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**Speed Medical Co. and the Subsidiaries**  
**(Egyptian Joint-Stock Company)**  
**Consolidated Financial Statements**  
**For the Fiscal year ending on 30 September 2021 AD**  
**And Auditor's Report (Limited Auditing)**

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Auditors' Register No. 1599

Insurance Companies Control Authority Register No. 16

Auditors' Register of the Central Bank of Egypt No. 188

Financial Regulatory Authority Register No. 172

Rizk shendy

Chartered Accountant and Tax Expert

Fellow of the Egyptian Tax Society

**Report on Limited Auditing of Consolidated Financial Statements**  
**To M/s. Members of Board of Speed Medical Co. S.A.E.**

**Introduction**

We conducted the limited auditing on the consolidated financial position statement attached hereto relating to Speed Medical Co. "S.A.E - Egyptian Joint Stock Company" on September 30, 2021 in addition to consolidated statements of income and comprehensive income, change in equity and cash flow for the period ending on the said date, as well as summary of significant accounting policies and other supplementary notes. The Management shall be responsible for preparation and fair and clear presentation of the consolidated financial statements in accordance with the rules of preparation and presentation of consolidated financial statements of the companies in addition to the principles of recognition under the respective Egyptian laws and regulations. Our responsibility shall be limited to presentation of conclusion in relation with the consolidated financial statements in accordance with our limited auditing.

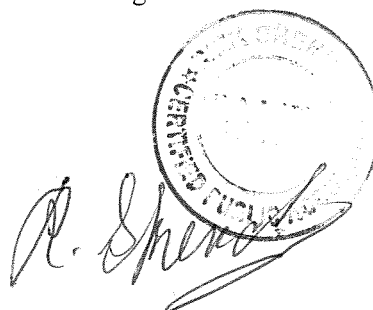
**Scope of Limited Auditing**

We conducted our limited auditing in accordance with the Egyptian Standard on Limited Auditing No. <2410> "Limited Auditing of Consolidated Financial Statements of the Company by the Auditor". The limited auditing includes auditing of the consolidated financial and accounting statements and application of analysis procedures in addition to other limited auditing procedures. The scope of the limited auditing shall be decreased substantially than the process of audit in accordance with the Egyptian Audit Standards. Therefore, we cannot make sure that we know all significant matters that were discovered during audit. Thereupon, we will not express an opinion of audit in relation with these consolidated financial statements.

**Conclusion**

In respect of our limited auditing, we have not noted that there is something that can make us believe that the attached consolidated financial statements are not fairly and clearly presented in all significant aspects on the financial position of the Company on September 31, 2021 in addition to its financial performance and consolidated cash flow for the nine months ending on the said date in accordance with the Egyptian Accounting Standards.

Cairo, November 17, 2021



Speed Medical Co. and the Subsidiaries  
(Egyptian Joint-Stock Company)  
Consolidated Financial Standing Statement  
On 30 September 2021 AD

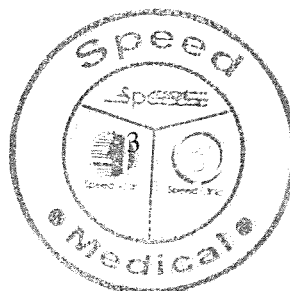
(All amounts are in Egyptian Pounds)	Note	On 30 September 2021	On 31 December 2020
<b>Assets</b>			
<b>Non-Current Assets</b>			
Net Fixed Assets	4-1	117,779,235	98,635,244
Projects in Progress	4-3	180,922,572	106,074,848
Investments in Sister Companies	22	3,300,000	3,300,000
<b>Total Non-Current Assets</b>		<b>302,001,807</b>	<b>208,010,092</b>
<b>Current Assets</b>			
Assets Reserved for Sale	4-2	42,094,500	42,094,500
Inventory	12	56,609,088	16,686,524
Clients	13	54,842,095	18,465,757
Related Party Transactions	23	78,965,049	26,639,200
Deposits	24	50,501,000	150,501,000
Debtors and Other Debit Balances	7	13,971,859	8,613,890
Cash in Fund and Banks	6	70,111,957	52,930,895
<b>Total Current Assets</b>		<b>367,095,547</b>	<b>315,931,766</b>
<b>Total Assets</b>		<b>669,097,355</b>	<b>523,941,857</b>
<b>Equities and Liabilities</b>			
<b>Equity for Parent Company Owners</b>			
Paid Capital	18	221,828,895	221,828,895
Legal Reserve		5,947,404	5,947,404
Treasury shares	25	(28,832,996)	-
Deferred Profits		91,597,470	17,202,708
Net Profit for the period		166,769,427	74,394,762
Parent Stakeholders Equity		457,310,200	319,373,769
Non-Controlling Equity		-	-
Non-Controlling Equity		31,595,840	11,737,709
<b>Total Equities</b>		<b>488,906,040</b>	<b>331,111,478</b>
<b>Non-Current Liabilities</b>			
Non-Operating Loan Portion	10	100,728,392	100,728,392
Appropriations		4,871,569	4,871,569
Deferred Tax Liabilities		6,626,968	6,626,968
<b>Total Non-Current Liabilities</b>		<b>112,226,929</b>	<b>112,226,929</b>
<b>Current Liabilities</b>			
Overdraft Bank	11	31,122,536	33,058,209
Suppliers and Notes Payable	8	21,062,895	22,078,978
Stakeholders' Current Accounts	14/2	261,888	261,888
Creditors and Other Credit Balances	9	13,321,565	5,526,935
Operating Loan Portion	10	2,195,500	7,363,095
Payable Income Tax		-	12,314,345
<b>Total Current Liabilities</b>		<b>67,964,385</b>	<b>80,603,451</b>
<b>Total Equities and Liabilities</b>		<b>669,097,355</b>	<b>523,941,857</b>

Attached notes are considered an integral part of consolidated financial statements and shall be read with them.

Written on 17 November 2021

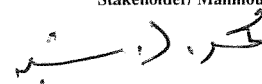
Financial Director

Adel Khalil  

Chairman

Stakeholder/ Mahmoud Lasheen



**Speed Medical Co. and the Subsidiaries**  
**(Egyptian Joint-Stock Company)**  
**Consolidated Income Statement**

**For Fiscal Period from 1 January 2021 to 30 September 2021 A.D**

(All amounts are in Egyptian Pounds)	Note	For the Fiscal Period from 01 January 2021 to 30 September 2021 A.D	For the Period from 01 January 2020 to 30 September 2020 A.D	For the three months ending in 30 September 2021	For the three months ending in 30 September 2020
Activity Revenues	17-2	296,155,913	112,898,180	121,089,620	53,794,674
Revenue Acquisition Cost	17	<u>(128,561,081)</u>	<u>(48,203,944)</u>	<u>(48,556,606)</u>	<u>(21,812,532)</u>
<b>Total Profit</b>		<b>167,594,833</b>	<b>64,694,236</b>	<b>72,533,014</b>	<b>31,982,142</b>
Marketing and Selling Expenses	15	(16,049,860)	(7,231,909)	(9,973,581)	(5,832,239)
Administrative and General Expenses	16	(19,288,876)	(5,856,634)	(8,342,957)	(2,702,733)
Fixed Assets Depreciation	4-1	(10,304,400)	(7,737,001)	(3,630,494)	(2,606,661)
Other Revenues	17 - 3	<u>7,193,037</u>	<u>338,534</u>	<u>1,348,254</u>	<u>251,556</u>
<b>Operating Activities Outputs</b>		<b>129,144,733</b>	<b>44,207,226</b>	<b>51,934,236</b>	<b>21,092,066</b>
Financing Costs (Net)		<u>(4,468,081)</u>	<u>(3,275,186)</u>	<u>(1,500,716)</u>	<u>(178,910)</u>
<b>Net Profit for the Period before Income Taxes</b>		<b>124,676,652</b>	<b>40,932,040</b>	<b>50,433,520</b>	<b>20,913,156</b>
<b>Profits Resulting From Continuous Operations</b>		<b>124,676,652</b>	<b>40,932,040</b>	<b>50,433,520</b>	<b>20,913,156</b>
<b>Profits from Sister Companies Investments</b>		<u>42,092,775</u>	<u>8,149,677</u>	<u>8,256,000</u>	<u>6,923,976</u>
<b>Profits/Losses from Non-Continuous Operations after Deducting Income Tax</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit for the period</b>		<u><b>166,769,427</b></u>	<u><b>49,081,717</b></u>	<u><b>58,689,520</b></u>	<u><b>27,837,132</b></u>

. Attached notes are considered an integral part of consolidated financial statements and shall be read with them.

