (14)</u> Borrowing Costs	Elimination of the previous benchmark treatment that recognized the borrowing cost directly attributable to the acquisition, construction or production of a qualifying asset in the Income Statement without being capitalized on the asset.	The entity shall apply this Standard to the borrowing costs attributable to the qualifying assets, where the start date of capitalization falls within or after the date of the implementation of this Standard.

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<u>EAS (41)</u> Operating Segments	<ul style="list-style-type: none"> EAS 33 "Segment Reports" has been replaced with EAS (41) "Operating Segments". Accordingly, the disclosure and the volume of the required disclosures that the Segment Reports must disclose on; mainly depends on the Segments information presented to Chief Operating Decision Maker (CODM) of the entity to make decisions on the resources that must be allocated to the segment and assess its performance. 	On the date of implementing the standards, the entity shall re-present the information corresponding to the earlier periods including the interim periods, unless the information is not available and the cost of preparing such information is too high.
<u>EAS (25)</u> Financial Instruments: Presentation	<p>Any financial instrument with a resale right shall be classified as an equity instrument instead of classifying it as a financial liability; if it meets the conditions in accordance with the paragraphs (16 A and 16 b) or paragraphs (16 c and 16 d) of the same Standard, from the date the instrument has all the features and meets all the conditions set out in those paragraphs.</p> <p>The Entity shall re-classify the financial instrument from the date the instrument ceases to have all the features or meet all conditions set out in those paragraphs.</p>	Re-presenting any financial instrument meets all the conditions including all the presented comparative periods.
<u>EAS (40)</u> Financial Instruments: Disclosures	<ul style="list-style-type: none"> A new Egyptian Accounting Standard No.(40) "<i>Financial Instruments: Disclosures</i>" was issued including all the disclosures required for the financial instruments. <p>Accordingly, EAS (25) was amended by separating the disclosures from it. The name of the Standard became "<i>Financial Instruments: Presentation</i>" instead of "Financial Instruments: Presentation and Disclosure"</p>	Retroactive amendment to all the comparative figures of the presented disclosures shall be carried out.

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New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
<u>Egyptian Standard No. (45)</u> Fair Value Measurement	<p>The new Egyptian Accounting Standard No. (45) "<i>Fair Value Measurement</i>" was issued and shall be applied when another Standard requires or allows measurement or disclosure to be made at fair value.</p> <p>This Standard aims the following:</p> <ul style="list-style-type: none"> (a) Defining the fair value (b) Laying down a framework to measure the fair value in one Standard and (c) Identifying the disclosure required for the fair value measurements. 	<p>Currently, the management is assessing the potential impacts on its financial statements resulting from application of the standard.</p>
<u>Egyptian Standard No. (29)</u> Business Combination	<p>The purchase method was cancelled and replaced by the acquisition method; as results:</p> <ul style="list-style-type: none"> 1- Changing the acquisition cost to become the cash consideration transferred; and to be measured at fair value at the acquisition date. 2- Contingent consideration: the fair value of the consideration shall be recognized at the acquisition date as a part of consideration transferred. 3- Changing the method of measuring goodwill in case of Step Acquisition is made. <ul style="list-style-type: none"> • Adding a choice to measure non - controlling interests in the acquiree at fair value at the date of acquisition. • The transaction cost (the cost related to the acquisition): Shall be charged to the Income Statement as an expense in which the costs incurred it and shall not be added to the cash consideration transferred; except for the costs of issuing equity as debt instruments directly related to the acquisition process. 	<p>Currently, the management is assessing the potential impacts on its consolidated financial statements resulting from application of the standard.</p>

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New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
<u>Egyptian Standard No.(42):</u> <u>The Consolidated Financial Statements</u>	<ul style="list-style-type: none"> • The new Egyptian Accounting Standard No. (42) "<i>The Consolidated Financial Statements</i>" was issued and accordingly Egyptian Accounting Standard No. (17) "<i>The Consolidated and Separate Financial Statements</i>" has changed to become "<i>The Separate Financial Statements</i>". Pursuant to the new Egyptian Accounting Standard No. (42) "<i>The Consolidated Financial Statements</i>" The control model has changed to determine the investee entity that must be consolidated. • Accounting for the changes in the equity of the parent company in a subsidiary are accounted for as transactions with equity holders in their capacity as equity holders. • Any Investment retained in a former subsidiary re-measured at fair value at the date when control is lost and recognize any resulting difference in the Income Statement. • Losses applicable to the Non-Controlling Interest "NCI" in a subsidiary including component of Other Comprehensive Income are allocated to the owners of the holding entity and the NCI even if this causes the NCI to have a deficit balances. 	<p>Retroactive amendment to all the comparative figures of the consolidated financial statements and financial information presented.</p> <p>Currently, the management is assessing the potential impacts on its consolidated financial statements resulting from application of the standard.</p>

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New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
<u>Egyptian Standard No. (18): Investments in Associates</u>	<ul style="list-style-type: none"> • The accounting treatment of the joint ventures shall be added to this standard accordingly, the Investments in associates and joint ventures shall be accounted for that investments using the equity method in the Consolidated and Individual Financial Statements. • The entity shall discontinue to use the Equity method from the date when its investment ceases to be an associate or a joint venture provided that the retained interest shall be re-measured using the fair value and the difference shall be recognized in the Income Statement . • If an investment in an associate becomes an investment in a joint venture or vice versa, the entity continue to apply the Equity Method and does not re-measure the retained Interest. • If an entity's ownership interest in an associate or a joint venture reduced, but the entity continues to apply the Equity Method, the entity shall reclassify to profit or loss the proportions of the gain or loss that previously been recognized in OCI relating to that reduction in Ownership interest. 	<p>Retroactive amendment to all the comparative figures and financial information presented.</p> <p>Currently, the management is assessing the potential impacts on its financial statements resulting from application of the standard.</p>

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New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
<u>Egyptian Standard No. (44): Disclosure of Interests in Other Entities</u>	<ul style="list-style-type: none"> • A new Egyptian Accounting Standard No.(44) "Disclosure of Interests in Other Entities" was issued in order to comprise all the required disclosures pertaining to the investments in subsidiaries, associates, joint arrangements, and the unconsolidated Structured Entities. • The objective of this standard is to comply the entity to disclose the information that enable users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial position, financial performance, and cash flows. 	Retroactive amendment to all the comparative figures for the disclosures presented.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities. Certain comparative amounts are reclassified to conform with the current presentation of financial statements.

3.1 Basis of consolidation

3.1.1 Subsidiaries

- The consolidated interim financial statements include all subsidiaries that are controlled by the parent company and which the management intends to continue to control. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial

statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

- Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. EAS 24 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- Non - controlling interests shall be presented in the consolidated balance sheet within equity, separately from the parent shareholder's equity. Non - controlling interests in the profit or loss of the group shall also be separately disclosed.
- A parent loses control when it loses the power to govern the financial and operating policies of an investee so as to obtain benefit from its activities.

3.1.2 Loss exceeding non-controlling

Losses that exceed the non - controlling in the equity of a subsidiary may create a debit balance on non - controlling only if the minority has a binding obligation to fund the losses and is able to contribute an additional investment to cover the losses .If this is not the case then the losses are attributable to the parent's interest. If the subsidiary subsequently reports profits, then these profits are allocated to parent until the share of losses absorbed previously by the parent has been recovered.

3.1.3 Acquisitions from non- controlling interests without change in control

Business combinations arising from transfers of interests from non-controlling interests or in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that control was established; for this purpose comparatives are restated when practical. The assets and liabilities acquired are recognized at the carrying amounts recognized

previously in the Group's controlling shareholder's consolidated financial statements. The components of equity of the acquired entity are added to the same components within the Group equity except share capital. Cash paid in excess or less than the nominal value of the acquired shares from minority is recorded as notional capital distribution in lower value than nominal share from acquisition of minority interest within the shareholders' equity of the group financial statements.

3.1.4 Associates

Investments in associates are stated at equity method. Under the equity method the investment in associates is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the associates after the date of acquisition. Distributions received from associates reduce the carrying amount of the investment.

Losses of an associate in excess of the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate) are not recognized, unless the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of the acquisition over the Company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill, the goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

Unrealized gains or losses from transactions with associates are eliminated against the investment to the extent of the group's interest in the associate.

3.2 Foreign currency transactions

The Company maintains its accounts in Egyptian pounds. Transactions denominated in foreign currencies are translated at foreign exchange rates ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the foreign exchange rates ruling at that date. The foreign currency exchange differences arising on the translation at the reporting date are recognized in the consolidated income statement.

3.3 Foreign operations

As at the reporting date the assets and liabilities of these consolidated subsidiaries are translated to Egyptian Pound at the rates ruling as at the reporting date, and the shareholders' equity accounts are translated at historical rates, where as the income statement items are translated at the average exchange rates ruling during the period of the consolidated financial statements. Currency translation differences are recorded in the shareholders' equity section of the financial position as foreign currency translation reserve.

3.4 Recognition and disposals of the financial assets and liabilities

3.4.1 Recognition

The Group initially recognises deposits, receivables and debt instruments by fair value on the date that they are originated. All other financial assets and liabilities (including assets and liabilities designated as at fair value through profit or loss) are recognised when the Group becomes a party to the contractual provisions of the instrument.

3.4.2 Disposals

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, any interest in such transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

When an entity retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), the entity treats the transaction as a transfer of a financial asset if, and only if, all of the following three conditions are met:

- (a) The entity has no obligation to pay amounts to the eventual recipients unless it collects equivalent amounts from the original asset. Short-term advances by the entity with the right of full recovery of the amount lent plus accrued interest at market rates do not violate this condition.
- (b) The entity is prohibited by the terms of the transfer contract from selling or pledging the original asset other than as security to the eventual recipients for the obligation to pay them cash flows.
- (c) The entity has an obligation to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the entity is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents during the settlement period from the collection date to the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.

3.5 Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks. Derivatives are recognized initially at fair value; attributable transaction costs are recognized in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below:

- Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in profit or loss.
- If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the

amount recognized in equity is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in equity is transferred to profit or loss in the same period that the hedged item affects profit or loss.

- Changes in the fair value of a derivative hedging instrument designated as a fair value hedge are recognized in profit or loss. The hedged item also is stated at fair value in respect of the risk being hedged, with any gain or loss being recognized in profit or loss with an adjustment to the carrying amount of the hedged item.

3.6 Lending

Loans are stated at cost less any impairment losses in its value and the Company revaluates the loans at each financial position date, in case of impairment in the redeemable value of the loan less than its book value the loan is impaired by the value of impairment loss and recognized in income statement.

3.7 Cash and cash equivalents

For the purpose of preparing cash flow statement, cash and cash equivalents are represented in balances with original maturities of three months or less- (note 22).

3.8 Investments

3.8.1 Available-for-sale financial investments

Available-for-sale investments are valued at fair value, with any resultant gain or loss being recognized in equity, except for impairment losses which is recognized in the income statement. When these investments are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in the income statement. The fair value of investments available-for-sale identifies, based on quoted price of the exchange market at the balance sheet date, investments that are not quoted, and whose fair value cannot be measured reliably are valued by an accepted valuation techniques including the use of new objective techniques or discounted cash flow analysis or option pricing models or other valuation techniques – if the

company cannot estimate the fair value, it can be stated at cost less impairment loss.

3.8.2 Financial assets at fair value through profit or loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition, upon initial recognition attributable transaction costs are recognised in profit or loss when incurred, financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

3.8.3 Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

3.9 Share capital

Ordinary shares are classified as equity, incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3.10 Fixed assets depreciation

Fixed assets are stated at historical cost and presented in the balance sheet net of accumulated depreciation and impairment (note 3.18), and are depreciated using the straight line method and recognized in income statement over the estimated productive life for each type of asset. The following are the estimated productive lives, for each class of assets, for depreciation calculation purposes:

Assets depreciation	Estimated useful life
- Buildings & Constructions	5 -50 years
- Lease hold improvements	3 -10 years
- Machinery, Equipments & tools	4 -33 years
- Furniture & Fixtures	4 -16 years
- Computers	2 -10 years
- Transportation means	3 -15 years
- Barges	5 -20 years

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the property and equipment, all other expenditure is recognized in the income statement as an expense as incurred.

3.11 Gains and losses from disposal of fixed assets

Gains and losses from disposal of fixed assets are determined by comparing net disposal proceeds of assets to its net book value, resulted gain and losses are recorded in the income statement.

3.12 Projects under construction

Projects under construction are recognized initially at cost. Cost includes all expenditures directly attributable to bringing the asset to a working condition for its intended use, property and equipment under construction are transferred to property and equipment caption when they are completed and are ready for their intended use, projects under construction are presented in the consolidated balance sheet at cost less accumulated impairment losses.

3.13 Work in process

Work in process represents the cost of work not invoiced to the customer for contract work performed to date.

Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

3.14 Investment property

3.14.1 Recognition and initial measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured using the cost model on

initial recognition and subsequently assessed for impairment with any change therein recognized in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property, the cost of self-constructed investment property includes the cost of materials and direct labor, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalized borrowing costs.

When the use of investment property changes such that it is reclassified to property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting, thus if the company applies fair value method. In case that the company applies cost model, the investment property is reclassified to property, plant and equipment by its carrying value without changing the cost of property.

3.14.2 Cost incurred after initial recognition

Replacement cost of one of the asset component is recognized in the investment property cost after excluding the cost of the replaced assets.

The replacements give rise to future economic benefits that can be reliably measured. Other expenditure that not qualify for recognition should be charged to profit or loss as incurred.

3.15 Assets held-for-sale

Assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use is classified as held for sale, immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell any impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property and biological assets, which continue to be measured in accordance with the Group's accounting policies.

Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognized in profit or loss gains are not recognized in excess of any cumulative impairment loss, once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity accounted investee is no longer equity accounted.

3.16 Discontinued operations

Discontinued operations represents a separate major line of business or geographical area of operations, part of a single co-ordinated plan to dispose of a separate major lines of business or geographical area of operations or is a subsidiary acquired exclusively with a view to re-sale. Classifications as a discontinued operations occurs at the earlier of disposal or when the operations meets the criteria to be classified as held-for-sale, When an operation is classified as a discontinued operation, the comparative statements of profit or loss and cash flows are represented as if the operation had been discontinued from the start of the comparative year.

3.17 Intangible assets

3.17.1 Exploration and valuation assets

Recognition

- All costs arising from acquiring exploration assets are capitalized in addition to all future costs against granting the exploration right.
- Drilling and exploration costs are initially capitalized until drilling results evaluated, the evaluation process should take place periodically and costs should be capitalized as intangible assets until the evaluation results refer to the existence of mineral resources, and if that does not happen all costs should be recognized directly in the income statement.
- Non monetary assets that have no physical existence acquired for the business purposes and expected to generate future economic benefits are recorded as intangible assets. Intangible assets mainly include quarry site preparation costs.

Measurement

Intangible assets are measured at cost which is represented in the cash amount at the recognition date. If payment is deferred the difference between the cash price and the total payment is recognized as interest in the income statement. Intangible assets are presented at net of amortization and accumulated impairment losses (Note 3.18).

3.17.2 Goodwill

Goodwill (negative goodwill) arises on the acquisition of subsidiaries, associates and joint ventures. Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity. -When the excess is negative (negative goodwill), it is recognised immediately in profit or loss.

Goodwill is measured at cost less accumulated impairment losses.

In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment.

3.17.3 Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

3.17.4 Subsequent expenditures

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill, is recognised in profit or loss as incurred.

3.17.5 Amortization

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives for intangible assets range between 3:20 years.

3.18 Impairment

3.18.1 Financial assets

- A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired, a financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset, an impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate, an impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.
- Individually significant financial assets are tested for impairment on an individual basis, the remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.
- All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit or loss.
- An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss, for available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

3.18.2 Non-financial assets

- The carrying amounts of the Group's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment.

- If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.
- The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.
- An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.19 Trade and other receivables

Non-interest bearing short-term trade and other receivables are stated at cost less impairment losses. An impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss relating to trade receivables is recognised in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the income statement.

3.20 Biological assets

Biological assets and agricultural products are measured at fair value less estimated costs to sell, with any change therein recognised in profit or loss. The following is the measurement of the biological assets:

Corn, cotton and sunflowers	fair value less cost to sell
Fruitful fruit gardens and orchards	3- 50 years
Pregnant heifer, dry and dairy cows	56 months

3.21 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the moving average principle and includes expenditure incurred in acquiring the inventories and bringing it to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on the normal operating capacity.

3.22 Trade and other payables

Short-term trade and other payables are stated at cost.

3.23 Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that a flow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and where appropriate, the risks specific to the liability. Provisions are reviewed at the reporting date and amended (when necessary) to represent the best current estimate.

3.24 Contracts financial guarantees

Financial guarantee contracts are those contracts issued by the company to ensure given loans to customers from third parties, which require the company to do certain repayments to compensate the beneficiary for the loss incurred due to the failure of a debtor when repayable in accordance with the terms of a debt instrument, and provide those financial guarantees to banks and financial institutions and others on behalf of the company's customers.

The initial recognition of financial guarantees in the financial statements at fair value at the date of grant of security which is equal to the warranty fees. Later, it is measured by the company's commitment under the guarantee on the basis of the amount of the initial measurement less depreciation calculated for the recognition of guarantee fees in the income statement on a straight-line basis over the life of the warranty or the best estimate of payments required to settle any financial obligation arising from financial guarantee at the balance sheet date, whichever is higher. And those estimates are determined according to the experience in similar transactions and historical losses enhanced by virtue of the administration. Any increase in liabilities resulting from the financial guarantee is included at the income statement under general and administrative expenses.

3.25 Interest bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, Interest-bearing borrowings are stated at amortised cost with any difference

between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest rate basis.

3.26 Legal reserve

The company's Statutes provides for deduction of a sum equal to 5% of the annual net profit for formation of the legal reserve. Such deduction will be ceased when the total reserve reaches an amount equal to half of the company's issued capital and when the reserve falls below this limit, it shall be necessary to resume the deduction.

