

Citadel Capital Company
(Egyptian Joint Stock Company)

Separate interim financial statements
for the period ended September 30, 2015
&
Review report

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Review report

To the Board of Directors of Citadel Capital Company

Introduction

We have performed a limited review for the accompanying separate statement of financial position of Citadel Capital Company (Egyptian Joint Stock Company) as at September 30, 2015 and the related separate statements of income, changes in equity and cash flows for the nine months then ended and a summary of significant accounting policies and other explanatory notes. The Company's management is responsible for the preparation and fair presentation of these separate interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these separate interim financial statements based on our limited review.

Scope of limited review

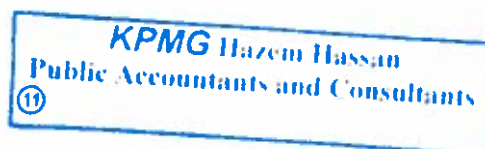
We conducted our limited review in accordance with Egyptian Standard on Review Engagements (2410), "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A limited review of interim financial statements consists of making inquiries, primarily of persons responsible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

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not present fairly, in all material respects, the financial position of the Company as at September 30, 2015 and of its financial performance and its cash flows for the nine months then ended in accordance with Egyptian Accounting Standards.

Hassan Bas
KPMG Hazem Hassan

Cairo, December 7, 2015



Citadel Capital Company
(Egyptian Joint Stock Company)
Separate statement of financial position
as at September 30, 2015

	Note	30/9/2015 EGP	31/12/2014 EGP
Current assets			
Cash and cash equivalents	(4)	208 498 238	258 755 014
Due from related parties (net)	(5)	1 609 371 102	1 437 647 622
Loans to subsidiaries	(15.1)	463 841 975	416 061 844
Other debit balances	(6)	14 303 599	5 705 988
Total current assets		2 296 014 914	2 118 170 468
Current liabilities			
Due to related parties	(7)	462 434 337	463 428 472
Current portion of long-term loans	(19)	1 156 844 681	1 086 800 651
Due to Tax Authority		74 419 147	59 519 037
Other credit balances	(8)	128 738 199	63 644 571
Expected claims provision	(9)	190 690 676	191 090 676
Total current liabilities		2 013 127 040	1 864 483 407
Working capital		282 887 874	253 687 061
Non - current assets			
Available-for-sale investments	(10)	23 766 164	23 766 164
Investments in subsidiaries and associates	(11)	5 304 213 026	5 142 836 403
Payments for investments	(12)	3 652 191 854	3 532 161 183
Fixed assets (net)	(13)	19 864 846	21 089 479
Projects under construction	(14)	5 052 995	681 959
Loans to subsidiaries	(15.2/15.3)	254 336 598	289 244 196
Deferred tax assets	(16)	342 998	620 572
Total non - current assets		9 259 768 481	9 010 399 956
Total investment		9 542 656 355	9 264 087 017
Financed through:			
Equity			
Share capital	(17)	9 100 000 000	8 000 000 000
Reserves	(3.10/3.12)	(131 796 012)	(131 796 012)
Retained loss		(287 043 188)	(241 439 209)
		8 681 160 800	7 626 764 779
Net loss for the period / year		(66 518 780)	(45 603 979)
Net equity		8 614 642 020	7 581 160 800
Shareholders' credit balances	(18)	1 464 311	836 842 865
Total equity		8 616 106 331	8 418 003 665
Non - current liabilities			
Long term loans	(19)	926 550 024	846 083 352
Total non - current liabilities		926 550 024	846 083 352
Total equity and non - current liabilities		9 542 656 355	9 264 087 017

The accompanying notes from page 5 to 38 are an integral part of these separate interim financial statements and are to be read therewith.

Review report "attached"

Chairman
Ahmed Heikal

Managing Director
Hisham Hussein El Khazindar

Chief Financial Officer
Moataz Farouk

Citadel Capital Company
(Egyptian Joint Stock Company)
Separate income statement
for the period ended September 30, 2015

		For the period		For the period	
	Note	from 1/7/2015 to 30/9/2015	from 1/1/2015 to 30/9/2015	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014
		EGP	EGP	EGP	EGP
Advisory fee	(22.1)	22 533 526	66 226 442	19 724 750	62 845 977
Dividend income	(20)	-	-	4 290 000	4 290 000
Administrative and general expenses	(23)	(52 188 093)	(139 342 516)	(41 819 687)	(103 064 795)
Loss from sale of investments	(25)	-	(5 254 099)	-	-
Fixed assets depreciation	(13)	(523 868)	(1 558 033)	(456 981)	(1 371 732)
Net operating loss		(30 178 435)	(79 928 206)	(18 261 918)	(37 300 550)
Finance (cost) income - net	(21)	(1 999 165)	13 686 999	11 001 466	12 603 207
Net loss before tax		(32 177 600)	(66 241 207)	(7 260 452)	(24 697 343)
Deferred tax	(16)	(96 401)	(277 573)	76 716	(34 585)
Net loss for the period		(32 274 001)	(66 518 780)	(7 183 736)	(24 731 928)
Earnings per share	(27)	(0.02)	(0.04)	(0.004)	(0.019)

The accompanying notes from page 5 to 38 are an integral part of these separate interim financial statements and are to be read therewith.