**Speed Medical Co. and the Subsidiaries**  
**(Egyptian Joint-Stock Company)**

**Consolidated Comprehensive Income Statement**

**For the Fiscal Period from 01 January 2021 to 30 September 2021 A.D**

<b>(All amounts are in Egyptian Pounds)</b>	<b>For the Fiscal Period from 01 January 2021 to 30 September 2021 A.D</b>	<b>For the Period from 01 January 2020 to 30 September 2020 A.D</b>	<b>For the three months ending in 30 September 2021</b>	<b>For the three months ending in 30 September 2020</b>
<b>Net Profits for the period</b>	<b>166,769,427</b>	<b>49,081,717</b>	<b>58,689,520</b>	<b>27,837,132</b>
<b>Latest Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the period</b>	<b>166,769,427</b>	<b>49,081,717</b>	<b>58,689,520</b>	<b>27,837,132</b>

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Speed Medical Co.  
(Egyptian Joint-Stock Company)  
Consolidated Cash Flow Statement  
For Fiscal Period from 1 January 2021 to 30 September 2021

(All amounts are in Egyptian Pounds)	Note	For the Fiscal Period from 1 January 2021 to 30 September 2021 A.D	For the Fiscal Period from 1 January 2020 to 30 September 2020 A.D
<b><u>Cash Flows From Operating Activities</u></b>			
Net Profit before Taxes		124,676,652	40,932,040
Company's share in sister companies net profits		42,092,775	8,149,677
Depreciation and Consumption	4-1	10,304,400	7,737,001
<b><u>Settlement of Changes in Inventory Balances and Debit and Credit Accounts</u></b>			
Change in Inventory	12	(39,922,564)	(9,289,757)
Change in Clients	13	(36,376,338)	(6,172,521)
Change in Debtors and Other Debtor Balances	7	(5,357,969)	(1,106,370)
Change in Creditors and Other Credit Balances	9	7,794,630	(1,108,005)
Change in Suppliers and Notes Payable	8	(1,016,083)	(5,692,566)
Change in Related Party Transactions	23	(52,325,849)	(11,529,126)
Change in deposits	24	100,000,000	-
Change in Payable Income Tax		(12,314,345)	(3,486,436)
Total Settlements		(29,214,117)	(30,647,780)
Net Cash Flows from Operating Activities		137,555,310	18,433,937
<b><u>Cash Flows from Investment Activities</u></b>			
Purchase of Fixed Assets	1-4	(29,448,392)	(1,465,417)
Amounts paid for investment in affiliated companies		(80,778,660)	-
Amounts paid for investment in Sister companies	22	-	(300,000)
Paid Amounts for Projects in Progress	3-4	(74,847,724)	-
Paid Amounts for Treasury shares	25	(28,832,996)	-
Change difference in shareholders' balances	14	-	(6,621,504)
Net Cash Flows from Investment Activities		(213,907,771)	(8,386,921)
<b><u>Cash Flows from Financing Activities</u></b>			
Proceeds from issuing capital shares	18	100,636,791	-
Overdraft	11	(1,935,672)	5,977,679
Paid Amounts of Loans	10	(5,167,595)	(1,689,597)
Net Cash Flows from Financing Activities		93,533,523	4,288,082
Change in Cash Flow Through the Fiscal Period		17,181,062	14,420,090
Cash Balance and Equivalent at the Beginning of Fiscal Period		52,930,895	14,582,231
Cash Balance and Equivalent at the End of Fiscal Period		70,111,957	29,002,321

. Attached notes are considered an integral part of consolidated financial statements and shall be read with them.

Speed Medical Co. and the Subsidiaries  
(Egyptian Joint-Stock Company)

Consolidated Equity Change Statement

For Fiscal Period from 1 January 2021 to 30 September 2021

(All Amounts are in Egyptian Pounds)	Note	Capital	Legal Reserve	Year's Net Profits	Deferred Profits	Treasury stocks	Total	Non-Controlling Equities	Total Equities
Balance on 1 January 2021	18	221,828,895	5,947,403	74,394,763	17,202,708	-	319,373,769	11,737,709	331,111,478
Converted to Deferred Profits		-	-	(74,394,763)	74,394,763	-	-	-	-
Capital Increase		-	-	-	-	-	-	19,858,131	19,858,131
Converted to Legal Reserve		-	-	-	-	-	-	-	-
Comprehensive Income for the period		-	-	166,769,427	-	-	166,769,427	-	166,769,427
Employees Distributions		-	-	-	-	-	-	-	-
Treasury stocks	25	-	-	-	-	(28,832,996)	(28,832,996)	-	(28,832,996)
Balance on 30 September 2021		221,828,895	5,947,403	166,769,427	91,597,471	(28,832,996)	457,310,201	31,595,840	488,906,041

. Attached notes are considered an integral part of consolidated financial statements and shall be read with them.



## Speed Medical Co. and the Subsidiary

### An Egyptian Joint-Stock Company Established As Per the Provisions of Law No. 159 of the Year 1981 Supplementary Notes to Consolidated Financial Statements For Fiscal Period from 01-01-2021 to 30-9-2021 A.D.

(All amounts stated in Notes are in Egyptian Pounds unless mentioned otherwise.)

#### 1- Legal Entity and Activity:

##### a- About the Company:

The General Authority for Investment and Free Zones (GAFI) approved the establishment of an Egyptian joint-stock company governed by the provisions of Law No. 159 of the Year 1981, which was amended by Law No. 3 of the Year 1998, and executive regulations thereof, with the name "Speed Lab Medical Co.", with the purpose of establishment, operation and management of medical laboratories and import of medical laboratories' supplies and equipment, provided that Company's term shall be Twenty-Five years commencing from Company's acquisition of its legal personality. Company's headquarters is located in Flat No. 14, 1st Floor above mezzanine, Bldg. No. 25, Othman Ibn Affan St., Salah El Din Square, Masr El Gedida, Cairo. Company's licensed capital was 15,000,000 EGP (Fifteen Million Egyptian Pounds) and Company's issued capital was determined to be 1,500,000 EGP (One Million and Five Hundred Thousand Egyptian Pounds), to be divided on 15,000 shares (Fifteen Thousand shares), so that the value of each share shall be 100 EGP (One Hundred Egyptian Pounds). 10% of issued capital value, which was equivalent to 150,000,000 EGP (One Hundred and Fifty Thousand Egyptian Pounds) was paid, and Company was registered in the commercial register at the Commercial Registry of GAFI in Cairo, under No. 89324.

