Translation of Consolidated
Financial statements originally issued in Arabic

O/FH
Orascom Financial Holding

Orascom Financial Holding "S.A.E."
Consolidated Financial Statements
For The Year Ended December 31st,2022
Together with the Audit report

KPMG
Hazem Hassan
Public Accountants & Consultants

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Translation of Audit report Originally issued in Arabic

Audit Report on Consolidated Financial Statements

To: The Shareholders of Orascom Financial Holding (S.A.E)

Introduction

We have Audited the consolidated statement of financial position of Orascom Financial Holding (S.A.E) and its subsidiaries "the group" as of 31 December 2022, and the related consolidated statements of Profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the financial year ended 31 December 2022, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

These consolidated financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Egyptian Reporting Standards, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KPMG

Hazem Hassan

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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Orascom financial holding as of 31 December 2022 and of its consolidated financial performance and its consolidated cash flows for the financial year ended 31 December 2022 in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these consolidated financial statements.

KPMG Hazem Hassan
Public Accountants and Consultants
(10)

KPMG Hazem Hassan
Public Accountants and Consultants

Cairo, March 23rd, 2023

Orascom Financial Holding "S.A.E"

Consolidated Statement of Financial Position 31 December 2022

	Note no.	31 December 2022	31 December 2021
(In thousands of EGP)			
Assets			
Non-current assets			
Goodwill and other intangible assets	(4)	7,624	374,911
Fixed assets	(5)	3,997	140,419
Right of Use Assets	(6)	4,928	22,205
Equity accounted investees	(7)	1,839,122	1,848,139
Financial assets measured at fair value through other comprehensive income	(8)	-	42,718
Other assets	(9)	423	7,469
Trade receivables	(10)	-	260,471
Total non-current assets		1,856,094	2,696,332
Current assets			
Inventory	(11)	1,534	-
Trade receivables	(10)	-	507,690
Other assets	(9)	26,004	15,848
Due from related parties	(12-2)	-	14
Due from companies working in securities		-	60
Financial assets measured at fair value through profit or loss	(13)	-	34,354
Financial assets at amortized cost	(14)	355,859	-
Cash and cash equivalents	(15)	321,804	1,190,879
Total current assets		705,201	1,748,845
Total assets		2,561,295	4,445,177
Equity and liabilities			
Equity			
Issued and paid-up capital	(16)	1,626,165	1,626,165
Treasury shares	(16-1)	(93,653)	-
Reserves		469,417	477,444
Retained earnings		486,675	541,773
Equity attributable to owners of the parent company		2,488,604	2,645,382
Non-controlling interests		15,376	138,217
Total equity		2,503,980	2,783,599
Labilities			
Non-current liabilities			
Lease liabilities	(18)	3,391	15,943
Credit facilities	(19)	-	381,616
Deferred tax liabilities	(20)	17,994	29,392
Total non-current liabilities		21,385	426,951
Current liabilities			
Credit facilities	(19)	-	619,169
Due to related parties	(12-3)	94	1,584
Customers - credit balances	(21)	1,527	463,020
Provisions	(22)	-	33,744
Current income tax liabilities		6,319	16,160
Lease liabilities	(18)	2,543	4,937
Other liabilities	(23)	25,447	96,013
Total current liabilities		35,930	1,234,627
Total liabilities		57,315	1,661,578
Total equity and liabilities		2,561,295	4,445,177

The accompanying notes from (1) to (34) are an integral part of the consolidated financial statements and to be read therewith.

Audit Report "Attached"

Chief financial officer **Managing Director**

Orascom Financial Holding Company "S.A.E"

Consolidated Statement of Income for the financial year ended 31 December 2022

(In thousands of EGP)	Note no.	For the financial year ended 31 December 2022	Financial period from the incorporation date till 31 December 2021 (Represented)*
Continued Operation			
Wages, salaries and equivalents		(73,929)	(34,622)
Incorporation expenses and subscriptions		-	(7,950)
Other operating expenses	(24)	(32,726)	(9,764)
Depreciation and Amortization	(25)	(3,230)	(203)
Other income		40	-
Operational (Losses)		**(109,845)**	**(52,539)**
Credit Interest	(26)	44,928	12,078
Lease liability interest		(643)	-
Net differences from foreign currencies translation		40,984	(97)
Share of profit of equity accounted investees	(7)	54,014	120,704
Net income for the year/ Period before tax		**29,438**	**80,146**
Income tax expense	(27)	(16,694)	(6,924)
Net income for the year/ Period after tax		**12,744**	**73,222**
Discontinued Operation			
Net (losses) from discontinued operation after tax	(30)	(146,140)	(175,332)
Net (losses) from discontinued operation		**(146,140)**	**(175,332)**
Net (losses) for the year/period		**(133,396)**	**(102,110)**
Attributable to:			
Owners of the parent company		(72,114)	(23,734)
Non-controlling interests		(61,282)	(78,376)
Net (loss) for the year/period		**(133,396)**	**(102,110)**
Earnings per share	(28)	**(0.0141)**	**(0.0045)**

The accompanying notes from (1) to (34) are an integral part of the consolidated financial statements and to be read therewith.

* Disclosure No. 32

Orascom Financial Holding "S.A.E"

Consolidated Statement of Comprehensive Income for the financial year ended 31 December 2022

(In thousands of EGP)	For the financial year ended 31 December 2022	Financial period from the incorporation date till 31 December 2021 (Represented)*
Net (loss) for the year/period	(133,396)	(102,110)
Items of other comprehensive income / (loss)		
Items that will be reclassified subsequently to consolidated statement of income:		
Foreign currency translation differences of foreign subsidiaries	7,043	7
Company share form equity accounted investees' OCI	17,533	-
Items will not reclassified subsequently to consolidated statement of income:		
Revaluation of equity instruments measured at fair value through other comprehensive income	(11,401)	(1,316)
Total other comprehensive income / (loss) for the period, net of tax	13,175	(1,309)
Total comprehensive income for the year/period	(120,221)	(103,419)
Attributable to:		
Owners of the parent company	(57,115)	(25,232)
Non-controlling interests	(63,106)	(78,187)
Total comprehensive income for the year/period	(120,221)	(103,419)

The accompanying notes from (1) to (34) are an integral part of the consolidated financial statements and to be read therewith.

