

**B Investments Holding**

**"S.A.E."**

**Condensed Interim Financial Statements**

**For the Three months ended March 31, 2021**

**Together with Limited Review Report**

Translation of Review  
Report Originally Issued in Arabic

**Review REPORT**

To: The Board of Directors of B Investments Holding "S.A.E."

**Introduction**

We have reviewed the accompanying condensed interim financial statements of B investments Holding – S.A.E which comprise the condensed interim statement of financial position as of March 31, 2021 and the related interim statements of profits or losses, comprehensive income, changes in equity and cash flows for the three months' period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of the condensed interim financial statements in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements". Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

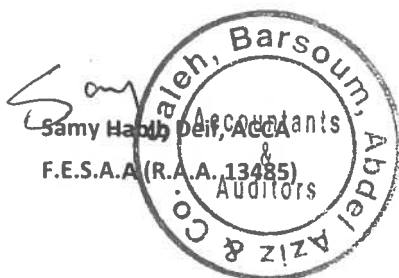
**Scope of Review**

We conducted our review in accordance with Egyptian Standard on Review Engagements (2410) "Review of Interim Financial Statement Performed by the Independent Auditor of the Entity". Review of condensed interim financial statements 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.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements do not present fairly in all material respects the separate financial position of the entity as at March 31, 2021, and of its financial performance and its cash flows for the three months' period then ended in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements".

Cairo, June 14, 2021



**B Investments Holding "S.A.E"**  
**Condensed interim Statement of Financial Position as of March 31, 2021**

	<u>Note</u>	<u>March 31, 2021</u> EGP	<u>December 31, 2020</u> EGP
<b>Assets</b>			
<b>Non-current assets</b>			
Investments in associates (net)	(4)	464 446 639	455 623 991
Available for sale investments	(5)	369 915 468	369 915 468
Investments in joint venture (net)	(6)	597 201 859	548 971 746
Investment properties (net)		93 055 818	93 296 112
Loans to associate	(7)	104 956 269	112 258 055
Loans to Joint ventures	(8)	11 234 610	11 234 610
Notes receivable (net)	(9)	9 891 217	9 891 217
<b>Total-non current assets</b>		<b>1 650 701 880</b>	<b>1 601 191 199</b>
<b>Current assets</b>			
Loans to Joint ventures	(8)	11 802 496	11 234 610
Notes receivable (net)	(9)	2 749 953	3 740 374
Due from related parties (net)	(10)	-	2 003 173
Other debit balances (net)	(11)	13 030 516	11 788 733
Treasury bills (net)	(12)	644 416 474	460 757 645
Cash at banks	(13)	12 787 768	179 256 649
<b>Total current assets</b>		<b>684 787 207</b>	<b>668 781 184</b>
<b>Total assets</b>		<b>2 335 489 087</b>	<b>2 269 972 383</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Issued and paid-up capital	(16)	800 122 080	800 122 080
Treasury stocks	(17)	-	(5 471 154)
Reserves		276 339 411	264 158 112
Available for sale investment revaluation reserve		189 220 998	189 220 998
Retained earnings		883 996 711	602 309 689
Net profit for the period /year attributable to shareholders of the Parent Company		50 624 090	287 905 313
<b>Total equity</b>		<b>2 200 303 290</b>	<b>2 138 245 038</b>
<b>Non-Current liabilities</b>			
Deferred tax liabilities	(15)	65 642 323	65 385 105
<b>Total non- current liabilities</b>		<b>65 642 323</b>	<b>65 385 105</b>
<b>Current liabilities</b>			
Due to related parties	(14)	20 553 161	21 667 649
Accounts payable and other credit balances		4 715 813	4 192 612
Current income tax		42 233 849	38 441 328
Provisions		2 040 651	2 040 651
<b>Total current liabilities</b>		<b>69 543 474</b>	<b>66 342 240</b>
<b>Total equity and liabilities</b>		<b>2 335 489 087</b>	<b>2 269 972 383</b>

- The attached notes form an integral part of the condensed interim financial statements , and to be read therewith.

Chief Financial Officer  
Ahmed Abdel Monem Madbouly

Chief Executive Officer  
Dr. Mohamed Abdel Monem Omran

Chairman  
Mohamed Hazem Adel Barakat

- Review report attached.