- By virtue of the minutes of Board of Directors' meeting held on 18-04-2016, which were approved by GAFI on 20-04-2016, the remaining amount of one quarter of Company's issued capital was paid, and this action was recorded in the commercial register on 21-04-2016.
- By virtue of the minutes of Board of Directors' meeting held on 26-09-2016, which were approved by GAFI on 12-10-2016, the remaining amount of Company's issued capital was fully paid, so that it amounted to 1,500,000 EGP, and this action was recorded in the commercial register on 12-10-2016.
- By virtue of the minutes of the Extraordinary General Assembly meeting held on 13-10-2016, which were approved by GAFI on 01-11-2016, and contract amendment authorized by GAFI's Authorization Office, under No. 2592/N of the Year 2016, Article 3 of Company's Articles of Association was amended by adding "establishment, operation and management of specialized, or complementary, or public hospitals and the included treatment, diagnostic and medical internal activities". In addition, Article 6 of Company's Articles of Association was amended by increasing Company's licensed capital, with the amount of 41,500,000 EGP (Forty-One Million and Five Hundred Thousand Egyptian Pounds) and Company's issued capital was determined to be 4,150,000 EGP (Four Million and One Hundred Fifty Thousand Egyptian Pounds), to be divided on 41,500 shares (Forty-One Thousand and Five Hundred shares), each share with the value of 100 EGP (One Hundred Egyptian Pounds). Moreover, Articles 7, 21, 32 and 53 of Company's Articles of Association were amended and all these actions were recorded in the commercial register on 02-11-2016.
- By virtue of the minutes of the Board of Directors' meeting held on 18-01-2017, which were approved by GAFI on 22-01-2017, one quarter of the amount added to Company's issued capital was paid, and Company's branch located at 22 Nihro St., Merryland, Masr El Gedida, Cairo was added, and these actions were recorded in the commercial register on 23-01-2017.

**Speed Medical Co. and the Subsidiary**

**An Egyptian Joint-Stock Company Established As Per the Provisions of Law No. 159 of the Year 1981**

**Supplementary Notes to Consolidated Financial Statements For Fiscal Period from 01-01-2021**

**to 30-9-2021 A.D.**

(All amounts stated in Notes are in Egyptian Pounds unless mentioned otherwise.)

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- By virtue of the minutes of the Board of Directors' meeting held on 27-04-2017, which were approved by GAFI on 30-04-2017, full amount added to Company's issued capital was paid to be 4,150,000 EGP and this action was recorded in the commercial register on 02-05-2017.
  - By virtue of the minutes of the Extraordinary General Assembly meeting held on 29-04-2017, which were approved by GAFI on 14-05-2017, and contract amendment authorized by GAFI's Authorization Office, under No. 2014/C of the Year 2017, Article 2 of Company's Articles of Association was amended to be "Speed Medical". In addition, Article 6 of Company's Articles of Association was amended by increasing Company's licensed capital, with the amount of 520,000,000 EGP (Five Hundred and Twenty Million Egyptian Pounds) and Company's issued capital was determined to be 52,000,000 EGP (Fifty-Two Million Egyptian Pounds), to be divided on 52,000,000 shares (Fifty-Two Million shares), each share with the value of 1 EGP (One Egyptian Pound). Moreover, Article 7 of Company's Articles of Association was amended to be "10% of Company's issued capital increase value was paid" and all the above actions were recorded in the commercial register on 15-05-2017.
  - By virtue of the minutes of the Board of Directors' meeting held on 16-05-2017, which were approved by GAFI on 18-05-2017, 39% of Company's issued capital increase value was paid, so that paid amount became 27,596,500 EGP, and this action was recorded in the commercial register on 21-05-2017.
  - By virtue of the minutes of the Board of Directors' meeting held on 23-05-2017, which were approved by GAFI on 24-05-2017, 37% of Company's issued capital increase value was paid, so that paid amount became 45,301,000 EGP, and this action was recorded in the commercial register on 25-05-2017.
  - By virtue of the minutes of the Board of Directors' meeting held on 28-05-2017, which were approved by GAFI on 29-05-2017, full amount added to Company's issued capital was paid to be 52,000,000 EGP and this action was recorded in the commercial register on 31-05-2017.
  - By virtue of the minutes of the Board of Directors' meeting held on 28-05-2019, which were approved by GAFI on 30-07-2019 A.D., and the decision of Company's Extraordinary General Assembly issued on 25-05-2019 A.D., it was decided to decrease share's nominal value from 1 EGP (One Egyptian Pound Only) to 20 Piasters (Twenty Piasters Only) and this action was recorded in the commercial register on 23-06-2019 A.D.
  - By virtue of the minutes of the Extraordinary General Assembly meeting held on 19-09-2019 A.D., it was approved to increase Company's capital with the amount of 19,327,619 EGP (Nineteen Million and Three Hundred and Twenty-Seven Thousand and Six Hundred and Nineteen Egyptian Pounds Only) financed by profits ploughed back so that paid issued capital shall amount to 71,327,619 EGP (Seventy-One Million and Three Hundred and Twenty-Seven Thousand and Six Hundred and Nineteen Egyptian Pounds Only).
  - By virtue of the minutes of the Extraordinary General Assembly meeting held on 31-03-2021 A.D., it was approved to increase Company's capital from EGP 71,327,619 to EGP 221,828,895, with a cash increase of EGP 150,501,276.
  - a/1 About the Subsidiary:

**Speed Medical Co. and the Subsidiary**

**An Egyptian Joint-Stock Company Established As Per the Provisions of Law No. 159 of the Year 1981**  
**Supplementary Notes to Consolidated Financial Statements For Fiscal Period from 01-01-2021**  
**to 30-9-2021 A.D.**

(All amounts stated in Notes are in Egyptian Pounds unless mentioned otherwise.)

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**Speed Hospitals Company**

Speed Hospitals Company, an Egyptian Joint-Stock Company which is governed by the provisions of Investment Law No. 72 of the Year 2017, was established on 14-11-2017 and registered in commercial register under No. 112753 at the Commercial Registry of GAFI in Cairo.

**b- Company's Activity:**

Company's objectives are establishment, operation and management of medical laboratories; import of medical laboratories' supplies and equipment; and establishment, operation and management of specialized, or complementary, or public hospitals and the included treatment, diagnostic and medical internal activities.

b/1 Subsidiary's Activity:

**Speed Hospitals Company**

Establishment and operation of specialized, or complementary, or public hospitals and the included treatment and medical activities, provided that 10% of occupied hospital beds shall be for free annually, through tax exemption period, if any.

The Company may have an interest or participate, in any aspect, with companies, or otherwise, which practice similar businesses, or which could cooperate with it to achieve its purpose in Egypt or abroad. Additionally, it may merge with, purchase, or attach the above-mentioned bodies according to the applicable provisions of laws, regulations, and decisions and the Company shall obtain all necessary licenses to practice its activity.

**2- Accounting Policies:**

**The following are the most important accounting policies used in preparation of financial statements:**

**2/1/a – Consolidated Financial Statements Preparation Basis:**

Financial statements were prepared according to Egyptian Accounting Standards and related laws, and as per the historical cost.

Preparation of financial statements according to Egyptian Accounting Standards requires using important accounting estimations and also requires that the administration should use their reasonable estimations in applying the Complex accounting policies. Note No. (4) shows the most important accounting estimations used and the personal judgments applied at preparation of the consolidated financial statements.