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Orascom Financial Holding "S.A.E"
Consolidated Statement of Changes in Equity for the financial year ended 31 December 2022

(In thousands of EGP)	Share capital	Treasury shares	Reserves: Legal reserve	Reserves: Foreign currency translation reserve of subsidiaries	Reserves: Financial lease risk reserve	Reserves: Fair value reserve	Reserves: OCI reserve for equity accounted investees	Reserves: Other reserves	Total reserves	Retained earnings	Equity attributable to the owners of the parent company	Non-controlling interests	Total Equity
Opening balance resulted from the demerger	1,626,165	-	419,526	30,191	-	34,633	-	-	484,350	428,938	2,539,453	128,423	2,667,876
Reclassification for reserves	-	-	-	-	-	(36,621)	36,621	-	-	-	-	-	-
Impact of implementing Egyptian Accounting Standards starting from 1 January 2021	-	-	-	-	-	-	-	-	-	(4,680)	(4,680)	-	(4,680)
Opening balance, restated	1,626,165	-	419,526	30,191	-	(1,988)	36,621	-	484,350	424,258	2,534,773	128,423	2,663,196
Items of comprehensive income													
Net (loss) for the period	-	-	-	-	-	-	-	-	-	(23,734)	(23,734)	(78,376)	(102,110)
Foreign currency translation differences of foreign subsidiaries	-	-	-	4	-	-	-	-	4	-	4	3	7
Revaluation of equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	(1,502)	-	-	(1,502)	-	(1,502)	186	(1,316)
Total comprehensive (loss) for the period	-	-	-	4	-	(1,502)	-	-	(1,498)	(23,734)	(25,232)	(78,187)	(103,419)
Transactions with the shareholders													
Change in ownership percentage of subsidiaries without a change in control	-	-	-	(3,734)	-	826	-	-	(2,908)	141,249	138,341	77,931	216,272
Capital increase from non-controlling interests	-	-	-	-	-	-	-	(2,500)	(2,500)	-	(2,500)	10,050	7,550
Total transactions with the shareholders	-	-	-	(3,734)	-	826	-	(2,500)	(5,408)	141,249	135,841	87,981	223,822
Balance as of 31 December 2021	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
Opening balance as of 1 January, 2022 (as issued)	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 as of 1 January 2022 (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 year	-	-	-	-	-	-	-	-	-	(72,114)	(72,114)	(61,282)	(133,396)
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	-	-	-	-	-	-	17,533	-	17,533	-	17,533	-	17,533
Total comprehensive (loss) for the year	-	-	-	4,095	-	(6,629)	17,533	-	14,999	(72,114)	(57,115)	(63,106)	(120,221)
Transaction with shareholders													
Purchase of Treasury shares	-	(93,653)	-	-	-	-	-	-	-	-	(93,653)	-	(93,653)
Capital increase from non-controlling interests	-	-	-	-	-	-	-	(6,250)	(6,250)	-	(6,250)	25,875	19,625
The change in the scope of grouping of subsidiaries did not result in a loss of control	-	-	-	-	-	-	-	-	-	236	236	757	993
The change in the scope of grouping of subsidiaries- Disposal	-	-	(4)	(30,556)	(1,943)	9,293	-	-	(23,210)	23,214	4	(86,367)	(86,363)
Total Transaction with shareholders	-	(93,653)	(4)	(30,556)	(1,943)	9,293	-	(6,250)	(29,460)	23,450	(99,663)	(59,735)	(159,398)
Other transactions													
Financial lease risk reserve formed	-	-	-	-	1,943	-	-	-	1,943	(1,943)	-	-	-
Legal reserve formed	-	-	4,491	-	-	-	-	-	4,491	(4,491)	-	-	-
	-	(93,653)	4,487	(30,556)	-	9,293	-	(6,250)	(23,026)	17,016	(99,663)	(59,735)	(159,398)
Balance as of 31 December 2022	1,626,165	(93,653)	424,013	-	-	-	54,154	(8,750)	469,417	486,675	2,488,604	15,376	2,503,980

The accompanying notes from (1) to (34) are an integral part of the consolidated financial statements and to be read therewith.

Orascom Financial Holding "S.A.E"

Consolidated Statement of Cash Flows for the financial year ended 31 December 2022

(In thousands of EGP)	Note no.	For the financial year ended 31 December 2022	Financial period from the incorporation date till 31 December 2021 (Represented)*
Cash flows from operating activities			
Net income for the year/ Period before tax		29,438	80,146
Adjustments for:			
Depreciation and Amortization	(25)	3,230	203
Credit interest		(44,928)	(12,078)
Lease liability interest		643	-
Share of profit of equity accounted investees	(7)	(54,014)	(120,704)
Net differences from foreign currencies translation		(40,984)	97
		(106,615)	**(52,336)**
Net change in:			
Inventory		(1,534)	-
Due from related parties		-	85,012
Other assets		(18,864)	(5,604)
Other liabilities		15,539	10,403
Due to related parties		91	29,652
Cash flows (used in)/generated from operating activities		**(111,383)**	**67,127**
Dividends received from equity accounted investees		75,752	35,623
Credit interest received		43,265	12,353
Income tax paid		(1,765)	-
Net cash flows generated from operating activities		**5,869**	**115,103**
Cash flows from investing activities			
Payments for purchase of fixed assets		(3,262)	(5,853)
Payments for purchase of intangible assets		(3,864)	-
Proceeds from sale of fixed assets		43	-
Net cash flows (used in) investing activities		**(7,083)**	**(5,853)**
Cash flows from financing activities			
Payments for lease liabilities		(2,853)	-
Proceeds from non-controlling interests in subsidiaries		19,625	7,550
Proceeds from sale of investments in subsidiaries after deducting cost of selling		381,961	214,911
Payments for purshase treasury shares		(93,653)	-
Net cash flows generated by financing activities		**305,080**	**222,461**
Net change in cash and cash equivalents during the year/period		**303,866**	**331,711**
Discontinued operations			
Net cash flow used in operation activities		**(861,257)**	**26,852**
Net cash flow generated from investing activities		**(39,684)**	**(11,276)**
Net cash flow generated from financing activities		**34,638**	**507,123**
Net change in cash and cash equivalents during the year/period from discontinued operations		**(866,303)**	**522,699**
Net change in cash and cash equivalents		**(562,437)**	**854,410**
Effect of exchange rate fluctuation on cash and cash equivalents in foreign currencies		49,221	(93)
Cash and cash equivalents resulted from the demerger		1,190,879	336,562
Cash and cash equivalents at the end of the year/period	(15)	**677,663**	**1,190,879**

The accompanying notes from (1) to (34) are an integral part of the consolidated financial statements and to be read therewith.

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 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.
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 consolidated 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.

- The consolidated financial statements for the Company for the financial year ended 31 December 2022, were approved by the board on 23 March 2023.

B- Basis for preparation of the consolidated financial statements

As disclosed in Note 1-C, the demerged company was established as a result of demerger from Orascom Investment Holding, the demerging company, where the new legal entity represents a permanent economic entity starting from the date on which the demerging company acquired or established the subsidiaries and associates which their ownership was transferred to the demerged company.