**B Investments Holding "S.A.E"**  
**Condensed interim Statement of Profits and Losses**  
**For three months ended March 31, 2021**

	<u>Note</u>	<u>March 31, 2021</u> <u>EGP</u>	<u>March 31, 2020</u> <u>EGP</u>
<b>Revenues &amp; profits</b>			
Group's share of profits of associates & joint venture entities	(20)	39 792 100	35 906 768
Finance income	(21)	20 476 697	17 137 344
Rental income of investment properties		1 023 750	975 000
Other income		--	92 658
Reversal of impairment loss on other debit balances		--	65 000
		<u>61 292 547</u>	<u>54 176 770</u>
<b>Expenses &amp; losses</b>			
Investment manager fees	(22)	(4 589 408)	(4 640 402)
Consulting fees and other expenses		(1 105 996)	( 963 649)
Tax expense on dividends income from investment in associates		--	(4 863 484)
Investment properties' depreciation		( 445 226)	( 432 557)
Foreign exchange loss		( 478 088)	(2 988 485)
<b>Net profit for the period before tax</b>		<u>54 673 829</u>	<u>40 288 193</u>
Income tax		(3 792 521)	(9 866 069)
Deferred tax	(15)	( 257 218)	7 228 464
<b>Net profit for the period</b>		<u>50 624 090</u>	<u>37 650 588</u>
<b>Attributable as follow:</b>			
Attributable to the shareholders' of the Parent Company		50 624 090	37 757 089
Non-controlling interests		--	( 106 501)
<b>Net profit for the period</b>		<u>50 624 090</u>	<u>37 650 588</u>
Basic earnings per share	(18)	<u>0.32</u>	<u>0.24</u>
Diluted earnings per share	(18)	<u>0.32</u>	<u>0.24</u>

- The attached notes form an integral part of the condensed interim financial statements , and to be read therewith.

**B Investments Holding "S.A.E"**

**Condensed interim Statement of Comprehensive Income**

**For three months ended March 31, 2021**

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the period	50 624 090	37 650 588
<u>Other comprehensive income</u>		
Translation reserve difference of subsidiaries' financial statements	--	( 159 228)
Company's shares in Other comprehensive income items in joint venture entities' financial statements	213 054	(1 318 393)
<b>total other comprehensive income for the period</b>	<b>213 054</b>	<b>(1 477 621)</b>
<b>total comprehensive income for the period</b>	<b>50 837 144</b>	<b>36 172 967</b>
<b>Distributed as follows:</b>		
Interests attributable to shareholders of the parent company	50 837 144	36 343 159
Non-controlling interests	--	( 170 192)
<b>total comprehensive income for the period</b>	<b>50 837 144</b>	<b>36 172 967</b>

- The attached notes form an integral part of the condensed interim financial statements , and to be read therewith.

**a Investments Holding "S.A.E."**  
**Condensed Interim Statement of Changes in Equity**  
**For three months ended March 31, 2021**

	Issued and paid-up capital		Treasury stocks		Shares Issuance Reserve		Available for sale investment revaluation reserve		Legal reserve		The Group's share in the other comprehensive income of its associates entities' financial statements		The Group's share in the combination reserve of its joint venture entities' financial statements		The Group's share in the Translation reserve of its subsidiaries entities' financial statements		The Group's share in the Other comprehensive income of its joint venture entities' financial statements		Retained earnings		Equity attributable to shareholders of the Parent Company in net profit of the period		Total Equity attributable to shareholders of the Parent Company		Non-controlling Interest		Total Equity			
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP		
Balance as of January 1, 2020	800 122 080	--	--	--	258 987 211	(4 111 018)	--	--	258 987 211	EGP	8 533 194	13 856 319	497 488 260	173 238 435	173 238 435	173 238 435	173 238 435	173 238 435	173 238 435	37 757 089	37 757 089	1749 542 181	5 807 869	1749 542 181	5 807 869	1749 542 181	5 807 869	1749 542 181	5 807 869	
Net profit of the period	--	--	--	--	--	--	--	--	--	EGP	(95 537)	--	--	--	--	--	--	--	--	--	--	(95 537)	--	--	--	--	--	--	--	
Items of other comprehensive income	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Translation reserve of subsidiaries' financial statements	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
The Group's share in translation reserve in joint venture financial statements	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Total Other Comprehensive Income	--	--	--	--	--	--	--	--	--	EGP	(95 537)	(1 318 393)	--	--	--	--	--	--	--	--	--	(95 537)	(1 318 393)	--	--	--	--	--	--	
The company's shareholders transactions	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Transferred to legal reserve	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
The Group's share in the change in equity associates companies	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Purchase treasury stocks	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Total company's shareholders transactions	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Balance as of March 31, 2020	800 122 080	--	--	--	258 987 211	(4 111 018)	--	--	258 987 211	EGP	8 533 194	13 856 319	497 488 260	173 238 435	173 238 435	173 238 435	173 238 435	173 238 435	173 238 435	37 757 089	37 757 089	1749 542 181	5 807 869	1749 542 181	5 807 869	1749 542 181	5 807 869	1749 542 181	5 807 869	
Balance as of January 1, 2021	800 122 080	--	--	--	258 987 211	(4 111 018)	--	--	258 987 211	EGP	8 533 194	13 856 319	497 488 260	173 238 435	173 238 435	173 238 435	173 238 435	173 238 435	173 238 435	37 757 089	37 757 089	1749 542 181	5 807 869	1749 542 181	5 807 869	1749 542 181	5 807 869	1749 542 181	5 807 869	
Net profit of the period	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Items of other comprehensive income	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
The Group's share in translation reserve and actuarial losses for employee benefits in joint venture financial statements	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Other Comprehensive Income	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
The company's shareholders transactions	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Transferred to legal reserve	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
The Group's share in the change in equity associates companies	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Dividends distributions	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Selling treasury stocks	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Retained earnings adjustments from joint venture entities	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total company's shareholders transactions	--	--	--	--	--	--	--	--	--	EGP	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Balance as of March 31, 2021	800 122 080	--	--	--	258 987 211	(4 111 018)	--	--	258 987 211	EGP	8 533 194	13 856 319	497 488 260	173 238 435	173 238 435	173 238 435	173 238 435	173 238 435	173 238 435	37 757 089	37 757 089	1749 542 181	5 807 869	1749 542 181	5 807 869	1749 542 181	5 807 869	1749 542 181	5 807 869	