Citadel Capital Company

(Egyptian Joint Stock Company)

**Separate statement of changes in equity
for the period ended September 30, 2015**

	Note	Reserves					Shareholders' credit balances	Total
		Share capital	Legal reserve	Share based payment reserve	Retained loss	Net loss for the year / period		
		EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as at December 31, 2013		4 358 125 000	89 578 478	-	(251 929 613)	10 490 404	2 323 160 875	6 529 425 144
Carrying 2013 profit forward		-	-	-	10 490 404	(10 490 404)	-	-
Share-based payment reserve	(3.12)	-	-	(221 374 490)	-	-	-	(221 374 490)
Shareholders' credit balances	(18)	-	-	-	-	-	1 363 110 497	1 363 110 497
Share capital increase	(17)	3 641 875 000	-	-	-	-	(3 640 532 560)	1 342 440
Net loss for the period ended September 30, 2014		-	-	-	-	(24 731 928)	-	(24 731 928)
Balance as at September 30, 2014		8 000 000 000	89 578 478	(221 374 490)	(241 439 209)	(24 731 928)	45 738 812	7 647 771 663
Balance as at December 31, 2014		8 000 000 000	89 578 478	(221 374 490)	(241 439 209)	(45 603 979)	836 842 865	8 418 003 665
Carrying 2014 loss forward		-	-	-	(45 603 979)	45 603 979	-	-
Shareholders' credit balances	(18)	-	-	-	-	-	4 621 446	4 621 446
Share capital increase	(17)	1 100 000 000	-	-	-	-	(840 000 000)	260 000 000
Net loss for the period ended September 30, 2015		-	-	-	-	(66 518 780)	-	(66 518 780)
Balance as at September 30, 2015		9 100 000 000	89 578 478	(221 374 490)	(287 043 188)	(66 518 780)	1 464 311	8 616 106 331

The accompanying notes from page 5 to 38 are an integral part of these separate interim financial statements and are to be read therewith.

Citadel Capital Company
(Egyptian Joint Stock Company)
Separate statement of cash flows
for the period ended September 30, 2015

	Note	For the period ended 30/9/2015 EGP	30/9/2014 EGP
Cash flows from operating activities			
Net loss before tax		(66 241 207)	(24 697 343)
Adjustments to reconcile net loss to net cash used in operating activities :			
Fixed assets depreciation		1 558 033	1 371 732
Unrealized foreign currency differences		(41 568 391)	(15 872 816)
Interest expenses		-	2 639 285
Interest income		(15 921 375)	(40 505 433)
Loss from sale of financial investments		5 254 099	-
Provisions used		(400 000)	(1 800 000)
Operating loss before changes in current asstes and current liabilities		(117 318 841)	(78 864 575)
Changes in current asstes and current liabilities:			
Due from related parties		(294 579 090)	(189 300 685)
Other debit balances		(8 597 611)	(2 784 903)
Due to related parties		(128 915 691)	201 177 249
Tax Authority		14 900 110	-
Other credit balances		65 093 628	(10 437 668)
Net cash used in operating activities		(469 417 495)	(80 210 582)
Cash flows from investing activities			
Payments for investments		(21 000 000)	(36 733 506)
Payments for projects under construction		(4 371 036)	-
Payments for fixed assets		(333 400)	(54 075)
Proceeds from loans to subsidiaries		67 893 541	159 850 000
Proceeds from the redemption of investments in subsidiaries and associate		13 367 388	-
Net cash provided from investing activities		55 556 493	123 062 419
Cash flows from financing activities			
Proceeds from share capital increase		260 000 000	1 342 440
Payments for loans		(32 422 499)	(58 757 500)
Payments for shareholders' credit balances		(23 630 169)	(2 139 135)
Net cash provided from (used in) financing activities		203 947 332	(59 554 195)
Net change in cash and cash equivalents during the period		(209 913 670)	(16 702 358)
Cash and cash equivalents at the beginning of the period	(4)	418 411 908	282 542 561
Cash and cash equivalents at the end of the period	(4)	208 498 238	265 840 203

Non-cash transactions, note (4).

The accompanying notes from page 5 to 38 are an integral part of these separate interim financial statements and are to be read therewith.

Citadel Capital Company
(Egyptian Joint Stock Company)
Notes to the separate interim financial statements
for the period ended September 30, 2015

1. Company background

- Citadel Capital Company - an Egyptian Joint Stock Company - founded in accordance with the applicable Egyptian laws and in pursuance to law no. (159) of 1981 and its executive regulations. The Company has registered in the commercial register at Giza under number 11121 on April 13, 2004. The purpose of the Company represented as follows:
 - Providing consultancy in financial and financing fields for different companies and preparing and presenting the feasibility studies in the economical, engineering, technological, marketing, financing, managing, 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.

2. Basis of preparation

2.1 Statement of compliance

These separate financial statements have been prepared in accordance with the Egyptian Accounting Standards and relevant Egyptian law and regulations. The board approved the financial statements on December 7, 2015.

2.2 Basis of measurement

The separate financial statements are prepared on the historical cost basis, except for the following assets and liabilities that measured at fair value:

- Financial instruments at fair value through income statement.
- Derivative financial instruments (hedging reserve).
- Available-for-sale investments.

2.3 Functional and presentation currency

These separate financial statements presented in Egyptian pounds (EGP), which is the Company's functional currency. All financial information presented in Egyptian pounds.

2.4 Use of estimates and judgments

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 based on historical experience and various other factors that 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 reviewed on an ongoing basis. Revisions to accounting estimates recognized in the period in which the estimate revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements described in the following notes:

- Note no. (9) – provisions.
- Note no. (11) – measurement of the recoverable amount of investments in subsidiaries and associates.
- Note no. (16) – recognition of deferred tax.

2.5 Consolidated financial statements

The Company has subsidiaries and according to the Egyptian Accounting Standard No. 17 “Consolidated and Separate Financial Statements” and the article No. (188) of the executive regulation of law no. (159) of 1981, the Company is required to prepare consolidated financial statements which present fairly the balance sheet, the result of operations and cash flows for the group as a whole.

2.6 New accounting standards and its application

On July 9, 2015, Minister of Investment decree no. 110 for the year 2015 was issued with respect to the new Egyptian accounting standards (39 standard), its framework and financial statements presentation to replace the previous Egyptian accounting standards which was issued by ministry decree no. 243 for the year 2006. The new set of Egyptian accounting standards are to be applied on financial statements on or after January 1, 2016. The company is currently assessing whether the changes would affect the financial statements in the first application period.