The management of the Company considers that the substance of the demerger and establishment of the Company with the objective of transferring ownership subsidiaries and associates and continuation of its activities through the new legal entity, is considered a business combination for entities under common control transaction. The transferred entities pursuant to the demerger plan were under the control of same main shareholders both before and after the demerger and control is not considered temporary. Therefore, transactions under common control is out of scope of the Egyptian Accounting Standard (29) and International Accounting Standard (IFRS 3).

In the absence of a specific guidance in Egyptian Accounting Standards, EAS 5 requires management to develop and apply an appropriate accounting policy that leads to the provision of appropriate and reliable financial information. Management used its judgement in developing and applying an accounting policy to account for its investments in subsidiaries and associates transferred as part of the demerger process. Although the legal acquisition of subsidiaries was through transfer of shares of equity ownership certificates in application of the demerge decision which was taken in December 2020, the net assets of the companies that were transferred through the demerger process were consolidated as a continuing economic entity under the company's control from the actual date on which the demerging company has acquired the subsidiaries or incorporated them and so the statement of changes in equity includes the retained earnings of these entities during the period from controlling or incorporating these companies by the demerging company.

C- Basis of measurement

These consolidated financial statements are prepared on the historical cost basis, except for financial Instruments which are stated at fair value.

- 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.

D- 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.

3- Significant Accounting Policies Applied

3-1 Consolidated Financial Statements

The consolidated financial statements of the Group include the financial statements of the parent company and companied controlled by the company (its Subsidiaries) as of the financial position date. Control is achieved where the Group has the following:

- Power over the investee.
- Exposure or right to variable returns through its contribution to the investee.
- The ability to use his authority over the investee in order to influence the amount of proceeds he receives from it.

The parent company should reassess the control of the investee if the facts and circumstances indicate that there are variables for one or more of the three control elements mentioned above.

The consolidated income statement includes the income and expenses of subsidiaries acquired or disposed of during the year as of the effective date of acquisition or the effective date of disposal as appropriate. The total income of the subsidiaries is distributed between the shareholders of the holding company and the non-controlling interests even if the negative balance of the non-controlling interests (deficit) arises.

The necessary adjustments are made to the financial statements of the Group companies whenever necessary, making their accounting policies consistent with the accounting policies applicable to other group companies.

All transactions, balances, income and expenses between the Group companies are eliminated on consolidation of the financial statements.

Non-controlling interests of consolidated subsidiaries are presented separately from the Group's equity therein. When the Group loses its ultimate or joint control of a subsidiary or joint venture and instead retains significant influence over it, it recognizes the remaining investment as an investment in an associate and measures it at its fair value at the date that the ultimate or joint control was lost. The fair value of the remaining investment at the date on which the joint or absolute control is lost is considered a cost on initial recognition of the investment in an associate.

3-2 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.

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 interests in its subsidiaries:

Entity name	Segment	Country	Direct and indirect interest in entity
DOT technologies and software development	Financial services	Egypt	78.90 %

3-3 Equity accounted investees

Equity accounted investees consist of shares in associates and joint ventures. It has no rights to the assets and obligations associated with the arrangement.

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The business results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Investments classified as held for sale, are accounted for in accordance with EAS 32 Non-current Assets Held for Sale and Discontinued Operations, where they are stated at the lower of their carrying amount or fair value less costs to sell.

Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

On acquisition of the investment, any difference between the cost of the investment and the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities is accounted for in accordance with EAS 29 Business Combination, Therefore:

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of acquisition is excluded from the carrying amount of the investment and is instead recognized immediately in profit or loss in the determination of the group's share of the associate's profit or loss in the period in which the investment was acquired.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate. Losses may provide evidence of an impairment of the asset transferred, in which case appropriate provision is made for impairment for that asset.

The following table provides a list of the Group's associates:

Company Name	Segment	Country	Direct and indirect interest in entity
Contact Financial Holding	Financial services	Egypt	29.58 %

3-4 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the exchange rate at the date of preparing the consolidated financial statements.
Assets & Liabilities that are measured using the fair value are translated in foreign currency using the exchange rate at the date when the fair value was determined.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are generally recognized in profit or loss. However, exchange differences arising from the translation of the following items are recognized in OCI:

- investments in equity instruments (except for impairment, in which case foreign currency differences that have been recognized in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective.
- Qualifying cash flow hedges to the extent that the hedges are effective.

The financial statements of foreign subsidiaries are translated into the presentation currency as follows:

- Assets and liabilities in the financial statements of foreign subsidiaries are translated at the rate of exchange at the reporting date.
- Income and expenses are translated at the average exchange rate during the financial year.
- Equity items are translated at the historical exchange rates at the date of the transaction.
- The resulting currency differences are recognized in the translation reserve of foreign entities in equity.
- For the purpose of preparing the consolidated statement of cash flows, cash flows of foreign subsidiaries are translated at the average exchange rate during the financial period.

3-5 Discontinued operations

Discontinued operations are part of the Group operations, their operations and cash flows can be isolated from operations of other groups.

A discontinued operation is recognized as such when it is discontinued or when it is converted into an asset held for sale, whichever happens first.

After an operation is labelled as discontinued, it is removed from the income statement and the OCI and presented as if it had been removed from the beginning of the reporting period.

3-6 Financial instruments

Financial assets

Starting from January 1, 2021, the company has implemented the new Egyptian Accounting Standard no. 47 "Financial Instruments".

A- Classifications.

The company classifies its financial assets into the following measurement categories:

- Those to be subsequently measured at fair value (either through other comprehensive income or through profit or loss), and
- Those to be measured at amortized cost.

The classification depends on the company's business model for managing those financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in the statement of profit or loss or in other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies its investments when and only when its business model for managing those assets changes.

B- Recognition and derecognition

The normal way of buying and selling financial assets, on the trade date, which is the date on which the Company has a commitment to buy or sell the financial asset. A financial asset is derecognized when the contractual rights to receive cash flows from the financial asset expire, or those rights are transferred in a transaction in which substantially all the risks and rewards of ownership of the financial asset have been transferred.

C- Measurement

On initial recognition, the company measures the financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss statement, transaction costs directly attributable to the acquisition of the financial asset. Transaction costs of financial assets at fair value through profit or loss are expensed in the statement of profit or loss.

Embedded financial assets are considered entirely embedded derivatives when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

The subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories by which the Company classifies debt instruments:

- **Amortized cost:**

Assets held to maturity to collect contractual cash flows, where those cash flows represent only principal and interest payments, are measured at amortized cost. Interest income from these financial assets is included in financing income using the effective interest rate method. Any gains or losses resulting from the disposal of investments are recognized directly in the statement of profit or loss, and they are classified under other income / (expenses). Impairment losses are presented as a separate line item in the statement of profit or loss.

