

B Investments Holding
“S.A.E.”
Condensed Consolidated Interim Financial Statements
For the Nine months ended September 30, 2020
Together with Limited Review Report

Translation of Review Report

Originally Issued in Arabic

Limited Review Report on the condensed consolidated interim financial statements

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

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of B investments Holding–S.A.E which comprise the condensed consolidated interim statement of financial position as of September 30, 2020 and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine 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 consolidated interim financial statements in accordance with Egyptian Accounting Standard No. (30)" Interim financial statements". Our responsibility is to express a conclusion on these condensed consolidated 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 consolidated 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 consolidated interim financial statements do not present fairly in all material respects the consolidated financial position of the entity as at September 30, 2020, and of its consolidated financial performance and its consolidated cash flows for the nine months' period then ended in accordance with Egyptian Accounting Standard No. (30)" Interim financial statements".

Cairo, November 12, 2020

Samy Habib
Samy Habib Deif, ACCA
F.E.S.A.A (R.A.A. 13485)
FRA Register No. "373"



B Investments Holding "S.A.E"

Consolidated condensed interim Statement of Financial Position as of September 30, 2020

	Note	September 30, 2020	December 31, 2019
		EGP	EGP
Assets			
Non-current assets			
Intangible assets (net)		2 558 319	2 399 772
Investments in associates (net)	(5)	445 692 343	456 790 500
Available for sale investments		141 262 077	141 262 077
Investments in joint ventures (net)	(6)	549 401 835	527 602 112
Investment properties (net)		93 728 331	95 046 535
Loans to associates	(7)	109 816 293	103 932 539
Loans to joint ventures	(8)	14 043 263	-
Deferred tax assets	(21)	2 267 371	-
Total non current assets		1 358 769 832	1 327 033 535
Current assets			
Loans to joint ventures	(8)	19 660 567	-
Notes receivable		1 122 143	1 920 993
Due from related parties (net)		3 672 701	3 640 965
Other debit balances (net)	(9)	38 263 128	12 214 329
Treasury bills (net)	(10)	422 878 868	368 486 593
Cash at banks	(11)	14 248 305	70 452 489
Total current assets		499 845 712	456 715 369
Total assets		1 858 615 544	1 783 748 904
Equity and liabilities			
Equity			
Issued and paid-up capital	(13)	800 122 080	800 122 080
Treasury stocks	(14)	(5 471 154)	-
Reserves		273 585 497	272 743 406
Retained earnings		602 309 689	497 438 259
Net profit for the period / year attributable to shareholders of the Parent Company		154 231 134	173 238 436
Equity attributable to shareholders of the parent company		1 824 777 246	1 743 542 181
Non-controlling interests		5 086 442	5 807 869
Total equity		1 829 863 688	1 749 350 050
Non-Current liabilities			
Deferred tax liabilities	(21)	-	4 892 547
Total non- current liabilities		-	4 892 547
Current liabilities			
Due to related parties	(12)	4 699 443	4 691 395
Accounts payable and other credit balances		5 217 816	8 326 164
Current income tax		16 793 946	14 448 097
Provisions		2 040 651	2 040 651
Total current liabilities		28 751 856	29 506 307
Total equity and liabilities		1 858 615 544	1 783 748 904

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

Chief Finance Officer
Ahmed Abdel Monem Madbouly



Chief Executive Officer
Dr. Mohamed Abdel Monem Omran



Chairman
Mohamed Hazem Adel Barakat

Auditor's review report attached.

B Investments Holding "S.A.E"

Consolidated condensed interim statement of profits or losses for the nine months ended on September 30, 2020

