



Orascom Financial Holding

Orascom Financial Holding Company “S.A.E.”
The Condensed Consolidated Interim Financial Statements
For the six months ended 30 June 2023
and
Limited Review Report thereon



Translation of financial statements
originally issued in Arabic

Hazem Hassan

Public Accountants & Consultants

B (105) – Avenue (2) – Smart Village
Km 28 Cairo – Alex Desert Road
Giza – Cairo – Egypt
Postal Code : 12577

Telephone : (202) 35 37 5000 – 35 37 5005
E-mail : Egypt@kpmg.com.eg
Fax : (202) 35 37 3537
P.O. Box : (5) Smart Village

Report on Limited Review of Condensed Separate Interim Financial Statements

To the Board of the Director of Orascom Financial Holding Company (S.A.E)

Introduction

We have performed a limited review for the accompanying condensed Separate statement of financial position of Orascom Financial Holding Company (Egyptian Joint Stock Company) as of 30 June 2023 and the related condensed Separate statements of income, comprehensive income, changes in equity and cash flows for the six months ended. The management is responsible for the preparation and fair presentation of these condensed Separate interim financial statements in accordance with Egyptian Accounting Standard No. (30) "Interim Financial Statements". Our responsibility is to express a conclusion on these condensed Separate interim financial statements based on our limited review.

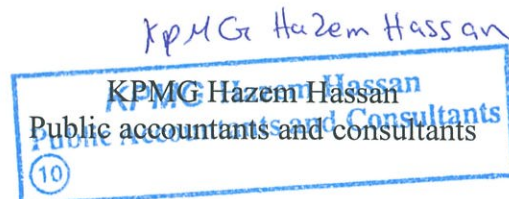
Scope of Limited Review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements (2410), "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A limited review of condensed Separate interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company and applying analytical and other limited review procedures. A limited 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 on these condensed Separate interim financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying condensed Separate interim financial statements are not prepared in all material respects in accordance with Egyptian Accounting Standard No. (30) "Interim Financial Statements".

Cairo 14 August 2023



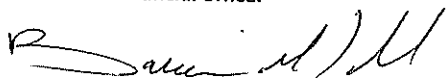
Orascom Financial Holding "S.A.E"
Condensed Interim Consolidated Statement of Financial Position

(In thousands of EGP)	Note no.	30 June 2023	31 December 2022
Assets			
Non-current assets			
Goodwill and other intangible assets	(5)	9,607	7,624
Fixed assets	(6)	8,898	3,997
Right of use	(7)	8,940	4,928
Equity accounted investees	(8)	1,833,680	1,839,122
Other assets	(9)	779	423
Total non-current assets		1,861,904	1,856,094
Current assets			
Inventory	(10)	6,685	1,534
Other assets	(9)	27,369	26,004
Financial assets measured at amortized cost	(11)	103,531	355,859
Cash and cash equivalents	(12-1)	617,835	321,804
Total current assets		755,420	705,201
Total assets		2,617,324	2,561,295
Equity and liabilities			
Equity			
Issued and paid-up capital	(15)	1,626,165	1,626,165
Treasury shares	(15-1)	(112,950)	(93,653)
Reserves		476,462	469,417
Retained earnings		541,153	486,675
Equity attributable to owners of the parent company		2,530,830	2,488,604
Non-controlling interests		19,302	15,376
Total equity		2,550,132	2,503,980
Liabilities			
Non-current liabilities			
Lease liabilities	(16)	6,021	3,391
Deferred tax liabilities	(13)	18,133	17,994
Total non-current liabilities		24,154	21,385
Current liabilities			
Bank credit balance	(12-2)	558	-
Due to related parties	(14)	-	94
Customers - credit balances		-	1,527
Current income tax liabilities		14,284	6,319
Lease liabilities	(16)	4,182	2,543
Other liabilities	(17)	24,014	25,447
Total current liabilities		43,038	35,930
Total liabilities		67,192	57,315
Total equity and liabilities		2,617,324	2,561,295

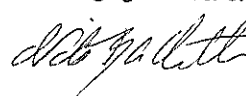
The accompanying notes from (1) to (25) are an integral part of the condensed interim consolidated financial statements and to be read therewith.

Review Report "Attached"

Chief financial officer



Managing member of the board



Orascom Financial Holding "S.A.E"
Condensed Interim Consolidated Statement of Financial Position

	Note no.	30 June 2023	31 December 2022
(In thousands of EGP)			
<u>Assets</u>			
<u>Non-current assets</u>			
Goodwill and other intangible assets	(5)	9,607	7,624
Fixed assets	(6)	8,898	3,997
Right of use	(7)	8,940	4,928
Equity accounted investees	(8)	1,833,680	1,839,122
Other assets	(9)	779	423
Total non-current assets		1,861,904	1,856,094
<u>Current assets</u>			
Inventory	(10)	6,685	1,534
Other assets	(9)	27,369	26,004
Financial assets measured at amortized cost	(11)	103,531	355,859
Cash and cash equivalents	(12-1)	617,835	321,804
Total current assets		755,420	705,201
Total assets		2,617,324	2,561,295
<u>Equity and liabilities</u>			
<u>Equity</u>			
Issued and paid-up capital	(15)	1,626,165	1,626,165
Treasury shares	(15-1)	(112,950)	(93,653)
Reserves		476,462	469,417
Retained earnings		541,153	486,675
Equity attributable to owners of the parent company		2,530,830	2,488,604
Non-controlling interests		19,302	15,376
Total equity		2,550,132	2,503,980
<u>Liabilities</u>			
<u>Non-current liabilities</u>			
Lease liabilities	(16)	6,021	3,391
Deferred tax liabilities	(13)	18,133	17,994
Total non-current liabilities		24,154	21,385
<u>Current liabilities</u>			
Bank credit balance	(12-2)	558	-
Due to related parties	(14)	-	94
Customers - credit balances		-	1,527
Current income tax liabilities		14,284	6,319
Lease liabilities	(16)	4,182	2,543
Other liabilities	(17)	24,014	25,447
Total current liabilities		43,038	35,930
Total liabilities		67,192	57,315
Total equity and liabilities		2,617,324	2,561,295

The accompanying notes from (1) to (25) are an integral part of the condensed interim consolidated financial statements and to be read therewith.