The attached notes form an integral part of the condensed interim financial statements, and to be read therewith.

**B Investments Holding "S.A.E"**  
**Condensed interim Statement of Cash Flows**  
**For three ended March 31, 2021**

	<u>Note</u>	<u>March 31, 2021</u>	<u>March 31, 2020</u>
		<u>EGP</u>	<u>EGP</u>
<b><u>flows from operating activities</u></b>			
Profit for the period before tax		54 673 829	40 288 193
<b><u>Adjustments to reconcile net profit to cash flows from operating activities</u></b>			
Share of profits of associates & joint venture entities		(39 487 516)	(35 906 768)
Expense on dividends income from investment in associates		--	4 863 484
Association of investment properties		445 226	432 557
Foreign exchange loss		478 088	2 988 485
Interest - treasury bills		(17 418 361)	(14 430 648)
Interest		(3 362 920)	(2 706 696)
Reversal of impairment loss on other debit balances		--	( 65 000)
<b>Operating loss before changes in working capital</b>		<b>(4 671 654)</b>	<b>(4 536 393)</b>
Increase in due from related parties		--	28 540
Increase / Decrease in notes receivable		(1 000 000)	798 850
Increase in other debit balances		(1 241 783)	(45 101 346)
Increase / (Decrease) in due to related parties		2 003 173	( 56 338)
Increase in accounts payable and other credit balances		(3 811 248)	(1 090 625)
<b>Cash flows used in operating activities</b>		<b>(8 721 512)</b>	<b>(49 957 312)</b>
<b><u>flows from investing activities</u></b>			
Proceeds from credit interest		784 124	1 262 862
Payments to acquire investments in joint ventures		(16 404 500)	--
Payments to acquire investment properties		( 204 847)	--
Increase in long term deposits		--	49 938 872
Proceeds from redemption and sale (Payments) of treasury bills		(151 786 198)	(395 915 699)
<b>Cash flows (used in) / generated by investing activities</b>		<b>(167 611 421)</b>	<b>(344 713 965)</b>
<b><u>flows from financing activities</u></b>			
Proceeds from/ (Purchase) treasury stocks		10 222 734	( 100 937)
<b>Cash flows generated by / (used in) financing activities</b>		<b>10 222 734</b>	<b>( 100 937)</b>
Change in cash and cash equivalents during the period		(166 110 199)	(394 772 214)
Cash and cash equivalents at the beginning of the period		174 557 359	57 158 034
Effects of exchange rate changes on balances of cash held in foreign currencies		( 353 012)	1 077 397
<b>Cash and cash equivalents at the end of the period</b>	(13)	<b>8 094 148</b>	<b>(336 536 783)</b>

The attached notes form an integral part of the condensed interim financial statements, and to be read therewith.

**1. General information**

B Investments Holding "S.A.E." (BPE Holding for Financial investments -formerly) "The Company" was established under the provisions of Law No 95 for 1992 and its executive regulations. The Company was registered on December 31, 2005 under No 52455 at South Cairo Commercial Register pursuant to the Capital Market Authority License No. 348 dated April 11, 2006. Then the Company registered on October 24, 2012 under No 63264 at South Cairo Commercial Register.

The company's new Location is 24 Talaat Harb Street, Cinema Radio Building – 1<sup>st</sup> Floor - Cairo. The necessary legal procedures are going on to register the company's new location in the commercial register.