Egyptian Accounting Standards require that the most recent versions are referred to by other bodies concerned with developing accounting standards and using a framework and concepts similar to accounting standards and philosophies and other practices acceptable in the industry, to the extent at which all these concepts do not conflict with the requirements contained in Egyptian Accounting Standards dealing with similar and relevant topics, definitions, bases of recognition and concepts of measurement of assets, liabilities, revenues and expenses provided in the framework of development

**Speed Medical Co. and the Subsidiary**

**An Egyptian Joint-Stock Company Established As Per the Provisions of Law No. 159 of the Year 1981**  
**Supplementary Notes to Consolidated Financial Statements For Fiscal Period from 01-01-2021**  
**to 30-9-2021 A.D.**

(All amounts stated in Notes are in Egyptian Pounds unless mentioned otherwise.)

and presentation of financial statements, when there is no an Egyptian Accounting Standard or legal requirements showing the accounting processing of certain balances or transactions.

Topics that are not addressed by the Egyptian Standards in processing shall be subject to International Financial Reporting Standards (IFRS) until Egyptian Standards addressing these topics are issued.

**2/1/b Basis of Financial Statement Consolidation:**

**Subsidiary:**

Data of the Subsidiary (Speed Hospitals Company LLC) have been consolidated from the date of acquisition, therefore, the corresponding figures of Income, Comprehensive Income, Cash Flows and Equity statements reflect the figures of the parent company independently. As to the financial position, the corresponding figures present the financial position of the consolidated financial statements as on 31 March 2021 AD.

The Subsidiary shall be consolidated entirely as from the date of control transfer to Speed Medical Co., and shall be excluded from consolidation as from the date of control loss.

The accounting policies applied to the Subsidiary shall be changed when necessary to ensure stability of the accounting policies applied at both companies.

Consolidated Financial Statements include the financial statements of the Subsidiary as follows:

<u>Company Name</u>	<u>Country of Establishment</u>	<u>Equity Percentage</u>
Speed Hospitals	Egypt	80.25%

**2/1/c Important Accounting Estimations and Assumptions and Personal Judgments:**

Estimations and Assumptions are evaluated based on the previous experience and some other factors, including the expected upcoming events that are compatible with these circumstances.

The company carries out estimations and assumptions related to the future. Estimation results are rarely equal to the actual results.

**Other Provisions**

Provisions are recognized when there is a current legal or indicative liability because of previous events. This likely requires that materials are used to settle these liabilities, with possible reliable estimation for the value of this liability. The company audits and revises the provision on the date of preparation of each balance sheet to present the best current estimation, by seeking appropriate consulting experience of an expert.

**2/2 – Foreign Currency Translation:**

- The financial statements are prepared and presented in Egyptian pound, the Company's dealing currency.

**Speed Medical Co. and the Subsidiary**

**An Egyptian Joint-Stock Company Established As Per the Provisions of Law No. 159 of the Year 1981**  
**Supplementary Notes to Consolidated Financial Statements For Fiscal Period from 01-01-2021**  
**to 30-9-2021 A.D.**

(All amounts stated in Notes are in Egyptian Pounds unless mentioned otherwise.)

Foreign-currency transactions are initially recognized using the exchange rate prevailing at the date of transaction.

- Assets and liabilities of a monetary nature are translated into foreign currencies using the exchange rate prevailing at the date of the financial position. All differences are included in the statement of profits and losses.
- Non-monetary assets and liabilities in foreign currencies that are measured at historical cost are translated using the exchange rates prevailing at the date of initial recognition.
- Non-monetary assets and liabilities in foreign currencies that are measured at fair value are translated using the exchange rates prevailing on the date on which the fair value is determined.

**2/3 – Fixed Assets:**

Fixed assets appear in historical cost minus accumulated depreciation and historical cost includes all expenses related to owning the asset and making it valid for use for the purpose of preparation. Straight-line method of depreciation shall be used, so that asset value shall be decreased to salvage value through the estimated productive life, except for lands that are not considered depreciable assets.

**The following are applied fixed assets depreciation rates:**

<u>Description</u>	<u>Depreciation Rate</u>
Medical appliances and equipment	10%
Furnishings and decorations	12.50%
Electric appliances	20%
Computers	25%
Office furniture	6%
Software	20%
Deferred revenue expenditure	20%

**2/4 Impairment:**

**2/4-1 Impairment of financial assets:**

The company determines, at the date of each financial position, whether there is objective evidence to the impairment of a financial asset under the amortized cost model or a group of financial assets. A financial asset or a group of financial assets is considered to have impaired if, and only if there is objective evidence of impairment caused by the occurrence of one or more events after the initial recognition of the asset and the effect on the estimated cash flows of a financial asset or group of financial assets that can be estimated reliably.

**2/4-2 Impairment of non-financial assets:**

The company determines, at the date of each financial position, whether there is an indication that an asset has impaired when the book value of the asset or a cash-generating unit exceeds its recoverable

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value. In such case the is considered as impaired and therefore is reduced to its recoverable value, and the impairment loss is recognized in the statement of profit or loss.

The loss resulting from the impairment of value that was previously recognized shall be refunded only if there has been a change in the assumptions used to determine the asset's recoverable value since the last loss resulting from the impairment was recognized. The refund of the loss resulting from the impairment is limited so that the book value of the asset does not exceed the recoverable amount or the book value that would have been determined if the loss resulting from impairment of the asset had not been recognized in previous years. The refund of the loss resulting from impairment of value is recognized in the statement of profit or loss.

**2/5 – Trade Debtors:**

Trade debtors are proven with invoices' original sum minus any decrease or decline in such debtors' values. Such decrease or decline in debtors' values is established, when there are objective evidence that the Company will not be able to collect all due amounts, according to the original contractual conditions. Such decrease or decline represents the difference between book value and recoverable value and is represented in expected cash flows. Cash flows are deducted by using market interest rate for similar debtors, if this is effective.

**2/6 – Cash and Equivalent:**

Cash and equivalent are represented in cash in treasury and banks for the purposes of presentation of cash flows' statement. Cash and equivalent include cash in treasury and current accounts at banks. Indirect method was used to prepare cash flows' statement.

**2/7 – Revenue Recognition:**

Revenue is recognized and proven when providing service for the client.

**Revenue is proven according to the following:**

Revenue is recognized to the extent that there is a sufficient degree of certainty that economic benefits related to the transaction will flow to the Company and the Subsidiary and the revenue will be measured in a reliable manner.

Revenue is recognized when the following conditions are confirmed according to Accounting Standard No. (11)

- Revenue value is measured accurately.
- The flow of economic benefits related to the transaction is ensured.
- Accurate measurement of the degree of process completion is ensured.
- Measurement of related costs is ensured.

**2/8 – Reserves:**

2/8/1 – Statutory Reserve:

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According to Company's Articles of Association, 5% of net profit is put aside to establish the statutory reserve. Such percentage is no longer put aside, if such reserve reaches 50% of Company's issued capital. Whenever such reserve decreases, deduction shall be reapplied.

**2/8/1/1 Statutory Reserve of the Subsidiary:**

Speed Hospitals Company

According to Company's Articles of Association, 5% of net profit is put aside to establish the statutory reserve. Such percentage is no longer put aside, if such reserve reaches 50% of Company's issued capital. Whenever such reserve decreases, deduction shall be reapplied.

The General Assembly may use the reserve to fulfill the purposes approved by the General Assembly according to Board suggestion.

**2/9 – Income Taxes:**

Income tax shall be calculated according to the Egyptian Tax Law No. 91 of the Year 2005 and executive regulations thereof. Income tax for period's profits and losses shall include both the global tax and the deferred tax. It shall be proven in income statement, except for income tax related to equity items, which shall be proven directly within equity. Income tax on net taxable profit shall be proven, using tax rates applicable on financial statements preparation date, in addition to tax differences in past years.