	Note	For the nine months ended		For the three months ended	
		September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
		EGP	EGP	EGP	EGP
Revenues & profits					
Dividends income from investment available for sale	(18)	38 075 645	27 692 943	-	-
Group's share of profit/loss of investment in associates & joint venture entities	(17)	95 822 455	96 485 244	24 275 762	32 029 449
Finance income	(19)	52 695 777	60 682 041	16 957 572	17 674 513
Rental income of investment properties		2 925 000	-	975 000	-
Other income		183 169	613 939	63 109	177 398
Gain from selling investment properties		-	1 613 372	-	1 613 372
Reversal of impairment loss on other debit balances		130 000	-	40 000	-
		189 832 046	187 087 539	42 311 443	51 494 732
Expenses & losses					
Management fees	(20)	(13 972 199)	(13 921 205)	(4 691 395)	(4 691 395)
Consulting fees and other expenses		(3 539 831)	(5 513 048)	(1 071 907)	(2 387 724)
Tax expenses on dividends income from investment in associates		(4 863 484)	-	-	-
Board of directors allowances		(1 159 600)	(1 104 244)	(1 158 700)	(1 207 000)
Depreciation of Investment properties		(1 297 671)	(1 275 154)	(1 432 557)	(1 917 188)
Foreign currencies exchange differences		(2 896 284)	(16 733 238)	(2 693 890)	(4 478 975)
Net profit for the period before tax		163 102 977	150 540 650	33 262 994	39 824 220
Income tax		(16 708 271)	(12 304 160)	(3 184 536)	(3 732 598)
Deferred tax	(21)	7 159 918	4 508 393	544 457	1 313 610
Net profit for the period		153 554 624	142 744 883	30 622 915	37 405 232
Attributable as follow:					
Attributable to the shareholders' of the Parent Company		154 231 134	142 083 785	30 900 134	37 266 662
Non-controlling interests		(676 510)	661 098	(277 219)	138 570
Net profit for the period		153 554 624	142 744 883	30 622 915	37 405 232
Basic earnings per share	(15)	0.96	0.89	0.19	0.23
Diluted earnings per share	(15)	0.97	0.89	0.19	0.23

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

Translation of consolidated financial statements

Originally Issued in Arabic

B Investments Holding "S.A.E"

Consolidated condensed interim Statement of comprehensive income for the nine months ended on September 30, 2020

	<u>For the nine months ended</u>		<u>For the three months ended</u>	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>September 30, 2020</u>	<u>September 30, 2019</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Net profit for the period	153 554 624	142 744 883	30 622 915	37 405 232
<u>Other comprehensive income</u>				
Translation reserve difference of subsidiaries' financial statements in presented foreign currencies	(112 292)	753 936	26 480	154 703
Company's shares in Other comprehensive income items in joint venture entities' financial statements	(956 504)	(22 379 911)	(43 817)	(10 469 446)
Total other comprehensive income for the period	(1 068 796)	(21 625 975)	(17 337)	(10 314 743)
Total comprehensive income for the period	152 485 828	121 118 908	30 605 578	27 090 489
Distributed as follows:				
Interests attributable to shareholders of the parent company	153 207 255	120 156 236	30 872 205	26 890 038
Non-controlling interests	(721 427)	962 672	(266 627)	200 451
Total comprehensive income for the period	152 485 828	121 118 908	30 605 578	27 090 489

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

B Investments Holding "S.A.E"

Consolidated condensed interim statement of changes in equity for the nine months ended on September 30, 2020