The Company's purpose is to participate in incorporation of other entities, which issue securities, or increase their capital. The Company may have interest or participate in any form with corporate companies pursuing similar activities, or which may assist it in realizing its purpose in Egypt or abroad. The Company may also merge, purchase or become a subsidiary to companies according to the provisions of law and its executive regulation. The Company's duration is 20 years commencing from the Commercial Register date.

The Company's primary business activity is investing in other entities, in accordance with its established investment policy. The Company aims to identify, research, negotiate, make and monitor the progress of and sell, realize and exchange investments and distribute proceeds of such investments with the principle objective of providing shareholders with a high relative overall rate of return by means of both income, capital growth and exit. On January 11, 2016 the Company's extraordinary general assembly decided to change the Company name to be BPE Holding for Financial Investments, the change was registered in the Company's commercial register on February 24, 2016.

On May 8, 2018 the Company's extraordinary general assembly decided to change the Company name to be B investments Holding, the change was registered in the Company's commercial register on July 8, 2018.

The Board of Directors authorized these condensed interim financial statements for the three months ended March 31, 2021 issue on June 14, 2021.

**2. Statement of compliance for the condensed interim financial statements**

The condensed interim financial statements have been prepared in accordance to the Egyptian Accounting Standard No. (30)" Interim financial statements".

**3. Basis for preparation of the condensed interim financial statements**

The condensed interim financial statements have been prepared using the same accounting policies applied in the last year. The interim financial statements are to be read in conjunction with consolidated financial statements issued for the year ended December 31, 2020.



**Initial application of new Egyptian Accounting Standards "EAS"**

On March 18, 2019, the Minister of Investment and International Cooperation introduced amendments to some provisions of the Egyptian Accounting Standards issued thereby by virtue of Decree No. 110 of 2015 , which include some new accounting standards as well as introducing amendments to certain existing standards which was issued by decision of the minister of investment No. 96 for 2019 and published in the official gazette on 07 April 2019.

As for the Egyptian Accounting Standards - newly created - numbers (47) - financial instruments and (48) - revenue from contracts with clients and (49) - leasing contracts, the date of applying these standards has been postponed to start on January 1, 2021, according to the announcement of the Financial Supervision Authority, by virtue of a decision. Prime Minister No. 1871 of 2020 issued on September 20, 2020.

On May 9, 2021, the Committee agreed to postpone the application of the Egyptian Accounting Standard (47) - Financial Instruments until the end of the year ending December 31, 2021.

The most prominent amendments are as follows:

New or Amended standards	A Summary of the Most Significant Amendments	Possible effect on the financial statements	Date of Implementation
The new Egyptian Accounting standard No. (47) "Financial Instruments"	<p>1-The new Egyptian Accounting Standard No. (47), "Financial Instruments", supersedes the corresponding related issues included in the Egyptian Accounting Standard No. (26), "Financial Instruments: Recognition and Measurement". Accordingly, Egyptian Accounting Standard No. 26 was amended and reissued after cancelling the paragraphs pertaining to the issues addressed in the new Standard No. (47) and the scope of the amended Standard No. (26) Was specified and intended to deal only with limited cases of Hedge Accounting according to the choice of the enterprise.</p> <p>2- Pursuant to the requirements of the Standard, financial assets are classified based on their subsequent measurement whether at amortized cost, or fair value through other comprehensive income or at fair value through profit or loss, in accordance with the enterprise business model for managing financial assets and the contractual cash flow characteristics of the financial asset.</p> <p>3-When measuring the impairment of financial assets the Incurred Loss Model is replaced by the Expected Credit Loss (ECL) Models, which requires measuring the impairment of all financial assets measured at amortized cost and financial instruments measured at fair value through other comprehensive income from their initial recognition date regardless whether there is any indication of the occurrence of loss event.</p>	The management assess the impact for preparation of the implementation until the latest date of preparing the financial statements at the end of 2021.	This standard No. (47) applies to financial periods beginning on or after January 1st, 2021, The application has been postponed until the latest date of preparing the financial statements at the end of 2021 and the early implementation thereof is permitted; provided that the amended Egyptian Accounting Standards No.(1), (25), (26) and (40) are adjusted together on 2019 at the same date to be simultaneously applied. -These amendments are effective as of the date of implementing Standard No. (47)

4- based on the requirements of this standard the following standards were amended:

-Egyptian Accounting Standard No. (1)

"Presentation of Financial Statements" as amended in 2019.

-Egyptian Accounting Standard No. (4) - "Statement of Cash Flows".

-Egyptian Accounting Standard No. (25) - "Financial Instruments: Presentation.

-Egyptian Accounting Standard No. (26) - "Financial Instruments: Recognition and Measurement".