3. Significant accounting policies applied

The following accounting policies have been consistently applied by the Company to all periods presented in these separate financial statements.

3.1 Foreign currency transactions

The Company maintains its accounts in Egyptian pounds. Transactions dominated in foreign currencies are translated at foreign exchange rate ruling at the date of transactions. Monetary assets and liabilities dominated in foreign currencies at the balance sheet date are translated at the foreign exchange rates ruling at that date. The foreign currency exchange differences arising on the translation at the balance sheet date are recognized in the separate income statement.

3.2 Fixed assets depreciation

Fixed assets are stated at historical cost and presented in the balance sheet, net of accumulated depreciation and impairment (Note 3.6), 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	20 years
- Computers	2-3 years
- Furniture, Fixtures, Electric Equipment	4 years
- Vehicles	4 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 separate income statement as an expense as incurred.

3.3 Projects under construction

Projects under construction are recognized initially at cost. Cost includes all expenditures directly attributable to bring 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.

3.4 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 recorded in the separate income statements.

3.5 Investments

3.5.1 Investments at fair value through income statement

An investment classified as at fair value through income statement if it held for trading or designated as such upon initial recognition. Financial investments designated at fair value through income statement if the Company manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs recognized in income statement when incurred. Financial instruments at fair value through income statement measured at fair value, and changes therein recognized in income statement.

3.5.2 Available-for-sale investments

Available-for-sale investments are valued at fair value, with any resultant gain or loss being recognized in equity, except for impairment losses (Note 3.6) 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.

3.5.3 Investments in subsidiaries and associates

Investments in subsidiaries and associates stated at cost less impairment (Note 3.6). At each balance sheet date, management assesses the investments' recoverable amount and in case that the recoverable amount is less than the carrying amount then an impairment loss is recognized in the income statement.

3.6 Impairment of assets

3.6.1 Financial assets

- 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 amortized cost 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 calculated by reference to its current fair value.

- Individually significant financial assets tested for impairment on an individual basis. The remaining financial assets assessed collectively in groups that share similar credit risk characteristics.

All impairment losses recognized in income statement. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity transferred to income statement.

- An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost and available-for-sale financial assets that are debt securities, the reversal recognized in income statement. For available-for-sale financial assets that are equity securities, the reversal recognized directly in equity.

3.6.2 Non-financial assets

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

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in income statement.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less cost to sell.

Impairment losses recognized in prior periods 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, if no impairment loss had been recognized.

3.7 Cash and cash equivalents

Cash and cash equivalent includes the balances, which maturity not exceeding three months from the date of acquisition. At the balance sheet date the balances are represented in cash on hand and banks-current accounts. The separate statement of cash flow has been prepared by the indirect method.

3.8 Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction cost. Subsequent to initial recognition, Interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings on an effective interest basis.

3.9 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event and it's 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 balance sheet date and amended (when necessary) to represent the best current estimate.

3.10 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 stopped 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.

3.11 Issued capital

3.11.1 Repurchase of share capital

When share capital recognized as equity is repurchased, the amount of the consideration paid, including directly attributable cost, is recognized as a change in equity.

Repurchased shares are classified as treasury stock and presented as a deduction from total equity.

3.11.2 Dividends

Dividends are recognized as a liability in the period in which they are declared.

3.12 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.

3.13 Derivative financial instruments

The Company uses derivative financial instruments to hedge its exposure to interest rate risks arising from operational, financial and investment activities. Derivatives are recognized initially at fair value; attributable transaction costs are recognized in income statement when incurred and at the balance sheet date, the changes in fair value include as follows:-

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, 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.

3.14 Lending

Loans are stated at cost less any impairment losses in its value and the Company revaluates the loans at each balance sheet 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.

3.15 Revenues

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 recognises 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.

3.15.1 Gains (losses) on sale of investments

Gains (losses) resulted from sale of financial investments & investments property are recognized on transaction date and measured by the difference between cost and selling price less selling commission and expenses.

3.15.2 Dividend income

Dividend income is recognized in the income statement at the date that the Company has rights to receive dividends from investments and occurred after the acquisition date.

3.15.3 Management fee

Management fee is calculated based on agreed percentage in accordance with contract term with a managed companies using accrual basis of accounting.

3.15.4 Advisory fee

Advisory fee is calculated based on agreed percentage in accordance with contract term with a managed companies using accrual basis of accounting.

3.15.5 Interest income

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

3.16 Expenses

3.16.1 Interest expense

Interest expense on interest - bearing borrowing is recognized in the income statement during the period the company was charged these expenses using the effective interest rate method.

3.16.2 Employees pension

The Company contributes to the government social insurance system 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 only. Contributions are charged to income statement using the accrual basis of accounting.

3.16.3 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 substantively enacted at the financial position 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.

3.17 Earnings per share

The Company presents basic 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 period.

3.18 Profit sharing to employees

The Company pays 10% of its cash dividends as profit sharing to its employees provided that it will not exceed total employees annual salaries. Profit sharing is recognized as a dividend distribution through equity and as a liability when approved by the Company's shareholders.

4. Cash and cash equivalents

	30/9/2015	31/12/2014
	EGP	EGP
Cash on hand	1 063 275	44 820
Banks – current accounts	207 434 963	258 710 194
Cash and cash equivalents as previously presented in the statement of financial position	208 498 238	258 755 014
Effect of exchange rate changes	--	159 656 894
Cash and cash equivalents adjusted	208 498 238	418 411 908

Non-cash transaction:

For the purpose of preparing cash flows statement, the following transactions have been eliminated:

- EGP 2 857 500 from change in payments for investments and due from related parties (represents the amount transferred from Citadel Capital Joint Investment Fund Management Ltd. current account to investment in Citadel Capital Holding for Financial Investment – Free Zone).
- EGP 155 217 971 from change in payments for investments and change in shareholders' – credit balances (represents the investments purchased by the Company on behalf of its subsidiary, Citadel Capital for International Investments Ltd).
- EGP 955 200 from change in due to related parties and payments under investments (represents the investments purchased from related parties).
- EGP 60 000 000 from change in payments for investments and the change in investments in subsidiaries and associates (transferred from payments for investments to investments in subsidiaries and associates).
- EGP 119 998 110 from change in due from related parties and the change in investments in subsidiaries and associates (transferred from due from related parties for investments to investments in subsidiaries and associates - ASEC Company for Mining "ASCOM").