- **Fair value through other comprehensive income:**

Assets held for the purpose of collecting contractual cash flows and for the purpose of selling financial assets, where the cash flows of assets represent only principal and interest payments, are measured at FVTO. Changes in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in the statement of profit or loss. When the financial asset is disposed of, the cumulative gain or loss previously recognized in other comprehensive income from equity is reclassified to profit or loss and recognized in other income/(expense). Interest income from these financial assets is included in financing income using the effective interest rate method, and impairment expense is presented as a separate line item in the statement of profit or loss.

- **Fair value through profit or loss:**

Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss. Gains or losses on investment in debt instruments that are subsequently measured at fair value through profit or loss are recognized in profit or loss and are presented net under other income / (expenses) in the period in which they arise.

Equity instruments

The Company subsequently measures all investments in equity instruments at fair value. When the company's management chooses to present the fair value gains and losses on investments in equity instruments in the statement of other comprehensive income, it is not subsequently reclassified to the statement of profit or loss after disposal of the investment. Dividends from these investments continue to be recognized in the statement of profit or loss as other income when the company's right to receive dividends is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other income/(expenses) in the statement of profit or loss. Impairment losses (and reversals of impairment losses) on investments in equity instruments that are measured at fair value through other comprehensive income are not recognized separately from other changes in fair value.

Impairment:

At the date of the financial statements, the Company assesses whether there is credit impairment, financial assets measured at amortized cost and securities carried at fair value through other comprehensive income. Credit impairment of a financial asset occurs when there are one or more adverse events to the expected cash flows of the financial asset.

Evidence of credit impairment includes the following observable data:

- Breach of contract by defaulting on loan repayment or delaying payment for more than 90 days from the due date.
- Rescheduling the loan or the advance payment from the company on terms that are not in the company's interest.

It is probable that the borrower will go into bankruptcy or other financial scheduling, or the active market for the asset may disappear due to financial difficulties.

Provisions for financial assets at amortized cost are deducted from the total value of the asset.

Financial derivatives

- When needed, the Group enters into some financial derivative contracts for the purpose of economic coverage for the risks of fluctuations in exchange rates. Implicit financial derivatives may also arise as a result of contractual terms contained in some other agreements that the Group may enter into as a party to, whether in relation to financial or non-financial instruments. If they arise from contractual terms of implied financial derivatives, then they are recognized separately from the contract that gives them origination and measured at fair value through profit or loss in accordance with the accounting requirements for implied derivatives, if they meet the conditions for separation from the contracts created and have the same general characteristics as them. Independent financial derivative. The financial derivatives are initially recognized at fair value, provided that the related transaction costs are charged to the income statement when incurred, and the changes that occur in the fair value of the financial derivatives during each financial period are included in the income statement. As for the financial derivatives allocated upon their initial recognition as risk hedging tools in a documented and effective hedging relationship, the timing of the recognition of the change in their fair value in the income statement depends on the type of hedging relationship and the nature of the hedged item.

Financial liabilities and equity instruments issued by the Group

Classify the instrument as a liability or equity

- Financial instruments are classified as liabilities or as equity in accordance with the essence of the Group's contracts on the date of issuance of those instruments.

Equity Instruments

- Equity instruments represent any contract that gives the group the right to the net assets of an entity after deducting all its liabilities.
- Equity instruments issued by the Group are recorded at the proceeds received or the net asset value transferred less issuance costs directly attributable to the transaction.

Financial Liabilities

Financial liabilities are classified as either "at fair value through profit or loss" financial liabilities or other financial liabilities.

Other Financial Liabilities

- Other financial liabilities include balances of loans, suppliers, balances due to related parties and other obligations. Financial liabilities are initially recognized at fair value (the value received) after deducting the cost of the transaction, provided that they are subsequently measured at amortized cost using the effective interest rate and the distribution of interest expense over the periods related to it.
- On the basis of the actual return. The effective interest rate method is a method of calculating the amortized cost of financial liabilities and of charging interest expense over the relevant periods.
- The effective interest rate is the rate that exactly discounts future cash payments through the estimated life of the financial liability, or a shorter appropriate period.

Derecognition of financial instruments from the books

A financial asset is derecognized when the Group transfers substantially all the risks and rewards of ownership of the asset to a party outside the Group. If the transaction does not result in the Group transferring or retaining substantially all the risks and rewards of ownership of the asset, it must determine whether it still retains control on the financial asset.

If the Group continues to control the transferred financial asset, then it recognizes the interest it retains in the asset and a corresponding liability representing the amounts it may have to repay.

But if the transaction results in the group retaining substantially all the risks and rewards of ownership of the transferred financial asset, then the group continues to recognize the financial asset, provided it also recognizes the amounts received as a borrowing against the security of that asset.

Financial liabilities are derecognized when they expire, are either canceled or canceled or the contractual term expires.

Effective Interest Rate method

- The effective interest rate method is used to calculate the amortized cost of financial assets that represent debt instruments and to distribute the return over the relevant periods.
- The effective interest rate is the rate on the basis of which future cash receipts are discounted (which includes all fees, payments or receipts between the parties to the contract, which are considered part of the effective interest rate as well as the transaction cost and any other premiums) over the estimated life of the financial assets or any appropriate period.
- The return on all debt instruments is recognized on the basis of the effective interest rate, except for those classified as financial assets at fair value through profit or loss, where the return on them is included in the net change in their fair value.

3-7 Property, Plant and equipment and depreciation

A. Initial Recognition & measurement

Items of Property, Plant and equipment are reported in the statement of financial position at historical cost, less any accumulated depreciation and impairment losses if any. If the essential components of an item of Property, Plant and equipment have different useful lives, they are accounted for as separate items (major components) within those Property, Plant and equipment.

The components of an item of Property, Plant and equipment that have different useful lives are accounted for as separate items within those Property, Plant and equipment.

The gain or loss arising on the disposal Property, Plant and equipment is recognized in the profit or loss statement.

B. Subsequent costs

Subsequent costs are included in the assets carrying amount or recognized separately, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity.

C. Depreciation

Depreciation of the depreciable assets which is reported as historical cost, less salvage value according to (Straight Line method) and is charged to income statement over the useful life of each group of assets. Lands are not depreciated.