- Egyptian Accounting Standard - EAS No. (40) - "Financial Instruments: Disclosures "

1-The new Egyptian Accounting Standard No. (48) "Revenue from Contracts with Customers" shall supersede the following standards and accordingly such standards shall be deemed null and void:

a. Egyptian Accounting Standard No. (8) - "Construction Contracts" as amended in 2015.

b. Egyptian Accounting Standard No. (11) - "Revenue" as amended in 2015.

2- For revenue recognition, Control Model is used instead of Risk and Rewards Model.

3- incremental costs of obtaining a contract with a customer are recognized as an asset if the enterprise expects to recover those costs and the costs of fulfilling the contract are to be recognized as an asset when certain conditions are met

4- the standard requires that contract must have a commercial substance in order for revenue to be recognized

5- Expanding in the presentation and disclosure requirements.

The new Egyptian Accounting Standard No. (49) "Lease Contracts" shall supersede and revoke Standard No. (20)," Accounting Rules and Standards related to Financial Leasing" issued in 2015.

The Standard introduces a single accounting model for the lessor and the lessee where the lessee recognizes the usufruct of the leased asset as part of the company's assets and recognizes a liability that represents the present value of the unpaid lease payments under the company's liabilities, taking into account that the lease contracts are not classified in respect of the lessee as operating | or finance lease contracts.

Management has applied this standard.

This Standard No (48) applies to financial periods beginning on or after January 1st, 2021, and the early implementation thereof is permitted.

Management has applied the standard.

This standard No. (49) Applies to financial periods beginning on or after January 1st, 2021, and the early implementation thereof is permitted if Egyptian Accounting Standard No. (48) "Revenue from Contracts with Customers" for year 2019 is simultaneously applied. Except for the above-mentioned date of enforcement, Standard No. (49) applies to lease contracts for year 2019 that were

As for the lessor, he shall classify each lease contract either as an operating lease or a finance lease contract.

As for the finance lease, the lessor must recognize the assets held under a finance lease contract in the Statement of Financial Position and present them as amounts receivable with an amount equivalent to the amount of the net investment in the lease contract.

As for operating leases, the lessor must recognize the lease payments of operating lease contracts as income either based on the straight-line method or based on any other regular basis

subjected to Finance Lease Law No. 95 of 1995 and its amendments and were treated according to Egyptian Accounting Standard No. 20, "Accounting rules and standards related to financial leasing", as well as the finance lease contracts that arise under and are subjected to Law No. 176 of 2018 to the effect of regulating both financial leasing and factoring activities starting from the beginning of the annual reporting period in which Law No. (95) Of 1995 was revoked and Law No. (176) of 2018 was issued.

#### 4. Investments in associates (net)

<u>Company Name</u>	<u>No. of Shares</u>	<u>Ownership</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>
			<u>EGP</u>	<u>EGP</u>
Al Retail For Trade and Investment S.A.E.	727 526	22.79%	389 038	377 752
Madinet Nasr for Housing and Development "MNHD" S.A.E.	108 077 416	7.5%	464 057 601	455 246 239
Infinity Solar 1 B.V	246	24.6%	--	--
Infinity Solar 2 B.V	175	17.5%	--	--
Infinity Solar 3 B.V	175	17.5%	--	--
			<b>464 446 639</b>	<b>455 623 991</b>

The increase in the investment in associates is mainly due to the group's recognized share of profit of investment in associate "MNHD" in the statement of profit or loss by an amount of EGP 7 722 931 (Refer to Note No.20), considering the Group's share in the change in equity of associates entities "MNHD" by an amount of EGP 1 088 431 which charged at the change in equity statement.

#### 5. Available for sale investments

<u>Name of Company</u>	<u>No. of Shares</u>	<u>Ownership</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>
			<u>EGP</u>	<u>EGP</u>
Total Egypt LLC "Total"	330 248	6.375%	369 915 468	369 915 468
			<b>369 915 468</b>	<b>369 915 468</b>

The company's management made an assessment to measure the fair value of the investment in Total Egypt LLC "Total" on March 31, 2021 and concluded that value does not differ from that measured value on December 31, 2020, and the company has considered the world's exposure to the spread of the new Corona virus (COVID-19) Which has a negative impact on the economies of many countries, which was reflected on the performance of the capital market and the volume of global trade, as well as any other influences until the date of issuance of the financial statements.