- EGP 840 000 000 from change in capital and shareholders' – credit balances (represents the value of the increase in capital from shareholders' – credit balances).
- EGP 126 966 356 from change in due to related parties and shareholders'-credit balances (closing shareholders' – credit balances of Citadel Capital Partners Ltd. in current account).

5. Due from related parties

	Nature of transaction		30/9/2015	31/12/2014
	Advisory	Finance		
	fee			
	EGP	EGP	EGP	EGP
Mena Home Furnishings Mall	25 760 332	--	25 760 332	18 807 739
Falcon Agriculture Investments Ltd.	74 018 105	--	74 018 105	54 005 619
Golden Crescent Investments Ltd.	29 873 408	--	29 873 408	27 279 037
Citadel Capital Transportation Opportunities Ltd.	6 735 716	--	6 735 716	4 852 083
Logria Holding Ltd. *	43 095 545	--	43 095 545	39 352 892
Mena Glass Ltd.	24 623 392	--	24 623 392	16 237 649
Silverstone Capital Investment Ltd.	13 203 187	--	13 203 187	6 889 455
Sabina for Integrated Solutions	8 613 000	--	8 613 000	7 865 000
ASEC Cement Company	34 216 027	(31 287 786)	2 928 241	97 793 945
Citadel Capital Financing Corp. *	51 401 726	--	51 401 726	46 937 720
Valencia Trading Holding Ltd.	5 001 198	--	5 001 198	10 725 006
Citadel Capital Transportation Opportunities II Ltd.	23 650 189	--	23 650 189	15 706 387
Citadel Capital Holding for Financial Investments- Free Zone	--	1 215 399 797	1 215 399 797	952 758 861
ASEC Company for Mining (ASCOM)	--	3 719 417	3 719 417	31 764 300
United Foundries Company	--	72 597 738	72 597 738	71 166 782
National Development and Trading Company	--	14 133 183	14 133 183	51 155 035
Ledmore Holdings Ltd.	6 773 220	--	6 773 220	4 562 133
Africa Railways Limited	7 067 819	--	7 067 819	8 563 298
Mena Joint Investment Fund GP	13 565 726	--	13 565 726	12 010 356
Citadel Capital Joint Investment Fund Management Ltd.	3 375 270	--	3 375 270	5 763 393

Citadel Capital Company
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	Nature of transaction		30/9/2015	31/12/2014
	Advisory	Finance		
	fee			
	EGP	EGP	EGP	EGP
Africa JIF HOLD CO I	2 409 776	--	2 409 776	1 823 250
Africa JIF HOLD CO III	4 743 492	--	4 743 492	3 261 980
Mena JIF HOLD CO I	3 503 353	--	3 503 353	1 824 630
Crondall Holdings Ltd.	13 834 540	--	13 834 540	12 633 070
Ascom Emirates for Mining (UAE)	--	11 734 337	11 734 337	--
International Company for Mining Consultation	--	136 000	136 000	136 000
Total			1 681 897 707	1 503 875 620
Accumulated impairment *			(72 526 605)	(66 227 998)
Net			1 609 371 102	1 437 647 622

* Accumulated impairment on due from related parties represented in:

	Balance as at 1/1/2015	Foreign currency translation Differences	Balance as at 30/9/2015
	EGP	EGP	EGP
Logria Holding Ltd.	39 352 892	3 742 653	43 095 545
Citadel Capital Financing Corp.	26 875 106	2 555 954	29 431 060
Balance	66 227 998	6 298 607	72 526 605

6. Other debit balances

	30/9/2015	31/12/2014
	EGP	EGP
Deposits with others	181 500	175 500
Receivables-sale of investment	2 208 792	--
Imprests	9 919 510	3 197 970
Letters of guarantee's margin	783 000	715 000
Taxes deducted by others	868 057	868 058
Prepaid expenses	--	144 000
Sundry debit balances	342 740	605 460
Balance	14 303 599	5 705 988

7. Due to related parties

	30/9/2015	31/12/2014
	EGP	EGP
Citadel Capital for International Investments Ltd.	371 453 434	452 853 205
Egyptian Refinery Company	7 500 000	--
ASEC for Manufacturing and Industrial Projects (ARESCO)	6 500 000	6 401 100
Citadel Capital Partners Ltd.*/**	76 980 903	4 174 167
Balance	<u>462 434 337</u>	<u>463 428 472</u>

* The main shareholder of the Company – 24.36%.

** Note (18).

8. Other credit balances

	30/9/2015	31/12/2014
	EGP	EGP
Accrued expenses	42 517 837	18 055 767
Accrued interest	53 252 387	32 683 393
Suppliers	19 508 157	9 606 813
Prior years dividends payable	2 893 919	2 893 919
National Authority for Social Insurance	523 656	362 436
Sundry credit balances	10 042 243	42 243
Balance	<u>128 738 199</u>	<u>63 644 571</u>

9. Expected claims provision

	30/9/2015	31/12/2014
	EGP	EGP
Balance at the beginning of the period / year	191 090 676	194 090 676
Provisions used during the period / year	<u>(400 000)</u>	<u>(3 000 000)</u>
Balance	<u>190 690 676</u>	<u>191 090 676</u>

- This provision represents contingent claims from some of the parties regarding the Company's activities. The usual information related to provisions according to the Accounting Standards has not been disclosed because management believes that disclosing could seriously affect the outcome of negotiations with these parties, and the management periodically reviews this provision and adjusts the provision amount according to the latest discussions with these parties.