Note	Issued and paid-up capital	Treasury stocks	Capital issuance costs	Legal reserve	The Group's share in the change of the associates' equity	The Group's share in the combination reserve of joint ventures	Translation reserve of subsidiaries financial statements	The Group's share in the other comprehensive income of in joint venture entities'	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 interests	Total equity
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as of January 1, 2019	800 122 080	-	(4 111 018)	255 456 922	-	(4 522 300)	8 232 146	25 150 217	388 477 481	193 856 740	1662 662 268	5 082 911	1667 745 179
Net profit of the period	-	-	-	-	-	-	-	-	-	142 083 785	142 083 785	661 038	142 744 823
Items of other comprehensive income													
Translation reserve of subsidiaries' financial statements	-	-	-	-	-	-	452 362	-	-	-	452 362	301 574	753 936
Company's shares in Other comprehensive income items in joint venture entities' financial statements	-	-	-	-	-	-	-	(22 379 911)	-	-	(22 379 911)	-	(22 379 911)
Total Other Comprehensive income	-	-	-	-	-	-	452 362	(22 379 911)	-	142 083 785	120 156 236	962 672	121 118 908
The company's shareholders transactions													
Transferred to legal reserve	-	-	-	3 530 288	-	-	-	-	(3 530 288)	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-	-	193 856 740	(193 856 740)	-	-	-
Dividends distributions	-	-	-	-	-	-	-	-	(81 365 673)	-	(81 365 673)	-	(81 365 673)
Total company's shareholders transactions	-	-	-	3 530 288	-	-	-	-	108 960 779	(193 856 740)	(81 365 673)	-	(81 365 673)
Balance as of September 30, 2019	800 122 080	-	(4 111 018)	258 987 210	-	(4 522 300)	8 684 508	2 770 306	497 438 260	142 083 785	1 701 452 831	6 045 583	1 707 498 414
Balance as of January 1, 2020	800 122 080	-	(4 111 018)	258 987 211	-	(4 522 300)	8 533 194	13 856 319	497 438 260	173 238 435	1 743 542 181	5 807 869	1 749 350 050
Net profit of the period	-	-	-	-	-	-	-	-	-	154 231 134	154 231 134	(676 510)	153 554 624
Items of other comprehensive income													
Translation reserve of subsidiaries' financial statements	-	-	-	-	-	-	(67 375)	-	-	-	(67 375)	(44 917)	(112 292)
Company's shares in Other comprehensive income items in joint venture entities' financial statements	-	-	-	-	-	-	-	(956 504)	-	-	(956 504)	-	(956 504)
Total Other Comprehensive income	-	-	-	-	-	-	(67 375)	(956 504)	-	154 231 134	153 207 255	(721 427)	152 485 828
The company's shareholders transactions													
Transferred to legal reserve	-	-	-	3 424 647	-	-	-	-	(3 424 647)	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-	-	173 238 435	(173 238 435)	-	-	-
Company's share in the change of the associates' equity accounts	-	-	-	-	(1 558 677)	-	-	-	-	-	(1 558 677)	-	(1 558 677)
Dividends distributions	(23)	-	-	-	-	-	-	-	(64 942 359)	-	(64 942 359)	-	(64 942 359)
Treasury stocks	(14)	(5 471 154)	-	-	-	-	-	-	-	-	(5 471 154)	-	(5 471 154)
Total company's shareholders transactions	-	(5 471 154)	-	3 424 647	(1 558 677)	-	-	-	104 871 429	(173 238 435)	(71 972 190)	-	(71 972 190)
Balance as of September 30, 2020	800 122 080	(5 471 154)	(4 111 018)	262 411 858	(1 558 677)	(4 522 300)	8 465 819	12 899 815	602 309 689	154 231 134	1824 777 246	5 086 442	1 829 863 688

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

B Investments Holding "S.A.E"

Consolidated condensed interim statement of cash flows for the nine months ended on September 30, 2020

	<u>Note</u>	<u>September 30, 2020</u>	<u>September 30, 2019</u>
		<u>EGP</u>	<u>EGP</u>
<u>Cash flows from operating activities</u>			
Net cash flows generated by (Used in) operating activities		26 234 541	(28 320 990)
<u>Cash flows from investing activities</u>			
Proceeds from credit interest		42 705 406	50 635 720
Payments to acquire investments in joint ventures		-	(63 823 464)
Payments for project under construction		-	(16 351 515)
Net proceeds from sale investment properties		-	28 512 000
Proceed from desposal investment in properties		20 536	
Change in long term time deposits		60 771 262	5 615 878
Net (Payments for) proceeds from redemption and sale of treasury bills		232 031 220	(286 967 367)
Net cash flows generated by (used in) investing activities		335 528 424	(282 378 748)
<u>Cash flows from financing activities</u>			
Purchase treasury stock		(5 471 154)	-
Paid dividends distributions		(64 785 721)	(81 365 673)
Net cash flows used in financing activities		(70 256 875)	(81 365 673)
Net change in cash and cash equivalents during the period		291 506 090	(392 065 411)
Cash and cash equivalents at the beginning of the year		57 158 034	431 453 206
Effects of exchange rate changes on balances of cash held in foreign currencies		162 408	298 002
Cash and cash equivalents at the end of the period	(11)	348 826 532	39 685 797

Non-cash transaction:

The effect of the following non-cash transactions are eliminated .

- 1- Elimination of Accrued dividends income from investments in associates by an amount of EGP 29 180 902 resulted from the changes in other debit balances.
- 2- Transferring the Payments under capital increase in Gourmet Egypt.Com Foods S.A.E. amounted to EGP 33 703 830 into loans to joint ventures which was eliminated from the changes in investments in joint ventures.

- The attached notes form an integral part of the consolidated 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 – 1st Floor – Cairo and the company registered it's new location in the commercial register on July 15, 2020.

