

*Translation of Auditor's Report
Originally Issued in Arabic*

Limited Review Report

To: The Board members of Eastern Company (S.A.E)

Introduction

We have reviewed the accompanying financial position of Eastern Company (S.A.E) as of March 31, 2021 and the related statements of income, other comprehensive income, changes in shareholders' equity and cash flows for the financial period ended March 31, 2021 and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim financial information in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on this interim financial information based on our review.

Limited review scope

We conducted our review in accordance with the Egyptian Standard applicable to review engagements No. 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

- We could not match the tobacco inventory weights reported in the Custom Authority certificate of Cairo and Alexandria warehouses to the Company books balances as of March 31, 2021 where there is difference in weights, which lead to our inability to conduct alternative audit procedures to determine the necessary adjustments for the tobacco inventory balance, average cost and the related impact on the cost of sales and profit of the period (Note 15).
- The Company management is in the process to study the amendment of the accounting cycles and procedures applied, to settle the tobacco stock quantities differences compared with the custom authority certificates. The committee did not finalize the study till the issuance date of the financial statements.

Qualified Conclusion

Based on our review, except for the effects of the matters described in the basis for qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying financial statements do not present fairly, in all material respects, the financial position of Eastern Company (S.A.E) as of March 31, 2021, and its financial performance and cash flows for the period then ended in accordance with the Egyptian Accounting Standards and the prevailing Egyptian laws and regulations.

Report on legal and other regularity requirement

The company should call for the Ordinary General Assembly meeting to decrease capital with the nominal value of treasury stocks exceeded the legal period according to requirements of Law No. (159) for 1981 and its executive regulations.

Cairo: May 27, 2021

Auditor

Dr. Ahmed Shawki

Mazars Mostafa Shawki