3.27 Dividends

Dividends are recognised as a liability in the year in which they are declared.

3.28 Income tax

- Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.
- Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.
- A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.29 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.30 Employees benefits

3.30.1 Pensions

The Group contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law. Under this law employees and employers contribute to the system a fixed percentage of the employees' salaries basis. The Group's liability is confined to such contributions amount. Contributions are charged to the income statement using the accrual basis of accounting.

3.30.2 Other short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.31 Share – based payments

For Equity-settled share-based payment transactions, the entity shall measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the entity cannot estimate reliably the fair value of the goods or services received, the entity shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

The entity shall settle the grant of equity instruments during the vesting period with the amount that would otherwise have been recognized for services received. The entity accounted for any settlements as a deduction from equity based on the final share price when the options are exercised.

3.32 Revenue

Revenues comprise the fair value of the consideration received or receivable for services in the ordinary course of the Company's activities. Revenue is shown net of sales tax, rebates, and discounts.

The Company recognizes revenues when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction, and the specifics of each arrangement.

3.32.1 Gain / loss on sale of investments

Gain / loss resulted from sale of investments are recognized on transaction date and measured by the difference between cost and selling price less selling commission and expenses.

3.32.2 Services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

3.32.3 Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

3.32.4 Dividend income

Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, dividend income is reported in other income caption in the income statement.

3.32.5 Interest income

Interest income is recognized on time proportion basis to take into account effective yield on the asset.

3.32.6 Management fee

Management fee is recognized upon rendering the service.

3.32.7 Advisory fee

Advisory fee is calculated based on agreed percentage in accordance with contract term with companies upon rendering the service.

3.32.8 Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, and the amount of revenue can be measured reliably.

3.32.9 Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognized in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed by survey of work performed.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognized immediately in profit or loss.

3.32.10 Cars conversion revenues

Revenue is recognized upon the completion of preparing cars to function using natural gas instead of Benzene upon issuing the invoice to the client.

3.32.11 Gas sales revenues

For actual gas sales, the company remits the funds it collects to EGPC net of its actual commission, which is calculated as a percentage of gas consumption.

3.32.12 Fuelling revenues

Revenues is recognized when supplying ships with fuel.

3.32.13 Natural gas revenues

Revenues is recognized when supplying cars with natural gas service is rendered.

3.32.14 Financial guarantees contracts revenues

- The main revenue for the company is represented in the commissions, which is the difference between the return on the funding given to the micro-projects and the company's bank dues by deducting the revenue from the services directly from the amounts to be collected from the owners of the projects.
- Recognition of the benefits and commissions resulting from performing the service according to the accrual basis as soon as the performance of the service to the client only if those revenues more than cover the financial year are recognized on a time proportion basis.
- Administrative commission of 3% of the value of the loan granted to customers are collected and that when hiring and are consumed on the duration of the loan.
- Interest of deposits are recognized according to the accrual basis of the temporal distribution throughout the year until the maturity date.

- Commission to delay for the payment of premiums is collected at rates to be agreed upon within the contracts and are recognized as soon as customers delayed payment on the basis of extended delay.

3.33 Borrowing costs

Borrowing costs are recognized as expenses in the profit or loss when incurred, with the exception of borrowing cost directly attributable to the construction and acquisition of new assets which is capitalized as part of the relevant assets cost and depreciated over assets' estimated useful lives. This capitalization ceases once the assets become in operational condition and ready for use.

3.34 Financial lease

Payments made under financial lease contracts are recognized as general and administrative expenses in the income statement during the period.

3.35 Employees' compulsory government social insurance share

The Company contributes to the government social insurance share for the benefit of its personnel in accordance with the social insurance law. Under this law, the employees and the employers contribute into the system on a fixed percentage-of-salaries basis. The company's liability is confined to the amount of its contribution. Contributions are charged to income statement using the accrual basis of accounting.

3.36 Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subjected to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on business segment.

4. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

4.1 Intangible assets

Intangible assets are stated at historical cost and amortised over a period from 3 to 20 years.

Other intangible assets that have finite useful lives are measured at cost less accumulated impairment loss.

4.2 Investment in equity and debt securities

The fair value of financial assets at fair value through profit or loss, held-to-maturity investments and available-for-sale financial assets is determined by reference to their quoted bid price at the reporting date. The fair value of held-to-maturity investments is determined for disclosure purposes only.

4.3 Trade and other receivables

The fair value of trade and other receivables, excluding construction work in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

4.4 Non-derivatives financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

4.5 Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

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5. Acquisition of subsidiaries

5.1 The Company has acquired the following companies during December, 2013:

1. National Development and Trading Group.
2. Orient Investment Properties Ltd. Group.
3. Citadel Capital Transportation Opportunities Ltd. Group -BVI.
4. Ledmore Holdings Ltd. Group.
5. Falcon for Agriculture Investments Ltd. Group -BVI.
6. Mena Home Furnishings Malls Ltd. Group - BVI.
7. KU Railways Holdings Limited Group.
8. Silverstone Capital Investment Ltd. Group.
9. United Foundries Group.

December 31, 2013	National Development and Trading Co.	Orient Investment Properties	Citadel Capital Transportation Opportunities	Ledmore Holdings Ltd.	Falcon for Agriculture Investments Ltd.	Mena Home Furnishings Malls Ltd.	KU Railways Holdings Ltd.	Silverstone Capital Investments Ltd.	United Foundries Group	Total
Cash and cash equivalents	188 721 260	1 081 126 990	2 784 723	5 100 331	45 067 742	2 442 741	41 637 168	513 942 325	3 465 865	1 884 289 145
Investments at fair value through profit or loss	53 289	--	--	461 642	3 727	--	--	212 961 014	--	213 479 672
Inventories	539 007 772	--	8 743 047	--	203 170 998	12 993 408	135 343 741	85 685 564	29 149 303	1 014 093 833
Contractions in progress	--	--	--	--	--	--	--	19 075 513	--	19 075 513
Trade and other receivables	182 716 731	--	37 856 888	--	114 304 243	5 205 375	148 405 959	419 474 802	35 678 016	943 642 014

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December 31, 2013	National Development and Trading Co.	Orient Investment Properties	Citadel Capital Transportation Opportunities	Ledmore Holdings Ltd.	Falcon for Agriculture Investments Ltd.	Mena Home Furnishings Malls Ltd.	KU Railways Holdings Ltd.	Silverstone Capital Investments Ltd.	United Foundries Group	Total
Debtors and other debit										
balances	517 043 632	6 001 601	35 388 379	22 694	67 942 739	3 249 794	211 921 471	47 640 546	31 928 823	921 139 679
Due from related parties	29 084 721	--	--	195 160	138 044 616	2 038 882	864 127	128 626 321	1 110 281	299 964 108
Assets held for sale	108 027 311	--	--	--	--	--	--	--	227 541 298	335 568 609
Work in process	13 652 899	--	--	--	--	--	3 099 425	--	--	16 752 324
Biological assets	--	--	--	--	203 326 531	--	--	--	--	203 326 531
Fixed assets	3 364 284 023	280 518 589	580 443 771	423 583	1 544 404 925	4 415 853	28 846 686	480 843 306	141 324 638	6 425 505 374
Projects under										
constructions	1 621 330 753	7 746 877 650	54 192 357	105 895 794	64 894 302	188 729 983	--	27 182 786	--	9 809 103 625
Investments in										
subsidiaries and										
associates	543 044 516	--	3 268 789	--	--	29 023	--	--	--	546 342 328
Investment property	--	--	--	--	3 390 003	356 923 062	--	--	--	360 313 065
Deferred tax assets	19 024 308	--	--	--	48 304 515	--	--	211 912	--	67 540 735
Available-for- sale										
investments	116 300	--	--	--	--	1 152	--	2 313 706	--	2 431 158
Payments for										
investments	2 346 428	--	--	--	--	--	--	--	--	2 346 428
Restricted cash	--	561 043 660	--	--	11 089 440	--	--	--	--	572 133 100

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December 31, 2013	National Development and Trading Co.	Orient Investment Properties	Citadel Capital Transportation Opportunities	Ledmore Holdings Ltd.	Falcon for Agriculture Investments Ltd.	Mena Home Furnishings Malls Ltd.	KU Railways Holdings Ltd.	Silverstone Capital Investments Ltd.	United Foundries Group	Total
Intangible assets	625 494 178	--	586 479	--	131 174 737	--	485 649 853	579 807 291	--	1 822 712 538
Other investments	8 893 602	342 858 555	--	--	209 963	--	--	--	--	351 962 120
Derivatives swap contracts	--	163 968 243	--	--	--	--	--	--	--	--
Banks- overdraft	(342 614 856)	--	--	--	(329 064 569)	(18 918)	(10 660 354)	(81 561 115)	(63 385 419)	(827 305 231)
Current portion of long term loans	(358 784 065)	--	(224 022 575)	--	(353 160 604)	(75 579 265)	(44 373 735)	(54 321 941)	(9 965 899)	(1 120 208 084)
Due to related parties	(283 337 795)	(8 347 730)	(154 454 676)	(5 002 997)	(309 087 190)	(159 830 879)	(2 535 578)	(6 877 616)	(59 078 135)	(988 552 596)
Trade and other payables	(398 619 496)	(2 148 384 126)	(20 847 094)	--	(242 384 337)	(28 628 936)	(167 468 315)	(203 690 027)	(14 290 955)	(3 224 313 286)
Creditors and other credit balances	(764 691 018)	(67 844 690)	(37 569 558)	(636 572)	(88 054 658)	(52 704 109)	(161 989 372)	(598 590 650)	(27 794 992)	(1 799 875 619)
Provisions	(208 920 375)	--	(6 966 913)	--	(49 312 684)	(3 145 000)	--	(10 158 786)	(2 620 927)	(281 124 685)
Liabilities held for sale	(416 981 070)	--	--	--	--	--	--	--	(206 209 073)	(623 190 143)
Loans from related parties	(1 053 696 138)	--	--	--	--	--	--	--	(185 273 116)	(1 238 969 254)
Long term loans	(2 113 350 554)	(1 629 496 538)	(132 112 914)	--	(135 552 156)	(108 556 972)	(775 702 143)	(95 394 186)	(1 116 652)	(4 991 282 115)
Long term liabilities	(3 593 754)	--	(3 267 838)	(17 339 160)	(5 804 616)	--	--	(106 791 589)	--	(136 796 957)
Deferred tax liabilities	(158 005 638)	(41 164 395)	--	--	(256 509 864)	(225 786)	34 727 562	(221 583 010)	(7 761 533)	(650 522 664)

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December 31, 2013	National Development and Trading Co.	Orient Investment Properties	Citadel Capital Transportation Opportunities	Ledmore Holdings Ltd.	Falcon for Agriculture Investments Ltd.	Mena Home Furnishings Malls Ltd.	KU Railways Holdings Ltd.	Silverstone Capital Investments Ltd.	United Foundries Group	Total
Net book Value	1 660 246 964	6 287 157 809	144 022 865	89 120 475	806 397 803	147 339 408	(72 233 505)	1 138 796 166	(107 298 477)	10 093 549 508
Non – controlling interests	(2 096 393 257)	(3 343 288 155)	(82 832 301)	(23 691 369)	--	(4 791 529)	--	(262 972 833)	--	(5 813 969 444)
Net book Value after non-controlling interests	(436 146 293)	2 943 869 654	61 190 564	65 429 106	806 397 803	142 547 879	(72 233 505)	875 823 333	(107 298 477)	4 279 580 064
Acquisition of additional interest	167 587 562	197 064 569	113 377 892	24 559 321	446 344 673	108 917 089	348 317 108	365 241 077	92 075 704	1 863 484 995
Investment before acquisition of additional share	(27 355 082)	885 376 524	103 165 131	64 217 588	368 650 274	72 875 333	224 106 209	277 393 188	(11 595 867)	1 956 833 298
Total consideration paid	140 232 480	1 082 441 093	216 543 023	88 776 909	814 994 947	181 792 422	572 423 317	642 634 265	80 479 837	3 820 318 293
Goodwill	391 097 410	--	179 739 380	42 086 170	475 578 225	101 542 605	--	13 517 727	136 949 678	1 340 511 195

- The Group has prepared the Purchase Price Allocation (PPA) study to determine the fair value of the identifiable assets acquired and the liabilities assumed according to the Egyptian Accounting Standards including the required fair value adjustments for assets and liabilities.

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- 5.2 During June 30, 2015 the Company has increased ownership percentage of ASEC company for mining (ASCOM) from 39.22% to 54.74% and transferred from associate to subsidiary.

The value of the consolidated assets and liabilities for ASEC Company for mining (ASCOM) as at June 30, 2015 are represented in the following:

Book Value

Cash and cash equivalents	32 989 684
Inventories	48 429 982
Trade and other receivables	151 951 001
Debtors and other debit balances	61 242 296
Due from related parties	199 291
Fixed assets	645 048 721
Projects under construction	18 264 896
Available-for- sale investments	441 876
Intangible assets	229 893 694
Banks overdraft	(142 677 401)
Short term loans	(280 934 525)
Due to related parties	(1 250 429)
Trade and other payables	(107 217 178)
Creditors and other credit balances	(148 243 224)
Provisions	(16 401 121)
Long term loans	(113 464 610)
Long term liabilities	(7 539 965)
Deferred tax liabilities	(8 356 951)
Net book value	362 376 037
Non - controlling interests	30 885 415
Net book Value after non-controlling interests	393 261 452
Acquisition of additional interest	119 998 110
Investment before acquisition of additional share	97 983 806
Total consideration paid	217 981 916
Provisional goodwill	2 711 518

- The acquired company's financial statements have been consolidated based on the book value of the identifiable assets and liabilities, The Company has a grace period of 12 months ending June 2016 for preparing Purchase Price Allocation (PPA) study to determine the fair value of the identifiable assets and liabilities according to the Egyptian Accounting Standards. The Company is in the process of determining this fair value exercise and adjust accordingly.

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6. Fixed assets (net)

	Land	Buildings	Lease hold improvements	Machinery, equipment and tools	Furniture, fixtures and electric	Computer equipment	Transportation means and barges	Total
Cost as at 1/1/2015	1 413 488 920	1 418 326 164	104 736 708	3 758 604 639	261 764 912	41 931 222	521 815 260	7 520 667 825
Adjustments on the beginning balance	(134 727 371)	155 927 651	--	5 216 709	(1 878 457)	--	621 838	25 160 370
Acquisition of subsidiaries (Note 5.2)	13 984 171	172 240 125	930 115	751 560 198	6 309 824	8 254 312	54 341 626	1 007 620 371
Additions ***	65 939 644	96 156 811	5 547 616	249 045 644	12 396 334	5 891 727	12 079 629	447 057 405
Transferred to assets held for sale								
(Note 23.1)	(5 985 000)	--	--	(607 222)	(14 785 267)	--	(1 144 806)	(22 522 295)
Transferred from assets held for sale**	--	44 094	--	6 636 362	461 100	--	--	7 141 556
Disposals (Note 23)	(16 618 747)	(715 637 796)	--	(1 311 044 534)	(31 021 885)	(57 413)	(55 267 110)	(2 129 647 485)
Foreign currency translation differences	27 712 431	15 048 371	2 073 863	107 827 176	7 596 768	2 278 306	5 888 749	168 425 664
Cost as at 31/12/2015	1 363 794 048	1 142 105 420	113 288 302	3 567 238 972	240 843 329	58 298 154	538 335 186	7 023 903 411
Accumulated depreciation and impairment as at 1/1/2015	303 898	241 056 830	33 476 770	1 002 520 235	204 165 231	33 916 732	168 663 862	1 684 103 558
Adjustments on the beginning balance	--	(3 375 643)	--	4 365 762	(51 378)	20 163	57 958	1 016 862
Acquisition of subsidiaries (Note 5.2)	--	16 430 466	730 274	295 259 018	4 808 603	7 521 248	37 822 041	362 571 650
Depreciation for the year*	36 018	57 594 100	7 465 273	238 103 461	18 329 581	4 417 460	36 455 680	362 401 573
Transferred to assets held for sale								
(Note 23.1)	--	--	--	(604 250)	(12 968 507)	--	(1 144 805)	(14 717 562)
Transferred from assets held for sale**	--	44 094	--	1 230 907	431 539	--	--	1 706 540
Accumulated depreciation of disposals								
(Note 23)	(215 863)	(80 377 624)	--	(197 758 959)	(20 863 369)	(31 338)	(26 682 063)	(325 929 216)
Foreign currency translation differences	19 543	20 115 071	89 278	52 669 544	13 287 643	1 138 889	(1 340 707)	85 979 261
Accumulated depreciation as at 31/12/2015	143 596	251 487 294	41 761 595	1 395 785 718	207 139 343	46 983 154	213 831 966	2 157 132 666
Carrying amounts								
At 31/12/2015	1 363 650 452	890 618 126	71 526 707	2 171 453 254	33 703 986	11 315 000	324 503 220	4 866 770 745
At 31/12/2014	1 413 185 022	1 177 269 334	71 259 938	2 756 084 404	57 599 681	8 014 490	353 151 398	5 836 564 267

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- * Administrative depreciation for the year has been recognized in administrative expenses (Note 39) and operating depreciation has been recognized in operating costs (Note 38).
- ** Represents disposal group assets related to Global Energy Company (a subsidiary in Energy segment) that no longer classified as held for sale due to the fact that the disposal group held for sale is no more meet definition of a discontinued operation.
- *** Additions include the amount transferred from project under construction (Note 7).