10. Available-for-sale investments

	30/9/2015	31/12/2014
	EGP	EGP
Arab Swiss Engineering Company – ASEC	17 479	17 479
Modern Company for Isolating Materials	43 396	43 396
EFG Capital Partners Fund II	7 734 489	7 734 489
EFG Capital Partners Fund III	15 970 800	15 970 800
Balance	<u>23 766 164</u>	<u>23 766 164</u>

- The available-for-sale investments are represented in unlisted securities in the Stock Exchange.

11. Investments in subsidiaries and associates

	Percentage	30/9/2015	Percentage	31/12/2014
	%	EGP	%	EGP
11.1 Investments in subsidiaries				
Citadel Capital Holding for Financial Investments-Free Zone	99.99	1 345 352 547	99.99	1 345 352 547
Citadel Capital for International Investments Ltd.	100	2 826 096 099	100	2 828 721 099
National Development and Trading Company *	47.65	668 170 587	47.65	668 170 587
United Foundries Company *	29.29	103 699 040	29.29	103 699 040
International Company for Mining Consultation	99.99	62 500	99.99	62 500
ASEC Cement Company * (Note 12)	1.8	57 782 382	0.000002	543
ASEC Company for Mining (ASCOM)**	54.74	<u>303 049 871</u>	--	--
Sub – Balance		<u>5 304 213 026</u>		<u>4 946 006 316</u>
11.2 Investments in associates				
ASEC Company for Mining (ASCOM)	--	--	39.22	183 051 762
Pharos Holding Co. (Note 24)	--	--	27	13 778 325
Sub – Balance		<u>--</u>		<u>196 830 087</u>
Balance		<u>5 304 213 026</u>		<u>5 142 836 403</u>

* The Company has the power to govern the operational and financial policies of these companies as it holds direct and indirect equity shares which enable the group to consider these companies as subsidiaries to the group.

** On December 17, 2014 the extra-ordinary general assembly for ASEC Company for Mining (ASCOM) approved to increase the company's issued capital from

EGP 350 million to EGP 500 million and to invite the existing shareholders to subscribe in the capital increase on a pro-rata basis to their shareholdings, the subscription was covered by 80% with an amount of EGP 120 million for the capital to become EGP 470 million. The share capital owned by Citadel Capital S.A.E has been increased from 13 727 872 shares with a share percentage of 39.22% to 25 727 683 shares with a share percentage of 54.74% through amounts due from related party (ASEC Company for Mining "ASCOM") amounted EGP 119 998 110 and the commercial register of ASEC Company for Mining (ASCOM) has been updated with this increase on June 25, 2015.

- Investments in subsidiaries and associates are represented in unlisted equity securities in the Stock Exchange except ASEC Company for Mining (ASCOM) which has market value of EGP 152 822 437 as at September 30, 2015 versus EGP 158 694 200 as at December 31, 2014.

12. Payments for investments

	Note	30/9/2015 EGP	31/12/2014 EGP
Citadel Capital Holding for Financial Investments- Free Zone		2 604 784 586	2 601 927 086
Citadel Capital for International Investments Ltd.	(18)	982 920 068	827 702 097
ASEC Cement Company*		--	60 000 000
Others**		64 487 200	42 532 000
Balance		<u>3 652 191 854</u>	<u>3 532 161 183</u>

* An amount of EGP 60 million has been transferred to investments in subsidiaries - ASEC Cement Company (Note 11).

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

13. Fixed assets (net)

	Building & constructions *	Computers	Furniture, fixture and equipment	Vehicles	Total
	EGP	EGP	EGP	EGP	EGP
Cost as at 1/1/2015	33 742 368	8 526 713	22 929 843	539 800	65 738 724
Additions	--	226 400	107 000	--	333 400
Total cost as at 30/9/2015	<u>33 742 368</u>	<u>8 753 113</u>	<u>23 036 843</u>	<u>539 800</u>	<u>66 072 124</u>
Accumulated depreciation as at 1/1/2015	13 496 944	7 878 551	22 733 950	539 800	44 649 245
Depreciation during the period	<u>1 265 339</u>	<u>200 830</u>	<u>91 864</u>	<u>--</u>	<u>1 558 033</u>
Accumulated depreciation as at 30/9/2015	<u>14 762 283</u>	<u>8 079 381</u>	<u>22 825 814</u>	<u>539 800</u>	<u>46 207 278</u>
Carrying amounts at 30/9/2015	<u>18 980 085</u>	<u>673 732</u>	<u>211 029</u>	<u>--</u>	<u>19 864 846</u>
Carrying amounts at 31/12/2014	<u>20 245 424</u>	<u>648 162</u>	<u>195 893</u>	<u>--</u>	<u>21 089 479</u>

* Building and constructions represent the value of the headquarter of the Company.

14. Projects under construction

Projects under construction are represented in computer software:

	30/9/2015	31/12/2014
	EGP	EGP
Cost at the beginning of the period / year	681 959	--
Additions	4 371 036	681 959
Balance	<u>5 052 995</u>	<u>681 959</u>

15. Loans to subsidiaries

Loans to subsidiaries are represented in loans granted to subsidiaries as follows:

	Note	30/9/2015	31/12/2014
		EGP	EGP
Current			
National Development and Trading Company	15.1	<u>463 841 975</u>	<u>416 061 844</u>
Non – current			
United Foundries Company	15.2	186 157 049	162 689 196
ASEC Company for Mining (ASCOM)	15.3	<u>68 179 549</u>	<u>126 555 000</u>
		<u>254 336 598</u>	<u>289 244 196</u>
Balance		<u>718 178 573</u>	<u>705 306 040</u>

- 15.1 The Company has granted two subordinating loans to National Development and Trading Company dated December 28, 2009 and September 21, 2010 with amounts of US.\$ 40 968 630 and US.\$ 8 064 887 respectively. The loans contracts period is five years, the principle of the two loans have to be paid with interest at the end of loans' period, with 11.5% annual cumulative interest, according to loans contracts the Company has the right to convert the value of loans in addition to its interest due into capital increase in National Development and Trading Company with par value at the end of loans period. 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

- During 2014, the company has signed two waiver contracts to Al Olayan Saudi investment Ltd by a portion from the two loans with a total amount of US.\$ 23 million represented in US.\$ 14 813 172 (principle amount) and US.\$ 8 186 828 (accrued interest amount).