**6. Investments in joint Venture (net)**

	<u>Ownership</u>	<u>No. of Shares</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>
	<u>%</u>		<u>EGP</u>	<u>EGP</u>
Inergia Technologies for Information Systems "Inergia" S.A.E.	68.04	5 532 124	290 728 826	257 375 823
Red Sea Venture for Solar Power S.A.E.	49.5	7 425	5 727 150	5 727 150
Ebtikar Holding for Financial Investments S.A.E.	20.25	1 233 247	160 844 032	155 151 438
Gourmet Egypt .com Foods S.A.E.	52.9	3 127 950	121 198 347	124 197 375
Payments under capital increase in Gourmet Egypt.Com Foods S.A.E.	--	--	11 234 610	11 234 610
Basata Financial Holding S.A.E.	20.25	121 516	13 196 044	1 012 500
<b>Less: ; Impairment in investments (Red Sea Venture for Solar Energy )</b>			<b>(5 727 150)</b>	<b>(5 727 150)</b>
			<b>597 201 859</b>	<b>548 971 746</b>

The increase in the investment in joint venture is mainly due to:

- The group's recognized share of profit in the statement of profit or loss in the investments of Inergia Technologies for Information Systems "Inergia" by an amount of EGP 33 139 949 (Refer to note No.20), considering the group's share in the foreign currency translation gain by an amount of EGP 213 054 which charged at the other comprehensive income statement.
- The group's recognized share of profit in the statement of profit or loss in the investments of Ebtikar Holding for Financial Investments "Ebtikar" by an amount of EGP 567 934 (Refer to note No.20), in addition to the Company subscribed in the capital increase of "Ebtikar" by an amount of EGP 5 265 400.
- The group's recognized share of profit in the statement of profit or loss in the investments of Basata Financial Holding "Basata" by an amount of EGP 1 044 444 (Refer to note No.20), in addition the Company subscribed in the capital increase of "Basata" by an amount of EGP 11 139 100.
- The group's recognized share of loss in the statement of profit or loss in the investments of Gourmet Egypt .com Foods by an amount of EGP 2 694 444 (Refer to note No.20).

**7. Loans to associates**

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Infinity Solar 1 B.V	30 396 891	33 495 330
Infinity Solar 2 B.V	52 747 281	56 195 804
Infinity Solar 3 B.V	21 812 097	22 566 921
	<b>104 956 269</b>	<b>112 258 055</b>

The decrease in the balance is due to collection an amount of EGP 9 811 359 from the due balance during the period and the foreign currency revaluation loss by an amount of EGP 125 076 , in addition to the recognition of the accrued interest income by an amount of EGP 2 634 649.

8. Loans To joint ventures

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Loans to joint ventures current portion	11 802 496	11 234 610
Loans to Joint ventures non-current portion	11 234 610	11 234 610
	<u>23 037 106</u>	<u>22 469 220</u>

The increase in the balance is due to the recognition of the accrued interest income during the period by an amount of EGP 567 886.

9. Notes receivable (net)

<u>Description</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Current notes receivable	3 000 000	4 000 000
Deduct: present value of the current portion	(250 047)	(259 626)
<b>Short term notes receivable – Net</b>	<u>2 749 953</u>	<u>3 740 374</u>
Non current portion notes receivable	15 000 000	15 000 000
Deduct: present value of the non-current portion	(5 108 783)	(5 108 783)
<b>Long term Notes receivable – Net</b>	<u>9 891 217</u>	<u>9 891 217</u>

The decrease in the balance is due to collection of a check by an amount of EGP one million on January 31, 2021.

10. Due from related parties (net)

	<u>Relationship</u>	<u>Account nature</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>
	<u>nature</u>		<u>EGP</u>	<u>EGP</u>
Red Sea venture for Solar Energy	Joint venture	Current account	1 143 958	1 149 958
Infinity Solar 1 B.V	Associate	Current account	--	665 293
Infinity Solar 2 B.V	Associate	Current account	--	678 440
Infinity Solar 3 B.V	Associate	Current account	--	653 440
<b>Less: Impairment in due from related parties (Red Sea venture for Solar Energy)</b>			<u>(1 143 958)</u>	<u>(1 143 958)</u>
			<u>--</u>	<u>2 003 173</u>

The decrease in the balance is mainly due to collection the balance due from Infinity Solar 1 B.V, Infinity Solar 2 B.V. and Infinity Solar 3 B.V. during the period.

**11. Other debit balances (net)**

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Deposits held with others	46 795	46 795
Accrued interest	16 869	16 987
Accrued rental income	2 804 500	2 804 500
Prepaid expenses	411 079	207 645
Withholding tax receivable	119 925	89 212
Withholding tax on treasury bills	11 445 747	10 381 829
Advance payment to suppliers	936 249	998 413
Other debit balances	53 852	47 852
<b>Less: Impairment in other debit balances</b>	<b>(2 804 500)</b>	<b>(2 804 500)</b>
	<b><u>13 030 516</u></b>	<b><u>11 788 733</u></b>

The increase in other debit balances is mainly due to the increase of withholding tax on treasury bills by an amount of EGP 1 063 918, deducted on the selling and redemption of treasury bills during the period.