Review Report "Attached"

Chief financial officer

Managing member of the board

Orascom Financial Holding "S.A.E"
Condensed Interim Consolidated Statement of Comprehensive Income

(In thousands of EGP)	For the Six months ended 30 June 2023	For the Six months ended 30 June 2022 Re-presented*	For the Three months ended 30 June 2023	For the Three months ended 30 June 2022
Net profit (losses) for the period	42,579	(114,766)	22,765	(142,198)
Items of other comprehensive income				
Items that will be reclassified subsequently to consolidated statement of income:				
Foreign currency translation differences of foreign subsidiaries	-	7,043	-	2,268
Share of the company in OCI of equity accounted investees	14,735	(8,438)	9,637	(9,950)
Items will not be reclassified subsequently to consolidated statement of income:				
Revaluation of equity instruments measured at fair value through other comprehensive income	-	(11,401)	-	(8,833)
Share of the company in OCI of equity accounted investees	(3,940)	(2,962)	(3,165)	(707)
Total other comprehensive income for the period after tax	10,795	(15,758)	6,472	(17,222)
Total comprehensive income for the period	53,374	(130,524)	29,237	(159,420)
Attributable to:				
Owners of the parent company	65,273	(77,151)	35,538	(107,393)
Non-controlling interests	(11,899)	(53,373)	(6,301)	(52,027)
Total comprehensive income for the period	53,374	(130,524)	29,237	(159,420)

The accompanying notes from (1) to (25) are an integral part of the condensed interim consolidated financial statements and to be read therewith.

Orascom Financial Holding "S.A.E"
Condensed Interim Consolidated Statement of Changes in Equity

(In thousands of EGP)	Reserves								Retained earnings	Equity attributable to the owners of the parent company	Non-controlling interests	Total Equity	
	Share capital	Treasury Shares	Legal reserve	Foreign currency translation reserve	Financial lease risk reserve	Fair value reserve	OCI reserve for equity accounted investees	Other reserves					
Opening balance as per issued financial statement January 1, 2022	1,626,165	-	419,526	26,461	-	33,957	-	(2,500)	477,444	541,773	2,645,382	138,217	2,783,599
Reclassification for reserves	-	-	-	-	-	(36,621)	36,621	-	-	-	-	-	-
Opening balance, restated	1,626,165	-	419,526	26,461	-	(2,664)	36,621	(2,500)	477,444	541,773	2,645,382	138,217	2,783,599
Items of comprehensive income													
Net (losses) for the period	-	-	-	-	-	-	-	-	-	(63,217)	(63,217)	(51,549)	(114,766)
Foreign currency translation differences of foreign subsidiaries	-	-	-	4,095	-	-	-	-	4,095	-	4,095	2,948	7,043
Revaluation of equity instruments measured at fair value through OCI	-	-	-	-	-	(6,629)	-	-	(6,629)	-	(6,629)	(4,772)	(11,401)
Share of the company in OCI of equity accounted investees	-	-	-	-	-	-	(11,400)	-	(11,400)	-	(11,400)	-	(11,400)
Total comprehensive income for the period	-	-	-	4,095	-	(6,629)	(11,400)	-	(13,934)	(63,217)	(77,151)	(53,373)	(130,524)
Transaction with shareholders													
Capital Increase from minority	-	-	-	-	-	-	-	(2,500)	(2,500)	-	(2,500)	10,050	7,550
Total transactions with the shareholders	-	-	-	-	-	-	-	(2,500)	(2,500)	-	(2,500)	10,050	7,550
Other transaction													
Financial lease risk reserve formed	-	-	-	-	1,943	-	-	-	1,943	(1,943)	-	-	-
Legal reserve formed	-	-	4,491	-	-	-	-	-	4,491	(4,491)	-	-	-
Total other transaction	-	-	4,491	-	1,943	-	-	-	6,434	(6,434)	-	-	-
Balance as of June 30, 2022	1,626,165	-	424,017	30,556	1,943	(9,293)	25,221	(5,000)	467,444	472,122	2,565,731	94,894	2,660,625
Balance as of January 1, 2023	1,626,165	(93,653)	424,013	-	-	-	54,154	(8,750)	469,417	486,675	2,488,604	15,376	2,503,980
Items of comprehensive income													
Net income for the period	-	-	-	-	-	-	-	-	-	54,478	54,478	(11,899)	42,579
Share of the company in OCI of equity accounted investees	-	-	-	-	-	-	10,795	-	10,795	-	10,795	-	10,795
Total comprehensive income for the period	-	-	-	-	-	-	10,795	-	10,795	54,478	65,273	(11,899)	53,374
Transaction with shareholders													
Capital Increase from minority	-	-	-	-	-	-	-	(3,750)	(3,750)	-	(3,750)	15,825	12,075
Total transactions with the shareholders	-	-	-	-	-	-	-	(3,750)	(3,750)	-	(3,750)	15,825	12,075
Other transactions													
Treasury shares	-	(19,297)	-	-	-	-	-	-	-	-	(19,297)	-	(19,297)
Total other transaction	-	(19,297)	-	-	-	-	-	-	-	-	(19,297)	-	(19,297)
Balance as of June 30, 2023	1,626,165	(112,950)	424,013	-	-	-	64,949	(12,500)	476,462	541,153	2,530,830	19,302	2,550,132

The accompanying notes from (1) to (25) are an integral part of the condensed interim consolidated financial statements and to be read therewith.