7. Projects under construction (net)

7.1 Projects under construction balance represented in the following:

	31/12/2015	31/12/2014
Balance at the beginning of the year	11 927 228 869	10 005 697 279
Adjustments	(88 770 442)	--
Acquisition of subsidiaries (Note 5.2)	18 264 896	282 525
Disposals of the year	(317 475 317)	(11 051 997)
Transfer to assets held for sale (Note 23.1)	(188 539 627)	(991 678 027)
Transfer to associates (Note 12)	--	(346 748 317)
Additions of the year	4 934 982 149	3 168 018 313
Transferred to fixed assets (Note 6)	(131 021 810)	(94 724 786)
Foreign currency translation differences	1 101 506 021	197 433 879
Balance	17 256 174 739	11 927 228 869
Accumulated impairment	(93 730 892)	(85 919 984)
Net	17 162 443 847	11 841 308 885

7.2 The Group projects under construction are represented in:

	31/12/2015	31/12/2014
Agriculture Food sector	124 353 800	179 560 081
Energy sector *	16 847 265 279	11 205 200 406
Transportation and Logistics sector	69 503 038	45 160 079
Cement sector	73 444 088	201 484 702
Speciality real estate	--	187 939 624
Financial Services sector	29 080 396	21 963 993
Mining sector	18 797 246	--
Total	17 162 443 847	11 841 308 885

- * Projects under construction - Energy sector include an amount of EGP 16 837 704 055 represents the projects of ERC Company, subsidiary.

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8. Intangible assets (net)

	Note	31/12/2015	31/12/2014
Software	(8-1)	13 151 204	16 028 294
Concession	(8-2)	792 230 640	731 295 765
Exploration and valuation assets	(8-3)	246 288 076	--
Trade name	(8-4)	346 210 520	484 041 987
Customer contracts	(8-5)	461 637 000	461 637 000
Other intangible assets	(8-6)	2 919 357	199 725 693
Balance		<u>1 862 436 797</u>	<u>1 892 728 739</u>

8.1 Software

	31/12/2015	31/12/2014
Cost at the beginning of the year	51 841 773	52 395 079
Additions of the year	3 582 517	675 155
Disposals of the year	(190 958)	--
Transferred to assets held for sale	--	(1 033 811)
Foreign currency translation differences	3 810 770	(194 650)
Cost at the end of the year	<u>59 044 102</u>	<u>51 841 773</u>
Accumulated amortization at the beginning of the year	(35 813 479)	(28 046 972)
Amortization for the year	(5 777 840)	(8 284 742)
Foreign currency translation differences	(4 301 579)	518 235
Accumulated amortization at the end of the year	<u>(45 892 898)</u>	<u>(35 813 479)</u>
Net	<u>13 151 204</u>	<u>16 028 294</u>

8.2 Concession

	31/12/2015	31/12/2014
Cost at the beginning of the year	829 321 993	530 663 790
Additions of the year	104 991 901	275 370 716
Foreign currency translation differences	32 568 607	23 287 487
Cost at the end of the year	<u>966 882 501</u>	<u>829 321 993</u>
Accumulated amortization at the beginning of the year	(98 026 228)	(57 117 838)
Amortization for the year	(46 865 713)	(40 949 875)
Foreign currency translation differences	(29 759 920)	41 485
Accumulated amortization at the end of the year	<u>(174 651 861)</u>	<u>(98 026 228)</u>
Net	<u>792 230 640</u>	<u>731 295 765</u>

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8.3 Exploration and valuation assets

8.3.1 Site preparation expenses

	31/12/2015	31/12/2014
Acquisition of subsidiaries *	456 786	--
Amortization for the year	(231 359)	--
Foreign currency translation differences	238 161	--
Balance	463 588	--

8.3.2 Search and exploration expenses

	31/12/2015	31/12/2014
Acquisition of subsidiaries *	220 137 282	--
Additions of the year	10 966 330	--
Foreign currency translation differences	3 287 616	--
Balance	234 391 228	--

8.3.3 License

	31/12/2015	31/12/2014
Acquisition of subsidiaries *	16 006 690	--
Amortization for the year	(27 352)	--
Foreign currency translation differences	(1 025 672)	--
Balance	14 953 666	--
Total	249 808 482	--
Accumulated impairment **	(3 520 406)	--
Net	246 288 076	--

**Accumulated impairment	31/12/2015	31/12/2014
Acquisition of subsidiaries *	6 707 064	--
Reversal of impairment during the year	(376 641)	--
Foreign currency translation differences	(2 810 017)	--
Balance	3 520 406	--

* Note (5.2).

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8.4 Trade name	31/12/2015	31/12/2014
Silverstone Capital Investment Ltd. Group	108 279 000	108 279 000
Falcon for Agricultural Investments Ltd. *	129 485 000	129 485 000
National Development and Trading Company *	246 277 987	246 277 987
Total	484 041 987	484 041 987
Impairment *	(137 831 467)	--
Net	346 210 520	484 041 987

8.5 Customer contracts	31/12/2015	31/12/2014
Global for Energy (Distribution)	92 709 000	92 709 000
Global for Energy (Generation)	76 357 000	76 357 000
Gas & Energy Company (Genco Group)	292 571 000	292 571 000
Total	461 637 000	461 637 000

8.6 Other intangible assets

	31/12/2015	31/12/2014
License fees for constructing cement plant – Minya Note (23)	--	200 650 015
Waiving of the license to establish a black cement factory for ASEC Syria according to contractual agreement at January 2005	2 384 079	4 024 407
Compensation paid for project workers	535 278	903 563
Total	2 919 357	205 577 985
Accumulated impairment Note (23)	--	(5 852 292)
Net	2 919 357	199 725 693

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9. Goodwill (net)

	Balance as at 1/1/2015	Foreign currency translation differences	Impairment**	Disposals of subsidiaries***	Acquisition of subsidiaries	Impairment of discontinued operations	Transferred to assets held for sale	Balance as at 31/12/2015
National Development and Trading Group	292 101 398	--	(93 322 007)	(55 479 763)	--	--	--	143 299 628
Citadel Capital Transportation Opportunities Ltd.- Group – BVI	179 739 380	--	--	--	--	--	--	179 739 380
Ledmore Holdings Ltd. Group	58 780 645	3 307 091	(62 087 736)	--	--	--	--	--
Falcon for Agriculture Investments Ltd.- Group - BVI *	631 802 102	--	(12 601 531)	(297 218 763)	--	(40 824 305)	--	281 157 503
Mena Home Furnishings Malls Ltd. - Group – BVI (Note 23.1)	101 542 605	--	--	--	--	--	(101 542 605)	--
ASEC for mining (ASCOM) (Note 5.2)	--	--	--	--	2 711 518	--	--	2 711 518
United Foundries Group	128 691 022	--	(128 691 022)	--	--	--	--	--
Silverstone Capital Investment Ltd. Group *	13 517 727	(524 498)	--	--	--	--	--	12 993 229
Tawazon for Solid Waste Management (Tawazon) Group	32 611 311	--	--	--	--	--	--	32 611 311
Balance	1 438 786 190	2 782 593	(296 702 296)	(352 698 526)	2 711 518	(40 824 305)	(101 542 605)	652 512 569

* The goodwill balance of these companies includes an accumulated impairment.

**Note (40)

***Note (23)

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10. Biological assets (net)

	Note	31/12/2015	31/12/2014
Non-current assets			
Fruitful fruit gardens and orchards	(10.1)	4 661 225	4 636 682
Fruitless fruit gardens and orchards	(10.2)	5 318 485	8 160 938
Pregnant heifer, dry and dairy cows	(10.3)	110 123 996	98 708 803
Heifers	(10.4)	75 940 675	77 536 388
		<u>196 044 381</u>	<u>189 042 811</u>
Current assets			
Plants (cotton , corn , sun flower)		1 092 000	1 001 000
Others		23 971 763	20 378 458
		<u>25 063 763</u>	<u>21 379 458</u>
Balance		<u>221 108 144</u>	<u>210 422 269</u>
10.1 Fruitful fruit gardens and orchards			
		31/12/2015	31/12/2014
Costs			
Balance at the beginning of the year		8 681 337	10 396 162
Transferred from fruitless fruit gardens and orchards		1 346 787	--
Disposals of the year		--	(1 695 087)
Foreign currency translation differences		--	(19 738)
		<u>10 028 124</u>	<u>8 681 337</u>
Accumulated depreciation			
Balance at the beginning of the year		4 044 655	3 928 158
Depreciation for the year		1 303 601	1 509 595
Disposals of the year		--	(1 372 270)
Foreign currency translation differences		18 643	(20 828)
		<u>5 366 899</u>	<u>4 044 655</u>
Net		<u>4 661 225</u>	<u>4 636 682</u>

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10.2 Fruitless fruit gardens and orchards	31/12/2015	31/12/2014
Costs		
Balance at the beginning of the year	8 160 938	3 970 554
Additions of the year	1 122 271	4 127 926
Disposals of the year	(2 719 961)	--
Transferred to fruitful fruit gardens and orchards	(1 346 787)	--
Foreign currency translation differences	102 024	62 458
Balance	<u>5 318 485</u>	<u>8 160 938</u>
 10.3 Pregnant heifer, dry and dairy cows	 31/12/2015	 31/12/2014
Costs		
Balance at the beginning of the year	159 723 914	156 675 907
Transferred from heifers	57 785 668	40 043 990
Disposals for the year	(37 975 032)	(36 995 983)
	<u>179 534 550</u>	<u>159 723 914</u>
 Accumulated depreciation		
Balance at the beginning of the year	61 015 111	51 785 406
Depreciation for the year	22 048 299	19 915 003
Disposals of the year	(13 771 252)	(10 791 553)
Foreign currency translation differences	118 396	106 255
	<u>69 410 554</u>	<u>61 015 111</u>
Net	<u>110 123 996</u>	<u>98 708 803</u>
 10.4 Heifers	 31/12/2015	 31/12/2014
Costs		
Balance at the beginning of the year	77 536 388	66 546 494
Additions of the year	57 069 074	52 188 099
Transferred to pregnant heifer, dry and dairy cows	(57 785 668)	(40 043 990)
Disposals of the year	(1 695 447)	(1 761 989)
Foreign currency translation differences	816 328	607 774
Balance	<u>75 940 675</u>	<u>77 536 388</u>

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11. Investment property (net)

	Land	Buildings	Others	Total
Cost as at 1/1/2015	247 130 432	136 644 784	39 178 018	422 953 234
Additions for the year	--	--	39 962	39 962
Disposals for the year	(3 389 999)	--	--	(3 389 999)
Transferred to assets held for sale (Note 23.1)	(219 740 433)	(136 644 784)	(39 217 980)	(395 603 197)
Cost as at 31/12/2015	24 000 000	--	--	24 000 000
Accumulated depreciation at 1/1/2015	--	33 957 373	15 926 905	49 884 278
Depreciation for the year	--	8 320 434	4 195 756	12 516 190
Foreign currency translation differences	--	(232 625)	(117 306)	(349 931)
Transferred to assets held for sale (Note 23.1)	--	(42 045 182)	(20 005 355)	(62 050 537)
Accumulated depreciation as at 31/12/2015	--	--	--	--
Net Book value as at 31/12/2015	24 000 000	--	--	24 000 000 *
Net Book value as at 31/12/2014	247 130 432	102 687 411	23 251 113	373 068 956

* Investment property balance represents the value of the two plots in Smart Village.

12. Investments in associates (net)

12.1 The Group investments in associates are represented in:

	Percentage		Carrying amounts	
	2015	2014	31/12/2015	31/12/2014
	%	%		
El Kateb for Marketing & Distribution Co.	48.88	48.88	1 304 723	1 821 981
ElSharq Book Stores Co.	40.00	40.00	13 785 001	14 142 334
ASEC Company for Mining (ASCOM) (Note 5.2)	--	39.22	--	96 801 485
Dar El-Sherouk Ltd. */**	58.51	58.51	127 869 996	132 221 959
Mena Glass Ltd.	47.64	47.64	434 014 696	405 433 456
Grandview Investment Holding (Note 23.1)	--	48.02	--	357 866 588
Soiete Des Ciments De Zahana ***	35.00	35.00	413 338 832	371 910 791
Ostool for Land Transportation S.A.E.	45.00	45.00	9 680 976	6 218 334
Misr Cement Qena (Note 43)	--	27.55	--	566 593 425
Total			999 994 224	1 953 010 353
Impairment * Note (40)			(100 000 000)	--
Net			899 994 224	1 953 010 353

** The Company does not consolidate this company as the control does not exist as the company has no power to govern the financial and operational policies of this company according to the shareholders' signed agreements.

*** Investment has been transferred from a subsidiary in National Development and Trading Company to an associate and accounted for using the equity method during 2014.

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12.2 Summary of significant financial statements of associates

31/12/2015	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Revenues	Expenses
El Kateb for Marketing & Distribution Co.	8 875 606	12 841 192	21 716 798	9 028 962	129 806	9 158 768	7 317 001	8 342 717
Elsharq Book Stores Co.	11 141 828	3 390 877	14 532 705	5 457 291	345 189	5 802 480	23 084 795	24 060 910
Dar El-Sherouk Ltd.	125 926 154	117 973 474	243 899 628	97 139 915	5 781 060	102 920 975	36 815 630	45 210 768
Soiete Des Ciments De Zahana	177 012 366	848 677 880	1 025 690 246	151 219 740	249 052 328	400 272 068	407 429 589	285 077 452
Mena Glass Ltd.	915 915 257	--	915 915 257	87 726 467	--	87 726 467	68 184 262	2 069 969

- Note (36).

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13. Available-for-sale investments (net)

	31/12/2015	31/12/2014
Logria Holding Ltd. *	507 000 000	464 750 000
Golden Crescent Investment Ltd. *	494 266 500	453 077 625
EFG Capital Partners Fund II & III	23 705 289	23 705 289
Sphinx Turnaround	28 058 776	25 720 545
Modern Company for Isolating Materials	43 396	43 396
MEFEK Co. *	872 388	872 388
ASEC Automation Co.- Free Zone	116 300	116 300
Med Grid	1 610 411	1 614 543
Ecligo Design Ltd.	1000	1 187
Sharming Sharm	700 207	702 000
Medcom National Company	1 000	1 000
Cayman Resources *	31 331 774	--
Total	1 087 707 041	970 604 273
Accumulated impairment *	(1 033 395 724)	(918 700 013)
Net	54 311 317	51 904 260

* Accumulated impairment in available-for-sale investments of the Company is represented in:

	Balance as at 1/1/2015	Foreign currency translation Differences	Acquisition of Subsidiaries	Formed during the year**	Balance as at 31/12/2015
Logria Holding Ltd.	464 750 000	42 250 000	--	--	507 000 000
Golden Crescent Investment Ltd.	453 077 625	41 188 875	--	--	494 266 500
MEFEK Co.	872 388	--	--	--	872 388
Cayman Resources	--	--	30 889 896	366 940	31 256 836
Balance	918 700 013	83 438 875	30 889 896	366 940	1 033 395 724

**Note (40).

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14. Payments for investments (net)

	31/12/2015	31/12/2014
Nile Valley Petroleum Ltd. *	58 378 523	53 513 646
ASCOM Emirates for Mining */****	--	39 632 529
Citadel Capital Al Qalaa – Saudi Arabia	1 127 896	1 033 904
Medcom National Development and Trading Co.	--	914 019
National Development and Trading Co. (IRAQ) Ltd. *	300 514	300 514
ASA International Co.	1 432 409	1 432 409
Golden Crescent Investment Ltd.	1 950 000	1 787 500
Others **	76 487 198	42 532 008
Total	139 676 540	141 146 529
Accumulated impairment *	(58 679 037)	(39 933 043)
Net	80 997 503	101 213 486

* Accumulated impairment in payments for investments of the Company is represented in:

	Balance as at 1/1/2015	Foreign currency translation Differences	Formed during the year****	Acquisition of Subsidiaries	Balance as at 31/12/2015
National Development and Trading Co. (IRAQ) Ltd.	300 514	--	--	--	300 514
ASCOM Emirates for Mining	39 632 529	--	--	(39 632 529)	--
Nile Valley Petroleum Ltd.	--	823 287	57 555 236	--	58 378 523
Balance	39 933 043	823 287	57 555 236	(39 632 529)	58 679 037

** Represent payments for investments in strategically and specialized sectors as energy, mining, cement and nutrition.

*** Note (5.2)

**** Note (40)

15. Loans to related parties

	31/12/2015	31/12/2014
Bomi Holdings Ltd.*	--	134 176 156

* Ambience Venture Ltd. (Indirect subsidiary 100%) has finalized a purchase contract with Bomi Holdings Ltd. which is one of the shareholders of KU Railways Holdings Limited (KURH – subsidiary 85%) to acquire their shares in KU Railways Holdings Limited (KURH) against the outstanding loan due to the company. consequently the share percentage of Bomi Holdings Ltd. in KU Railways Holdings Limited (KURH) net assets has been excluded from the non – controlling interest item.

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16. Other investments

	Note	31/12/2015	31/12/2014
Restricted cash	(16-1)	262 776 657	433 068 758
Others	(16-2)	7 023 876	8 284 201
Balance		<u>269 800 533</u>	<u>441 352 959</u>

16-1 Restricted cash as at December 31, 2015 includes an amount of EGP 210 974 338 (equivalent to US.\$ 27 047 992) versus an amount of EGP 421 979 315 (equivalent to US.\$ 59 018 086) as at December 31, 2014 which represents the amount deposited at the bank under capital increase of Orient Investment Properties Ltd. (one of the subsidiaries).

16-2 Others include an amount of EGP 6 954 870 as at December 31, 2015 versus EGP 7 148 608 at December 31, 2014 which represent deposits at Syria Central Bank as a guarantee for the seriousness of constructing ASEC Syria Cement Capital Factory and will be refunded at the beginning of production process.