The balance of the two loans after the Assignment Agreement became:
US.\$ 59 239 077 (equivalent to EGP 463 841 975) at September 30, 2015 versus
US.\$ 58 190 468 (equivalent to EGP 416 061 844) at December 31, 2014 included
accrued interest during the period amounted to US.\$1 048 609 (equivalent to
EGP 8 210 608) at September 30, 2015 versus US.\$ 6 266 087 (equivalent to EGP
44 802 522) at December 31, 2014.

- The company has transferred the loan from non-current to current, as it will be due within a year ending on September 21, 2015.

15.2 The Company has signed a subordinating convertible loan contract with United Foundries Company on June 2, 2010 with an amount of US.\$ 11 563 187 for the three years, the principle of the loan has to be paid with interest at the end of the loan period, with 11.5% annual cumulative interest, according to the loan contract the Company has the right to convert the value of the loan in addition to its interest due into capital increase in the capital of United Foundries Company with par value at the end of loan period.

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%.

On January 9, 2012 the board of directors of United Foundries Company decided to convert the convertible loan contract to a subordinating loan that will be settled on 10 years with annual interest rate of 6% in purpose of ending a loan commission amounted to US.\$ 1 421 320 (equivalent to EGP 8 641 626) at the transaction date. The value of the subordinating loan for united foundries Company is US.\$ 23 774 846 (equivalent to EGP 186 157 049 as at September 30, 2015) versus US.\$ 22 753 734 (equivalent to EGP 162 689 196 as at December 31, 2014) including accrued interest during the period amounted to US.\$ 1 021 112 (equivalent to EGP 7 995 307 as at September 30, 2015) versus US.\$ 1 285 319 (equivalent to EGP 9 190 031 as at December 31, 2014).

15.3 The Company has granted a loan to ASEC company for mining (ASCOM) – one of its subsidiaries – on September 7, 2014 with an amount of US.\$ 17 700 000. The loan contract period is seven years with annual interest rate of 6% and default rate of 8%. The principle of the loan has to be re-paid at the end of the loan agreement period. The principle of the loan should be used

solely to support ASCOM and its related subsidiaries. The borrower should pay to Citadel Capital S.A.E (The lender) a fee up to 3% of the aggregate amount of the loan to cover the fees, costs and expenses incurred in connection with the loan. During the period, the borrower has re-paid an amount of US.\$ 8.9 million from the due loan amount. The balance of the loan became with an amount of US.\$ 8 707 478 (equivalent to EGP 68 179 549) as at September 30, 2015, included accrued interest during the period amounted to US.\$ 131 686 (equivalent to EGP 1 031 101) on the current account - (Note 5).

16. Deferred tax assets

	30/9/2015	31/12/2014
	EGP	EGP
Fixed assets – depreciation	342 998	620 572

- The Company has carried-forward tax losses from previous years with an amount of EGP 198 897 648 at December 31, 2014 and the related deferred tax assets amounted EGP 59 669 294 were not recognized due to the lack of reasonable assurance of future of benefit from these assets.

17. 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 18) 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, 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 extraordinary 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.

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

Shareholders' name	Percentage %	No. of Shares	Value in 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
	<u>100</u>	<u>1 820 000 000</u>	<u>9 100 000 000</u>

18. Shareholders' credit balances

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

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

Shareholders' credit balances as at September 30, 2015 are represented in the following:-

Shareholders' name and description	30/9/2015 EGP	31/12/2014 EGP
(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 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
Mosafa 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
Aidarooos Hassan Omar Al Esayi	--	27 119 395
Yacoub Youssef Mohamed	--	12 450 290
Raya Holding Company for Technology and Communication	--	20 831 250

Shareholders' name and description	30/9/2015 EGP	31/12/2014 EGP
DEG DEUTSCHE INVESTITONS UND ENTWICKLUNGSGESLLSCHAFT MBH	--	77 000 000
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 period to increase the share capital (Note 17).

* 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 7).

19. Long term loans

On February 1, 2012 the Company has signed a long-term loan with an amount of US.\$ 325 million with Citi Bank Group - syndication manager – along with other group of banks (represented in Arab African International Bank S.A.E, Arab International Bank, Banque du caire, Misr Bank S.A.E, and Piraeus Bank) and guaranteed by Overseas Private Investment Corporation (OPIC) for the purpose of expanding the Company's investments and refinancing the outstanding debts as at December 31, 2011 (which represented in the loan granted to the Company on May 15, 2008 with an amount of US.\$ 200 million for a period of five years from a group of banks represented in Arab African International Bank, Suez Canal Bank, Misr bank , Piraeus Bank, Morgan Stanely Bank and Citi Bank London "syndication manager"); loan is to be paid on three installments during the contract period begins from the third year to the end of contract on May 15, 2013. The loan balance is an amount of US.\$ 171 957 803 (equivalent to EGP 1 032 984 912) as at December 31, 2011 until the date of the new contract)

The new loan amount is divided into three classes:-

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- First tranche: Irrevocable amount of US.\$ 175 million bearing variable interest rate (4.25 % + Libor rate) for 5 years begins from the date of the contract and payable on five equal annual installments.
- Second tranche: Irrevocable amount of US.\$ 125 million bearing fixed interest rate (3.9 % + Libor rate on the date of withdrawal) for 10 years begins from the date of the contract and payable on nine equal annual installments with one-year grace period.
- Third tranche: Irrevocable amount of US.\$ 25 million bearing fixed interest rate (3.9 % + Libor rate on the date of withdrawal) and the Company has the right to use it within three years begins from the date of the contract and payable on nine equal annual installments begins from the date of withdrawal with one year grace period.