**2/10 – Deferred Taxes:**

Deferred tax resulting from temporary time differences between assets' book value and liabilities, according to accounting base and its value according to tax base shall be recognized. Deferred tax value shall be determined based on the expected method used to achieve or settle assets' values and liabilities, using tax rates applicable on balance sheet preparation date. Resulting deferred tax assets shall be recognized, when there is a great potential for gaining profits that could be taxable in future through which such asset can be beneficial. Deferred tax assets value decrease shall be equivalent to the value of the portion through which the expected tax benefit shall not be achieved through the coming years.

**2/11 – Appropriations:**

Appropriation is recognized when there is a current legal or deductive liability as a result of prior events and it is likely that such matter requires using resources to settle such liabilities, with the possibility of establishing a reliable estimation of such liability's value. When it is expected to recover such appropriation or portion thereof as in such case when there is an insurance coverage, the value expected to be recovered shall be recorded as an independent asset only if such recovery is highly confirmed. On the date of each balance sheet, the previously established appropriations shall be examined and settled to reflect the best current estimation. If it is unlikely that there shall be outflow including economic benefits to settle the liability, the appropriation shall be repaid.

The provisions reached an amount of EGP 4,871,569 (only four million eight hundred seventy-one thousand nine five hundred and sixty-nine Egyptian pounds), and they represent provisions for

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potential liabilities with expected claims from some bodies and agencies regarding the company's activities. The information normally published in accordance with the Egyptian Accounting Standards has not been disclosed, because the management believes that doing so may severely affect the outcome of negotiations with these bodies and agencies. The management reviews these provisions annually and the amount provided is prepared according to the latest updates, discussions and agreements with these bodies and agencies.

**2/12 – Fiscal Year:**

Fiscal year commences in January and ends in December, except for Company's initial term which commences from 28-12-2015 to 31-12-2016.

**2/13 – Creditors and Receivables:**

Creditors are proven by nominal value and liabilities are recognized (receivables of values to be paid in future for the received services).

**2/14 – Expenses:**

All activity expenses are recognized, including administrative and general expenses, and they shall be inserted in income statement for the fiscal term in which such expenses were incurred, based on the principle of accrual.

**2/15 – Employee Benefits:**

**1. Insurance and Pension System:**

Company shall be obliged to pay its subscription fees to General Pension and Social Security Authority according to rules stated in Social Insurance Law. Company shall not be accountable for any other liabilities once it fulfills its liabilities. Conventional subscriptions shall be recognized as periodical costs in their maturity periods and shall be inserted within employment costs.

**2. Employee Profit Share:**

Group companies governed by the Egyptian Companies Law shall pay employee profit share, which is equivalent to 10% of distributed cash profits. Employee profit quota shall be recognized as a portion of equity profit distributions and as liabilities when being approved by General Assembly for each company's stakeholders.

**2/16 – Loans and Advances:**

Loans are first proven by collected amounts minus loan acquisition cost. The loans are subsequently shown at the amortized cost using the effective interest rate method, and the income statement is converted by the difference between the amounts received (less the cost of obtaining the loan) and the value that will be fulfilled over the course of the borrowing period. The fair value is determined for the part that represents a liability for the convertible loan. Such liabilities are



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initially recognized for this value. Liabilities are shown subsequently at the amortized cost using the effective interest rate method until the loan conversion date or maturity date, whichever is earlier. The difference between the received amounts and the fair value of the part that represents a liability, as part of the equity. Loans and advances are classified as current liabilities unless the group has an unconditional right to delay the settlement of those liabilities for a period of no less than 12 months after the date of the consolidated financial statements.

**2/17 Cash Flow Statement:**

The consolidated cash flow statement is prepared using the indirect method. For the purposes of preparing the consolidated cash flow statement, the item of cash and cash equivalents includes balances of cash, current accounts, and deposits with banks, which mature within three months.

**2/18 Inventory:**

The inventory is evaluated at the cost or net recoverable value, whichever is less. The cost includes all the costs and expenses that the company incurs to bring the inventory to its normal status. The net recoverable value is the estimated price for sale through the normal activity less any cost required for the completion the sale process. The cost is determined according to the basis of the weighted average.

**2/19 Investments:**

**2-19-1- Investments in Affiliated Companies:**

Investments in affiliated companies are such investments in companies where the company has control. Control is presumed to exist when the holding company, whether directly or indirectly through the affiliated companies, controls the investee company with its ability to control the financial and operational policies of the company, in order to obtain benefits from its activities, except for those exceptional cases in which it is clearly apparent that such ownership does not represent control.

Investments in affiliated companies are accounted for in the independent periodic financial statements at cost, including the cost of acquisition. In case of impairment of those investments, the book value is adjusted for the value of this impairment and it is included in the statement of profit or loss for each investment separately.

**2-19-2- Investments in Sister Companies:**

Investments in sister companies are such investments in companies where the company has effective influence but it is not an affiliated company or a share in a joint venture. Effective influence is assumed when the company owns, either directly or indirectly through its affiliated companies, 20% or more of the voting rights in the investee company, except in those cases in which it is clearly evident that such ownership does not represent effective influence.

Investments in sister companies are accounted for in the independent periodic financial statements at cost, including the cost of acquisition. In case of impairment of those investments, the book value is

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adjusted for the value of this impairment and it is included in the statement of profit or loss for each investment separately.

**2/20 Related Party Transactions:**

Related Parties are represented in sister companies, major shareholders, directors, and the top management of the company. They also represent the companies controlled or subject to joint control or effective influence by such related parties. The terms and pricing policies for transactions with related parties are approved by the Board of Directors.

**2/21 New Publications and Amendments to Egyptian Accounting Standards:**

On 28 March 2019, the Minister of Investment issued Decision No. 69 of 2019 amending some provisions of the Egyptian Accounting Standards, which include some new accounting standards and amendments to some existing standards. Such amendments were published in the Official Gazette on 7 April 2019. The Group has applied the following standards, amendments and interpretations for the first time during its annual reporting periods, as of January 1, 2019:

**Activated Issues:**

- Egyptian Accounting Standard No. (22) - "Earnings Per Share" - All establishments that apply Egyptian Accounting Standards must calculate and present the earnings per share, in accordance with the Egyptian Accounting Standard No. (22)
- Egyptian Accounting Standard No. (49) - "Lease Contracts" - Phase 1 (lease contracts subject to Law No. 95 of 1995 (the usufructuary right of the leased asset) and a financial obligation to pay the rent installments are recognized in the Financial Standing Statement. Short-term and small-value lease contracts are excepted)

**Inactivated Issues:**

- Some new and amended accounting standards that are not mandatory for financial statements for the fiscal years starting on or after January 1, 2020 have been published on April 12, 2020. The Financial Supervisory Authority decided to postpone the application of amendments to the Egyptian Accounting Standards on the Periodic Financial Statements, and limit the same to the Annual Financial Statements until the end of 2020.