Orascom Financial Holding "S.A.E"
Condensed Interim Consolidated Statement of Cash Flows

	Note no.	For the Six months ended 30 June 2023	For the Three months ended 30 June 2022 Re-presented*
(In thousands of EGP)			
Cash flows from operating activities			
Profit for the period before income tax		64,370	35,189
Depreciation and Amortization	(18)	3,072	455
Credit interest from banks		(41,185)	(10,351)
interest lease liability expenses		305	-
Share of profit of equity accounted investees	(8)	(72,079)	(57,383)
Net differences from foreign currencies translation		(28,022)	(14,000)
		(73,539)	(46,090)
Net change in:			
Inventory		(675)	-
Other assets		(5,415)	(7,240)
Other liabilities		(1,417)	1,913
Customers - credit balances		(1,473)	-
Due to related parties		(94)	116
Cash flows (used in) operating activities		(82,613)	(51,301)
Credit interest received		38,808	10,389
Dividends collected		83,895	75,752
Taxes paid		(9,420)	-
Net cash flows generated from operating activities		30,670	34,840
Cash flows from investing activities			
Payments for purchase of fixed assets		(4,435)	(6,388)
Payments for purchase of intangible assets		(2,623)	(2,474)
Proceeds from sale of fixed assets		-	50
Payment for purchase time deposit		(1,910)	-
Net cash flows (used in) investing activities		(8,968)	(8,812)
Cash flows from financing activities			
Payments for lease liabilities	(16)	(2,153)	-
Proceeds from non-controlling interests in subsidiaries		12,075	7,550
payments for purchase treasury shares		(19,297)	-
Net cash flows (used in) generated from financing activities		(9,375)	7,550
Net change in cash and cash equivalents during the period from continued operations		12,327	33,578
Discontinued operations			
Net cash flow (used in) operation activities		-	(163,390)
Net cash flow generated from investing activities		-	(39,684)
Net cash flow generated from financing activities		-	34,637
Net change in cash and cash equivalents during the period from discontinued operations		-	(168,437)
Net change in cash and cash equivalents		12,327	(134,859)
Effect of exchange rate fluctuation on cash and cash equivalents in foreign currencies		28,908	25,687
Cash and cash equivalents at the beginning of the period		677,663	1,190,878
Cash and cash equivalents at the end of the period	(12-3)	718,898	1,081,706

The accompanying notes from (1) to (25) are an integral part of the condensed interim consolidated financial statements and to be read therewith.

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

1- General information

A- Legal status

Orascom Financial Holding S.A.E. Which will be mentioned later as the demerged company or **"the Company"** is an Egyptian Joint Stock company pursuant to provisions of the capital market law No. 95 of 1992 and its executive regulations. The Company was registered at Cairo Commercial Register No 430755 on 10 December 2020. The Company's head office is located at Nile City Towers, Ramlet Boulak – Cairo, Egypt. The Company's duration is 25 years starting from 10 December 2020.

B- Purpose of the Company

The Company's purpose is to participate in incorporating companies that issue securities or to increase the share capital of these companies in relation to the Capital Market Law. The Company may have interest or participate, by any mean, in companies and other enterprises that have activities similar to those of the Company or those that may assist the Company to achieve its objectives in Egypt or abroad. It may also merge into those companies and enterprises or acquire them pursuant to the provisions of the law and its executive regulations.

C- Brief over incorporation of the Company

The Company was established through the demerger from Orascom Investment Holding S.A.E.

Based on the decision of the Board of Directors of Orascom Investment Holding held on 9 July 2020, it was approved to submit a detailed demerger project to be presented to the extraordinary general assembly of Orascom Investment Holding, as the project includes demerger of Orascom Investment Holding, into two companies, company with the same name of Orascom Investment Holding, which includes investments in companies operating in different fields, and a demerged company to be established called "Orascom Financial Holding" and includes investments in companies operating in non-banking financial services activities, namely Beltone Financial Holding (a subsidiary company) and Contact Financial Holding (Previously Sarwa Capital Holding Company) (an associate company), and the affiliation of Beltone Financial Holding Company and Sarwa Capital Holding Company for Financial Investments, as well as the current account due to Orascom Investment Holding Company, is transferred from Victoire Investment Company to the demerged company.

On October 19, 2020, the Extraordinary General Assembly of Orascom Investment Holding, approved the demerger plan of Orascom Investment Holding S.A.E. according to the horizontal demerger method using the book value of the share and to use the separate financial statements for the financial year ended 31 December 2019, as a basis for the demerger where Orascom Investment Holding S.A.E.(the demerging Company) will still exist and its issued capital shall be reduced by reducing the par value of its shares and will also specialize in performing various investment activities while maintaining its license as a company whose purpose is "to participate in the establishment of all joint stock companies or to recommend shares that issue securities or to increase their capital.". Furthermore, the demerger resulted in the establishment of a new company in the name of Orascom Financial Holding S.A.E. (the demerged Company) in the form of an Egyptian joint stock company, subject to the provisions of the Capital Market Law No. 95 of 1992 and its executive regulations, and its purpose is to "participate in the establishment of companies that issue securities or increase their capital and that operate in the fields of non-banking financial activities." The companies resulting from the demerger shall be owned by the same shareholders of Orascom Investment Holding at the date of the execution of the demerger having the same ownership percentages for each shareholder before the execution of the demerger.