**12. Treasury bills (net)**

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Treasury bills – more than three months	692 150 000	499 325 000
<b>Less: unrealized interest</b>	<b>(47 733 526)</b>	<b>(38 567 355)</b>
	<b><u>644 416 474</u></b>	<b><u>460 757 645</u></b>

**13. Cash at banks**

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Current accounts - local currency	6 881 773	27 814 933
Current accounts - foreign currencies	1 212 375	146 742 426
Time deposits at banks - foreign currencies	4 693 620	4 699 290
	<b><u>12 787 768</u></b>	<b><u>179 256 649</u></b>

For purpose of preparing condensed interim cash flow statement, the cash and cash equivalents are comprised of the following:

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Cash at banks	12 787 768	17 661 921
Treasury bills – less than three months	–	40 319 908
<b>Less: Treasury bills – More than three months</b>	<b>–</b>	<b>(389 416 470)</b>
<b>Less: Time Deposits – More than three months</b>	<b>(4 693 620)</b>	<b>(5 102 142)</b>
	<b><u>8 094 148</u></b>	<b><u>(336 536 783)</u></b>

**14. Due to related parties**

	<u>Relationship nature</u>	<u>Account nature</u>	<u>March 31, 2021</u> <u>EGP</u>	<u>December 31, 2020</u> <u>EGP</u>
BPE Partners S.A.E.	Management company	Management fees and incentive fees	20 553 161	20 655 149
Basata Financial Holding S.A.E.	Joint venture	Current account	--	1 012 500
			<u>20 553 161</u>	<u>21 667 649</u>

**15. Deferred tax liabilities**

	<u>December 31, 2020</u> <u>asset / (Liability)</u> <u>EGP</u>	<u>Movement during the period</u> <u>asset / (Liability) on Statement</u> <u>of profits and losses</u> <u>EGP</u>	<u>March 31, 2021</u> <u>asset / (Liability)</u> <u>EGP</u>
Deferred tax liability arising from the depreciation of investment properties	(540 777)	(16 973)	(557 750)
Deferred tax liability arising from unrealized foreign Currency exchange	2 840 207	(240 245)	2 599 962
Differences in valuation of available for sale investments at fair value	(67 684 535)	--	(67 684 535)
	<u>(65 385 105)</u>	<u>(257 218)</u>	<u>(65 642 323)</u>

The deferred tax assets were not recognized on the following items due to insufficient assurance to realize them in the future.

	<u>March 31, 2021</u> <u>EGP</u>	<u>December 31, 2020</u> <u>EGP</u>
Impairment in joint venture investment	5 727 150	5 727 150
Impairment in Investment in associate	7 273 507	7 273 507
Provisions	2 040 651	2 040 651
Impairment in due from related parties	1 143 958	1 143 958
Impairment in other debit balance	2 804 500	2 804 500
	<u>18 989 766</u>	<u>18 989 766</u>

**16. Capital**

The Company's authorized capital amounted to EGP 2.4 billion, and the issued and paid-up capital amounted to EGP 800 122 080 divided into 160 024 416 shares of EGP 5 par value each.

**17. Treasury stocks**

The Board of Directors, in its meeting held on February 3, 2021, approved the sale of the total treasury shares owned by the company, which amount to 801 289 shares, and the total shares were sold in a trading session on February 4, 2021 and recognized profit by an amount EGP 4 802 263 which charged at the retained earnings.

**18. Basic and diluted earnings per share**

**Basic:** Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

**Diluted:** Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all convertible financial instruments and share options. The net profit is adjusted by omission of the cost of convertible debt instruments taking tax effect into consideration. As there are no debt instruments that are convertible to shares, so diluted and basic earnings per share are equal.

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the period attributable to the shareholders' of the Parent Company	50 624 090	37 757 089
Weighted average number of shares	160 024 416	160 024 416
<b>Basic and diluted earnings per share</b>	<b>0.32</b>	<b>0.24</b>
<b>Less: treasury stocks</b>		
Weighted average number of shares after selling treasury shares	159 712 804	160 024 416
<b>diluted earnings per share</b>	<b>0.32</b>	<b>0.24</b>

**19. Significant related parties transactions**

Transactions made during the financial period consist of accounts of an ongoing basis in management fees and expenses paid on behalf of the company or the company's payment on behalf of those Parties and interest charges to related parties.