**Name of the Standard**      **Egyptian Accounting Standard No. 47 "Financial Instruments"**

**Nature of the Change**

- Egyptian Accounting Standard No. 47 deals with classification, measurement and elimination of recognition of financial assets and financial liabilities, and introduces new rules for hedge accounting and the new impairment model for financial assets.
- The Group reviewed its assets and financial liabilities. It expects the below effect after applying the new Standard on 1 January 2020. On 12 April 2020, the Financial Supervisory Authority decided to postpone the application of amendments to the Egyptian Accounting Standards on Periodic Financial Statements, and limit the same to the Annual Financial Statements until the end of 2020.
- The company's financial assets consist of the following:
  - Trade Receivables
  - Term Deposits
  - Cash and Cash Equivalents

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- Related Parties

Impact

- Trade receivables, amounts owed from related parties and balances with banks are debt instruments that are currently classified as loans and receivables and are measured at amortized cost in accordance with Egyptian Accounting Standard No. 26. The Group has estimated that it meets the conditions of classification at amortized cost according to the Egyptian Accounting Standard No. 47, as they are cash flows from the original payments and interest only. The company's business model is to hold and collect debt instruments.
- There will be no effect on the Group's recognition of financial liabilities, as the new requirements affect the recognition of financial liabilities recognized at fair value through profit or loss, and the Group does not have any of these liabilities. The rules for de-recognition have been transferred from the Egyptian Accounting Standard No. 26 "Financial Instruments": "Measurement and recognition" and have not been changed
- The new impairment model requires recognition of impairment provisions based on expected credit losses instead of only incurred credit losses, as is the case according to Egyptian Accounting Standard No. 26. It applies to financial assets classified at amortized cost and debt instruments measured at fair value through other comprehensive income and the assets of the contract according to the Egyptian Accounting Standard No. 48 "Revenue from contracts concluded with the customers", rent debit balances, assignment of assumptions and some financial guarantee contracts, based on the evaluations carried out to date.
- The new standard also introduces expanded terms of disclosure and changes in presentation. It is expected that they will change the nature and size of the group's disclosures regarding its financial instruments, especially in the year in which the new standard is applied.
- The management has not yet completed the evaluation of the effects of applying the Standard on the Group's financial statements.

Date of mandatory application/  
Date of implementation  
by the Group

- It applies for the fiscal periods that start on or after 1 January 2020. The Group will apply the new rules retrospectively with effect from January 1, 2020 taking practical measures permitted under the Standard. Comparative figures for 2019 will not be modified

Name of the Standard

Egyptian Accounting Standard No. 48 "Revenue from contracts concluded with the customers"

Nature of the Change

- A new standard has been issued for recognition of revenue, to replace the Egyptian Accounting Standard No. 11, which covers contracts for

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	<p>the sale of goods and services, and the Egyptian Accounting Standard No. 8, which covers construction contracts</p> <ul style="list-style-type: none"><li>• The new standard is based on the principle of revenue recognition when transferring control of goods or services to a customer.</li></ul>
Impact	<ul style="list-style-type: none"><li>• The management has not finished evaluating the effects of applying the new standard on the Group's financial statements, and measuring the revenue for all existing contracts under the model of the Egyptian Accounting Standard No. 48, consisting of five steps.</li></ul>
Date of mandatory application/ Date of implementation by the Group	<ul style="list-style-type: none"><li>• Mandatory for the fiscal years that start on or after 1 January 2020 The company intends to apply the new Standard by using a modified approach by applying retrospectively. This means that the cumulative effect of the application will be recognized in the retained earnings as of January 1, 2020, and that the comparative figures will not be modified on April 12, 2020. The Financial Supervisory Authority decided to postpone the application of amendments to the Egyptian Accounting Standards on the Periodic Financial Statements, and limit the same to the Annual Financial Statements until the end of 2020.</li></ul>
<u>Name of the Standard</u>	<p><u>Egyptian Accounting Standard No. 49 "Lease Contracts": Phase 2 (Lease Contracts) except for those that were subject to Law No. (95) of 1995</u></p>
Nature of the Change	<ul style="list-style-type: none"><li>• Egyptian Accounting Standard No. (49) on Lease Contracts was issued, requiring application on two phases. Phase 1 is related to lease contracts that were subject to Law No. (95) of 1995 and is applicable during the fiscal periods starting on or after 1 January 2020. The above note indicates the effect of applying Phase 1 on the financial statements. Phase 2 is related to lease contracts, except for those that were subject to Law No. (95) of 1995 and is applicable during the fiscal periods starting on or after 1 January 2020.</li></ul>
Impact	<ul style="list-style-type: none"><li>• The Group formed a team for Standard application project, and it turned out that the Group has contracts that are subject to Phase 1. The application has been made and there is no effect on the earnings retained at the beginning of the period or the earnings of the year, because the contract subject to the Standard has been concluded in 2019. As for Phase 2 of Egyptian Accounting Standard No. (49), the team reviewed the lease arrangements except for those that were subject to Law No. 95 of 1995 in the Group, in the light of the new lease accounting rules.</li></ul>
Date of mandatory application/ Date of implementation by the Group	<ul style="list-style-type: none"><li>• The Group will apply Phase 2 of Egyptian Accounting Standard No. 49 to the operational lease contracts as of the mandatory date of implementation starting on January 1, 2020. The Group intends to use the practical means provided by the Standard, and the comparative figures of the year will not be modified before the initial application of the Standard. The assets of usufructuary right, which arise of the operational contracts, will be measured by the lease liability amount at</li></ul>

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the date of the initial application (amended by any advance or due lease expense). On 13 April 2020, the Financial Supervisory Authority decided to postpone the application of amendments to the Egyptian Accounting Standards on the Periodic Financial Statements, and limit the same to the Annual Financial Statements until the end of 2020

#### 2/22 Assets Reserved for Sale:

The Company measures the non-current asset classified as assets held for sale on the basis of the book value or fair value less the selling costs, whichever is the lower.

#### 3- Sectors Report:

Reporting on business sectors is done in a consistent manner with reports submitted internally to senior management, which takes decisions related to resource allocation and assessment of sector performance in the Group. The sector reports are presented to the group on a corporate basis, as each affiliated company is considered a separate business sector.

The following is a summary of each sector that has been presented for the whole year (noting that the consolidated financial statements have been prepared according to the actual acquisition date)

#### 3- Sectors Report:

##### Sectors Report

	Speed Medical on 30 September 2021 A.D	Speed Hospitals on 30 September 2021 A.D	Total
<u>Balance Sheet</u>			
Non-Current Assets	134,817,539	167,184,268	302,001,807
Current Assets	282,242,088	84,853,459	367,095,547
Total Assets	417,059,627	252,037,727	669,097,354
<u>Income Statement</u>			
Activity Revenues	296,155,913	-	296,155,913
Revenue Acquisition Cost	(128,561,081)	-	(128,561,081)
Total Profit	167,594,833	-	167,594,833
Other expenses and revenues	(42,531,773)	-	(42,531,773)
Period Profit	166,769,427	-	166,769,427
<u>Other Items</u>			
Capital Expenses	(29,448,392)	-	(29,448,392)
Fixed Assets Depreciation	(10,304,400)	-	(10,304,400)

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**4/1 Consolidated Fixed Assets:**

Description	Lands	Buildings and Constructions	Medical Devices and Equipment	Equipment and Decorations	Computers	Electric appliances	Office furniture	Software	Deferred revenue expenditure	Total
<b>Cost</b>										
Cost on 1 January 2021 AD	10,458,000	7,078,222	68,464,842	34,698,599	2,163,392	1,631,746	1,256,557	2,007,695	10,000	127,769,053
Additions in the Period	-	-	13,287,269	9,666,977	1,934,578	2,383,822	1,407,311	768,435	-	29,448,392
Exclusions in the Period	-	-	-	-	-	-	-	-	-	-
Total value on 30 September 2021 A.D	10,458,000	7,078,222	81,752,111	44,365,576	4,097,970	4,015,568	2,663,868	2,776,130	10,000	157,217,445
<b>Accumulated Depreciation</b>										
Accumulated Depreciation on 01 January 2021	-	-	16,528,989	9,301,711	1,371,659	780,325	176,382	967,624	7,200	29,133,810
Depreciation of the year	-	-	5,134,863	3,252,994	405,636	244,762	56,545	301,154	1,500	9,397,454
Additions Depreciation	-	-	367,498	289,353	84,311	111,885	19,077	34,822	-	906,946
Exclusions Depreciation	-	-	-	-	-	-	-	-	-	-
Total Depreciation of the Period	-	-	5,502,361	3,542,347	489,947	356,647	75,622	335,976	1,500	10,304,400
Accumulated Depreciation on 30 September 2021	-	-	22,031,271	12,844,057	1,861,606	1,136,971	252,004	1,303,600	8,700	39,438,209
Accumulated Depreciation - Exclusions 2021	-	-	-	-	-	-	-	-	-	-
Net Accumulated Depreciation	-	-	22,031,271	12,844,057	1,861,606	1,136,971	252,004	1,303,600	8,700	39,438,209
<b>Net Book Value</b>										
Net Book Value on 30 September 2021	10,458,000	7,078,222	59,720,840	31,521,518	2,236,365	2,878,597	2,411,863	1,472,531	1,300	117,779,235