The following are estimated useful lives for Property, Plant and equipment that are used to calculate depreciation:

Asset	Years
Right of use assets	Contract period
Buildings	50 Years
Leasehold improvements	5 Years
Computer equipment & programs	3 Years
Telecommunication	5 Years
Transportation & vehicles	5 Years
Furniture	5 Years

The Company reviews the book values of depreciable Property, Plant and equipment when events or changes in circumstances occur that indicate that the book value may not be recoverable, and the book value of the asset is reduced to the recoverable value if the book value exceeds the recoverable value, and the recoverable value represents the net selling value of the asset Or the value in use of the asset, whichever is higher. The profits or losses resulting from the exclusion of Property, Plant and equipment are determined by comparing the net selling value with the book value, and those profits or (losses) are included in other operating income or (expenses) in the consolidated income statement.

3-8 Intangible assets and goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.
Intangible assets with a finite useful life that are acquired individually are stated at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis based on the useful life of the intangible asset on the income statement. The method of amortization for intangible assets is reviewed at the date of the financial statements, considering that the effect of any changes in those estimates is accounted for on a prospective basis.
Intangible assets acquired separately with an indefinite useful life are stated at cost, less any cumulative accumulated impairment losses.
Both the customer and brand contractual relationship are amortized over 20 years

Ending the exploiting and disposing of assets

Recognition of an intangible asset is excluded from the financial position when disposed of or when there is no expectation of future economic benefits will accrue from its use or disposal in the future.
Profits or losses resulting from the discontinuation of exploitation of the intangible asset, or its disposal are determined on the basis of the difference between the net disposal proceeds and the book value of the asset, and such profits or losses are included in the consolidated statement of income when the asset is no longer recognized.

Goodwill

Goodwill arising on the acquisition of a subsidiary, or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity recognized at the date of acquisition. Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

3-9 Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.
Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rate basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on re-measurement are recognized in profit or loss.
Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity accounted investee is no longer equity accounted.

3-10 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is the current value of the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortization) if no impairment loss had been recognized in previous years.

3-11 Cash and cash equivalents

For the purpose of preparing cash flow statement, cash and cash equivalents comprise cash on hand, cash at banks, demand deposits and short-term, that are readily convertible to known amounts of cash with a maturity date of three months or less from the acquisition date less overdraft accounts.

3-12 Statement of cash flows

The statement of cash flows has been prepared using the indirect method.

3-13 Revenue recognition

EAS No. (48) Sets out that the recognition of the revenue is based on the following five steps:

1) identify the contract with the customer.
2) identify the contractual obligation to transfer goods and/or services (known as performance obligations);
3) determine the transaction price.
4) allocate the transaction price to the performance obligations identified based on the stand-alone selling price of each good or service; and
5) Recognize revenue when the related performance obligation is met.

Interest income

Interest income is recognized on an accrual basis based on the proportionate time distribution taking into account the principal outstanding and the effective interest rate applied over the period to maturity.

Dividends income

Dividend income from investments - other than investments in associates and joint ventures - is recognized when the right to share the dividends is established.

Other income

Other income is recognized for other services provided by the Group on an accrual basis.

3-14 Legal reserves

In accordance with the articles of association, 5% of the annual net income is required to be transferred to a legal reserve until its balance reaches 50% of issued capital. The company is required to resume transfer of net profit to the legal reserve once its balance falls below this percentage. This reserve can be used for covering the incurred losses and for the increase of the Company capital subject to the approval of the shareholders in general assembly.

3-15 Dividends to shareholders

The Parent Group's dividends are recognized on its shareholders and in the non-controlling interests' share of the profits declared by the Group's subsidiaries as a liability to the financial statements in the period in which the dividends are approved by the shareholders of each group. This also applies to the remuneration of the Board of Directors and the share of the profit holders.

3-16 Employee benefit

Short-term employee benefits are recognized as an expense when the related service is provided. The amount expected to be paid as a liability is recognized when the Group has a legal or constructive obligation to pay the amount as a result of the employee providing a previous service and the obligation can be estimated to a reliable extent.

a) Insurance and pensions

The Group shall pay its contributions to the General Authority for Social Insurance on a compulsory basis in accordance with the rules stipulated in the Social Insurance Law. The Group has no other obligations as soon as it pays its obligations. Regular contributions are recognized as a periodic cost in the year of maturity and are included in the cost of labor.

b) Employee profit share

The Group shall pay a profit share of 10% of the profits after deducting the legal reserve deducted from such profits to be distributed to the shareholders not exceeding the total annual remuneration of the employees and recognizing the share of profit employees in the income statement items and liabilities when approved by the general assembly of the shareholders of the group. No liability is recognized for the share of employees in undistributed profits.

3-17 Earnings per share

The basic share of profit or loss is disclosed. Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the period.

3-18 Borrowings

Borrowings are recognized initially at fair value, net of transaction cost incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method.

3-19 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events and that it is probable that an outflow of economic resources will be required to settle the obligation, the costs to settle related obligations are probable and a reliable estimate is made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, considering the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows. Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognized in the financial profit or loss as finance costs.

3-20 Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except for income tax relating to items of equity that are recognized in OCI or directly in equity or business combination.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the way the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

3-21 Share capital

i. Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with Egyptian Accounting Standards 24 "income tax".

ii. Repurchase and reissue of ordinary shares (treasury shares)

When shares recognized as (issued capital) are repurchased, the amount of the consideration paid, which includes directly attributable costs is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

3-22 Lease contracts

At incorporation of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in EAS 49. This policy is applied to contract entered since company incorporation or after.

Lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is premeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low – value assets and short-term leases, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3-23 Fair values measurement

- The fair value of financial instruments is determined based on the market value of the financial instrument or similar financial instruments at the date of Issuance of the financial statements without deducting any estimated future selling costs. The values of financial assets are determined at the current purchase prices of those assets, while the value of financial liabilities is determined at the current prices at which those liabilities can be settled.
- In the absence of an active market to determine the fair value of financial instruments, the fair value is estimated using different valuation methods, taking into account the prices of recent transactions, and being guided by the current fair value of other instruments that are fundamentally similar - the discounted cash flow method - or any other method. Values result in reliable values.
- When using the discounted cash flows techniques as a valuation model the future cash flows are estimated, used in the managements best estimate and the discount rate used is determined in the light of prevailing market price, and the date of the financial statements which are identical to the financial instruments in nature and conditions.

3-24 Inventory

Inventory is measured at cost or net realizable value, whichever is lower. Cost is determined for operating inventory using the weighted average method. Cost also includes other expenses incurred by the company to bring the inventory to its location and condition. The net realizable value is determined on the basis of the expected selling price under normal circumstances, less any estimated selling expenses.

3-25 Operating Segments

- **Non-banking financial activities**
  The group leads non-banking financial activities represented in electronic payments activities.
- **Other**
  The holding company may participate in establishing companies that issue securities or increase their capital and provide technical support and the administration of the subsidiary companies, for the activity of the sector that receives profits mainly through management fee.