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 consolidated condensed interim financial statements of the Nine months ended September 30, 2020 issue on November 12, 2020.

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

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

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

The consolidated condensed interim financial statements have been prepared using the same accounting policies applied in the last year. This interim financial statements are to be read in conjunction with consolidated financial statements issued for the year ended December 31, 2019.

Initial application of the new issued and amendments made to the Egyptians accounting standards "EAS"

During April, 2020; The supreme committee hold a meeting to review the Egyptian accounting standards, and limited review in addition to other assurance according to the prime minister's decision No 909 of 2011 in order to study the effects of the ministerial decision no 69 of 2019 that was issued for the purpose of issuing and amending some of Egyptians accounting standards "EAS" which will be applied from the beginning of the current year 2020.

According to current circumstances that the country is going through as result of the new COVID-19 outbreak and related economic and financial implications associated with it in addition to the implementation of

Precautions measures and facing virus spreading through imposing restrictions on the presence of the human resources in the companies at full capacity on a regular basis.

The committee decided to postpone the application of the new Egyptians accounting standards "EAS" and the accompanying amendments issued by decision no 69 which is mentioned above to the interim financial statements that will be issued during 2020, that companies has to apply these standards and amendments to the annual financial statements at the end of 2020 and include all accumulated effects for the year by the end of 2020.

The committee preferred to record the accumulated effects for the whole year to the annual financial statements, with companies committing to disclose in their interim financial statements during 2020 about this facts and its accounting impact, if any.

On September 20, 2020, the Prime Minister issued a decree no. 1871 for 2020 to postpone the application of the following Egyptian accounting standards:

1. Standard (47) - Financial Instruments
2. Standard (48) - Revenue from contracts with customers
3. Standard (49) - Leases

To be implemented on the financial statements for the periods begin or after January 1, 2021.

4. Subsidiaries companies

The Company currently holds the following direct and indirect interests in its subsidiaries:

	<u>Country of Domicile</u>	<u>Ownership %</u>
Beard AG Company "Beard"	Switzerland	60

5. Investments in associates (net)

	<u>No. of Shares</u>	<u>Ownership %</u>	<u>September 30, 2020</u>	<u>December 31, 2019</u>
			<u>EGP</u>	<u>EGP</u>
Al Retail For Trade and Investment	727 526	22.79%	374 906	340 116
Madinet Nasr for Housing and Development "MNHD"	108 077 416	7.5%	431 763 375	440 925 833
Metalar		51.92%	63 410 684	62 291 404
Infinity Solar 1 B.V	246	24.6%	--	--
Infinity Solar 2 B.V	175	17.5%	--	--
Infinity Solar 3 B.V	175	17.5%	--	--
<u>Less:</u> Impairment in investments			(49 856 622)	(46 766 853)
			<u>445 692 343</u>	<u>456 790 500</u>

The decrease in the investment in associates is mainly due to the decrease in investment cost of Madinet Nasr for Housing and Development "MNHD", by an amount of EGP 48 634 837, which represents the Company's share in dividends distributed before tax deductions, considering the group's recognized share of profit of investment in associate "MNHD" of EGP 41 031 056 in the statement of profit or loss. (Refer to Note No.17).

6. Investments in joint Venture (net)

	<u>Ownership</u>	<u>No. of</u>	<u>September 30,</u>	<u>December 31,</u>
	<u>%</u>	<u>Shares</u>	<u>2020</u>	<u>2019</u>
			<u>EGP</u>	<u>EGP</u>
Inergia Technologies for Information Systems "Inergia"	68.04	5 532 124	270 085 629	237 726 399
Red Sea Venture for Solar Power	49.5	7 425	5 727 150	5 727 150
Ebtikar Holding for Financial Investments	20.25	1 180 593	156 106 435	155 454 294
Gourmet Egypt .com Foods*	52.9	3 127 950	123 209 771	100 717 589
Payments under capital increase in Gourmet Egypt.Com Foods S.A.E.			--	33 703 830
Less: : Impairment in investments (Red Sea Venture for Solar Energy)			(5 727 150)	(5 727 150)
			549 401 835	527 602 112