17. Inventories (net)

	31/12/2015	31/12/2014
Spare parts	429 180 253	377 111 673
Raw materials	289 890 958	229 448 582
Work in process	115 069 764	155 908 058
Finished goods	108 438 100	139 097 983
Goods in-transit	2 610 658	4 595 026
Packing materials	2 698 314	13 605 735
Oil and lubricants	80 766 014	11 992 645
Others	17 015 361	61 608 208
Total	<u>1 045 669 422</u>	<u>993 367 910</u>
Less : Inventories write-down	<u>(28 917 570)</u>	<u>(23 513 621)</u>
Net	<u>1 016 751 852</u>	<u>969 854 289</u>

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18. Trade and other receivables (net)

	31/12/2015	31/12/2014
Non-current		
Accounts receivables	6 835 093	29 786 621
Gas consumption deposits	86 625 685	79 102 409
Egyptian General Petroleum Corp. *	431 569 359	352 705 246
Receivables-sale of investment **	114 655 848	126 958 906
Others	70 721 500	1 903 194
Total	710 407 485	590 456 376
Accumulated impairment	--	(1 654 367)
Net	710 407 485	588 802 009
Current		
Accounts receivables	1 231 806 499	1 002 654 080
Notes receivables	36 988 335	32 761 997
Receivable – sale of investment ***	17 102 289	--
Total	1 285 897 123	1 035 416 077
Accumulated impairment	(118 358 971)	(86 276 529)
Net	1 167 538 152	949 139 548
Balance	1 877 945 637	1 537 941 557

* The balance represents the amount paid on behalf of Egyptian General Petroleum Corp. in the share capital increase of Egyptian Refining Company – S.A.E. – Private Free Zone Company - one of the subsidiaries.

** The amount represents the accrued consideration from sale of investments. As United Foundaries Company decided to sell its entire share interest in Alexandria for Car Foundries and Amreya Metal Company according to Extraordinary General Assembly meetings on November 23, 2014. On December 11, 2014 the company sold its entire share interest according to the signed sale agreement.

*** The amount represents sale of investments in Pharos Holding Company according to the signed sale agreement.

19. Investments at fair value through profit or loss

	31/12/2015	31/12/2014
Modern Shorouk for Printing Co.	1 130 009	1 665 120
Osoul investment fund certificates – CIB	810 966	6 404 041
HSBC investment fund certificates	2 241 533	69 299 302
Blom Bank investment fund certificates	43 430	--
Bank Audi investment fund certificates	15 602 129	--
National Bank of Egypt investment fund certificates	13 961 314	--
Others	--	3 480 890
Balance	33 789 381	80 849 353

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20. Due from related parties (net)

	Nature of transaction		31/12/2015	31/12/2014
	Advisory fee	Finance		
Logria Holding Ltd. *	42 930 428	5 092 807	48 023 235	43 438 953
Golden Crescent Investment Ltd. *	29 758 950	--	29 758 950	27 279 037
ASEC Company for Mining (ASCOM) ***	--	--	--	156 639 616
Golden Crescent Finco Ltd. *	--	228 402 049	228 402 049	208 834 061
Emerald Financial Services Ltd. *	--	254 388 857	254 388 857	217 186 398
Nile Valley Petroleum Ltd. *	--	168 055 462	168 055 462	154 163 731
Citadel Capital East Africa	--	29 484	29 484	27 027
Citadel Capital ALQALAA -Saudi Arabia	--	738 223	738 223	701 050
El Kateb for Marketing & Distribution Co.	--	1 001 673	1 001 673	1 001 673
Nahda	--	5 029 838	5 029 838	4 610 685
Egyptian Company for international Publication	--	21 012 855	21 012 855	15 782 855
Ecligo	--	2 000 000	2 000 000	1 999 997
Soite Des Ciments De Zahana	--	3 478 394	3 478 394	7 994 001
ASEC Electrical Repairs Co. (REPELCO) *	--	526 236	526 236	526 236
Egyptian Polypropylene Bags Co. (EPBC)	--	20 000	20 000	20 000
ASA International Co.	--	11 116 331	11 116 331	7 054 883
Haider	--	145 754	145 754	233 635
FL Smith	--	4 335 046	4 335 046	13 751 406
Scimitar Production Egypt Ltd.	12 696 910	--	12 696 910	1 966 529
Grandview Investment Holding	--	1 559 407	1 559 407	(1 319 711)
Others	--	1 512 053	1 512 053	23 210 435
Total			793 830 757	885 102 497
Accumulated impairment *			(729 154 789)	(468 180 044)
Net			64 675 968	416 922 453
Due from shareholders:				
Benu One Ltd.	--	468 527 810	468 527 810	530 149 998
Fenix One Ltd.	--	39 288 631	39 288 631	26 300 002
Others *	--	39 756 031	39 756 031	10 610 486
Total			547 572 472	567 060 486
Accumulated impairment *			(5 850 000)	--
Net			541 722 472	567 060 486
Balance			606 398 440	983 982 939

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* Accumulated impairment in due from related parties is represented in:

	Balance as at 1/1/2015	Formed during the year **	Foreign currency translation differences	Balance as at 31/12/2015
Logria Holding Ltd.	41 633 349	2 568 860	3 821 026	48 023 235
Golden Crescent Finco Ltd.	208 834 061	574 850	18 993 138	228 402 049
Emerald Financial Services Ltd.	217 186 398	17 212 035	19 990 424	254 388 857
ASEC Electrical Repairs Co. (REPELCO)	526 236	--	--	526 236
Golden Crescent Investment Ltd.	--	29 758 950	--	29 758 950
Nile Valley Petroleum Ltd.	--	165 685 449	2 370 013	168 055 462
	<u>468 180 044</u>	<u>215 800 144</u>	<u>45 174 601</u>	<u>729 154 789</u>
Shareholders' current accounts	--	5 767 500	82 500	5 850 000
Balance		<u>221 567 644</u>	<u>45 257 101</u>	

** Note (40).

*** Note (5.2)

21. Debtors and other debit balances (net)

	31/12/2015	31/12/2014
Prepaid expenses	17 713 506	28 998 457
Deposits with others	42 821 023	147 863 842
Advances to suppliers	326 787 142	308 190 636
Letters of guarantee margin	26 749 363	77 515 369
Imprest	38 592 449	24 241 815
Accrued revenue	62 936 721	32 077 269
Refundable deposits	4 631 578	7 591 741
Amounts due from sale of investments	31 320 000	28 660 000
Operation retention	102 873 999	92 971 145
Advances to contractors	53 360 869	49 169 794
Prepayments for purchase of fixed assets	11 052 974	12 582 970
Tax Authority	176 750 854	148 930 014
Custom Authority	50 185	3 045 328
Letters of credit	170 815 843	2 990 878
Debit balances under settlement	21 520 891	14 659 406
General Authority for Economic Zone of the Suez Canal*	145 091 560	--
Sundry debit balances	<u>192 032 444</u>	<u>95 570 054</u>
Total	<u>1 425 101 401</u>	<u>1 075 058 718</u>
Accumulated impairment	<u>(67 403 332)</u>	<u>(45 888 777)</u>
Balance	<u>1 357 698 069</u>	<u>1 029 169 941</u>

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*Represents the amount due from the General Authority for Economic Zone of the Suez Canal to terminate the Build, Operate, Transfer (BOT) concession agreement to build Fuel Bunkering Terminal and Logistics Hub in Suez canal. The two parties agreed on committing the General Authority for Economic Zone to pay all costs incurred on the project by Mashreq petroleum company (subsidiary), provided that the company will deliver the land that was allocated to the project as well as the designs of the project.

22. Cash and cash equivalents

	31/12/2015	31/12/2014
Cash on hand	5 321 155	11 217 325
Banks - current accounts	2 596 344 525	1 742 773 759
Banks - time deposits	381 146 143	185 718 380
Cheques under collection	26 429 217	13 783 401
Deposit certificates	--	2 100 000
Treasury bills	343 759 439	226 496 513
Cash and cash equivalent as presented in the consolidated statement of financial position	3 353 000 479	2 182 089 378
Effect of foreign exchange differences	--	(66 093 870)
Adjusted cash and cash equivalents	3 353 000 479	2 115 995 508

23. Disposal group held –for – sale

- National Development and trading Company's management decided on December 24, 2012 to sell its share in ESACO for Manufacturing Engineering and Construction (subsidiary 70%).
- ASEC Cement Company's board of directors decided on May 4, 2014 to sell ASEC Algeria Cement Company (ASEC CIMENT)
- Falcon for Agriculture Investments Ltd. BVI Company decided to sell its shares in the following companies:
 1. El-Eguizy International for Economic Development
 2. Misr October Company for Food Products
 3. Up-date Company for Food Products
 4. Nile for Food Products "Enjoy"

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According to the following general assembly decisions:

- Ordinary general assembly of National Company for Investments and Agriculture (Gozour) - Subsidiary of Falcon for Agriculture Investments Ltd. BVI- that was held at February 23, 2014 decided to sell its investment at El-Eguizy International for Economic Development Company.
- Ordinary general assembly of National Company for Investments and Agriculture (Gozour) -Subsidiary of Falcon for Agriculture Investments Ltd. BVI- that was held at March 30, 2014 decided to sell its investment at the following companies:
 - Misr October Company for Food Products
 - Up-date Company for Food Products
- Ordinary general assembly of Misr October Company for Food Products-Subsidiary of Falcon for Agriculture Investments Ltd. BVI- that was held at March 30, 2014 decided to sell its investment at Nile for Food Products "Enjoy" Company.
- On June 26, 2014 Citadel Capital for International Investments Ltd. Company (subsidiary -100%) signed contract to sell its shares in Sphinx Glass Ltd. and the ownership was transferred as at August 24, 2014.
- On February 3, 2015 Citadel Capital Co. signed contract to sell its shares in Pharos Holding for Financial Investments (Associate-80%) and the ownership has been transferred at February 18, 2015.
- The company has announced for its intention to conclude a set of agreements with Financial Holdings International (FHI), one of Citadel Capital major co-investors, through which the company will acquire from FHI additional equity stakes in the following:
 - 1- ASEC Holding (cement)
 - 2- TAQA Arabia (energy)
 - 3- Mashreq (energy)
 - 4- Nile Logistics (transportation)
 - 5- Dina Farms Supermarkets (food retail chain)
 - 6- United Foundries (metallurgy).
- Simultaneously, the company will sell to FHI its equity stakes in the following companies:
 - 1- Mena home company
 - 2- Grand view company
 - 3- Dina farms land company

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*Is to be splitted – off from the existing investment and the company is currently in the process of preparing the final sale plan. Accordingly, the company has not classified the asset as assets held for sale.

- On October 5, 2015 the company announced that its subsidiary ASEC Cement has signed a sale and purchase agreement to sell its entire share in ASEC Minya Cement and ASEC Ready Mix Co. (Subsidiaries) to Misr Cement Qena for total consideration of approximately EGP 1 billion. The agreement has already finalized as at November 20th 2015. (noting that the company owns 70% from the total shares of ASEC Cement).
- On November 10, 2015 the company announced that its business unit, Gozour, has signed a sale and purchase agreement - with Olayan Financing Company and its subsidiaries – to sell its entire investment in Rashidi El-Mizan, for a total consideration of EGP 518 million. The agreement has already finalized as at December 16, 2015.

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23.1 Assets classified as held-for-sale as at December 31, 2015 are represented in the following:

	Esaco for Manufacturing and Engineering	ASEC Algeria Cement Company	Mena Home Furnishing Malls Ltd.	Falcon for Agriculture Investments Ltd. BVI Subsidiaries	Arab Swiss Engineering Co. (ASEC)	Grandview Investment Holding	Total
Fixed assets (net)	19 946 461	5 298 758	1 819 733	241 624 482	5 985 000	--	274 674 434
Intangible assets	--	--	--	1 033 812	--	--	1 033 812
Projects under construction	--	974 523 453	188 539 627	--	--	--	1 163 063 080
Inventories (net)	16 066 218	--	--	165 703	--	--	16 231 921
Trade and other receivables (net)	1 212 879	--	--	--	--	--	1 212 879
Debtors and other debit balances	7 410 987	19 146 346	7 595 449	2 866 578	--	--	37 019 360
Due from related parties	22 094 808	306 289	22 790	1 278 318	--	--	23 702 205
Investment property (net)	--	--	333 552 660	--	--	--	333 552 660
Cash and cash equivalents	643 160	--	408 689	117 612 620	--	--	118 664 469
Goodwill (net)	--	--	101 542 605	--	--	--	101 542 605
Investment in associates	--	--	--	--	--	402 841 838	402 841 838
Balance	67 374 513	999 274 846	633 481 553	364 581 513	5 985 000	402 841 838	2 473 539 263

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23.2 Liabilities classified as held-for-sale as at December 31, 2015 are represented in the following:

	Esaco for Manufacturing and Engineering	ASEC Algeria Cement Company	Mena Home Furnishing Malls Ltd.	Falcon for Agriculture Investments Ltd. BVI Subsidiaries	Arab Swiss Engineering Co. (ASEC)	Total
Provisions	11 923 349	--	4 635 368	30 698 117	--	47 256 834
Banks' overdraft	41 047	--	--	--	--	41 047
Current portion of long term loans	--	--	104 892 606	--	--	104 892 606
Trade and other payables	68 658 805	67 022 975	--	158 465 120	--	294 146 900
Due to related parties	13 134 218	1 787 494	1 232 899	1 343 519	--	17 498 130
Creditors and other credit balances	38 983 638	6 081 733	81 660 852	--	--	126 726 223
Long term loans	40 909 570	--	104 780 785	267 522 364	--	413 212 719
Deferred tax	7 081 142	--	--	2 345 967	--	9 427 109
Accumulated impairment	--	--	--	--	235 000	235 000
Balance	180 731 769	74 892 202	297 202 510	460 375 087	235 000	1 013 436 568

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23.3 Net profit (loss) from discontinued operations (net of tax)

For the year ended December 31, 2015

	Esaco for Manufacturing and Engineering	Mena Home Furnishing Malls Ltd.	Falcon for Agriculture Investments Ltd. BVI Subsidiaries	ASEC Ready Mix and ASEC Minya Cement Company	Total
Discontinued operations :-					
Operating income	21 093 689	8 035 865	492 009 353	1 084 272 455	1 605 411 362
Operating costs	(39 011 296)	(21 333 229)	(354 654 479)	(837 855 484)	(1 252 854 488)
Administrative expenses	--	(8 344 328)	(152 330 802)	(36 341 209)	(197 016 339)
Other revenues / (expenses)					
(Note 23.3.2)	--	2 353 640	(64 446 854)	(28 178 195)	(90 271 409)
Finance costs - net	--	(24 670 405)	(54 227 458)	(109 645 470)	(188 543 333)
Results from operating activities	(17 917 607)	(43 958 457)	(133 650 240)	72 252 097	(123 274 207)
Income tax	--	--	(6 081 175)	(27 717 660)	(33 798 835)
Results from operating activities, net of tax	(17 917 607)	(43 958 457)	(139 731 415)	44 534 437	(157 073 042)
Gains on sale of discontinued operation (Note 23.3.1)	--	--	192 251 083	358 830 086	551 081 169
Profit (loss) from discontinued operation, net of tax	(17 917 607)	(43 958 457)	52 519 668	403 364 523	394 008 127

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For the year ended December 31, 2014

	Esaco for Manufacturing and Engineering	Amreya Metal Company	Alexandria for Car Foundries	Falcon for Agriculture Investments Ltd. BVI Subsidiaries	Mena Home Furnishing Malls Ltd.	ASEC Ready Mix and ASEC Minya Cement Company	Total
Discontinued operations :-							
Operating income	19 665 419	24 769 374	1 419 662	498 420 022	10 350 557	1 290 386 893	1 845 011 927
Operating costs	(17 608 134)	(31 958 357)	(33 238 255)	(512 622 083)	(22 542 771)	(881 467 490)	(1 499 437 090)
Administrative expenses	(9 893 059)	--	--	(76 729 656)	(17 280 260)	(61 093 228)	(164 996 203)
Other revenues / (expenses)	833 126	--	--	964 938	(2 070 473)	(3 310 509)	(3 582 918)
Financial cost - net	(18 824 514)	(2 220 153)	(22 748 621)	(56 083 641)	(33 649 331)	(133 921 368)	(267 447 628)
Results from operating activities	(25 827 162)	(9 409 136)	(54 567 214)	(146 050 420)	(65 192 278)	210 594 298	(90 451 912)
Income tax	--	34 060	--	(4 196 711)	206 377	(4 570 129)	(8 526 403)
Results from operating activities, net of tax	(25 827 162)	(9 375 076)	(54 567 214)	(150 247 131)	(64 985 901)	206 024 169	(98 978 315)
Gains on sale of discontinued operations (Note 23.3.1)	--	7 614 797	50 027 069	--	--	--	57 641 866
(Loss) profit from discontinued operation	(25 827 162)	(1 760 279)	(4 540 145)	(150 247 131)	(64 985 901)	206 024 169	(41 336 449)

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23.3.1 Gains on sale of discontinued operations

For the year ended December 31, 2015

	El Rashidi El Mizan - Egypt and El Rashidi - Sudan	ASEC Ready Mix and ASEC Minya Cement Company	Total
Total assets	(846 620 294)	(2 508 277 350)	(3 354 897 644)
Total liabilities	482 596 254	1 937 397 332	2 419 993 586
Net assets	(364 024 040)	(570 880 018)	(934 904 058)
Cash consideration	556 275 123	929 710 104	1 485 985 227
	192 251 083	358 830 086	551 081 169

For the year ended December 31, 2014

	Amreya Metal Company	Alexandria for Car Foundries	Total
Total assets	(53 354 657)	(240 053 691)	(293 408 348)
Total liabilities	49 909 454	174 181 854	224 091 308
Net assets	(3 445 203)	(65 871 837)	(69 317 040)
Cash consideration	11 060 000	115 898 906	126 958 906
	7 614 797	50 027 069	57 641 866

23.3.2 Impairment losses of EGP 59 705 239 for write-downs of the disposal operations (related to Falcon Agriculture Investments Ltd) to the lower of its carrying amount and its fair value less costs to sell have been included in "Other expenses". The disposal operations related to Falcon Agriculture Investments Ltd. comprised the following companies:

Company name	Amount
El – Eguizy International for Economic Development Company	610 739
Misr October Company for Food Products	39 825 328
Up-date Company for Food Products	388 239
Nile for Food Products "Enjoy"	18 880 933
Total	59 705 239

- The impairment losses have been applied to reduce the carrying amount of goodwill and trade name within the disposal operations.