The extraordinary general assembly meeting also approved the report issued by the Economic Performance Authority of the General Authority for Investment and Free Zones issued on 2 September 2020, with the net equity of the demerged company based on the financial statements as of 31 December 2019, and which concluded that the book value of the net equity of the demerged company is EGP 2,009,824,600, where it was agreed that the authorized capital of the demerged company will be EGP 8,130,820,461, and the issued capital amounted to EGP 1,626,164,092.2, distributed over 5,245,690,620 shares with a nominal value of EGP 0.31 per share. Net owners' equity is distributed as following:

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

(In thousands of EGP)

Issued and paid-up capital	1,626,165
Legal Reserve	419,522
Retained Losses	(35,862)
Net equity of the demerged Company	2,009,825

Adjustments have been made to the report of the Economic Performance Authority, which created an impairment in the value of the investment in Contact Financial Holding Company by EGP 390,698, as the report relied only on the market value of the stock in the stock market.

On 31 December 2020, the useful value of the investment on 31 December 2019, is greater than the book value, and therefore the impairment was returned and was recorded within the equity of the demerged company, where the retained earnings were increased by 390,698 thousand Egyptian pounds.

Orascom Financial Holding S.A.E. was established. (the demerged Company) pursuant to the decision of the Chairman of the Financial Regulatory Authority no. 1453 of 2020, on 30 November 2020, pursuant to the decision of the Committee for Examination of Applications for the Establishment and Licensing of Companies Formed in the Authority in its session No. 440 on 26 November 2020, where the approval of the Financial Regulatory Authority was issued with No. 13821 issued on 1 December 2020, on the issuance of shares of Orascom Financial Holding (the demerged company) with a capital of EGP 1,626,164,092.2, according to the evaluation of the committee formed at the General Investment Authority. Moreover, on 10 December 2020, the company was registered in the commercial registry with No. 430755 Cairo Registry, and its articles of association were published in the Companies' listing issued by General Authority for Investments with an authorized capital of EGP 8,130,820,461.

2- Basis of preparation of the consolidation financial statements

A- Statement of compliance with the Egyptian Accounting Standards

- The Condensed Consolidated Interim financial statements have been prepared in accordance with the Egyptian Accounting Standards issued by the Minister of Investment's decree No. 110 of 2015, and applicable Egyptian laws and regulations. The Egyptian Accounting Standards require referral to International Financial Reporting Standards "IFRS" for certain types of transactions or events when no Egyptian Accounting Standard or legal requirement exists to address treatment for these transactions or events.
- These condensed consolidated interim financial statements have been prepared in accordance with the Egyptian Accounting standard No. "30" "Interim Financial Statements" and should be read in conjunction with the group last annual consolidated financial statements as at and for the year ended 31 December 2022 , they do not include all if of the information required for a complete set of financial statements.
- The condensed consolidated interim financial statements for the Company for the six months ended 30 June 2023, were approved by the board on 30 Aug 2023.

B- Basis of measurement

These condensed consolidated interim financial statements are prepared on the historical cost basis, except for financial instruments which are stated at fair value which is presented in financial derivatives, financial instruments at fair value through profit and loss, financial assets at fair value through other comprehensive income, and in addition to financial instruments measured at amortized cost.

C- Presentation currency

The Group's functional and presentation currency is the Egyptian Pound. All the financial information presented in Egyptian pound has been rounded to the nearest thousand except for earnings per share, unless otherwise indicated in the consolidated financial statements or in the notes.

D-Use of estimates and judgments

The preparation of the separate financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may significantly differ from these estimates if there is a change in the surrounding circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the significant accounts where critical judgments and estimates that have been used:

- Impairment of assets.
- Deferred tax assets.
- The useful lives of fixed assets.
- Provision for expected claims and contingent liabilities.

3- Significant Accounting Policies Applied

The Condensed Consolidated Interim financial statements were prepared by following the same accounting policies that are followed last year.

3-1 Business combination

Business combinations (acquisitions) are accounted for using the acquisition method. The consideration transferred in a business combination transaction is measured at fair value, which is calculated on the basis of the total fair values at the acquisition date of the assets transferred from the Group and the liabilities incurred by the Group in favour of the former owners of the acquiree as well as the equity instruments issued by the Group in exchange for control of the acquiree.

Goodwill is measured on the basis that it represents an increase in (1) Total: the consideration transferred, and any rights to the owners of non-controlling interests in the acquired entity, and the fair value of the share, which the company acquired owned in the company's ownership rights acquired before the acquisition date (if any) for (2) Net values: Assets acquired, and liabilities incurred at the date of acquisition. If, after reassessment shows that the net acquired assets by the values and obligations incurred over the total: the consideration transferred, and any rights to the owners of non-controlling interest in the acquired entity, and the fair value of the acquirers share in the acquired company's owners' equity before the date of acquisition (if any) then the increase would be recognized in the profit or loss for the period. (bargain purchase).

For non-controlling interests that represent current equity interests and entitle their holders to a proportionate share of the net assets of the entity in liquidation, they may be measured at initial recognition either at fair value or in the proportionate share of the non-controlling interests in the recognized values of the net assets of the acquired - The measurement basis for each acquisition transaction is selected separately.