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

- The increase in the investments of Inergia Technologies for Information Systems "Inergia" by an amount of EGP 33 315 734 which represents the group's recognized share of profit in the statement of profit or loss share (Refer to note No.17), considering the group share in the foreign currency translation loss by an amount of EGP 956 504 which charged at the change in equity statement.
- The increase in the investments of Ebtikar Holding for Financial Investments "Ebtikar" by an amount of EGP 652 141 which represents the group's recognized share of profit in the statement of profit or loss (Refer to note No.17).
- The increase in the investments of Gourmet Egypt .com Foods by an amount of EGP 22 492 182 which represents the group's recognized share of profit in the statement of profit or loss (Refer to note No.17) and transferring the Payments under capital increase in Gourmet Egypt.Com Foods S.A.E. into a loan (Refer to Note No. 8).

7. Loans to associates

	<u>September 30,</u>	<u>December 31,</u>
	<u>2020</u>	<u>2019</u>
	<u>EGP</u>	<u>EGP</u>
Infinity Solar 1 B.V	32 766 763	31 011 182
Infinity Solar 2 B.V	54 973 470	52 028 095
Infinity Solar 3 B.V	22 076 060	20 893 262
	109 816 293	103 932 539

The increase in the account balance is due to the recognition of the accrued interest income by an amount of EGP 7 707 690, taking into consideration the foreign currency revaluation loss by an amount of EGP 1 820 936.

8. Loans to joint ventures

	<u>September 30,</u>	<u>December 31,</u>
	<u>2020</u>	<u>2019</u>
	<u>EGP</u>	<u>EGP</u>
Current portion from loan to joint venture	19 660 567	--
Non-current portion from loan to joint venture	14 043 263	--
	<u>33 703 830</u>	<u>--</u>

On July 10, 2020, the company and the shareholders of Gourmet Egypt.com S.A.E. "Gourmet" Company signed an appendix to the shareholders agreement signed on September 18, 2018, which amend certain terms of that agreement regarding the acquisition of B Investments Holding Company (Egyptian Joint Stock Company) a stake in the capital of Gourmet Egypt.com S.A.E. "Gourmet", as well as adding other terms related to the classification of the company's credit balance in the records of Gourmet Egypt.com S.A.E. "Gourmet" in light of the targeted business results achieved by Gourmet Egypt.com S.A.E. "Gourmet".

9. Other debit balances (net)

	<u>September 30,</u>	<u>December 31,</u>
	<u>2020</u>	<u>2019</u>
<u>Description</u>	<u>EGP</u>	<u>EGP</u>
Deposits held with others	46 795	46 795
Accrued interest	4 251	1 096 786
Accrued rental income	2 824 500	2 954 500
Accrued dividends income	29 180 902	--
Prepaid expenses	350 509	118 717
Withholding tax receivable	--	547 500
Withholding tax on treasury bills	8 253 527	10 135 329
Advance payment to suppliers	243 243	221 350
Other debit balances	183 901	47 852
Less: Impairment loss on other debit balances	<u>(2 824 500)</u>	<u>(2 954 500)</u>
	<u>38 263 128</u>	<u>12 214 329</u>

The increase in the other debit balances (Net) is mainly due to accrued portion of dividends income from investments in associates by an amount of EGP 29 180 902, taking into consideration the decrease in the withholding tax on treasury bills as a result of using the opening balance during the period to pay part of the tax liability accrual for the prior year.

10. Treasury bills (net)

<u>Description</u>	<u>September 30,</u>	<u>December 31,</u>
	<u>2020</u>	<u>2019</u>
	<u>EGP</u>	<u>EGP</u>
Treasury bills –with maturities of more than three months	91 575 000	352 875 000
Treasury bills –with maturities of less than three months	344 175 000	50 075 000
Less: unrealized interest	(12 871 132)	(34 463 407)
	<u>422 878 868</u>	<u>368 486 593</u>

11. Cash at banks

	<u>September 30,</u>	<u>December 31,</u>
	<u>2020</u>	<u>2019</u>
	<u>EGP</u>	<u>EGP</u>
Current accounts - local currency	9 356 248	8 356 545
Current accounts - foreign currencies	3 321 787	147 253
Time deposits - foreign currencies	1 570 270	61 948 691
	<u>14 248 305</u>	<u>70 452 489</u>