3-26 Financial instruments and their risk management

The group's financial instruments represent financial assets and liabilities. Financial assets include cash balances with banks, treasury bills, due from related parties, and financial investments at fair value through profits or losses, customers, and financial obligations and creditors.
The Group may be exposed to a number of risks resulting from the exercise of its activities, which may affect the values of these financial assets and liabilities, as well as the revenues and expenses related to them. The following are the most important of those risks and the bases and policies that the group follows in managing these risks:

3.26.1 Capital Management

The group manages its capital in order to maintain the group companies' ability to continue and to achieve the highest return for shareholders by maintaining balanced ratios of debt and equity balances.
The capital is not subject to any requirements imposed by parties outside the group. In accordance with the Group's internal policies and procedures, the executive management reviews the capital structure on a regular basis. As part of this review management considers the cost of capital and the associated risks.

3.26.2 Classification of financial instruments

Thousands EGP (000)	31 December 2022	31 December 2021
Financial Assets		
Cash and cash equivalent	321,804	1,190,879
Trade receivable	-	768,161
Financial assets measured at fair value through other comprehensive income	-	42,718
Financial assets measured at fair value through profit or loss	-	34,354
Financial assets at amortized cost	355,859	-
Other assets	2,547	16,015
Due from companies working in securities	-	60
Due from related parties	-	14
TOTAL	**680,210**	**2,052,201**
Financial liabilities		
Credit facilities	-	1,000,785
Customers - credit balances	1,527	463,020
Lease liabilities	5,934	20,880
Due to related parties	94	1,584
Current Income tax liability	6,319	-
Other liabilities	25,447	95,992
TOTAL	**39,321**	**1,582,261**

3.26.3 Financial risk management objectives

The group manages and evaluates the financial risks associated with the group's activity through internal control reports, which analyze the impact of those risks and the means to confront them. Financial risks include market risks (foreign currency risk, other price risks and interest rate risk), credit risk and liquidity risk.

1- Market risk

A- Foreign currency risk management related to operations:

Foreign exchange risk is the changes in foreign exchange rates that affect payments and receipts in foreign currencies as well as the valuation of assets and liabilities in foreign currencies. The management periodically monitors the balances of foreign currencies and their prices in effect in banks and reduces the exposed balances of foreign currencies, as most of these assets represent cash at banks and investment fund documents of a relatively monetary nature, which helps reduce the risk to a minimum.

B- other currencies risk

It is the risk of changing the value of financial instruments as a result of fluctuations in market prices (except for those resulting from interest rate risks or currency price risks), whether these changes are related to a specific security or its issuer or factors affecting the trading of securities in the market in general, the company limits the risks Other prices by maintaining a diversified investment portfolio and actively following the main factors that affect the movement of the stock and bond market.

C- Interest rate risk

The group is exposed to interest rate risk because it obtains credit facilities as it seeks to obtain financing from others at fixed and variable interest rates. The group manages the interest rate risk by appropriately mixing sources of financing with fixed and variable interest rates, as well as investing in debt instruments.

2- Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due, which are settled by delivering cash or another financial asset. The Group's management manages the financial liquidity in a way that ensures, as far as possible, that it will always have sufficient liquidity to meet its obligations when due under normal and exceptional circumstances, without incurring unacceptable losses or affecting the Group's reputation.

The prudent management of liquidity risk requires the maintenance of an adequate level of cash and the availability of adequate financing.

As of 31 December 2022 (In thousands of EGP)	Carrying amount	Expected cash flows (*)	Less than 1 year	Between 1 and 5 years	More than 5 years
Customers - credit balances	1,527	1,527	1,527	-	-
Lease liabilities	5,934	7,025	3,074	3,951	-
Due to related party	94	94	94		
Current income tax liabilities	6,319	6,319	6,319		
Other liabilities	25,447	25,447	25,447	-	-
Total	**39,321**	**40,412**	**36,461**	**3,951**	-

As of 31 December 2021 (In thousands of EGP)	Carrying amount	Expected cash flows (*)	Less than 1 year	Between 1 and 5 years	More than 5 years
Credit facilities	1,000,785	1,000,785	619,169	381,616	-
Customers - credit balances	463,020	463,020	463,020	-	-
Lease liabilities	20,880	20,880	4,937	15,943	-
Provisions	33,744	33,744	33,744	-	-
Current income tax liabilities	16,160	16,160	16,160	-	-
Due to related parties	1,584	1,584	1,584	-	-
Other liabilities	96,013	96,013	96,013	-	-
	1,632,186	**1,632,186**	**1,234,627**	**397,559**	-

* Expected cash flows are the total contractual undiscounted cash flows including interest, fees and other charges.

3-27 Credit risk:

Credit risk is represented in the inability of customers, related parties or other parties granted credit to pay their dues. The company studies the credit situation before granting or obtaining credit, and the company reviews the balances owed to it and loans granted to related parties on a periodic basis.

(In thousands of EGP)	As of 31 December 2022	As of 31 December 2021
Cash and cash equivalent	321,804	1,190,879
Trade Receivable	-	768,161
Financial assets measured at fair value through profit or loss	-	34,354
Due from companies working in securities	-	60
Financial assets at amortized cost	355,859	-
Due from related parties	-	14
Other assets	2,547	16,015
Total	**680,210**	**2,009,483**

3-28 Fair value measurement

The fair value of financial assets and liabilities is measured according to the following levels:

Level 1	Quoted prices of financial instruments at fair value in active markets.
Level 2	Quoted prices in an active market for financial instruments or prices announced by managers of invested funds or other valuation methods in which all significant inputs are based on comparative market information, whether directly or indirectly.
Level 3	Valuation methods for which no significant input factors are based on comparative market information.

The following is the fair value of the company's financial instruments that are measured at fair value on a periodic basis:

Financial assets	**Fair value as of 31 Dec,2021**	**Level of fair Value**	**Evaluation methods and main inputs**
Financial assets measured at fair value through profit or loss	2,148	Second	Quoted prices from fund managers
Financial assets measured at fair value through profit or loss	20,000	First	Advertised prices in active markets
Financial assets measured at fair value through profit or loss	7,031	Second	Other valuation techniques
Financial assets measured at fair value through profit or loss	5,175	Second	Other valuation techniques
Financial assets measured at fair value through other comprehensive income	18,378	First	Advertised prices in active markets