24. Share capital

- The Company's authorized capital is EGP 6 Billion and the issued and paid-in capital is EGP 4 358 125 000 represents 871 625 000 shares distributed to 653 718 750 ordinary shares and 217 906 250 preferred shares with par value EGP 5 per share.
- The Company's extra-ordinary general assembly meeting held on October 20, 2013 approved the increase of the authorized capital from EGP 6 billion to EGP 9 billion and the increase of the issued capital from EGP 4 358 125 000 to EGP 8 billion, with an increase of EGP 3 641 875 000 by issuing 728 375 000 new shares at par value of EGP 5 per share, distributed over 182 093 750 preferred shares and 546 281 250 ordinary shares, without issuance costs. The purpose of this capital increase is to finance the acquisition of additional shares in its related companies, financing the Company's share contribution in the capital increases of some of its related companies and entering into new investments and settlement of some of Company's liabilities. The Board of Directors approved in its meeting held on February 13, 2014 to cover the subscription of the unsubscribed Company's shares in the capital increase through offsetting the shareholders' credit balances that are payable by the Company (note 25) against the subscription price of the shares. The commercial register has been updated with the increase on April 16, 2014.
- The Company's extra-ordinary general assembly meeting held on March 25, 2015 approved the increase of the authorized capital from EGP 9 billion to EGP 10 billion and the increase of the issued capital from EGP 8 billion to EGP 9.7 billion, with an increase of EGP 1.7 billion in cash allowing the use of credit balances payable to existing shareholders by issuing 340 million new shares at par value of EGP 5 per share, consisting of 85 million preferred shares and 255 million ordinary shares, without issuance costs. The capital increase subscription started on June 2, 2015 and closed on the end of the working day September 9, 2015. The subscription had been covered by 64.71% represented in 220 million share of which 1 738 649 preferred share with an amount of EGP 8 693 245 and 218 261 351 ordinary share with an amount of EGP 1 091 306 755, with a total amount of EGP 1.1 billion and thus the company's issued share capital after increase amounted EGP 9.1 billion, represents 1 820 000 000 shares comprising of 1 418 261 351 ordinary share and 401 738 649 preferred share at par value of EGP 5 per share. The commercial register has been updated with the increase on September 29, 2015.
- The preferred share has the advantage of triple voting right comparing with ordinary share on the decisions of the Company's extraordinary and ordinary general assembly meetings according to the decision of the Company's extra-ordinary general assembly meeting held on May 12, 2008 and also paragraph no.(3) of article no.(18) of the Company's article of associations. Those preferred shares are owned by Citadel Capital Partners Ltd. the principle shareholder of the Company.

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The shareholders' structure -after increase- is represented as follows:

Shareholders' name	Percentage %	No. of Shares	31/12/2015 EGP
Citadel Capital Partners Ltd.	24.36	443 295 671	2 216 478 355
Emirates International Investments Company	7.62	138 767 960	693 839 800
Others	68.02	1 237 936 369	6 189 681 845
	100	1 820 000 000	9 100 000 000

25. Shareholders' credit balances

Shareholders' credit balances represent the amounts payable to the shareholders resulting from:

- Purchased extra ownership share percentages in some of its subsidiaries and associates companies from those shareholders through Citadel Capital for International Investments Ltd. (subsidiary 100%).
- Consultancy fee to the Company and its subsidiaries.

Shareholders' credit balances as at December 31, 2015 are represented in the following:-

Shareholders' name and description	31/12/2015	31/12/2014
(1) Shareholders' credit balances to be settled in cash		
Magdy Mohamed Mustafa Saleh	--	8 291 345
Khaled Abd EL Hamed Ali Abou Bakr	1 296 432	5 756 696
Tamer Abd EL Hamed Abou Bakr	--	5 004 561
Karnation Limited	--	3 427 599
Abdel Khalek Mohamed Mohamed Ayad	--	1 474 000
Others	167 879	1 140 319
Total shareholders' credit balances (1)	1 464 311	25 094 520
(2) Shareholders' credit balances to be settled through issuance of share capital increase		
(2-A) Against share percentages in investee companies		
Citadel Capital Partners Ltd.*	--	135 270 985
Tamer Abd EL Hamed Ali Abou Bakr	--	20 991 510
Khaled Abd EL Hamed Ali Abou Bakr	--	4 685 450
Karnation Limited	--	3 319 680
Abdel Khalek Mohamed Mohamed Ayad	--	2 211 650
Ansan Wikfs Investments Ltd.	--	31 120 405
Marwan Ahmed Hassan Gaber	--	7 947 045
Shady Ahmed Hassan Gaber	--	5 089 215

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Shareholders' name and description	31/12/2015	31/12/2014
Mostafa Ahmed Hassan Gaber	--	5 089 215
Mariam Ahmed Hassan Gaber	--	4 457 080
Salma Ahmed Hassan Gaber	--	4 457 080
Jana Ahmed Hassan Gaber	--	4 457 080
Aidaroos Hassan Omar Al Esayi	--	27 119 395
Yacoub Youssef Mohamed	--	12 450 290
Raya Holding Company for Technology and Communication	--	20 831 250
DEG DEUTSCHE INVESTITONS UND ENTWICKLUNGSGESLLSCHAFT MBH	--	77 000 000
Commercial International Bank	--	--
Petroleum and investment Co. (PICO)	--	--
SJC Egypt Refining LLC	--	179 956 810
International Finance Corporation	--	166 684 520
Others	--	23 133 505
Total shareholders' credit balances (2-A)	--	736 272 165

(2-B) Against consultancy fee for the Company and its subsidiaries

Adena Commercial Corp.	--	69 110 000
Osler Hoskin & Harconrt LLP	--	6 366 180
Total shareholders' credit balances (2-B)	--	75 476 180
Total shareholders' credit balances (2)	--	811 748 345
Balance (1+2)	1 464 311	836 842 865

- EGP 840 000 000 has been used during the year to increase the share capital (Note 24).
- * Shareholders' credit balance of Citadel Capital Partners Ltd. has been transferred to the creditor current account with an amount of EGP 126 966 356 (Note 30).

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26. Loans

Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Dina for Agriculture Investments	-Ahly United Bank	EGP: Average	2014-2018	160 875 000	32 175 000	128 700 000	- Pledge over all the company's assets and real estate first rank Pledge on 7 172 feddan of company's land.
	-United Bank	3.625% plus					
	-Arab Egyptian Real Estate Bank.	Corridor					- Partially mortgage on the company's assets.
Arab Company for Services and Trade	Credit Agricole	4% annually	2014	1 493 567	1 493 567	--	- Partially pledging shares of ASEC Cement Company
National Development and Trading Company	Qatar National Bank	12.5%	September 2016	172 532 454	1 288 046	171 244 408	- Partially pledged shares of ASEC Cement Company
National Development and Trading Company	Arab Investment Bank	12%	December 2017	92 551 906	980 784	91 571 122	- Partially pledge of ASEC Cement Co. shares, ASEC Engineering shares, ASENPRO shares and ESACO shares to the bank.
National Development and Trading Company	Industrial Development and Workers Bank of Egypt	11.5%	December 2017	184 477 373	2 189 248	182 288 125	- Mortgage of ASEC Cement Co. shares, ASEC Engineering shares, ASENPRO shares and ESACO shares to the bank.

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Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
National Development and Trading Company	Bank/Company Misr Iran Development Bank	2.50% plus corridor rate	December 2018	121 334 067	1 406 283	119 927 784	- Pledging 33.3 million shares of subsidiaries with a value not less than 333% from the total amount of credit facility, also shares custody should be by the bank and dividends to be collected under the cognition of the bank.
Arab Swiss Engineering Co. (ASEC)	Ahli United Bank	2.25% Plus corridor for current 3.25% plus corridor for non-current	November 2018	108 364 266	61 639 266	46 725 000	Assignment of White Sinai Cement Co. management contract.
Arab Swiss Engineering Co. (ASEC)	Al Barka Bank	11.5%	June 2016	31 879 464	19 050 000	12 829 464	Assignment of South Valley Cement Co. management contract.
ASEC Cement Company	Sudanese Egyptian bank	11%	2015	111 586 273	106 355 706	5 230 567	Murabha contracts.
Taqa Arabia	Commercial International Bank	3.25% plus corridor rate	2016-2020	199 488 487	24 936 062	174 552 425	
Global Energy	HSBC Arab Bank	EGP: 2.25% plus average Corridor US.\$: 1.3% plus Libor	2014-2016 2014-2018	39 899 699	24 287 726	15 611 973	- The amount of capital injected parallel to the premiums payable in the event that the net profit + depreciation + cash inadequate to pay the premiums due.

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
							<ul style="list-style-type: none"> - No change in the company shall take place without written consent from the bank - The company undertakes not to pledge, mortgage, or impose any liens / seniority over any assets in Sharm El Sheikh Project. - The company executed a commercial pledge contract with Arab Bank. <p>The pledge include all the Group's tangible and intangible assets in addition to the power generation station in Scimitar project in Red Sea Governorate.</p>

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Taqa Marketing	HSBC Cairo Bank	EGP: 3% plus corridor	2014-2018 2014-2020	42 366 378	12 506 902	29 859 476	<ul style="list-style-type: none"> - The company made a proxy to the bank that is empowering to impose a commercial pledge on existing tangible and intangible assets which was financed by the loan. Taqa Arabia undertakes the following:- <ul style="list-style-type: none"> - Maintain the direct or indirect controlling interest during the contract period and till the actual repayment. - Cover any deficiency in the debt service ratio or increase in the investment costs or operating expenses by injecting cash in the form of capital increase or subordinated loans with priority to the bank.

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Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Egyptian Refining Company – S.A.E.	Bank/Company Japan Bank for International Cooperation (JBIC)	US.\$: Libor for such interest period Plus 4.10%	2017-2029	2 255 790 646	--	2 255 790 646	- Egyptian Refining Company shall deliver to each lender original, signed, undated and blank promissory notes. - Egyptian Refining Company has signed a general irrevocable power of attorney dated August 10, 2010 to the benefits of Commercial International Bank "CIB" at his capacity as the Egyptian Security Agent of the term loan facility.
Egyptian Refining Company – S.A.E.	Group of Commercial Banks (NEXI – Covered Lenders)	US.\$: Libor for period Plus 1.75% per annum	2017-2029	1 475 449 825	--	1 475 449 825	
Egyptian Refining Company – S.A.E.	Export – Import Bank of Korea (KEXIM)	US.\$: Libor for such interest period plus 3.6% per annum up to the project completion. 4% per annum from the project completion to the end of the 5th year. 4.6% per annum for any time thereafter.	2017-2029	2 699 370 640	--	2 699 370 640	

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Egyptian Refining Company – S.A.E.	Financial	US\$. Libor for such	2017-2029	955 370 192	--	955 370 192	
	Institutions	interest period plus					
	(KEXIM Initial	1.95 % per annum					
	Guaranteed facility	plus Mandatory cost					
Egyptian Refining Company – S.A.E.	lenders)						
	European	Libor for such	2017-2029	2 367 285 180	--	2 367 285 180	
	Investment Bank	interest period					
	(EIB)	Plus or minus the					
		spread of the related					
		year as determined					
		by the bank (1.5%					
		for the current					
		period)					
		Plus Mandatory cost					

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Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Egyptian Refining Company – S.A.E.	Bank/Company						
	African Development Bank (AFDB)	Fixed interest rate: 3.30 % per annum Plus Base rate calculated by the bank as set in the agreement Or Variable interest rate: LIBOR for such interest period Plus 3.30 % per annum	2017-2029	1 560 000 000	--	1 560 000 000	
Egyptian Refining Company – S.A.E.	African Development Bank (AFDB)	Fixed interest rate: -5% per annum -Plus base rate Or Variable interest rate: LIBOR for such interest period plus 5% per annum	2017-2025	235 896 531	--	235 896 531	- Egyptian Refining Company shall deliver to AFDB an original, signed, undated and blank promissory notes. - Egyptian Refining Company shall not make any distribution or other payment to the shareholders (or their affiliates) in respect of equity funding or shareholders loans until all amounts due and payable under the loan have been paid in full.

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Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Egyptian Refining Company – S.A.E.	Bank/Company						
	MITSUE & Co.	- US\$ 6 months	2020	88 059 028	--	88 059 028	
	Ltd.	- Libor					
		- Plus 3 % per annum					
Less: Deferred borrowing cost *							
Egyptian Refining Company – S.A.E.				(1 436 559 142)	--	(1 436 559 142)	
Citadel Capital S.A.E	Citi Bank	US\$: First tranche:	2012-2022	1 952 070 533	1 410 403 839	541 666 694	- First degree lien contract of the shares owned by the Company in National Development and Trading Company.
	(syndication loan manager)	(4.25 %+Libor rate).					
	(Arab African	Second tranche:					
	International Bank,	3.9% plus Libor					
	Arab International	Third Tranche: 3.9%					- First degree lien contract of the shares owned by the Company in International Company for Mining Consulting.
	Bank, Banque du	plus Libor					
	caire, Misr Bank,						
	and Piraeus Bank)						- First degree lien contract of the shares owned by the Company in United Foundries Company.

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
							<ul style="list-style-type: none"> - First degree lien contract of the shares of Citadel Capital Ltd. (One of the subsidiaries of Citadel Capital Holding for Financial Investments-Free Zone). - First degree lien contract on the shares owned by the Company in ASEC Cement Company. - First degree lien contract on the shares owned by the Company in ASEC Company for Mining (ASCOM). - First degree lien contract of Citadel Capital Ltd. (One of the subsidiaries of Citadel Capital Holding for Financial Investments-Free Zone) investments on the following companies: <ul style="list-style-type: none"> - Orient Investments Properties Ltd.

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
							- Logria Holding Ltd.
							- Golden Crescent Investments Ltd.
							- Falcon Agriculture Investments Ltd.
							- Silverstone Capital Investment Ltd.
							- Mena Glass Ltd.
							- Mena Home Furnishings Mall.
							- Valencia Trading Holding Ltd.
							- Andalusia Trading Investments Ltd.
							- Citadel Capital Transportation Opportunities Ltd.
							- Lotus Alliance Limited.
							- Citadel Capital Financing Corp.
							- Grandview Investment Holding
							- Africa Railways Holding

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
							<ul style="list-style-type: none"> - National Company for Marine Petroleum Services (Petromar) - Taqa Arabia S.A.E. - Egyptian Company for Solid Waste Recycling (ECARU) - Engineering Tasks Group (ENTAG) - Mashreq Petroleum - Ledmore Holdings Ltd. - Everys Holdings Limited - Eco-Logic Ltd. - Sequoia Willow Investments Ltd. - Underscore International Holdings Ltd. - Brennan Solutions - Citadel Capital Transportation Opportunities II Ltd. - Citadel for Investments Promotion Company

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Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
International for Refinery Consultation	Arab International Bank	US\$.5.2% Annually	2016	210 490 823	210 490 823	--	Letter of guarantee from Standard chartered Bank of korea Limited with the mount due to Arab International Bank.
National Company for Refining Consultation	Arab International Bank	US\$. : 15 608 926 Interest to be paid upon maturity	2015	512 408 029	--	512 408 029	The loan is guaranteed by pledging the Company's (50 million) share in Orient Investments Properties Ltd. in favour of the bank.
Sabina for Integrated Solutions	Khartoum Bank – Sudan	US\$. Murabha		22 946 765	12 008 123	10 938 642	And the bank as the authority to switch the ownership of these shares any time against granted loan.
National Company for Multimodal Transport S.A.E.	Arab African International Bank Bank of Alexandria and Misr Bank (syndicated loan)	EGP: corridor Average accrued every 6 months	2012-2016	457 733 484	457 733 484	--	Possessory pledge for machinery and equipment. – Open the Revenue Account with the Loan Agent (Misr Bank).
							– Conclude a first degree pledge over the Revenue Account.

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
							<ul style="list-style-type: none"> - Conclude first degree mortgage on the barges. - Conclude first degree mortgage over all present and future tangible and intangible assets. - An undertaking to provide the Security Agent with the operational insurance policies over the New Barges within 15 days from the expiry date of the construction insurance policy. - Assign the Borrower's rights under the insurance policies covering operating Barges, for the full replacement value against all insurable risks for which it would be prudent to insure for ("Adequate Insurance") to be endorsed in favour of the Security Agent (Arab African International Bank) for itself and on behalf of the Banks.

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
							<ul style="list-style-type: none"> - Assign all borrower's compensation rights under the insurance policies covering the Borrower's New Barges during construction year, in favour of the Security Agent (Arab African International Bank) for itself and on behalf of the Banks. - Assign the proceeds (one year or more) from long term transportation service contracts signed with the borrower's customers in favour of the Security Agent (Arab African International Bank). - Assign the borrower's rights of any damages arising under the Material Project Contracts and related banks' guarantees under such contracts in favour of the Security Agent (Arab African International Bank) for itself and on behalf of the banks.