In Group Entities under Common Control, the Group treats the differences between the cost of business combination and the Group's share in the carrying amount of the net assets and contingent consideration of the acquired entity as a reserve for the consolidation of a business in equity if the acquisition does not result in Change in the principle of absolute control of the Group over the enterprises or companies that have been assembled before and after the acquisition. The same policy is also applied if the Group acquires a proportion of the non-controlling interests' interest in the subsidiary or the Group dispossesses a percentage of its ownership in the subsidiary but retains control of the subsidiary.

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

In this case, the fair value of the net assets and contingent consideration of the acquired entity is not determined until the date of initial control, taking into account changes in equity items that occurred during the period from the date of initial control until the date of increasing the control share.

The non-controlling interest in an acquired entity is initially measured at the non-controlling interest proportionate share in the fair value of the assets, liabilities and contingent liability recognized at acquisition date.

Orascom Financial Holding (the parent company) currently holds the following direct and indirect interests in its subsidiaries and associates:

<u>Subsidiaries and associates companies</u>	<u>Nature of relationship</u>	<u>Segment</u>	<u>Country</u>	<u>Direct and indirect interest in entity</u>
DOT technologies and software development	Subsidiary	Financial services	Egypt	78.90 %
Contact Financial Holding company "S.A.E"	Associate	Financial services	Egypt	29.48 %

4-A-Segmant report

	For the six financial months ended 30 June 2023				For the the six financial months ended 30 June 2022			
	Technology sector of banking and payment	Holding operations	Discontinued operations	Total	Technology sector of banking and payment	Holding operations	Discontinued operations	Total
(In thousands of EGP)								
Operating revenues	15,110	-	-	15,110	-	-	-	-
Operating costs	(15,418)	-	-	(15,418)	-	-	-	-
Gross (loss)	(308)	-	-	(308)	-	-	-	-
Wages, salaries and equivalents	(30,875)	(16,760)	-	(47,635)	(22,045)	(9,889)	-	(31,934)
General and administrative expenses	(13,596)	(2,239)	-	(15,835)	(10,739)	(3,178)	-	(13,917)
Selling and marketing expenses	(9,554)	(207)	-	(9,761)	(241)	-	-	(241)
Depreciation and amortization	(2,734)	(338)	-	(3,072)	(433)	(22)	-	(455)
Operational (losses)	(57,067)	(19,544)	-	(76,611)	(33,458)	(13,089)	-	(46,547)
Credit interest	1886	39,299	-	41,185	507	9,844	-	10,351
Interest lease liability expenses	(305)	-	-	(305)	-	-	-	-
Net differences from foreign currencies translation	(884)	28,906	-	28,022	(323)	14,323	-	14,000
Share of profit of equity accounted investees	0	72,079	-	72,079	-	57,383	-	57,383
Profit (loss) for the period before income tax	(56,370)	120,740	-	64,370	(33,274)	68,461	-	35,187
Income tax expense	(22)	(21,769)	-	(21,791)	-	(3,813)	-	(3,813)
Net profit (loss) for the period after taxfrom continued operations	(56,392)	98,971	-	42,579	(33,274)	64,648	-	31,374
Discontinued operations								
Net results of discontinued operations (after tax)	-	-	-	-	-	-	(146,140)	(146,140)
Net profit for the period from discontinued operations	-	-	-	-	-	-	(146,140)	(146,140)
Net income for the period	(56,392)	98,971	-	42,579	(33,274)	64,648	(146,140)	(114,766)

4-B-Segment Assets and Liabilities

	Technology sector of banking and payment			Technology sector of banking and payment		
	Holding operations	Total		Holding operations	Total	
(In thousands of EGP)						
	30 June 2023	30 June 2023	30 June 2023	31 Decemebr 2022	31 December 2022	31 December 2022
Total assets	112,491	2,504,833	2,617,324	92,619	2,468,676	2,561,295
Total liabilities	(21,014)	(46,178)	(67,192)	(19,749)	(37,566)	(57,315)
Total shareholders' equity	(91,477)	(2,458,655)	(2,550,132)	(72,870)	(2,431,110)	(2,503,980)

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

5-Goodwill & intangible assets

(In thousands of EGP)	Trademarks	Clients contractual relationships	Goodwill	Licenses and software programs	Others	Total
<u>A-Cost</u>						
Balance as of 1 January 2022	24,900	78,299	299,910	3,870	-	406,979
Additions during the period	-	-	-	2,474	-	2,474
As of 30 June 2022	24,900	78,299	299,910	6,344	-	409,453
Balance as of 1 January 2023	-	-	-	7,065	670	7,735
Additions during the period	-	-	-	2,624	-	2,624
As of 30 June 2023	-	-	-	9,689	670	10,359
<u>B-Accumulated amortization</u>						
Balance as of 1 Jan 2022	(7,492)	(23,537)	(1,039)	-	-	(32,068)
Amortization for the period (continued operations)	-	-	-	(20)	-	(20)
Amortization for the period (discontinued operations)	(622)	(1,956)	-	-	-	(2,578)
Impairment during the period (discontinued operations)	-	-	(38,948)	-	-	(38,948)
As of 30 June 2022	(8,114)	(25,493)	(39,987)	(20)	-	(73,614)
Balance as of 1 January 2023	-	-	-	(58)	(53)	(111)
Amortization for the period	-	-	-	(529)	(112)	(641)
As of 30 June 2023	-	-	-	(587)	(165)	(752)
<u>Net Book Value</u>						
As of 30 June 2023	-	-	-	9,102	505	9,607
As of 31 December 2022	-	-	-	7,007	617	7,624
As of 30 June 2022	16,786	52,806	259,923	6,324	-	335,839