4-Goodwill & other intangible assets

(In thousands of EGP)	Trademarks	Clients contractual relationships	Goodwill	Licenses and software programs**	Others	Total
A-Cost						
Cost resulted from the demerger	24,900	78,299	298,871	-	-	402,070
Additions during the period	-	-	1,039	3,870	-	4,909
As of 31 December 2021	**24,900**	**78,299**	**299,910**	**3,870**	**-**	**406,979**
Cost as of 1 January 2022	24,900	78,299	299,910	3,870	-	406,979
Additions during the period	-	-	-	3,195	670	3,865
Change in the scope of subsidiaries - Disposal	(24,900)	(78,299)	(299,910)	-	-	(403,109)
As of 31 December 2022	**-**	**-**	**-**	**7,065**	670	**7,735**
B-Accumulated amortization						
Accumulated amortization resulting from the demerger	(6,247)	(19,627)	-	-	-	(25,874)
Amortization for the period (discontinued operations) *	(1,245)	(3,910)		-	-	(5,155)
Impairment within the period			(1,039)		-	(1,039)
As of 31 December 2022	**(7,492)**	**(23,537)**	**(1,039)**	-	**-**	**(32,068)**
Accumulated amortization as of 1 January 2022	(7,492)	(23,537)	-	-	-	(31,029)
Accumulated impairment as of 1 January 2022	-	-	(1,039)	-	-	(1,039)
Accumulated amortization and impairment as of 1 January 2022	**(7,492)**	**(23,537)**	**(1,039)**	-	-	**(32,068)**
Amortization for the period (continued operations)	-	-	-	(58)	(53)	(111)
Amortization for the period (discontinued operations)	(623)	(1,955)	-	-	-	(2,578)
Change in the scope of subsidiaries – Disposal	8,115	25,492	1,039	-	-	34,646
As of 31 December 2022	-	-	-	**(58)**	**(53)**	**(111)**
Net Book Value						
As of 31 December 2022	-	-	-	**7,007**	**617**	**7,624**
As of 31 December 2021	**17,408**	**54,762**	**298,871**	**3,870**	-	**374,911**

*Disclosure no. (32).
** The item includes licenses and computer programs, an amount of 6.2 million pounds, projects under implementation, programs for Dot Company.

5. Fixed assets

(in thousands of EGP)	Lands and Buildings	Leasehold improvements	Furniture	Computers and Software	Communication equipment	Vehicles	Asset under construction	Total
A) Cost								
Cost resulting from the demerger	125,995	10,605	9,010	11,936	6,898	6,235	4,117	174,796
The impact of applying the Egyptian Accounting Standard No. (49) beginning from 1 January 2021	-	-	-	-	-	-	-	-
Additions during the period	-	-	979	2,181	1,444	-	9,517	14,121
Disposals during the period	-	-	-	(11)	(79)	(2,785)	(351)	(3,226)
As of 31 December 2021	125,995	10,605	9,989	14,106	8,263	3,450	13,283	185,691
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 year	-	-	1,428	1,928	535	-	16,592	20,483
Disposals during the year	-	-	-	(72)		(700)		(772)
Changes in Consolidation Subsidiary companies Scope	(125,995)	(10,605)	(9,287)	(12,904)	(8,798)	(2,750)	(29,875)	(200,214)
As of 31 December 2022	-	-	2,130	3,058	-	-	-	5,188
B) Accumulated depreciation								
Accumulated depreciation aresulting from the demerger	7,509	6,848	5,675	9,688	4,715	3,821	-	38,256
Impairment aresulting from the demerger	-	673	-	-	-	-	-	673
demerger	7,509	7,521	5,675	9,688	4,715	3,821	-	38,929
Depreciation for the period- Continued operation	-	-	131	72	-	-	-	203
Depreciation for the period - (Discontinued operation)*	2,264	1,681	1,486	1,089	1,040	826	-	8,386
Disposals during the period	-	-	-	(11)	(36)	(2,199)	-	(2,246)
As of 31 December 2021	9,773	9,202	7,292	10,838	5,719	2,448	-	84,201
Balance As of 1 January 2022	9,773	9,202	7,292	10,838	5,719	2,448	-	84,201
Depreciation for the year- Continued operation	-	-	351	654	-	-	-	1,005
Depreciation for the year- (Discontinued operation)*	1,134	841	737	609	619	275	-	4,215
Disposals during the year	-	-	-	(16)	-	(700)	-	(716)
Changes in Consolidation Subsidiary companies Scope -disposal	(10,907)	(10,043)	(7,957)	(11,317)	(6,338)	(2,023)	-	(48,585)
As of 31 December 2022	-	-	423	768	-	-	-	1,191
Net book value								
As of 31 December 2022	-	-	1,707	2,290	-	-	-	3,997
As of 31 December 2021	116,222	1,403	2,697	3,268	2,544	1,002	13,283	140,419

* Disclosure no. (32)

6- Right of use assets

(In thousands of EGP)	Right of use assets	Total
A-Cost		
Cost resulted from the demerger	5,011	5,011
Effect of application of EAS No. (49) starting from 1 January 2021	22,693	22,693
Additions during the year	770	770
As of 31 December 2021	**28,474**	**28,474**
Cost as of 1 January 2022	28,474	28,474
Additions during the year	7,042	7,42
Change in the scope of subsidiaries - Disposal	(28,474)	(28,474)
As of 31 December 2022	**7,042**	**7,042**
B-Accumulated amortization		
Accumulated amortization resulting from the demerger	122	(122)
Amortization for the year (discontinued operations) *	(6,147)	(6,147)
As of 31 December 2021	**(6,269)**	**(6,269)**
Accumulated amortization and impairment as of 1 January 2022	**(6,269)**	**(6,269)**
Amortization for the year (continued operations)	(2,114)	(2,114)
Amortization for the year (discontinued operations)	(3,099)	(3,099)
Change in the scope of subsidiaries –Disposal	9,368	9,368
As of 31 December 2022	(2,114)	**(2,114)**
Net Book Value		
As of 31 December 2022	**4,928**	**4,928**
As of 31 December 2021	**22,205**	**22,205**

The right of use assets balance represents the long-term operating lease contracts as follows:

- Three leasing contracts for the company's headquarter with a present value of EGP 4,530,184 at the signing date of the contract and the contract period is three years.
- A lease contract for the operations site with a present value of EGP 2,512,048 at the signing date of the contract and the contract period is five years.