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
KU Railways Holding Limited	International Finance Corporation	US.\$ Effective interest rate for year 2013 14%	2017-2021	227 046 580	30 273 656	196 772 924	
KU Railways Holding Limited	International Finance Corporation	US.\$ fixed interest rate: basic lending rate plus 6.25% or variable rate: Libor for six months plus 6.25%	2017-2026	162 394 798	13 764 722	148 630 076	
KU Railways Holding Limited	Africa Development Bank	US.\$ Libor plus 6.25%	2017-2021	322 485 111	22 592 185	299 892 926	
KU Railways Holding Limited	FMO	US.\$ Libor plus 6.25%	2017-2026	241 938 091	17 078 030	224 860 061	
KU Railways Holding Limited	International Finance Corporation	US. \$ Libor plus (5.5% or 6.25%)	2017-2021	177 440 694	12 497 581	164 943 113	
KU Railways Holding Limited	Equity Bank	US.\$ Interest rate for treasury bills of Kenya 91 days plus 4% or 14% which is bigger	2017-2021	157 133 839	19 286 951	137 846 888	

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
KU Railways Holding Limited	KFW	US.\$ Libor plus (5.5% or 6.25%)	2017-2026	256 464 016	14 800 157	241 663 859	
KU Railways Holding Limited	Equity Bank EARH Loan		2017-2027	17 218 320	1 679 675	15 538 645	- The loan from Equity Bank is repayable semi-annually over 10 years starting from June 2017.
Less: prepaid fee				(48 068 846)	(5 467 245)	(42 601 601)	
ASCOM company for chemicals and carbonates manufacturing	Ahli United Bank	Libor for 3 months plus 2 % Default rate 1%		72 665 200	32 646 328	40 018 872	- First rank mortgage for all property and real estate on the project. - First rank commercial mortgage on all physical and moral assets. - First rank commercial mortgage on calcium carbonate production line. - Deposit all earnings resulting from future sale contracts related to calcium carbonate production in the favour of the bank.

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non-current	Guarantees
Glass rock company for isolation	Misr Bank	Libor for 3 months plus 4.5% Default rate 1% annually	2013-2016	233 120 950	233 120 950	--	<ul style="list-style-type: none"> - The company undertakes not to change, pledge, mortgage, sell, or lease (or change any of the main or consequential moral rights) over any mortgaged assets as per this contract, and not to provide any proxy to make any mortgage on these assets during the finance period without obtaining a prior written consent of the Bank. - First rank mortgage for all property and real estate on the project. - First rank commercial mortgage on all physical and moral assets. - Deposit all earnings resulting from future sale contracts in the favour of the bank.

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
							<p>- The company undertakes not to change, pledge, mortgage, sell, or lease (or change any of the main or consequential moral rights) over any mortgaged assets as per this contract, and not to provide any proxy to make any mortgage on these assets during the finance period without obtaining a prior written consent of the Bank.</p> <p>- ASEC company for mining- the holding company- undertake the obligation to pay the company debt in case of default.</p>

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Borrowing company	Lender	Interest rate	Maturity date	Outstanding balance	Current	Non-current	Guarantees
ASCOM Emirates for mining UAE	Bank/Company Dubai Commercial Bank	Morabha	2010-2015	20 932 061	20 932 061	--	- ASEC company for mining- the holding company- and the UAE partner (ASEC Emirates for mining)- subsidiary- guaranteed the payment of the company debt (resulting from a loan contract by UAE Dirham 28 million) in case of default.
Trimstone Assets Holdings Ltd.	Arab International Bank	US.\$ 5% plus six months Libor	2013-2014	141 007 652	141 007 652	--	- Includes a first degree pledge over all shares owned by the borrower of "TAQA Arabia" covering 115% of the value of the existing liability in favour of (Arab International Bank).
							- Includes a first degree pledge over shares of "Citadel Capital for financial consultancy" S.A.E (the ultimate parent company) covering 35% of the value of the existing liability in favour of (Arab International Bank).
				16 604 939 934	2 933 157 562	13 671 782 372	

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Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non -current	Guarantees
Loans from related parties							
National Development and Trading Company	Financial Holdings International	11.5% per annum compound interest		607 091 729	607 091 729	--	The guarantees are represented in lien on part of National Development and Trading Company shares in the following subsidiaries companies: ASEC Cement Company 41 050 000 shares Arab Swiss Engineering Company (ASEC) 899 900 shares The guarantees are represented in a first degree lien of United Foundries Company shares in Ameryah Metal Company one of its subsidiaries with a percentage of 99.72%.
National Development and Trading Company	Vigenar Company	11.5% per annum compound interest		12 758 208	12 758 208	--	
United Foundries	Financial Holdings International	11.5% per annum compound interest		51 453 639	26 969 390	24 484 249	
				<u>671 303 576</u>	<u>646 819 327</u>	<u>24 484 249</u>	
				<u>17 276 243 510</u>	<u>3 579 976 889</u>	<u>13 696 266 621</u>	

* This balance represents the necessary financing cost incurred by Egyptian Refining Company S.A.E to obtain the credit facility and loans required to finance its project. It will be amortized over the loan life using the effective interest rate.

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27. Long term liabilities and derivatives

	31/12/2015	31/12/2014
Derivatives swap contracts (27.3)	268 258 442	258 015 765
Creditors-purchase of investments (27.1)	10 787 486	10 787 486
Creditors-Purchase of fixed assets	1 466 234	--
End of service benefits	2 027 275	2 660 057
Deposits from others (27.2)	132 517 655	122 072 451
Social Insurance authority	13 114 628	8 574 258
Others	8 197 369	--
Balance	<u>436 369 089</u>	<u>402 110 017</u>

27.1 This balance represents the amount due from Tanweer for Marketing and Distribution Company (Tanweer) (subsidiary - 99.88%) for purchasing investment in Dar El-Sherouk Ltd.-BVI- in the favour of the shareholders of the mentioned company.

27.2 Deposits from others

	31/12/2015	31/12/2014
Gas consumption deposits	111 685 353	103 587 327
Power consumption deposits	20 832 302	16 251 936
Others	--	2 233 188
Balance	<u>132 517 655</u>	<u>122 072 451</u>

27.3 Egyptian Refining Company (subsidiary) has entered into five Interest Rate Swap transactions with the following parties;

- Societe General Corporate & Investment Banking.
- HSBC Bank Middle East Limited.
- KFW IPEX-Bank GMBH.
- Mitsubishi UFJ Securities International PLC.
- Standard Chartered Bank.

The main terms of the transactions are as follows;

Trade date: June 25, 2012.

Effective date: July 3, 2012.

Termination date: December 20, 2024.

Fixed portion rate paid by the company is 2.3475%.

Floating rate paid by bank is USD – LIBOR – BBA 6 months.

Payment date: Semi – annually on the commencing December 20, 2012.

Maximum notional amount covered under these transactions are;

- US.\$ 789 445 078 by Standard Chartered Bank.
- US.\$ 450 970 501 by Societe General Corporate & Investment Banking.
- US.\$ 435 971 044 by HSBC Bank Middle East Limited.

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- US.\$ 107 759 253 by KFW IPEX – Bank GMBH.
- US.\$ 189 466 819 by Mitsubishi UFJ Securities International PLC.

As at December 31, 2015 the balance related to the change in the fair value of cash flow hedges related to hedged transactions is amounting to EGP 268 258 442 (equivalent to US.\$ 34 392 108) versus EGP 258 015 765 (equivalent to US.\$ 36 086 121) as at December 31, 2014 as follows:

	31/12/2015	31/12/2014
Societe General Corporate & Investment Banking	56 377 402	55 266 998
HSBC Bank Middle East Limited	57 148 611	54 342 438
KFW IPEX – Bank GMBH	15 350 907	14 718 468
Mitsubishi UFJ Securities International PLC	26 980 200	25 879 246
Standard Chartered Bank	112 401 322	107 808 615
Balance	<u>268 258 442</u>	<u>258 015 765</u>

28. Deferred tax assets /liabilities

	31/12/2015		31/12/2014	
	Asset	Liability	Asset	Liability
Fixed assets	--	171 752 452	--	219 433 446
Intangible assets	--	185 308 842	--	283 703 696
Project under construction	--	21 878 000	--	29 170 667
Investment in associates	--	--	4 711 077	--
Hedge reserve-swap contract	73 771 082	--	64 503 940	--
Provisions	3 955 941	--	10 416 378	--
Deferred tax liabilities related to Berber for electricity Ltd. Co.	--	18 592 844	--	16 937 938
Deferred tax assets / liabilities related to Asec Ready Mix	--	--	--	57 565
Tax losses	267 507 986	--	252 526 941	--
Deferred tax liabilities related to KU Railways Holdings Ltd.	--	29 647 543	--	27 176 914
Others	--	194 620 873	--	167 796 072
Total deferred tax assets / liabilities	<u>345 235 009</u>	<u>621 800 554</u>	<u>332 158 336</u>	<u>744 276 298</u>

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- The Parent Company has carried-forward tax losses from previous years with an amount of EGP 193 301 628 and the related deferred tax assets amounted EGP 43 492 866 which were not recognized because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefore.

29. Banks overdraft

	31/12/2015	31/12/2014
Wafra Agriculture S.A.E	7 522 835	7 257 229
Silverstone Capital Investments Ltd.	41 867 670	89 946 421
United Foundries Company	58 656 932	63 304 947
Falcon Agriculture Investments Ltd.	--	288 460 658
KU Railways Holdings Ltd.	157 956 068	126 582 096
National Development and Trading Company	67 283 000	96 833 495
Tawazon for Solid Waste Management (Tawazon)	16 316 264	16 583 366
ASEC for mining (ASCOM) (Note 5.2)	149 773 349	--
Everys Holding Limited	9 250 684	--
Balance	<u>508 626 802</u>	<u>688 968 212</u>

30. Due to related parties

	Nature of transaction		31/12/2015	31/12/2014
	Advisory fee	Finance		
Citadel Capital Partners Ltd.*	--	60 331 261	60 331 261	4 174 167
Mena Glass Ltd.	(26 800 799)	305 322 802	278 522 003	259 243 857
Pharos Holding Co.	--	--	--	3 220 861
ASCOM for Carbonate and Chemicals Manufacturing Co. (note 5.2)	--	--	--	9 438 055
ASEC Automation Europe Co.	--	161 007	161 007	161 007
ASEC Automation Co.-Free Zone	--	--	--	19 798
National Sudanese Pension Fund	--	9 375 179	9 375 179	3 297 052
Medcom	--	--	--	1 054 753
Egyptian Gulf Bank	--	393 398	393 398	5 193 398
Misr Cement Qena Co.	--	--	--	4 931 562
Kimonix Egypt for Consultancy Libya	--	2 067 389	2 067 389	2 518 501
Others	--	7 468 952	7 468 952	5 862 848
Sub-balance			<u>358 319 189</u>	<u>299 115 859</u>

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	Nature of transaction		31/12/2015	31/12/2014
	Advisory fee	Finance		
Due to shareholders:				
GROUPED HOLDINGS LTD	--	91 154 528	91 154 528	67 999 996
Sadek Ahmed El swedey	--	138 996 000	138 996 000	--
Abdallah Helmy Mohamed Helmy	--	23 166 000	23 166 000	--
Ledville Holdings Limited	--	31 546 531	31 546 531	32 007 862
Financial Holding International	67 470 351	8 931 920	76 402 271	64 584 736
Others	--	11 021 820	11 021 820	13 493 568
Sub-balance			<u>372 287 150</u>	<u>178 086 162</u>
Balance			<u>730 606 339</u>	<u>477 202 021</u>

* Parent and ultimate controlling company – 24.36%.

31. Trade and other payables

	31/12/2015	31/12/2014
Suppliers	2 675 267 970	1 634 694 483
Notes payables	<u>180 098 260</u>	<u>195 888 419</u>
Balance	<u>2 855 366 230</u>	<u>1 830 582 902</u>

32. Creditors and other credit balances

	31/12/2015	31/12/2014
Accrued expenses	693 878 041	453 734 167
Accrued interest	92 818 448	53 947 843
National Authority for Social Insurance	20 486 300	16 786 066
Advances from customers	122 249 839	102 620 679
Refundable deposits	2 835 784	9 222 127
Unearned revenues	56 228 183	47 953 686
Subcontractors	9 467 023	4 079 222
Creditors – purchase of fixed assets	13 063 217	7 758 065
Deposits from others	61 601 901	60 911 054
Dividend payable – previous years	24 650 168	23 308 237
Sundry credit balances	<u>372 124 290</u>	<u>299 396 883</u>
Balance	<u>1 469 403 194</u>	<u>1 079 718 029</u>

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33. Provisions

	Expected claims Provision	Legal provisions	Other provisions	Total
Balance at the beginning of the year	478 109 595	--	11 477 967	489 587 562
Acquisition of subsidiaries (Note 5.2)	15 665 484	735 637	--	16 401 121
Provisions formed during the year *	168 647 016	158 000	7 660 733	176 465 749
Provisions used during the year	(48 509 743)	--	--	(48 509 743)
Provisions no longer needed	(10 960 786)	--	(79 080)	(11 039 866)
Transferred to liabilities held-for-sale (Note 23.2)	(4 635 368)	--	--	(4 635 368)
Foreign currency translation differences	2 174 514	7 113	--	2 181 627
Balance	<u>600 490 712</u>	<u>900 750</u>	<u>19 059 620</u>	<u>620 451 082</u>

- Expected claims provision related to expected claims were made by some external parties in connection with the Company's operations. The information usually required by Accounting Standards is not disclosed because the management believes that it would seriously prejudice the outcome of the negotiation with that external party. The management are reviewing the provision annually and the amount provided is adjusted based on latest development, discussions and agreements with the external party.

- * Provisions formed during the year by EGP 7 660 733 has been recognized in the operating expenses and represent provision related to ASEC Automation Co related to continuing exiting contracts.

34. Financial guarantees contracts

The balance as at December 31, 2015 with amount of EGP 5 077 970 versus EGP 23 401 707 as at December 31, 2014 represent contracts for financial guarantees granted to Egyptian Gulf Bank to guarantee the non-performing balances to the portfolio of customers' projects.

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35. Related party transactions

35.1 Advisory fee

Advisory fee item presented in the income statement is represented in the advisory services provided to related parties according to signed contracts as follows:

	For the year ended	
	31/12/2015	31/12/2014
Mena Glass Ltd. (associate)	4 713 776	2 809 265
Scimitar Production Egypt Ltd.	8 836 425	7 104 395
Sphinx Glass Ltd BVI *	--	624 165
Total	13 550 201	10 537 825

- The Company did not recognize advisory fee with an amount of US.\$ 1 567 264 (equivalent to EGP 12 224 659) and US.\$ 290 203 (equivalent to EGP 2 263 583) for the year ended December 31, 2015 (versus EGP 11 205 938 and EGP 2 074 955 for the year ended December 31, 2014) related to Logria Holding Ltd. and Golden Crescent Investments Ltd. in accordance with the signed contracts due to inadequate assurance concerning the revenue recognition and collection conditions.

* Note (23).

35.2 Interest income

Interest income included in financing cost (Note 41) includes an amount of EGP 2 398 221 represents accrued interest income according to signed contracts from other related parties as follows:

	For the year ended	
	31/12/2015	31/12/2014
ASEC Company for Mining (ASCOM) (Note 5.2)	2 398 221	4 476 605

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36. Share of profit / loss of investment in associate

	For the year ended	
	31/12/2015	31/12/2014
El Kateb for Marketing & Distribution Co.	(501 370)	(458 648)
Elsharq Book Stores Co.	(390 446)	(310 619)
ASEC Company for Mining (ASCOM) (Note 5.2)	(309 255)	(1 896 230)
Dar El-Sherouk Ltd.	(4 911 995)	(3 530 886)
Societe Des Ciments De Zahana	42 823 248	36 287 432
Misr Cement Qena Co.	50 769 176	103 334 203
Mena Glass Ltd.	31 496 509	69 695 696
Ostool for Land Transportation S.A.E	3 562 239	2 957 992
Tawazon for Solid Waste Management (Tawazon)*	--	309 494
Grandview Investment Holding (Note 23)	3 884 219	4 697 678
Pharos Holding Co. (Note 23)	--	(42 563 698)
Sphinx Glass Ltd BVI (Note 23)	--	8 649 083
Total	126 422 325	177 171 497

* This company have been acquired during year 2014.

37. Operating income

	For the year ended	
	31/12/2015	31/12/2014
Agriculture food industries	760 558 702	530 024 839
Energy sector	2 518 570 661	1 928 344 500
Transportation and logistics	689 226 508	667 195 235
Cement sector	2 051 634 445	1 315 703 920
Metallurgy	150 148 650	136 947 691
Financial Services sector	143 337 313	92 053 377
Mining Sector	325 467 828	--
Total	6 638 944 107	4 670 269 562

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38. Operating costs

	For the year ended	
	31/12/2015	31/12/2014
Agriculture food industries	578 220 159	399 878 931
Energy sector	2 172 103 609	1 637 618 967
Transportation and logistics	660 739 457	713 875 093
Cement sector	1 660 164 420	1 191 124 318
Metallurgy	128 564 085	116 787 119
Financial Services sector	6 171 636	--
Mining Sector	273 035 995	--
Total	5 478 999 361	4 059 284 428

39. Administrative expenses

	For the year ended	
	31/12/2015	31/12/2014
Wages, salaries and similar items	469 853 904	454 490 634
Consultancy *	180 787 805	200 153 554
Advertising and public relations	14 481 889	10 406 827
Selling and marketing expense	96 475 087	52 376 674
Travel, accommodation and transportations	21 192 231	17 744 883
Rent	15 167 677	20 253 802
Depreciation and amortization	96 381 139	84 577 525
Other	280 837 177	170 877 728
Total	1 175 176 909	1 010 881 627

* Consultancy fee expenses include an amount of US.\$ 6 631 950 (equivalent to EGP 50 999 696) for the year ended December 31, 2015 versus an amount of US.\$. \$ 1 679 030 (equivalent to EGP 11 866 867) for the year ended December 31, 2014 represents the advisory fees due according to the signed contract with Financial Holding International Co. (one of the group shareholders).

- The Company's extraordinary general assembly meeting held on May 12, 2008 approved the management contract with Citadel Capital Partners Ltd. (the principal shareholder of – 24.36%) which states that Citadel Capital Partners Ltd. provides management duties for fees based on 10% of the net annual profit available for distribution. This agreement shall remain in effect as long as Citadel Capital Partners owns 15% or more preferred shares.