6- Fixed assets

(in thousands of EGP)	Lands and Buildings	Leasehold improvements	Furniture	Computers and Software	Communication equipment	Vehicles	Project under construction	Total
A) Cost								
Balance as of 1 January 2022	125,995	10,605	9,989	14,106	8,263	3,450	13,283	185,691
Additions during the period	-	-	684	774	535	-	16,592	18,585
Disposals during the period	-	-	-	(72)	-	(700)	-	(772)
As of 30 June 2022	125,995	10,605	10,673	14,808	8,798	2,750	29,875	203,504
Balance as of 1 January 2023	-	-	2,130	3,058	-	-	-	5,188
Additions during the period	-	2,860	1,368	1,803	-	-	-	6,031
As of 30 June 2023	-	2,860	3,498	4,861	-	-	-	11,219
B) Accumulated depreciation								
Accumulated depreciation as of 1 January 2022	9,773	9,202	7,292	10,838	5,719	2,448	-	45,272
Depreciation for the period (continued operations)	-	-	-	253	182	-	-	435
Depreciation during the period (discontinued operations)	1,134	841	877	610	437	275	-	4,174
Disposals during the period	-	-	-	(16)	-	(700)	-	(716)
As of 30 June 2022	10,907	10,043	8,169	11,685	6,338	2,023	-	49,165
Balance as of 1 January 2023	-	-	423	768	-	-	-	1,191
Depreciation for the period	-	108	338	684	-	-	-	1,130
As of 30 June 2023	-	108	761	1,452	-	-	-	2,321
Net book value								
As of 30 June 2023	-	2,752	2,737	3,409	-	-	-	8,898
As of 31 December 2022	-	-	1,707	2,290	-	-	-	3,997
As of 30 June 2022	115,088	562	2,504	3,123	2,460	727	29,875	154,339

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

7-Right of use assets

(In thousands of EGP)

A-Cost

Balance as of 1 January 2022

28,474

28,474

Additions during the period

2,512

2,512

As of 30 June 2022

30,986

30,986

Balance as of 1 January 2023

7,042

7,042

Additions during the period

5,313

5,313

As of 30 June 2023

12,355

12,355

B-Accumulated amortization

Accumulated amortization as of 1 January 2022

(6,269)

(6,269)

Amortization during the period (discontinued operations)

(3,141)

(3,141)

Accumulated amortization As of 30 June 2022

(9,410)

(9,410)

As of 1 Jan 2023

(2,114)

(2,114)

Amortization during the period

(1,301)

(1,301)

Accumulated amortization As of 30 June 2023

(3,415)

(3,415)

Net Book Value

As of 30 June 2023

8,940

8,940

As of 31 December 2022

4,928

4,928

As of 30 June 2022

21,576

21,576

* Right of use assets represent as follows:

-An operating lease contract for the administrative headquarters of Orascom Financial Holding Company in Zamalek, with a three-year contract period ending in March 2026, and the contract present value on the date of signing the contract reached 5.3 million EGP.

-Three lease contracts for the headquarters of Dot Electronics Development and Electronic Payments Company with a present value of 4,530,184 EGP on the date of signing the contract.

-The contract of the operations headquarters of Dot Electronics Development and Electronic Payments Company with a present value of 2,512,048 EGP on the date of signing the contract.

8-Equity accounted investees

(In thousands of EGP)

Contribution %

30 June 2023

31 December 2022

Contact Financial Holding *

29.48%

1,833,680

1,839,122

Net equity accounted investees

1,833,680

1,839,122

*** Contact Financial Holding (formerly Sarwa Capital Financial Holding as known before)**

During 2023 additional shares were allocated from the incentive shares which have been mentioned above that caused a decrease in the contribution percentage of Orascom financial holding to be 29.48% on 30 June 2023 versus 29.58% on 31 Dec 2022

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

- The company's share of the profits of Contact Financial Holding Company is as follows:

(In thousands of EGP)	For the six months ended 30 June 2023	For the six months ended 30 June 2022
Total revenue from financing and operations	934,093	658,231
Total revenue from insurance operations	154,579	104,641
Net revenues (expenses) from operating revenue	3,071	(2,696)
Total expenses	(629,880)	(406,059)
Income tax	(139,555)	(112,567)
Net profit after tax	332,308	268,550
Owners of the parent company	307,791	257,924
Group share of profit of the associate company	90,738	76,267
Dilution in investment resulting from the decrease in ownership percentage	(13,528)	(13,753)
Client list amortization	(6,621)	(6,621)
Deferred Tax	1,490	1,492
	72,079	57,385

The following table shows the investments movements

(In thousands of EGP)	30 June 2023	31 December 2022
Beginning balance for the period/year	1,839,122	1,847,401
Dividends distribution during the period/year	(88,316)	(79,826)
Group share of profit of the associate company (Income statement)	72,079	(54,014)
Group share of profit of the associate company (OCI)	10,795	17,533
Ending balance for the period/year	1,833,680	1,839,122

9-Other assets

(In thousands of EGP)	30 June 2023	31 December 2022
<u>Other assets - non-current</u>		
Deposits with others	779	423
Total other assets – non current	779	423
<u>Other assets – current</u>		
Accrued interest	4,040	1,663
Other tax	1,370	458
Prepaid expenses	4,783	5,578
Advances to suppliers	11,358	16,146
Other debit balances	5,818	2,159
Total other assets - current	27,369	26,004
Total other assets	28,148	26,427

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

10-Inventory

(In thousands of EGP)

	30 June 2023	31 December 2022
Electronic cards	6,561	1,534
Other	124	-
Ending balance	6,685	1,534

11-Financial assets at Amortized cost

(In thousands of EGP)

	30 June 2023	31 December 2022
Treasury Bills – less than three months	105,000	365,000
Deduct: Unearned treasury Bills interest	(1,469)	(9,141)
	103,531	355,859