According to the loan contract, the loan installments would be paid on December 20 each year.

The Company has used an amount of US.\$ 300 million from funding granted to it till December 31, 2013. The Company has paid an amount of US.\$ 30 037 259 and has been charged with US.\$ 370 686 as extra expenses so the balance of the loan will be US.\$ 266 078 506 as at September 30, 2015 (equivalent to EGP 2 083 394 705)

- The current installments are amounted to US.\$ 147 745 170 (equivalent to EGP 1 156 844 681 as at September 30, 2015) versus US.\$ 152 000 091 (equivalent to EGP 1 086 800 651 as at December 31, 2014). Current installments are as following:-

	First tranche		Second tranche		Total
	Maturity date	US.\$	Maturity date	US.\$	US.\$
First installment	December 20, 2012	35 000 000	December 20, 2012	Grace period	35 000 000
Second installment	December 20, 2013	35 000 000	December 20, 2013	one year	
Third installment	December 20, 2014	35 000 000	December 20, 2014	13 888 888	48 888 888
Fourth installment	December 20, 2015	35 000 000	December 20, 2015	13 888 888	48 888 888
Add: bank charges				13 888 888	48 888 888
Total					370 686
Payment from the first installment					182 037 350
Balance					(34 292 180)
					147 745 170

- The non-current installments are amounted to US.\$ 118 333 336 (equivalent to EGP 926 550 024 as at September 30, 2015) versus US.\$ 118 333 336 (equivalent to EGP 846 083 352 as at December 31, 2014).
- The interest on loan charged to the income statement during the period is EGP 98 248 212 (Note 21).

The loan guarantees are as follows:

- First degree lien contract on the equity shares owned by the Company in National Development and Trading Company.
- First degree lien contract on the equity shares owned by the Company in International Company for Mining Consulting.
- First degree lien contract on the shares owned by the Company in United Foundries Company.
- First degree lien contract on 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 investments of Citadel Capital Ltd. (Subsidiary) investments on the following companies:
 - Orient Investments Properties Ltd.
 - 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
 - Citadel Capital for Promotion Company

20. Dividend income

The dividend income represents dividend distribution made by Citadel Capital International Investment Ltd. for the period ended September 30, 2014 according to the resolution of the Board of directors meeting held on September 29, 2014.

21. Finance (cost) income - net

	For the period		For the period	
	from 1/7/2015 to 30/9/2015	from 1/1/2015 to 30/9/2015	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014
	EGP	EGP	EGP	EGP
Interest income - note (22.2)	22 883 968	70 366 820	30 199 405	90 447 262
Interest expense - note (19)	(32 616 424)	(98 248 212)	(27 084 785)	(93 716 871)
Foreign currency differences	7 733 291	41 568 391	7 886 846	15 872 816
Net	(1 999 165)	13 686 999	11 001 466	12 603 207

22. Related party transactions

22.1 Advisory fee

Advisory fee presented in the separate income statement represents the advisory services rendered to the related parties according to signed contracts as follows:

Company's name	For the period		For the period	
	from 1/7/2015	from 1/1/2015	from 1/7/2014	from 1/1/2014
	to 30/9/2015	to 30/9/2015	to 30/9/2014	to 30/9/2014
	EGP	EGP	EGP	EGP
Mena Glass Ltd.	2 280 488	6 722 051	1 351 245	4 013 993
Mena Home Furnishings Mall	1 721 292	5 073 745	1 569 607	4 662 650
Citadel Capital Transportation Opportunities Ltd.	474 059	1 397 354	432 285	1 284 139
Falcon Agriculture Investments Ltd.	4 958 762	14 616 632	4 521 784	13 432 357
Sphinx Glass S.A.E.	--	--	--	2 814 000
ASEC Cement Company	4 933 972	14 386 848	4 499 178	13 221 233
Silverstone Capital Investment Ltd.	1 886 168	5 559 744	1 719 954	5 109 277
Citadel Capital Transportation Opportunities II Ltd.	2 150 016	6 337 467	1 960 551	5 823 990
Africa Railways Limited	2 355 954	6 944 496	2 148 340	6 340 913
Mena Joint Investment Fund GP	507 244	1 479 062	463 191	1 360 517
Citadel Capital Joint Investment Fund Management Ltd.	--	--	--	1 658 705
Africa JIF HOLD CO I	139 225	405 953	127 134	373 417
Africa JIF HOLD CO III	394 718	1 150 948	360 439	1 058 701
Mena JIF HOLD CO I	139 226	405 954	127 134	373 417
Ledmore Holdings Ltd.	592 402	1 746 188	443 908	1 318 668
Total	22 533 526	66 226 442	19 724 750	62 845 977

- The Company did not recognize advisory fees with an amount of \$ 1 567 264 (equivalent to EGP 12 271 677) and \$ 290 203 (equivalent to EGP 2 272 289) in the period ended September 30, 2015 (against EGP 11 205 938 and EGP 2 074 955 in the period ended September 30, 2014) related to Logria Holding Ltd. and Golden Crescent Investments Ltd. respectively in accordance with the signed contracts due to inadequate assurance concerning the revenue recognition and collection conditions.