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40. Other expenses / (income)

	Note	For the year ended	
		31/12/2015	31/12/2014
Impairment on due from related parties	(20)	221 567 644	22 805 656
Impairment on trade and other receivables		25 042 089	2 847 096
Impairment on fixed assets		--	2 310 796
Impairment on debtors and other debit balances		21 436 750	214 446
Impairment on available -for- sale investments	(13)	366 940	--
Impairment on intangible assets		13 696 844	--
Impairment on goodwill	(9)	296 702 296	3 608 587
Impairment on investments in associates	(12)	100 000 000	--
Impairment on payments for investments	(14)	57 555 236	--
Provisions formed	(33)	168 805 016	74 360 178
Net change in the fair value of investments at fair value through profit and loss		657 422	581 529
Loss on sale of biological assets		9 075 238	16 746 699
Other expenses		37 762 501	29 984 593
Gain on sale of fixed assets		(6 103 550)	(13 590 793)
Provisions no longer needed	(33)	(11 039 866)	(172 495)
Gain on Financial guarantees contracts		(2 798 162)	(1 845 159)
Other revenues		(44 124 778)	(45 168 098)
Total		<u>888 601 620</u>	<u>92 683 035</u>

41. Finance cost (net)

	For the year ended	
	31/12/2015	31/12/2014
Interest income - note no. (35.2)	80 947 639	70 889 869
Interest expenses - note no. (26)	(710 070 681)	(753 248 770)
Foreign currency translation differences	(203 134 156)	(207 004 281)
Net	<u>(832 257 198)</u>	<u>(889 363 182)</u>

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42. Income tax

	For the year ended	
	31/12/2015	31/12/2014
Current income tax	(197 884 443)	(125 547 733)
Deferred tax	74 669 504	16 527 416
Net	<u>(123 214 939)</u>	<u>(109 020 317)</u>

43. Gains (losses) on sale of investment in associate

	For the year ended	
	31/12/2015	31/12/2014
Pharos Holding Company	(10 451 655)	--
Misr Cement Qena	110 149 900	--
Sudanese Egyptian bank	--	(47 172 497)
Sphinx Glass Ltd BVI	--	21 790 682
Net	<u>99 698 245</u>	<u>(25 381 815)</u>

44. Earnings per share

	For the year ended	
	31/12/2015	31/12/2014
Net loss for the year	<u>(1 225 627 022)</u>	<u>(1 369 971 969)</u>
Net loss for equity holders of the parent Company	<u>(1 155 345 236)</u>	<u>(879 593 450)</u>
The weighted average number of shares including the preferred shares with same distribution rights as ordinary shares	1 656 054 795	1 041 353 938
Earnings per share	<u>(0.70)</u>	<u>(0.84)</u>

45. Finance (expenses) income recognised in equity

	For the year ended	
	31/12/2015	31/12/2014
Foreign currency translation differences	(161 246 553)	154 385 373
Net change in the fair value of available-for-sale investment	<u>(395 676)</u>	<u>(637 297)</u>
Total finance income recognised in equity (after tax)	<u>(161 642 229)</u>	<u>153 748 076</u>
Attributable to:		
Equity holders of the Company	(77 505 424)	85 709 368
Non - controlling interests	<u>(84 136 805)</u>	<u>68 038 708</u>
	<u>(161 642 229)</u>	<u>153 748 076</u>

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46. Business segments

Segment information is presented in respect of the Group's business segments. The primary format, business segment, is based on the Group's management and internal reporting structure.

Assets and liabilities include items directly attributable to a segment.

The table below depends on operating income analysis, operating cost, assets and liabilities based on the type of business activities and services that are distinguishable component.

For the year ended December 31, 2015	Agriculture food industries	Energy	Transportation and logistics	Cement	Metallurgy	Speciality real estate (note 23)	Financial service	Mining Sector (note 5.2)	Eliminations	Total
Operating income	760 558 702	2 518 570 661	689 226 508	2 051 634 445	150 148 650	--	143 337 313	325 467 828	--	6 638 944 107
Operating cost	(578 220 159)	(2 172 103 609)	(660 739 457)	(1 660 164 420)	(128 564 085)	--	(6 171 636)	(273 035 995)	--	(5 478 999 361)
Gross profit	182 338 543	346 467 052	28 487 051	391 470 025	21 584 565	--	137 165 677	52 431 833	--	1 159 944 746
Net (loss) profit for equity holders of the Company	91 537 216	23 761 402	(375 425 746)	126 138 215	(45 064 749)	(54 219 695)	(1 129 406 200)	(40 611 490)	247 945 811	(1 155 345 236)
As at December 31, 2015										
Current assets	486 666 801	4 123 228 321	588 314 641	3 201 009 244	89 566 997	556 552 394	6 254 842 853	266 882 949	(5 515 516 011)	10 051 548 189
Non-current assets	1 275 805 867	19 328 236 766	4 735 628 812	1 581 470 552	170 922 998	--	23 359 962 418	870 516 708	(24 197 589 711)	27 124 954 410
Total assets	1 762 472 668	23 451 465 087	5 323 943 453	4 782 479 796	260 489 995	556 552 394	29 614 805 271	1 137 399 657	(29 713 105 722)	37 176 502 599
Current liabilities	1 455 391 297	2 938 977 318	1 726 341 419	2 189 989 471	162 343 576	541 164 413	6 969 432 139	728 519 949	(5 240 359 419)	11 471 800 163
Non-current liabilities	169 998 011	10 884 073 305	1 347 298 150	1 995 631 191	257 277 108	--	1 271 870 103	115 626 234	(1 287 337 838)	14 754 436 264
Owners' equity	137 083 360	9 628 414 464	2 250 303 884	596 859 134	(159 130 689)	15 387 981	21 373 503 029	293 253 474	(23 185 408 465)	10 950 266 172
Total liabilities and equity	1 762 472 668	23 451 465 087	5 323 943 453	4 782 479 796	260 489 995	556 552 394	29 614 805 271	1 137 399 657	(29 713 105 722)	37 176 502 599

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	Agriculture food industries	Energy	Transportation and logistics	Cement	Metallurgy	Speciality real estate	Financial service	Eliminations	Total
For the year ended									
December 31, 2014									
Operating income	530 024 839	1 928 344 500	667 195 235	1 315 703 920	136 947 691	--	92 053 377	--	4 670 269 562
Operating cost	(399 878 931)	(1 637 618 967)	(713 875 093)	(1 191 124 318)	(116 787 119)	--	--	--	(4 059 284 428)
Gross profit (loss)	130 145 908	290 725 533	(46 679 858)	124 579 602	20 160 572	--	92 053 377	--	610 985 134
Net loss for equity holders of the Company	(207 964 681)	(46 865 620)	(407 354 952)	(315 549 404)	(297 074 945)	(62 114 800)	(281 585 653)	738 916 605	(879 593 450)
As at December 31, 2014									
Current assets	645 150 706	2 564 701 121	950 435 086	2 499 186 779	217 267 752	22 704 560	7 146 970 048	(6 379 845 071)	7 666 570 981
Non- current assets	1 663 351 097	13 567 122 901	4 300 049 428	4 070 997 627	67 589 103	561 295 892	22 076 352 361	(21 132 641 002)	25 174 117 407
Total assets	2 308 501 803	16 131 824 022	5 250 484 514	6 570 184 406	284 856 855	584 000 452	29 223 322 409	(27 512 486 073)	32 840 688 388
Current liabilities	2 069 415 820	1 774 699 672	1 201 526 398	2 313 588 971	173 547 691	294 008 501	6 001 580 487	(5 659 543 551)	8 168 823 989
Non-current liabilities	150 122 271	5 990 011 601	1 519 528 088	3 156 273 716	225 375 104	188 375 644	1 678 227 123	(242 245 920)	12 665 667 627
Owners' equity	88 963 712	8 367 112 749	2 529 430 028	1 100 321 719	(114 065 940)	101 616 307	21 543 514 799	(21 610 696 602)	12 006 196 772
Total liabilities and equity	2 308 501 803	16 131 824 022	5 250 484 514	6 570 184 406	284 856 855	584 000 452	29 223 322 409	(27 512 486 073)	32 840 688 388

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Agriculture food industries

- Wafra Agriculture S.A.E Group.
- Falcon for Agriculture Investments Group
- Everys Holding Limited

Energy sector

- Silverstone Capital Investments Ltd. Group
- Orient Investment Properties Ltd. Group
- Ledmore Holdings Ltd. Group
- Tawazon for Solid Waste Management (Tawazon) company Group
- Qalaa Energy Ltd.

Transportation and logistics

- Africa Railways Holding
- Africa Railways Limited
- Citadel Capital Transportation Opportunities Ltd. Group
- KU Railways Holding Limited
- Ambience Ventures Ltd.

Cement sector

- National Development and Trading Company Group

Metallurgy

- United Foundries

Specialist real estate sector

- Mena Home Furnishings Malls Ltd Group. (not 23)

Financial Services sector

- Citadel Capital S.A.E.
- Citadel Capital Ltd.
- Sequoia Williwow Investments Ltd.
- Arab Company for Financial investments
- Lotus Alliance Limited
- Citadel Capital Holding for Financial Investments-Free Zone
- Citadel Capital for International Investments Ltd
- International for Mining Consultation

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-
- International for refinery Consultation
 - Tanweer for Marketing and Distribution Company (Tanweer)
 - Financial Unlimited for Financial Consulting
 - Citadel Company for Investment Promotion
 - National Company for Touristic and Property Investment
 - United for Petroleum Refining Consultation
 - Specialized for Refining Consulting
 - Specialized for Real Estate Company
 - National Company for Refining Consultation
 - Citadel Capital Algeria
 - Valencia Trading Holding Ltd.
 - Andalusia Trading Investments
 - Citadel Capital Financing Corp.
 - Brennan Solutions Ltd.
 - Mena Enterprises Ltd.
 - Alcott Bedford Investments Ltd.
 - Eco-Logic Ltd.
 - Alder Burke Investments Ltd.
 - Black Anchor Holdings Ltd.
 - Cobalt Mendoza
 - Africa Railways Investments Ltd.
 - Darley Dale Investments Ltd.
 - Citadel Capital Joint Investment Fund Management Limited
 - Mena Joint Investment Fund
 - Trimestone Assets Holding Limited – BVI
 - Cardinal Vine Investments Ltd.
 - Global Service Realty Ltd.
 - Crondall Holdings Ltd.
 - Tanmeyah Company S.A.E
 - Mena Joint Investment Fund
 - Africa Joint Investment Fund
 - Underscore International Holdings Ltd.
 - Valencia Regional Investment Ltd
 - Sphinx Egypt for Financial Consulting Company
 - Investment Co. for Modern Furniture.

Mining sector

- ASEC company for mining Group (ASCOM) (Note 5.2)

47. Tax status of the parent company

Corporate tax

The Company submitted its tax returns on regular basis for the years from 2005 to 2014 according to tax law No. 91/2005. The Company's books have not been inspected yet.

Salaries tax

The Company deducts the salaries tax according to tax law no. 91 / 2005 and the Company's books inspected for the period from launch till the date of 31/12/2009 but the authority did not inform the Company with results yet. And the years from 2010/2014 have not been inspected yet.

Stamp tax

The Company was inspected till July 31, 2006 and paid all the accrued amounts according to the Internal Committee decision and for the period from August 1, 2006 to December 31, 2013 has been inspected and the dispute has transferred to Internal Committee in the Authority And the year 2014 has not been inspected yet.

Withholding tax

The Company applies the withholding tax provisions on its transactions with private sector according to tax law No. 91/2005 and no tax inspection for withholding tax has taken place yet.

- On June 4, 2014 a new law No. 44/2014 has imposed a 5% temporary additional annual tax for three year on amounts exceed EGP 1 million from the tax base on the income of natural persons or the profits of Corporate Buddies in accordance with income tax law, and it has been proven and collected in accordance with this provisions. This law will start working from June 5, 2014.
- On June 30, 2014 a Presidential Decree has issued law No. 53 for the year 2014, this law has amended some articles of the law on Income Tax promulgated by law No. 91/2005 the most important of these amended rules are :
 - 1- Impose taxes on dividends.
 - 2- Impose taxes on capital gains resulted from selling shares and securities.
- On April 6, 2015 Ministry Decree No. 172 for the year 2015 was issued, amending the provisions of the executive regulations of the income tax law issued by the Decree of the Minister of Finance No.991/2005.

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- On August 20, 2015 President Decree No. 96 for the year 2015 was issued, amending some provisions of the income tax laws No. 91 for the year 2005 and No. 44 for the year 2014 charging temporary additional income tax, taking effect the day after the decree is published. Significant changes included in the decree are presented in the following:
1. Income tax reduced to 22.5% from net annual profits.
 2. Duration of imposed temporary tax (5%) is amended.
 3. Tax on dividends is amended.
 4. Imposed capital tax on the output from dealing in securities listed in the stock exchange has been ceased for 2 years starting from 17/5/2015.

48. Group entities

Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
Citadel Capital Holding for Financial Investments-Free Zone	Arab Republic of Egypt-Free Zone	99.99	--
Citadel Capital for International Investments Ltd.	British Virgin Island	100.00	--
International for Mining Consultation	Arab Republic of Egypt	99.99	--
International for Refinery Consultation	Arab Republic of Egypt	--	99.99
Arab Company for Financial Investments	Arab Republic of Egypt	--	94.00
Tanweer for Marketing and Distribution Company (Tanweer)	Arab Republic of Egypt	--	99.88
Financial Unlimited for Financial Consulting	Arab Republic of Egypt	--	99.88
Citadel Company for Investment Promotion	Arab Republic of Egypt	--	99.90
National Company for Touristic and Property Investment	Arab Republic of Egypt	--	99.88
United for Petroleum Refining Consultation	Arab Republic of Egypt	--	99.99
Specialized for Refining Consulting	Arab Republic of Egypt	--	99.99
Specialized for Real Estate Company	Arab Republic of Egypt	--	99.99
National Company for Refining Consultation	Arab Republic of Egypt	--	99.99
Citadel Capital Algeria	Republic of Algeria	--	99.99

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Company's name	Country of incorporation	Ownership interest	
		Direct	Indirect
		%	%
Citadel Capital Ltd.	British Virgin Island	--	100.00
Valencia Trading Holding Ltd.	British Virgin Island	--	100.00
Andalusia Trading Investments	British Virgin Island	--	100.00
Lotus Alliance Limited	British Virgin Island	--	85.70
Citadel Capital Financing Corp.	British Virgin Island	--	100.00
Ambience Ventures Ltd.	British Virgin Island	--	100.00
Africa Railways Limited *	British Virgin Island	--	37.85
Sequoia Williwow Investments Ltd.	British Virgin Island	--	100.00
Brennan Solutions Ltd.	British Virgin Island	--	100.00
Mena Enterprises Ltd.	British Virgin Island	--	100.00
Alcott Bedford Investments Ltd.	British Virgin Island	--	100.00
Eco-Logic Ltd.	British Virgin Island	--	100.00
Alder Burke Investments Ltd.	British Virgin Island	--	100.00
Black Anchor Holdings Ltd.	British Virgin Island	--	100.00
Cobalt Mendoza	British Virgin Island	--	100.00
Africa Railways Investments Ltd.	British Virgin Island	--	100.00
Darley Dale Investments Ltd.	British Virgin Island	--	100.00
Africa Railways Holding	Republic of Mauritius	--	66.24
Citadel Capital Joint Investment Fund			
Management Limited	Republic of Mauritius	--	100.00
Mena Joint Investment Fund	Luxembourg	--	100.00
Wafra Agriculture S.A.E	Arab Republic of Egypt	--	99.99
Valencia Assets Holding Ltd.	British Virgin Island	--	100.00
Sabina for Integrated Solutions Ltd.	Sudan	--	96.00
Concord Agriculture	South Sudan	--	96.00
Trimestone Assets Holding Limited –			
BVI	British Virgin Island	--	100.00
Cardinal Vine Investments Ltd.	British Virgin Island	--	100.00
Global Services Realty	British Virgin Island	--	100.00
Silverstone Capital Investments Ltd.	British Virgin Island	--	61.56
Taqa Arabia Company	Arab Republic of Egypt	--	93.67
Gas and Energy Company (GENCO			
Group) – SAE	Arab Republic of Egypt	--	99.99
Taqa for Electricity ,Water and Cooling-			
SAE	Arab Republic of Egypt	--	98.74

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Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
Taqa for Marketing Petroleum Products- SAE	Arab Republic of Egypt	--	99.99
Gas and Energy Group Limited	British Virgin Island	--	99.99
Genco for Mechanical and Electricity Work	Qatar	--	99.99
Qatar Gas Group Limited *	Qatar	--	45.00
Arab Company for Gas Services *	Libya	--	49.00
Arabian Libyan Company for Energy	Libya	--	65.00
National Development and trading Company	Arab Republic of Egypt	47.65	21.63
Arab Swiss Engineering Co. (ASEC)	Arab Republic of Egypt	--	99.97
ASEC for Manufacturing and Industries Project Co. (ARESCO)	Arab Republic of Egypt	--	99.80
ASEC Cement Co.	Arab Republic of Egypt	1.86	70.03
ASEC Environmental Protection Co. (ASENPRO)	Arab Republic of Egypt	--	63.01
ASEC Automation Co.	Arab Republic of Egypt	--	53.64
ESACO for Manufacturing Engineering and Construction	Limited partnership Company	--	70.00
Grandiose Services Ltd.	British Virgin Island	--	100.00
ASEC Integrated – Sudan	Sudan	--	99.90
Al Takamoul for Cement Ltd. Co.	Arab Republic of Egypt	--	51.00
ASEC Algeria Cement Co.	Algeria	--	60.89
ASEC Syria Cement Co.	Syria	--	99.99
Dejalfa Offshore	British Virgin Island	--	54.53
ASEC Trading Company	Arab Republic of Egypt	--	99.88
Berber for Electricity – limited	Sudan	--	51.00
United Foundries Company	Arab Republic of Egypt	29.29	38.17
Ledmore Holdings Ltd.	British Virgin Island	--	75.37
National Company for Marine Petroleum Services "PETROMAR"	Arab Republic of Egypt-FZ	--	93.54
Mashreq Petroleum Company	Arab Republic of Egypt	--	94.99
El Dawlia for Bunkering Services	Arab Republic of Egypt	--	70.00
Mena Home Furnishings Malls Ltd.	British Virgin Island	--	60.18
Bonian for Trade and Development	Arab Republic of Egypt	--	99.99
Bright Living	Arab Republic of Egypt	--	56.17