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

	<u>September 30,</u>	<u>September 30,</u>
	<u>2020</u>	<u>2019</u>
	<u>EGP</u>	<u>EGP</u>
Cash at banks	14 248 305	72 016 887
Treasury bills – less than three months	336 148 497	28 548 173
Less: Time Deposits – More than three months	(1 570 270)	(60 879 263)
	<u>348 826 532</u>	<u>39 685 797</u>

12. Due to related parties

	<u>Type of relationship</u>	<u>Account nature</u>	<u>September 30,</u>	<u>December 31,</u>
			<u>2020</u>	<u>2019</u>
			<u>EGP</u>	<u>EGP</u>
BPE Partners S.A.E	Management Company	Management fees / other expenses	4 699 443	4 691 395
			<u>4 699 443</u>	<u>4 691 395</u>

13. 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.

14. Treasury stocks

On March 26, 2020 the Board of Directors approved purchase treasury stocks with a maximum number of 1,600,244 shares, which represents 1% of the total shares of the company through the open market, for the period of three months with a maximum amount EGP 12 Million and the number of acquired shares is 801 289 share with an amount of EGP 5 471 154 as of September 30, 2020.

15. 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 period.

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.

	<u>September 30,</u> <u>2020</u> <u>EGP</u>	<u>September 30,</u> <u>2019</u> <u>EGP</u>
Net profit for the period	154 231 134	142 083 785
Weighted average number of outstanding shares	160 024 416	160 024 416
Basic earnings per share	0.96	0.89
And with deduction the treasury stocks the earning per share becomes as follows:		
Weighted average number of shares after deducting the treasury stocks	159 591 499	160 024 416
Diluted earnings per share	0.97	0.89

16. 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 payments on behalf of those Parties.

The significant transactions during the year are as follows:

<u>Company's Name</u>	<u>Type of relationship</u>	<u>Type of transaction</u>	<u>Value of transactions in</u> <u>EGP</u>
BPE Partners S.A.E.	Management company	Management fees	(13 972 199)
Infinity Solar 1 B.V	Associate	Credit interest	2 298 910
Infinity Solar 2 B.V	Associate	Credit interest	3 856 928
Infinity Solar 3 B.V	Associate	Credit interest	1 548 852

17. Group's share of profit /loss of investment in associates and joint venture entities

	<u>September 30,</u> <u>2020</u> <u>EGP</u>	<u>September 30,</u> <u>2019</u> <u>EGP</u>
Madinet Nasr for Housing and Development "MNHD"	41 031 056	41 765 256
Inergia Technologies for Information Systems "Inergia"	33 315 734	31 545 248
Metalar	(1 703 448)	1 210 163
Al Retail for Trade and Investment	34 790	(11 772)
Gourmet Egypt .com Foods	22 492 182	4 311 171
Ebtikar Holding for finance investment	652 141	3 758 356
Infinity Solar 1 B.V	--	4 407 102
Infinity Solar 2 B.V	--	6 996 543
Infinity Solar 3 B.V	--	2 503 179
	<u>95 822 455</u>	<u>96 485 245</u>

18. Dividends income from investment available for sale

	<u>September 30,</u> <u>2020</u> <u>EGP</u>	<u>September 30,</u> <u>2019</u> <u>EGP</u>
Total Egypt Co LLC "Total"	38 075 645	27 692 942
	<u>38 075 645</u>	<u>27 692 942</u>

19. Finance income

	<u>September 30,</u> <u>2020</u> <u>EGP</u>	<u>September 30,</u> <u>2019</u> <u>EGP</u>
Credit interest for time deposits and bank current accounts	588 941	2 704 398
Credit interest for loans to associates	7 704 690	7 467 728
Return on treasury bills	44 402 146	50 509 915
	<u>52 695 777</u>	<u>60 682 041</u>

The decrease in finance income during the period is mainly due to the decrease of return on treasury bills by an amount of EGP 6M and decrease Credit interest on time deposits and bank current accounts by an amount of EGP 2M.

20. Management agreements

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 transactions 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 good performance fees, the good performance fees will be due to the management Company only on the exit of investments entered into by the Company. The Good performance fees is calculated based on the difference between cash proceeds, distributions (dividends, interest, or rent) after taxes and fees which the Company's incurred for investment disposal, and the adjusted accumulated cost of existing investments. The adjusted cost is the historical accumulated cost of the investment using a 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.