12- Cash and cash equivalents

12-1-Cash and cash equivalents

(In thousands of EGP)

	30 June 2023	31 December 2022
Cash on hand	9	8
Cash at banks-local currency	51,290	85,079
Cash at banks-foreign currencies	148,145	319
Deposits at banks- in local currency (less than three months)	416,100	120,300
Deposits at banks- in local currency (more than three months)	1,910	-
Deposits at banks- in foreign currency (less than three months)	-	116,098
Balances under settlement	381	-
Cash and cash equivalents	617,835	321,804

12-2 Bank accounts- Credit

(In thousands of EGP)

	30 June 2023	31 December 2022
Credit Bank accounts-Credit Cards (in local currency)	558	-
	558	-

12-3 For the purpose of the preparation of the statement of cash flows:

(In thousands of EGP)

	For the six months ended 30 June 2023	For the six months ended 30 June 2022
Cash on hand	9	23
Cash at banks (in local currency)	51,290	544,577
Cash at banks (in foreign currency)	148,145	167,078
Bank deposits-in local currency (less than 3 months)	416,100	216,420
Bank deposits-in foreign currency (less than 3 months)	-	87,268

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

(In thousands of EGP)	For the six months ended 30 June 2023	For the six months ended 30 June 2022
Investment funds (EGP)	-	75,327
Balances under settlement	381	(8,987)
Financial assets at Amortized cost	103,531	-
Bank accounts-Credit	(558)	-
	718,898	1,081,706

13- Deferred tax asset / (liabilities)

Deferred income taxes are calculated on the temporary tax differences according to the liability method using a tax rate of 22.5%. Tax liabilities arose with the Group on the temporary differences resulting from the difference in the accounting basis from the tax basis of the assets and liabilities, and they are explained as follows:

(In thousands of EGP)	30 June 2023	31 December 2022
Depreciation and Amortization	(221)	(199)
Dividends	(17,912)	(17,795)
Net deferred tax liabilities	(18,133)	(17,994)

The following table illustrates the nature of deferred tax liabilities by the items which those liabilities arose from:

(In thousands of EGP)	Depreciation and amortization	Undistributed Dividends	Currency differences	Total on 30 June 2023
Beginning balance	(199)	(17,795)	-	(17,994)
Loaded on statement of income during the period	(27)	(166)	-	(139)
	(172)	(17,961)	-	(18,133)

(In thousands of EGP)	Depreciation and amortization	Undistributed Dividends	Currency differences	Total on 31 December 2022
Beginning balance	(19,730)	(14,317)	4,655	(29,392)
Change in the scope of grouping of subsidiaries - Disposal	19,730	-	(4,655)	15,075
Loaded on statement of income during the period	(199)	(3,478)	-	(3,677)
	(199)	(17,795)	-	(17,994)

14-Related parties

Due to related parties

(In thousands of EGP)	Nature of the relationship	Account nature	30 June 2023	31 December 2022
Orascom investment Holding S.A.E	Affiliate	Current	-	94
			-	94

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

15-Issued and paid-up capital

The authorized capital was at EGP 8,130,820,461, and the issued and paid-up capital amounted to EGP 1,626,165 distributed over 5,245,691 shares with a nominal value of 31 piasters / share, in accordance with the decision of the General Investment Authority, and the approval of the extraordinary general assembly of Orascom Investment Holding (the demerging company). As detailed in note no (1-C).

The following table lists the largest shareholders in the Company as of 30 June 2023

Shareholders	Amount	Ordinary shares	The percentage of ordinary shares that have the voting right
Orascom Acquisition SARL	840,097	2,709,989	51.7%
Orascom TMT Investment SARL	10,381	33,486	0.6%
Other	775,687	2,502,216	47.7%
Total available ordinary shares	1,626,165	5,245,691	100%

15-1 Treasury Shares

- On 29 August 2022, the Board of Directors approved the implementation of the treasury shares purchase program, with a maximum of 524,569,000 shares, with a maximum of 10% of the total shares of the company's issued and traded capital.
- During the period, the company purchased 524,569,000 treasury shares, representing 10% of the issued shares, and the cost of its purchase amounted to 112,950 thousand EGP.

16-Lease liability

(In thousands of EGP)

	30 June 2023	31 December 2022
Beginning balance	5,934	20,880
Additions during the period/year	4,314	7,042
Payments during the period/ year	(2,153)	(5,919)
Interests during the period/ year (continued operations)	305	643
Interests during the period/ year (discontinued operations)	-	1,049
Change in the scope of subsidiaries grouping- Disposal	-	(18,864)
Foreign currency differences	803	1,103
Balance	10,203	5,934

The lease liability are as follows:

(In thousands of EGP)

	30 June 2023	31 December 2022
Current balances	6,021	3,391
Non-Current balances	4,182	2,543
balance	10,203	5,934

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

17-Other liabilities

(In thousands of EGP)

	30 June 2023	31 December 2022
Accrued Commissions	7,707	-
Accrued expenses	5,744	4,041
Suppliers	2,522	5,695
Accrued expenses-Employees	3,450	12,748
Tax payable	3,610	2,305
National Authority for Social Insurance	538	346
Social contribution	354	299
Other credit balances	89	13
Balance	24,014	25,447

18-Depreciation and amortization.

(In thousands of EGP)	For the six months ended 30 June 2023	For the six months ended 30 June 2022 (Represented)*	For the three months ended 30 June 2023	For the three months ended 30 June 2022 (Represented)*
Amortization of intangible assets (Disclosure NO.5)	(641)	(20)	(536)	(12)
Fixed assets depreciation (Disclosure NO.6)	(1,130)	(435)	(687)	(270)
Amortization of right of use asset (Disclosure NO.7)	(1,301)	-	(798)	-
	1,051	(455)	(2,021)	(282)

*Note NO. (23).