The fixed assets of the affiliated company Speed Hospitals Company (LLC) were merged with the assets of the holding (parent) company Speed Medical (LLC).

- There are no mortgages or restrictions imposed on the ownership of fixed assets.
- The cost of the fixed assets includes EGP 281,370 - fixed assets, (Computer devices) fully depreciated in books but still used.
- There are not any contractual relationships for asset acquisition.
- It was not accounted on the assets of the affiliated company, because it did not start its activity.

**4/2 Assets Reserved for Sale:-**

An amount of EGP 42,094,500, which represents the book value of the building owned by the Speed Hospitals Company, located in the First Settlement - New Cairo, and offered for sale based on a decision approved unanimously by the Board of Directors.

**4/3 Projects in Progress:-**

Projects in Progress	On 30 September - 2021	On -31 December -2020
Balance at the beginning of the period	106,074,848	12,444,995
Additions during year	74,847,724	97,346,776
Converted to fixed assets	-	(3,716,923)
Balance at the end of year	180,922,572	106,074,848

- The balance of the projects in progress and the affiliated companies reached:

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<u>Description</u>	<u>On 30 September - 2021</u>	<u>On -31 December -2020</u>
Speed Medical Co.	31,274,526	8,986,388
Speed Hospitals Company	149,648,046	97,088,460
Balance at the end of year	<u>180,922,572</u>	<u>106,074,848</u>

- The balance of Medical Speed company's projects in progress is the expenses of equipping the branches to be opened.
- The balance of Speed Hospitals company's projects in progress is the expenses of establishing and equipping Speed Hospital in El-Obour City, which will be carried out in 2021.

**5- Investments in Affiliated Companies:**

On October 12, 2017, the company's ordinary general assembly approved the purchase of 2083675 shares of Speed Hospitals Company shares with a value of EGP 41,673,500 (forty-one million, six hundred seventy-three thousand and five hundred pounds). The General Assembly also agreed to authorize the Chairman of the Board of Directors and the Deputy Chairman of the Board of Directors collectively or separately to conclude the commutative contracts for the purchase of 297600 shares of Speed Company's shares, with a value of EGP 5952000 - so the total investment amount in Speed Hospitals Company becomes EGP 47,625,500, which represents 80.25% of the share capital of Speed Hospitals Company. Based on the General Assembly resolution and in order to implement the future plan, the Speed Hospitals' capital was increased to EGP 128,404,160.00, of an increase of EGP 80,778,660 to complete the establishment and furnishing the hospital in Obour.

**6- Cash in Hand and in Banks: -**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached. This item is represented in the following:

<u>Description</u>	<u>On 30 September - 2021</u>	<u>On -31 December - 2020</u>
Cash in Hand	8,395,305	6,319,884
Cash in Bank	61,716,652	46,611,011
Total	<u>70,111,957</u>	<u>52,930,895</u>

**7- Debtors and Other Debit Balances:**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached. This item is represented in the following:

<u>Description</u>	<u>On 30 September - 2021</u>	<u>On -31 December - 2020</u>
Deposits with others	494,240	369,240
Expense paid in advance	1,148,230	548,230
Commercial and Industrial Profit Tax	25,963	1,371,605
Dues from employees	1,750,991	739,873

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Advance payments to suppliers	4,028,697	1,309,600
Trust under settlement in all branches	2,347,650	756,000
Miscellaneous Receivables and Other Advance Payments	4,176,088	3,519,342
<b>Total</b>	<b>13,971,859</b>	<b>8,613,890</b>

**8 - Suppliers and Notes Payable:**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached. This item is represented in the following:

Description	On 30 September - 2021	On -31 December - 2020
Notes Payable	5,917,564	19,110,671
Supplier Balances	15,145,331	2,968,307
<b>Total</b>	<b>21,062,895</b>	<b>22,078,978</b>

**9- Creditors and Other Credit Balances:**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached. This item is represented in the following:

Description	On 30 September - 2021	On -31 December - 2020
Accrued Expenses	3,025,887	3,619,055
Tax Authority - Less and Add	139,163	129,307
Creditors and accounts payable	10,156,515	1,778,573
<b>Total</b>	<b>13,321,565</b>	<b>5,526,935</b>

**10- Loan:**

It is a loan from QNB ALAHLI granted to Speed Medical Company, with a value of EGP 40,000,000 (only forty million Egyptian pounds) for the parent company, to offer financing for the company's investment expansion. At the end of 2019 and the during 2020, a loan amounting EGP 72,920,419 (only seventy-two million, nine hundred and twenty thousand, four hundred and nineteen pounds) was taken in addition to outstanding deferred interests of EGP 8968061 for financing the construction and furnishings of Speed Hospital in Al-Obour, and its balance is as follows:

Description	On 30 September - 2021	On -31 December - 2020
Net Loan Value	102,923,892	108,091,487
Current Part	(2,195,500)	(7,363,095)
Non-Current Part	100,728,392	100,728,392

The loan balance of the parent company and affiliated company reached as follows:-



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<u>Description</u>	<u>On 30 September - 2021</u>	<u>On -31 December -2020</u>
Speed Medical Co.	21,035,412	26,203,007
Speed Hospitals Company	81,888,480	81,888,480
<b>Balance at the end of year</b>	<b>102,923,892</b>	<b>108,091,487</b>

**11- Overdraft Bank**

The value of this item at the date of preparing the Statement of Financial Position on 30 September 2021 reached. This item is represented in the following:

<u>Description</u>	<u>On 30 September - 2021</u>	<u>On -31 December -2020</u>
QNB Bank Account 24	28,164,415	18,157,297
National Bank of Kuwait	2,958,121	14,900,911
<b>Total</b>	<b>31,122,536</b>	<b>33,058,209</b>

**12- Inventory at the end of the period:**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached. This item is represented in the following:

<u>Description</u>	<u>On 30 September - 2021</u>	<u>On -31 December - 2020</u>
Inventory	56,609,088	16,686,524
<b>Total</b>	<b>56,609,088</b>	<b>16,686,524</b>

**13- Customers**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached. This item is represented in the following:

<u>Description</u>	<u>On 30 September - 2021</u>	<u>On -31 December - 2020</u>
Clients	54,842,095	18,465,757
<b>Clients</b>	<b>54,842,095</b>	<b>18,465,757</b>

**14- Stakeholders' Current Accounts:**

**14/1 Analysis of Parent Company Stakeholders' Current Accounts:**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached. This item is represented in the following:

<u>Description</u>	<u>On 30 September - 2021</u>	<u>On -31 December - 2020</u>
Mahmoud Ahmed Lasheen	-	-
Hazem Farouk Al Far	-	-
Tarek Mohamed Al Qeie	-	-