The significant transactions during the period are as follows:

<u>Company name</u>	<u>Type of relation</u>	<u>Type of transaction</u>	<u>Value of transaction for the period</u>
BPE Partners S.A.E.	Management company	Management fees	(4 859 408)
Infinity Solar (1) B.V	Associate	Credit interest	765 959
Infinity Solar (2) B.V	Associate	Credit interest	1 318 444
Infinity Solar (3) B.V	Associate	Credit interest	550 246
Gourmet Egypt .com Foods	Joint venture	Credit interest	263 302

**20. Group's share of profits of investment in associates and joint venture entities**

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Madinet Nasr for Housing and Development	7 722 931	27 861 327
Inergia Technologies for information systems	33 139 949	349 341
Metalcar co.	--	(323 840)
Al Retail for Trade and Investment	11 286	12 245
Gourmet Egypt .com Foods	(2 694 444)	8 564 021
Ebtikar Holding for Financial Investment	567 934	(556 326)
Basata Financial Holding	1 044 444	--
	<b>39 792 100</b>	<b>35 906 768</b>



The Company's share of the interest income on loans to Joint venture (Gourmet Egypt .com Foods) was excluded, so ,the company's share of loss was reduced by an amount of EGP 304 584, which represents related transactions between the company and Joint venture (Note 21).

## 21. Finance income

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Credit interest on time deposits and bank current accounts	160 385	166 076
Credit interest for loans to associates	2 634 649	2 540 620
Credit interest for loans to Joint venture	263 302	--
Return on treasury bills	17 418 361	14 430 648
	<u>20 476 697</u>	<u>17 137 344</u>

The increase in finance income during the period is mainly due to the increase of return on treasury bills by an amount of EGP 3 Millions.

In addition to the interest income from Gourmet Egypt .com Foods S.A.E. by an amount of EGP 567 886, for the purpose of presenting investments in joint venture in the financial statements was excluded an amount of EGP 304 584 from interest income and the company's share of loss from investment in Gourmet Egypt .com Foods (Note 20).

## 22. Investment manager fees

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
	<u>EGP</u>	<u>EGP</u>
Management fees	4 589 408	4 640 402
	<u>4 589 408</u>	<u>4 640 402</u>

On 19 July 2017, The Company signed a new management agreement with BPE Partners SAE, the new management agreement became effective on the date of completion of listing the company's shares on the EGX. The trading on the company's shares started on March 29, 2018.

Pursuant to the terms of the new management agreement, the management company is entitled to a management fees of 2% of the company's paid up capital up to EGP 600 million and 1.5% of any capital increase (Included share premium) of more than EGP 600 million Up to EGP 1.2 billion and 1% on any capital increase of more than EGP 1.2 billion.

Additionally, the management company is entitled to a performance fee, the performance fee will be due to the management company only on the exit of investments entered into by the Company. Performance fees for existing investments are accrued for the management company and calculated as the difference between cash proceeds net of taxes and fees received from the disposal and distribution (dividend, interest, or rent) of the investment and the adjusted cost of the existing investment. The adjusted cost is the historical cost of the investment at an acceptable rate of return on investment (10% annually) for each year following the acquisition date of the investment until the date on which the new management agreement takes effect.

Performance fees on new investments entered into by the Company starting from the date on which the new management agreement takes effect will be 15% of the gain on the investment calculated as the difference between the cash proceeds net of taxes and fees received from the disposal and distribution (dividend, interest, or rent) of the investment and the aggregate cost of such investment.

### **23. Significant Events during the period**

The spread of the epidemic of emerging coronavirus (COVID-19) during the year 2020 had a negative impact on the performance of financial markets and the volume of global trade countries of the world, including the Arab Republic of Egypt till now.

The governments of world's countries, including the Egyptian government, have taken several actions of precautionary measures to limit the spread of this epidemic, and as a result, the industrial and commercial operations of various economic activities were affected, which led to a state of economic slowdown at the global and local levels.

The company has conducted a study for the purpose of evaluating the potential risks and the management evaluation included the following factors:

- The risk of impairment of real estate assets and investment portfolio.
- Risks of not being able to collect debit balances and loans due from debtors and related parties on the maturity date.
- The risk of not being able to pay obligations owed to creditors on maturity.
- Risks that may arise from any claims resulting from lawsuits

The management concluded that there is no impact on the company's work that could lead to a decrease in the value of real estate assets and investment portfolio in addition to debit balances and loans due from debtors and related parties, and the company pays all its obligations on the due date as well.

And the continuous and accelerating changes associated with that pandemic still impose a state of uncertainty and the inability to accurately predict due to the continuing economic repercussions of the Coronavirus crisis.

The administration closely monitors the situation and adjusts the necessary plans to face these repercussions, by extension, if the situation continues to evolve for a longer period of time.

On March 30, 2021 The Company's board of directors proposed distribution of dividends for the year ending December 31, 2020 to the shareholders of 1.25 Egyptian pound per share and an amount of EGP 3 756 000 to the board of directors' members, the distribution proposal will be presented to the Company's general assembly for approval.

### **24. Events subsequent to the date of the financial statements**

On April 29, 2021 the ordinary general assembly meeting of the Company approved dividends for the year ending December 31, 2020 to the shareholders of 1.25 Egyptian pound per share and an amount of EGP 3 756 000 to the board of directors' members.