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Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
Investment Company for Modern Furniture	Arab Republic of Egypt	--	99.88
Citadel Capital Transportation Opportunities Ltd.	British Virgin Island	--	67.55
Nile Logistics S.A.E.	Arab Republic of Egypt	--	99.99
Citadel Capital Transportation Opportunities II Ltd- Malta	Republic of Mauritius	--	81.62
National Company for Multimodal Transport S.A.E.	Arab Republic of Egypt	--	99.88
National Company for River Transportation - Nile Cargo S.A.E.	Arab Republic of Egypt	--	99.99
National Company for River Ports Management S.A.E.	Arab Republic of Egypt	--	99.88
National Company for Maritime Clearance S.A.E.	Arab Republic of Egypt	--	99.98
EL -Orouba Company for Land Transportation S.A.E.	Arab Republic of Egypt	--	99.98
NMT for Trading S.A.E	Arab Republic of Egypt	--	99.99
National Company for Marina Ports Management	Arab Republic of Egypt	--	99.90
NRTC Integrated Solutions Co Ltd.	Sudan	--	99.00
Nile barges for River transport Co Ltd.	Sudan	--	99.00
Regional River Investment Ltd	British Virgin Island	--	100.00
Falcon for Agriculture Investments	British Virgin Island	--	54.90
National Company for Investments and Agriculture	Arab Republic of Egypt	--	99.99
National Company for Food products	Arab Republic of Egypt	--	99.99
Dina Company for Agriculture and Investments	Arab Republic of Egypt	--	99.99
Dina for Auto Services	Limited partnership Company	--	99.00
Arab Company for Services and Trade	Arab Republic of Egypt	--	99.67
National Company for Agriculture Products	Arab Republic of Egypt	--	99.88
El-Eguizy International for Economic Development	Arab Republic of Egypt	--	99.95

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Company's name	Country of incorporation	Ownership interest	
		Direct	Indirect
		%	%
National Company for Integrated Food	Arab Republic of Egypt	--	99.99
Misr October Company for Food			
Products	Arab Republic of Egypt	--	99.99
Royal Food Company	Arab Republic of Egypt	--	99.99
Up-Date Company for Food Products	Limited partnership Company	--	85.00
Nile for Food Products "Enjoy"	Arab Republic of Egypt	--	99.99
Investments Company for Dairy Products	Arab Republic of Egypt	--	99.99
Tiba Farms for Agriculture			
Developments	Arab Republic of Egypt	--	95.88
Dina for Agriculture Development	Arab Republic of Egypt	--	100.00
National Company for Dairy Exchange	Arab Republic of Egypt	--	100.00
Mena Development Limited	British Virgin Island	--	100.00
Everys Holdings Limited	British Virgin Island	--	100.00
Orient Investment Properties Ltd.*	British Virgin Island	--	40.09
Arab Refining Company – S.A.E.	Arab Republic of Egypt	--	63.32
Egyptian Refining Company – S.A.E.–			
Free Zone *	Arab Republic of Egypt	--	48.25
National Refining Company – S.A.E.	Arab Republic of Egypt	--	63.32
KU Railways Holding Limited-KURH	Republic of Mauritius	--	85.00
E A Rail & Handling Logistics Co.			
Limited	Republic of Mauritius	--	100.00
East African Rail And Handling			
Logistics Limited	Kenya	--	100.00
RVR Investments (Pty) Ltd.	Republic of Mauritius	--	100.00
Rift Valley Railways Kenya Co. (RVRK)	Kenya	--	100.00
Rift Valley Railways Uganda Co.			
(RVRU)	Uganda	--	100.00
Crondall Holdings Ltd.	British Virgin Island	--	94.53
Capella Management Investments Inc.			
Company	British Virgin Island	--	100.00
Lotus Management Investment Ltd.			
Company	British Virgin Island	--	100.00
Cordoba Investment Services Inc.			
Company	British Virgin Island	--	100.00
Tanmeyah Company S.A.E	Arab Republic of Egypt	--	70.00

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Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
Tawazon for Solid Waste Management (Tawazon)	Arab Republic of Egypt	--	66.67
Egyptian Company for Solid Waste Recycling (ECARU)	Arab Republic of Egypt	--	75.63
Engineering Tasks Group (ENTAG)	Arab Republic of Egypt	--	75.73
Qalaa Energy Ltd.	British Virgin Island	--	100.00
Mena Joint Investment Fund**	Luxembourg	--	73.25
Africa Joint Investment Fund*	Republic of Mauritius	--	31.00
Underscore International Holdings Ltd.**	British Virgin Island	--	100.00
Valencia Regional Investment Ltd.**	British Virgin Island	--	100.00
Sphinx Egypt for Financial Consulting Company **	Arab Republic of Egypt	--	69.88
Sphinx capital corp	British Virgin Island	--	100.00
Melbourn Investments Ltd	British Virgin Island	--	100.00
Rotation Ventures Holdings Ltd	British Virgin Island	--	100.00
Borton Hill Investments Ltd	British Virgin Island	--	100.00
Metal Anchor Holdings Ltd.*	British Virgin Island	--	15.00
Tempsford Investments Ltd	British Virgin Island	--	100.00
ASEC company for mining (ASCOM)	Arab Republic of Egypt	54.74	--
ASCOM Carbonate & Chemical Manufacture Company	Arab Republic of Egypt-Free Zone	--	99.99
ASCOM for Geology & Mining- Syria	Limited partnership Company	--	95.00
Nebta for Geology & Mining-Sudan	Limited partnership Company	--	99.00
Glass Rock Insulation Company	Arab Republic of Egypt-Free Zone	--	92.50
ASCOMA Algeria	Republic of Algeria	--	99.40
Lazerg Travaux Public	Republic of Algeria	--	70.00
ASCOM Precious Metals Mining S.A.E	Arab Republic of Egypt	--	99.99
ASCOM Emirates for Mining UAE	Limited partnership Company Emirates	--	69.40
ASCOM Middle East	Joint Stock Company	--	100.00
Nubia Mining Development PLC	Limited partnership Company	--	52.80
Sahari Gold company	Limited partnership Company	--	99.99
ASCOM for Geology & Mining-Ethiopia	Limited partnership Company Ethiopia	--	99.99
ASCOM Precious Metals- Ethiopia	Limited partnership Company Ethiopia	--	99.99
ASCOM Precious Metals- Sudan	Limited partnership Company Sudan	--	99.99

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Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
Golden Resources company	Limited partnership Company	--	99.99
ASCOM Cyprus Ltd	Limited partnership Company Cyprus	--	99.99
International Company for Mineral Exploration- Cyprus	Limited partnership Company Cyprus	--	99.99
Golden International Ltd	Limited partnership Company	--	99.99

* The Group has the right to appoint the majority of the board of director's members which enables the Group to control the financial and operational policies. Consequently, these Companies have been consolidated.

** In December 2014 the company has increased its ownership interest in these companies and as a result the group has consolidated these companies and the mutual transactions between the group entities are eliminated in full with balances resulting from it. Also, the unrealized gains or losses from transactions with the group entities are eliminated taking into consideration that losses may indicate impairment in the exchanged assets that require recognition in the consolidated financial statements.

49. Employees Stock Option Plan

The Company's extraordinary meeting held on February 20, 2008 approved to add a new article to the Company Article of Association to adopt a plan or more to motivate employees, managers and executive board of directors – Employees stock option plan (ESOP) in accordance with decision no. 282 for 2005 which modified executive regulation for the law no. 159 / 1981.

On June 22, 2008 the Capital Market Authority approved the ESOP plan and the Company does not start to apply it yet.

50. Contingent liabilities

The Company guarantees some related parties against loans and facilities obtained by those parties from banks.

51. Financial instruments and management of related risks

The Group's financial instruments are represented in the financial assets and liabilities. Financial assets include cash and cash equivalents, other investments, and trade and other receivables while financial liabilities include; loans and borrowing and trade and other payables. Note (3) includes significant accounting policies for the recognition and measurement of the important financial instruments and related revenues and expenses. The following are the significant risks related to those financial instruments and the policies and procedures followed by the company to reduce the effect of these risks.

51.1 Credit risk

Credit risk is the risk that one party will fail to discharge his obligation and cause the other party to incur financial loss. The financial assets representing amounts due from customers. Strict credit control is maintained and further appropriate level of impairment loss is made. The credit risk on financial instrument by ensuring that investments are made only after careful credit evaluation for these assets.

51.2 Liquidity risk

Liquidity risk is represented in the factors, which may affect the Company's ability to pay part of or full amount of its liabilities. According to the Company's policy, sufficient cash balances are retained to meet the Company's current liabilities which minimize the liquidity risk.

51.3 Financial instruments' fair value

According to the valuation bases used to evaluate the assets and liabilities of the Company which have been stated in the accompanying notes to the financial statements, the financial instruments' fair value does not substantially deviate from their book values at the balance sheet date.

51.4 Market risk

A- Foreign currencies risk

- The foreign currencies exchange risk represents the risk of fluctuation in exchange rates, which in turn affects the Company's cash inflows and outflows as well as the value of its assets and liabilities in foreign currencies.
- As disclosed in Note (3.2), the Company has used the prevailing exchange rates to revalue monetary assets and liabilities at the balance sheet date.

B- Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. As the market dictates, the Company sometimes borrows at variable rates leaving certain exposure to changes in interest rate risk.

C- Price risk

The Company is exposed to market price risk on equity instrument and according to the company's investment policy, the following procedures are undertaken to reduce the effect of this risk.

- Performing the necessary studies before investment decision in order to verify that investment is made in potential securities.
- Diversification of investments in different sectors and industries.
- Performing continuous studies required to follow up the company's investments and their development.

51.5 Capital risk

The Company's objectives when managing capital are to safeguard the management's ability to continue as a going concern in order to provide returns to the benefits to the Company's shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, management may adjust the amount of distribution paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

52. Capital Commitments

The capital commitments as at December 31, 2015 represented in the following:

52.1 Asec Algeria Cement Company (Asec Cement)

Contractor	Contract amount	Uncompleted part	Contract currency	Uncompleted part	
				31/12/2015	31/12/2014
FLSmidth Denmark Company	57 000 000	57 000 000	Euro	488 135 716	483 426 060
SARL MHDA	12 500 000	--	US dollar	--	224 873
Energya Company	23 699 815	3 683 591	US dollar	28 842 902	23 938 448
Energya Company	9 015 848	3 755 669	US dollar	29 407 281	24 406 859
TCB Company	2 909 211	1 292 646	EGP	1 292 646	1 194 213
CTC Company	39 500 000	14 188 400	DZD	1 037 303	1 156 355
Cetim Company	122 850 000	89 337 500	DZD	6 531 393	7 281 006
				<u>555 247 241</u>	<u>541 627 814</u>

52.2 ASEC for Manufacturing and Industries project Co. (ARESCO)

	Contract amount 31/12/2015	Contract amount 31/12/2014
Work shop (1)	675 000	776 250
Work shop (7)	3 285 000	3 777 750
Work shop (9)	370 000	425 500
Self-extinguishing system in the factory	100 350	100 350
Legal consultancy fees	2 400 000	2 400 000
Total	6 830 350	7 479 850

53. Contingent liabilities

The contingent liabilities as at December 31, 2015 are represented in the following:

53.1 ASEC Automation Co. (ASA)

	31/12/2015	31/12/2014
Letters of guarantee	14 980 217	25 036 060

53.2 ASEC Environmental Protection Co. (ASENPRO)

	31/12/2015	31/12/2014
Letters of guarantee	842 000	1 001 249

53.3 Arab Swiss Engineering Co. (ASEC)

	31/12/2015		31/12/2014	
	EURO	EGP	EURO	EGP
Letters of guarantee	36 037	34 799 473	36 037	34 943 909

53.4 ASEC for Manufacturing and Industries project Co. (ARESCO)

	31/12/2015			31/12/2014		
	EURO	US. \$	EGP	EURO	US. \$	EGP
Letters of guarantee	5 712 704	7 395 647	36 657 734	5 749 077	--	29 688 296

53.5 United Foundries Company

	31/12/2015	31/12/2014
Letters of guarantee (outstanding)	541 213	--
Letters of guarantee (cover)	541 213	--
Letters of credit (outstanding)	408 486	389 766
Letters of credit (cover)	20 756	19 488
	<u>1 511 668</u>	<u>409 254</u>

53.6 ASEC Company for Mining (ASCOM)

	31/12/2015	31/12/2014
Letters of guarantee – Uncovered portion (A)	35 986 394	--
Bank commitments for loans to subsidiaries (B)	295 076 120	--
	<u>331 062 514</u>	<u>--</u>

(A-1) The uncovered portion of letters of guarantee includes a letter of guarantee amounted to EGP 783 000 (equivalent to US.\$ 100 000) issued from one of the banks the company deals with on behalf of ASCOM Carbonate & Chemical Manufacture Company (subsidiary) at October 3, 2007 and available for use until January 2, 2016.

(A-2) The uncovered portion of letters of guarantee includes a letter of guarantee amounted EGP 10 139 000 (equivalent to US.\$ 1 295 000) issued from one of the banks the company deals with on behalf of Nebta for Geology & Mining-Sudan (subsidiary) at October 27, 2009 and available for use until February 10, 2016.

(B-1) ASEC company for mining (ASCOM) guarantees Glass Rock Insulation Company (subsidiary) concerning the loan provided to the subsidiary company from one of the banks the company deals with amounted EUR 27 802 000 due to the subsidiary's inability to pay its obligations resulting from the mentioned loan.

(B-2) ASEC company for mining (ASCOM) and the UAE Partner guarantee ASCOM Emirates for Mining UAE (subsidiary) concerning the loan provided to the subsidiary company from one of the banks the company deals with amounted AED 28 000 000 due to the subsidiary's inability to pay its obligations resulting from the mentioned loan.

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54. Significant events

- The Company had announced its preliminary plan to sell its investments that was treated by management as non-core sectors. These divestitures are summarized as follows:
 - Dina Farms (indirect subsidiary)
 - Soiete Des Ciments De Zahana (indirect associate)
 - Land Port Tebeen to Nile Logistics (indirect subsidiary)
- The Company had appointed advisors to study the strategic options to exit from the aforementioned investments and non-core assets and the Company intends to use the outcome from these divestitures to reduce its debts and to finance the growth-opportunities in the core investments. The company is currently in the process of preparing the final plan to sell.

55. Subsequent events

- On February 24, 2016 the Company announced that its business unit Finance Unlimited has finalized the sale of its entire holding in subsidiary Tanmeyah Microenterprise Services, Egypt's leading private-sector provider of microfinance solutions, to EFG Hermes in a transaction that values 100% of Tanmeyah at EGP 450 million. The deal should be finalized after meeting certain requirements and operational conditions. (The transaction has been finalized on March 23, 2016).

56. Comparative figures

The following table summarizes the adjustments on the consolidated financial position as at December 31, 2014 and the consolidated income statement as at December 31, 2014, in addition certain comparative figures have been reclassified to conform with the current period presentation.

	Balance as at 31/12/2014 (as previously reported)	Reclassification and restates	Balance as at 31/12/2014 (as restated)
Statement of financial position			
Trade and other receivables (net)- Non-current	382 740 694	206 061 315	588 802 009
Other investments	183 337 194	258 015 765	441 352 959
Inventories (net)	977 977 183	(8 122 894)	969 854 289
Debtors and other debit balances (net)	1 242 990 236	(213 820 295)	1 029 169 941
Assets classified as held for sale	1 421 154 974	(18 865 747)	1 402 289 227
Goodwill	1 268 641 444	170 144 746	1 438 786 190
Due from related parties (net)	985 302 650	(1 319 711)	983 982 939
Total change in assets		<u>392 093 179</u>	

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	Balance as at 31/12/2014 (as previously reported)	Reclassification and restates	Balance as at 31/12/2014 (as restated)
Long term loans	10 734 285 444	(7 758 980)	10 726 526 464
Long term liabilities and derivatives	144 094 252	258 015 765	402 110 017
Creditors and other credit balances	1 059 785 483	19 932 546	1 079 718 029
Liabilities classified as held for sale	937 891 893	226 037	938 117 930
Due to related parties	478 521 732	(1 319 711)	477 202 021
Total change in liabilities		<u>269 095 657</u>	
Retained loss	(4 695 705 965)	358 756 937	(4 336 949 028)
Non - controlling interests	8 419 273 206	(235 759 415)	8 183 513 791
Total change in shareholder's equity		<u>122 997 522</u>	
	Total till 31/12/2014 (as previously reported)	Reclassification and restates*	Total till 31/12/2014 (as restated)
Income statement			
Continued operation			
Operating income	6 452 708 727	(1 782 439 165)	4 670 269 562
Operating costs	(5 327 635 484)	1 268 351 056	(4 059 284 428)
Advisory fee	9 913 660	624 165	10 537 825
Share of profit / loss of equity accounted investees	211 086 112	(33 914 615)	177 171 497
Losses on sale of investment in associate	--	(25 381 815)	(25 381 815)
Administrative expenses	(1 165 984 771)	155 103 144	(1 010 881 627)
Other expenses	(97 099 079)	4 416 044	(92 683 035)
Finance costs	(1 088 784 541)	199 421 359	(889 363 182)
Income tax	(117 580 780)	8 560 463	(109 020 317)
Total change in continued operation		<u>(205 259 364)</u>	
Net loss from discontinued operation	(246 595 813)	205 259 364	(41 336 449)
Total change in income statement		<u>--</u>	

* Note (23)