



Auditor's report

To The Shareholders of Citadel Capital Company S.A.E.

Report on the separate financial statements

We have audited the accompanying separate financial Statement of Citadel Capital Company S.A.E (The "company") which comprise the separate statement of financial position as at 31 December 2019 and the separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the separate financial statements

These separate financial statements are the responsibility of the company's management. Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Egyptian Accounting Standards and in light of the prevailing Egyptian laws. Management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the separate 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 separate financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and in 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 that the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the separate 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 company'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 separate financial statements.

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



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Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the financial position of Citadel Capital Company S.A.E as at 31 December 2019, and of its financial performance and its cash flows for the fiscal year then ended in accordance with Egyptian Accounting Standards and in light of the related Egyptian laws and regulations.

Emphasis of matters

Without qualifying our opinion, we draw attention to note (23 (a) (iii)) to the separate financial statements which indicates that as at 31 December 2019, the Company's accumulated losses have reached EGP 4 billion and the Company's current liabilities exceed its current assets by EGP 3.2 billion. The company's is also in breach of its existing debt covenants and has defaulted in settling the loan instalments on their due dates. These conditions, along with other matters set out in note (23 (a) (iii)) indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.

Report on other legal and regulatory requirements

The company maintains proper financial records, which include all that is required by the law and the company's statutes, and the accompanying separate financial statements are in agreement therewith.

The financial information included in the Board of Directors' report is prepared in accordance with Law No. 159 of 1981 and its executive regulations, is in agreement with the company's accounting records, within the limits that such information recorded therein.

Wael Sakr
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3 May 2020
Cairo