19-Credit interest

(In thousands of EGP)	For the six months ended 30 June 2023	For the six months ended 30 June 2022 (Represented)*	For the three months ended 30 June 2023	For the three months ended 30 June 2022 (Represented)*
Current accounts and time deposits interest	26,447	5,451	16,771	2,287
Investment Funds interest	-	4,900	-	2,403
Treasury Bills interest	14,738	-	4,159	-
Total	41,185	10,351	20,930	4,690

*Note No (23)

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

20-Income tax expense

(In thousands of EGP)	For the six months ended 30 June 2023	For the six months ended 30 June 2022 (Represented)*	For the three months ended 30 June 2023	For the three months ended 30 June 2022 (Represented)*
Current income tax	(14,284)	-	(2,713)	-
Income tax Dividends	(4,420)	(4,075)	-	-
Treasury Bills tax	(2,948)	-	(832)	-
Deferred tax	(139)	262	(2,535)	(1,544)
Total	(21,791)	(3,813)	(6,080)	(1,544)

*Note No (23)

21-Profit (loss) per share

(In thousands of EGP)	For the six months ended 30 June 2023	For the six months ended 30 June 2022	For the three months ended 30 June 2023	For the three months ended 30 June 2022
Net profit (loss) for the period (In thousands of (EGP)	54,478	(63,217)	29,066	(91,994)
Weighted average shares during the period (in thousands)	5,055,166	5,245,691	5,055,166	5,245,691
Earnings (losses) per share	0,01	(0,01)	0,01	(0,02)

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

22-Net results of discontinued operations

On 12 June 2022, Beltone Company received a compulsory purchase offer from Chimera Investments Company or any of its subsidiaries to acquire Beltone Financial Holding Company for a percentage of no less than 51% and up to 90% of the company's shares. On 13 July 2022, the Commission approved the submitted offer, and accordingly, the Board of Directors of Orascom Financial Holding held a meeting on 25 July 2022, and unanimously agreed to accept the submitted offer, and the sale process took place on 4 August 2022

The following is a statement of the net losses of Beltone Financial Holding Company at the disposal date.

(In thousands of EGP)	For the six months ended 30 June 2023	For the six months ended 30 June 2022
Fee and commission income	-	91,513
Interest income	-	90,495
Total operating income	-	182,008
The company's share in investment profits are accounted for using the equity method	-	7
Dividends - bonds	-	17,502
Evaluating financial assets at fair value through profit or loss	-	1,412
Other revenue	-	12,681
Total Revenue	-	213,610
Wages , salaries and equivalents	-	(99,661)
Other operating expenses	-	(45,974)
Depreciation and amortization	-	(9,893)
Expected credit loss expense	-	(103,213)
Provision formed	-	(973)
Amortization of intangible assets	-	(38,948)
Foreign currencies translation differences	-	4,322
Interest expense	-	(62,423)
Net losses for the period before taxes	-	(143,153)
Income tax expense	-	(2,987)
Net losses for the period	-	(146,140)
Distributed as follows:		
The rights of the company's shareholders	-	(101,280)
Non-controlling interest holders	-	(44,860)
	-	(146,140)

Orascom Financial Holding "SAE"

Notes for Condensed Consolidated Interim financial statements for the six months ended on 30 June 2023

23-Re-presentation of some comparison figures

The following table summarizes the representation made to the condensed consolidated income statement for the six months ended on 30 June 2023, to be in line with the classification of the condensed consolidated financial statements for the current year related to non-continuing operations as follows:

(In thousands of EGP)	For the period ended 30 June 2023 As issued	Re-presented	For the period ended 30 June 2022 Re-presented
Continued operations			
Fee and commission income	91,513	(91,513)	-
Interest income	100,846	(90,495)	10,351
Total operating income	192,359		10,351
The company's share in investment profits are accounted for using the equity method	57,390	(7)	57,383
Dividends - bonds	17,502	(17,502)	-
Other revenue	12,682	(12,682)	-
Evaluating financial assets at fair value through profit or loss	1,412	(1,412)	-
Total income	281,345		67,734
Wages , salaries and equivalents	(131,595)	99,661	(31,934)
Other operating expenses	(60,133)	46,216	(13,917)
Marketing and selling expenses	-	(241)	(241)
Depreciation and amortization	(10,348)	9,893	(455)
Provision formed	(973)	973	-
Expected credit loss	(103,213)	103,213	-
Impairment during the period	(38,948)	38,948	-
Foreign currencies translation differences	18,322	(4,322)	14,000
Interest expense	(62,423)	62,423	-
Net (losses)profit for the period before taxes	(107,966)		35,187
Income tax expense	(6,800)	2,987	(3,813)
Net (losses) profit for the period from continued operations	(114,766)		31,374
<u>Discontinued operations:</u>			
Net results of discontinued operations (after tax)	-	(146,140)	(146,142)
Net losses for the period	(114,766)		(114,766)

24-Important events

- On 18 June 2023, Orascom Acquisition SARL (The major shareholder 51.66%) and Orascom TMT Investment SARL (a party related to the main shareholder holding 0.06% of the Company's shares) received a mandatory purchase offer from B Investment Holding LLC to acquire at least 51% up to 90% of Orascom Financial Holding LLC and this offer is under consideration.

25-Translation:

These financial statements are a translation from the original Arabic statements.
The original Arabic statements are the official financial statements.