22.2 Interest income

Interest income presented in financing income – (Note 21) included an amount of EGP 69 612 499 which represent the accrued interest income according to the signed contracts with some related parties as follows:

Company's name	For the period		For the period	
	from 1/7/2015 to 30/9/2015	from 1/1/2015 to 30/9/2015	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014
	EGP	EGP	EGP	EGP
National Development and Trading Company (15.1)	2 644 618	8 064 867	10 655 780	33 712 853
United Foundries Company (22.2.1)	3 795 818	11 183 386	3 318 846	9 588 182
Citadel Capital Holding for Financial Investments-Free Zone	14 276 266	41 241 317	11 586 513	33 024 433
Citadel Capital for International Investments Ltd.	633 643	4 145 926	2 875 978	8 481 072
ASEC Company for Mining (ASCOM)	1 031 101	4 977 003	1 686 175	5 386 348
Total	22 381 446	69 612 499	30 123 292	90 192 888

22.2.1 Interest income related to United Foundries Company is represented as follows:

	For the period		For the period	
	from 1/7/2015 to 30/9/2015	from 1/1/2015 to 30/9/2015	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014
	EGP	EGP	EGP	EGP
Subordinating loan interest – (Note 15.2)	2 694 391	7 856 508	2 317 880	6 792 579
Current account interest	1 101 427	3 326 878	1 000 966	2 795 603
Total	3 795 818	11 183 386	3 318 846	9 588 182

23. Administrative and general expenses

	For the period		For the period	
	from 1/7/2015 to 30/9/2015	from 1/1/2015 to 30/9/2015	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014
	EGP	EGP	EGP	EGP
Wages, salaries and similar items	34 489 019	83 664 480	23 839 143	55 165 977
Consultancy fees	3 989 885	14 688 843	5 379 617	14 065 376
Advertising and public relations	4 200 833	9 629 760	2 304 786	7 487 736
Travel, accommodation and transportations	1 732 669	6 368 723	2 886 371	7 055 799
Donations	3 566 020	7 686 020	6 270 655	6 270 655
Other expenses	4 209 667	17 304 690	1 139 115	13 019 252
Total	52 188 093	139 342 516	41 819 687	103 064 795

24. Management fee

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 fee 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.

25. Loss from sale of investments

On February 3, 2015 Citadel Capital Co. signed contract to sell its shares in Pharos Holding for Financial Investments (associate-27%) and the ownership has been transferred on February 18, 2015. The loss from the sale of the investment is calculated as follow:

	For the period ended 30/9/2015 EGP
Book value of the investment (Note 11.2)	(13 778 325)
Transferred from associate (Citadel Capital for international investments Ltd)	(2 625 000)
Present value of selling price	11 149 226
Loss from sale of investment in associate	(5 254 099)

26. Tax status

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, 2014 has been inspected and the dispute has transferred to Internal Committee in the Authority and 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 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.

- On August 20, 2015, Presidential 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 May 17, 2015.

27. Earnings per share

	For the period		For the period	
	from 1/7/2015 to 30/9/2015	from 1/1/2015 to 30/9/2015	from 1/7/2014 to 30/9/2014	from 1/1/2014 to 30/9/2014
	EGP	EGP	EGP	EGP
Net loss for the period	(32 274 001)	(66 518 780)	(7 183 736)	(24 731 928)
The weighted average number of shares	1 602 391 304	1 600 805 861	1 600 000 000	1 317 187 729
Earnings per share	(0.02)	(0.04)	(0.004)	(0.019)

28. 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 year 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 did not start to apply it.

29. Contingent liabilities and commitments

The Company guarantees some of its related parties against loans and credit facilities granted from banks.

30. Financial instruments and management of related risks:

The Company's financial instruments are represented in the financial assets and liabilities. Financial assets include cash balances and debtors while financial liabilities include creditors. (Note 3) of notes to the separate interim financial

statements includes significant accounting policies applied regarding basis of 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:

30.1 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 related parties & other investments. 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.

30.2 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.

30.3 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. Assets and liabilities that have foreign currency position at the financial position date equivalent to EGP 342 309 510 and EGP 321 103 440 respectively and net foreign currencies balances at the financial position date are as follows:

Foreign currencies	Surplus (deficit)
	EGP
US.\$	44 344 971
Euro	(22 943 149)
GBP	(195 751)

- As disclosed in (note 3.1), the Company has used the prevailing exchange rates to revalue monetary assets and liabilities at the financial position 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.

30.4 Capital risk management

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.

Management monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as current portion of long term loans, trade payable and due to related parties plus long term loans as shown on the statement of financial position less cash and cash equivalents.

The gearing ratios at September 30, 2015 and December 31, 2014 were as follows:

	30/9/2015	31/12/2014
	EGP	EGP
Liabilities		
Due to related parties	462 434 337	463 428 472
Current portion of long term loans	1 156 844 681	1 086 800 651
Due to Tax Authority	74 419 147	59 519 037
Other credit balances	128 738 199	63 644 571
Expected claims provision	190 690 676	191 090 676
Long term loans	926 550 024	846 083 352
Total	2 939 677 064	2 710 566 759
Less: Cash and cash equivalents	(208 498 238)	(258 755 014)
Net debt	2 731 178 826	2 451 811 745
Total equity	8 616 106 331	8 418 003 665
Gearing ratio	%32	29%

31. 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:
 - Tanmeyah Micro Enterprise Services (indirect subsidiary)
 - 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.
- 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 EGP 1 billion. Financial close determined to take place on or before November 20th 2015.

- 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.
- On November 23, 2015 the company announced that its subsidiary -Mashreq petroleum- negotiates with the General Authority for Economic Zone of the Suez Canal to terminate the Build, Operate, Transfer (BOT) concession agreement to build Fuel Bunking 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, provided that the company will deliver the land that was allocated to the project as well as the designs of the project.

32. Comparative figures

Certain comparative figures have been reclassified to conform with the current period presentation.

	Balance as at 31/12/2014 (as previously reported)	Reclassification	Balance as at 31/12/2014 (as reclassified)
	EGP	EGP	EGP
Due from related parties	1 557 801 522	(120 153 900)	1 437 647 622
Due to related parties	457 027 372	6 401 100	463 428 472
Loans to subsidiaries (Non-current)	162 689 196	126 555 000	289 244 196