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Ismail Ahmed Jadallah	-	-
Yasser Fouad Lasheen	-	-
Mahmoud Abdul Wahab Eliwa	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**14/2 Analysis of Affiliated Company Stakeholders' Current Accounts**

Description	On 30 September - 2021	On -31 December -2020
Mahmoud Ahmed Lasheen	261,888	261,888
<b>Total</b>	<b>261,888</b>	<b>261,888</b>

**15- Sale and Marketing Expenses:**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached. This item is represented in the following:

Description	On 30 September - 2021	On 30 September 2020
Wages and Salaries	1,904,908	647,221
Advertising	14,144,952	6,584,688
<b>Total</b>	<b>16,049,860</b>	<b>7,231,909</b>

**16- General and Administrative Expenses:**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached. This item is represented in the following:

Description	On 30 September - 2021	On 30 September 2020
Wages and Salaries	6,422,910	2,965,298
License Expenses	1,021,158	36,090
Insurance Expenses	127,365	88,810
Security and Guarding	197,039	108,520
Telephone Expenses	859,465	205,196
Electricity Expenses	527,558	286,931
Social Insurance	355,221	296,220
Uniform and Clothes	280,538	135,692
Administrative Rents	549,432	356,937
Administrative Publications	735,251	260,984
Stationary	672,427	325,978
Hospitality and Reception	323,584	205,987
Cleaning materials and tools	423,232	261,297
Bank amounts, transportations and others	6,793,697	322,694
<b>Total</b>	<b>19,288,876</b>	<b>5,856,634</b>

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**17- Revenue Acquisition Cost:-**

Description	On 30 September - 2021	On 30 September 2020
Inventory at the beginning of the period	16,686,524	5,711,455
Procurements	80,206,825	30,235,797
Operational Expenses	88,276,820	27,257,904
Inventory at the end of the period	(56,609,088)	(15,001,212)
<b>Total</b>	<b>128,561,081</b>	<b>48,203,944</b>

**17-1 Operational Expenses:**

Description	On 30 September - 2021	On 30 September 2020
Wages and Salaries	34,525,324	18,238,456
Doctors' fees	7,425,858	3,286,750
Rents	5,596,688	2,258,834
Lab to Lab	2,843,346	816,983
Waste Expenses	896,138	322,236
Lab Supplies	12,019,639	704,170
Branch medical publications	984,482	305,645
Branch home visits	20,108,330	964,399
Branch Transfers	2,779,033	360,431
Branch Maintenance	1,097,982	-
<b>Total</b>	<b>88,276,820</b>	<b>27,257,904</b>

**17-2 Activity Revenues:**

The value of this item at the date of preparing the Consolidated Financial Standing Statement on 30 September 2021 reached, the same value that appeared in the Independent Financial Statements, because the affiliated company (Speed Hospitals Company) has not started its activity yet. This item is represented in the following:

Description	On 30 September - 2021	On 30 September 2020
Revenues of medical analysis laboratories branches	282,574,834	104,707,510
Revenues of the specialized clinics sector	13,581,079	7,265,544
Miscellaneous campaign revenues	-	925,126
<b>Total</b>	<b>296,155,913</b>	<b>112,898,180</b>

**17-3 Other Revenues:**

Description	On 30 September - 2021	On 30 September 2020
Credit Interest	5,601,037	338,534
Commercial agencies commission	1,592,000	-

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Total	7,193,037	338,534
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**18- Capital Structure:**

Authorized capital of EGP 520,000,000, "five hundred and twenty million" Egyptian pounds, and the capital of the issuer company was only EGP 221,828,895 (two hundred and twenty-one million, eight hundred and twenty-eight thousand, eight hundred and ninety-five pounds), divided into 1,109,144,475 shares " one billion, one hundred and nine million and one hundred forty-four thousand and four hundred and seventy-five shares", with a value of 20 piasters (twenty piasters) per share.

**19- Financial Instruments and Related Risks:**

The financial instruments of the Company are represented in the financial assets (cash in banks, receivables and debit balances), in addition to the financial liabilities that include the balances of some creditors and other credit accounts.

**19-1 Foreign Exchange Fluctuation Risk:**

The foreign currency risk is represented in the fluctuation of the foreign currencies rate, which affects payments and receipts in foreign currencies, as well as the valuation of assets and liabilities in foreign currencies. The company does not have assets or liabilities of a monetary nature in foreign currencies at the date of preparing the consolidated financial statements.

**19-2 Fair Value:**

As for the valuation basis used for valuating the assets and liabilities of the Company, the fair value of the financial instruments does not significantly differ from their book value at the balance sheet date.

**20- Tax Position:**

**1 – Speed Medical Co.**

The Company prepares the tax returns for the competent tax office and submits them to the competent tax office within the legal time limits. The following is the Company's tax position:

**Tax on the Profits of Natural Persons:**

The Company's activity was scheduled to start as of 28/12/2015. The company is subject to all kinds of taxes according to Law No. (91) of 2005. The Company was not held accountable or assessed, and there are not any tax dues owed by the Company.

**Payroll tax and the equivalent:**

Examination and payment were made from the beginning of the business until 2019, and the amount is being made now according to the law.

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**Stamp Tax:**

The documents of the Company have not been examined from the beginning of the activity until the date of preparing the Financial Standing Statement. The Company was not held accountable or assessed, and there are not any tax dues owed by the Company.

**Value Added Tax (VAT):**

The Company is not required to register for the VAT, since its activity is exempt from tax.

**Speed Hospitals Company (Affiliated)**

Up to the date of preparing the Financial Standing Statement, Speed Hospitals Company has not started its activity yet.

**21- The Impact of COVID-19:**

Revenues have increased significantly in the last period due to the citizens' demand for analyzes for the new Corona virus, as well as through sales of laboratories for Prime Speed contracts, the subsidiary company. As for Prime Speed Company, it highly contributed to the increase of the consolidated profits of the company during the year.

**22- Investment in Sister Companies:**

A sister company is an entity over which the Company has effective influence through participating in the operational decisions and policies of the investee company. Investments in sister companies are accounted through using the cost method.

Investments in Sister Companies	Equity ratio	On 30 September - 2021	On -31 December - 2020
Prime Speed Medical Services	30%	300,000	300,000
Masr Lab for Egyptian People	30%	3,000,000	3,000,000
<b>Total</b>		<b>3,300,000</b>	<b>3,300,000</b>

**23- Related Party Transactions:**

During the period, the Company treated with related parties. The following is a statement of related party transactions on the date of the financial statements, 30 September 2021:

Related Parties	On 30 September - 2021	On -31 December -2020
Prime Speed Medical Services	78,965,049	26,639,200
<b>Total</b>	<b>78,965,049</b>	<b>26,639,200</b>

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Related Party Transactions are represented in the Company's transactions with affiliated / sister companies, whether through sale, purchase or service exchange. The prices, policies and conditions related to such process are approved by the management of the Company and shall be on the same bases of dealing with others.

**24 – Deposits:**

The amount is linked with 8.6% interest for month, and this item is as follows:

<u>Description</u>	<u>On 30 September - 2021</u>	<u>On -31 December -2020</u>
Short-term deposits (SAIB Bank)	50,501,000	150,501,000
<u>Total</u>	<u>50,501,000</u>	<u>150,501,000</u>

**25- Treasury shares:**

Based on the decision of the Board of Directors on September 5, 2021, the company purchased 15,400,000 shares for an amount of EGP 28,832,996. The amount paid was recorded as treasury shares and displayed in equity.