Good performance fees is calculated for the new investments entered into by the Company using 15% of investment gain that calculated as the difference between the cash proceeds and distribution (dividend, interest, or rent) of the investment and the Company's costs that that incurred regarding the investment disposal, and the adjusted accumulated cost of investment.

21. Deferred Tax Assets

	<u>December 31, 2019</u>	<u>Movement during the period</u>	<u>September 30, 2020</u>
	<u>Asset /(Liability)</u>	<u>Asset /(Liability)</u>	<u>Asset /(Liability)</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Deferred tax liability arising from the difference between the accounting and tax basis for depreciation of investment properties	(431 709)	(81 743)	(513 452)
Deferred tax asset/liability arising from unrealized foreign currency exchange differences	(4 460 838)	7 241 661	2 780 823
	<u>(4 892 547)</u>	<u>7 159 918</u>	<u>2 267 371</u>

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

	<u>September 30, 2020</u>	<u>December 31, 2019</u>
	<u>EGP</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	2 824 500	2 954 500
	<u>19 009 766</u>	<u>19 139 766</u>

22. Significant Events During the period

During the first quarter of 2020, the world has been exposed to the spreading of the COVID-19, which was characterized by its rapid spreading all over the world, till it was declared an emergency state health by the World Health Organization on January 30, 2020 and then declaring this virus a global pandemic on March 11th, 2020, the spread of the virus has had a negative impact on many countries' economies which was reflected on the performance of financial markets and the world trade volume.

On March 19, 2020, the international airlines has been suspended and on March 25, 2020, the Egyptian Government has declared a curfew for two weeks and it was renewed for several weeks which has affected negatively on the Egyptian economy in general.

On June 23, 2020 the Government of Egypt has announced the end of the curfew and implementing precautionous measurements, Additionally starting from Saturday June 27 restaurants and cafes will be allowed to open at 25 percent capacity also shopping malls and shops will be required to close by nine afternoon while restaurants and cafes will be required to close by teen afternoon also Public gardens, parks and beaches will remain closed and means of transportations will be remain working till twelve midnight however cinemas and theaters will be allowed to open at 25 percent capacity.

On July 22, 2020 the Government of Egypt has announced an amendment to the working hours of restaurants and cafes starting from Saturday July 26 to close by twelve midnight instead of ten afternoon with 50 percent capacity instead of 25 percent capacity also shopping malls and shops to close by ten afternoon instead of nine afternoon while Public gardens, parks and beaches will remain closed and cinemas and theaters will remain at 25 percent capacity. Also the decisions included allowing the possibility of holding official conferences and meetings with a maximum number for the participants of 50 individual only, provided that the capacity of the hall in which the conference or meeting is held is not less than 100 individual and preparing to start organizing major exhibitions, starting from the beginning of next October, with emphasizing the importance of reviewing the preventive and precautionary measures that are being applied, and keeping updated with the latest developments in the medical situation.

And as a result, it is expected that this pandemic will affect the operations and commercial transactions of different economic sectors, and with respect to the economic sectors that the company invest in, there are slow down indicators in the real estate sector while observing a positive impact on the technological, electronic payments and consumable goods and food sectors. The company performed an assessment to evaluate potential business risks and their impact on the company's investments in different sectors; and concluded that there are no indications for a permanent decrease in the value of its investments portfolio. The ongoing and rapid changes in relation to the pandemic still impose an uncertainty condition and an inability of accurate prediction due to the continuing economic repercussions of the Coronavirus crisis.

The management is closely monitoring the situation and modify its plans whenever necessary in response to ongoing repercussions respectively and if the situation continued to evolve for a longer period.

23. Dividends distributions

On March 26, 2019 The Company's board of directors proposed dividends distribution for the year ended December 31, 2019 to the shareholders of 40 piasters per share and an amount of EGP 1 253 109 to the board of directors' members, on May 20, 2020 the general assembly of the Company approved this proposed distributions.

24. Subsequent Events after the Financial Statements Date

The Company's has initiated preliminary discussions to exercise its right to sell 20% of its stake in Total Egypt according to The shareholders' agreement signed in 2013 between the Company and Total O M "parent company of Total Egypt" stipulates that the Company has a put option to sell part of the shares owned to Total O M, the put option is exercisable starting from the sixth year until the thirteenth year from the date of signing the shareholders' agreement, So far, the parties haven't reached to final agreement.