7- Equity accounted investees

(In thousands of EGP)	Contribution %	31 December 2022	Contribution %	31 December 2021
Contact Financial Holding *	29.58%	1,839,122	29.25%	1,847,401
Electronic Asset Management Services for Investment Funds	-	-	20%	286
The International Management Services Company in the field of investment funds	-	-	20%	452
Axes Holding company	-	-	33.9%	9,816
Total equity accounted investees		**1,839,122**		**1,857,955**
Impairment in investments (Axes Holding company)		-		(9,816)
Net equity accounted investees		**1,839,122**		**1,848,139**

*** Contact Financial Holding (formerly Sarwa Capital Financial Holding)**

- The amount represent the value of the company's investments in Contact Financial Holding Company (formerly Sarwa Capital Financial Holding), where the extraordinary general assembly of Orascom Investment Holding was held on 19 October 2020, and it approved by majority the decision to demerge the company according to the horizontal division method with the book value of the share to a demerging company, which is Orascom Investment Holding Company, and a demerged company, which is Orascom Financial Holding Company Which was established in December 2020, so that Orascom Investment Holding Company retains all assets and obligations, except for the investment in Beltone Financial Holding Company (a subsidiary company) and investment in the Sarwa Capital Holding Company for Financial Investments (an associate company), where they are transferred to Orascom Financial Holding Company.

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

(In thousands of EGP)	31 December 2022	31 December 2021
Total revenue from financing operations	1,452,172	1,088,675
Total revenue from insurance operations	195,272	135,567
Net (expenses) / Total other revenue	(4,673)	3,969
Total expenses	(895,653)	(566,122)
Income tax	(218,334)	(184,029)
Net profit after tax	**528,784**	**478,060**
Owners of the parent company	**510,713**	**464,819**
Group share of profit of the associate company	**151,077**	**138,487**
Dilution in investment resulting from the decrease in ownership percentage	(86,800)	(7,520)
Client list amortization	(13,242)	(13,242)
Deferred Tax	2,979	2,979
Group share of the net profit for the year	**54,014**	**120,704**

The following table shows the net of the investment during the year:

(In thousands of EGP)	31 December 2022	31 December 2021
Total assets after reversing Good will recognized after acquisition	9,284,696	6,297,870
Total liabilities	(6,506,953)	(3,748,553)
Net assets	(75,296)	(83,723)
Net assets resulting Purchase price allocation	594,488	629,144
Net assets after PPA study	**3,296,935**	**3,094,738**
Group share from company net assets	975,289	977,372
Goodwill resulting to acquisition	863,833	870,029
Net group share in the associate's net assets	**1,839,122**	**1,847,401**

The following table shows the investments during the year :

(In thousands of EGP)	31 December 2022	31 December 2021
Beginning balance /Balance transferred from the demerging process	**1,847,401**	**1,770,674**
Adjustments of the new accounting standards (EAS 48) on the beginning balance	-	(4,680)
Opening balance (restated)	**1,847,401**	**1,765,994**
Dividends during the year	(79,820)	(37,537)
The Group's share in the profits of the associate company (income statement)	54,014	120,704
The Group's share in the profits of the associate company (comprehensive income statement)	17,533	(1,760)
Balance at year end	**1,839,122**	**1,847,401**

8-Financial assets measured at fair value through OCI

(In thousands of EGP)	31 December 2022	31 December 2021
Financial assets measured at fair value through other comprehensive income		
Indicators Fund Company	-	6,985
Egypt Opportunities Fund SP	-	11,393
Total financial assets (at fair value)	-	**18,378**
Financial assets measured at fair value through other comprehensive income	-	
Misr for Central Clearing, Depository and Registry*	-	11,029
Guarantee Settlement Fund*	-	10,017
El Arabi for Investment *	-	194
Commodities Exchange*	-	3,000
MENA Capital *	-	2,608
BMG company S.A.E*	-	100
Less: Impairment in investments*	-	(2,608)
Total financial assets (Cost)	-	**24,340**
Total financial assets measured at fair value through OCI	-	**42,718**

* The investment in these companies is a mandatory investment in Beltone Financial Holding Group, and the investment was evaluated at cost, given that it represents shares in companies that are not listed on the stock exchange, and its fair value cannot be measured reliably, taking into account that the group owns a small share in those companies. Which hinders access to detailed and accurate information to conduct the evaluation process to reach the fair value, and during the year 2022, the group's share in Beltone Financial Holding Company was sold.

9- Other assets

(In thousands of EGP)	31 December 2022	31 December 2021
Other assets - non-current		
Deposits with others	423	7,469
Total other assets - non-current	**423**	**7,469**
Other assets – current		
Accrued interest time deposits	1,663	-
Employee advances and imprests	-	372
Deposits with others	-	2,175
Withholding tax	-	745
Other tax	458	669
Prepaid expenses	5,578	8,097
Advances to suppliers	16,146	2,878
Other debit balances	2,159	6,371
Less: Impairment in other assets	-	(5,459)
Total other assets - current	**26,004**	**15,848**
Total other assets	**26,427**	**23,317**

Movement of the impairment in other assets:

(In thousands of EGP)	For the year ended 31 December 2022	Financial period from incorporation date till 31 December 2021 (Represented)
Balance Resulting to demerge	(5,459)	6,439
Charged during the year	-	(103)
Changes in Business combination scope	6,439	-
Foriegn exchanges	(980)	(56)
	-	**(5,459)**

10-Trade receivables

(In thousands of EGP)	31 December 2022	31 December 2021
Trade receivables	-	956,681
Less: Expected credit loss	-	(188,520)
Total trade receivables	-	**768,161**

The following table shows the analysis of the movement of the relevant expected credit loss allowance at the date of preparing the consolidated financial statements:

(In thousands of EGP)	31 December 2022	31 December 2021
Expected credit loss at the beginning of the period / transferred from demerge	(188,520)	(19,199)
(charge) Expected credit losses during the year / period (discontinued operations)	(103,213)	(169,321)
change in the scope of subsidiaries grouping- Disposal	291,733	-
Ending balance	-	**(188,520)**

The balance represents the following:

(In thousands of EGP)	31 December 2022	31 December 2021
Non-current	-	262,862
Expected credit loss non-current	-	(2,391)
Total	-	260,471
Current		693,819
Expected credit loss Current	-	(186,129)
Total	-	**507,690**
Balance		**768,161**

The following tables illustrate the classification of financial assets at the date of the financial statements within the stages of the general approach model and the simplified approach and the relevant expected credit losses from the date of incorporation till 31 December 2021:

(In thousands of EGP)	31 December 2021	Expected credit loss	31 December 2021
General approach model – Stage 1	206,100	(674)	205,426
General approach model – Stage 2	-	-	-
General approach model – Stage 3	326,360	(131,155)	195,205
Simplified approach model *	424,221	(56,691)	367,530
Total	**956,681**	**(188,520)**	**768,161**

*The following table shows the trade receivables information that is subject to the simplified approach for expected credit loss.

(In thousands of EGP) As of 31 December 2021	Between 0 to 90 days	Between 91 to 180 days	Between 181 to 360 days	Due more than 360 days	Total
Total book value	367,633	1,550	2,887	52,151	424,221
Expected credit losses	(4,076)	(125)	(339)	(52,151)	(56,691)
Total	**363,557**	**1,425**	**2,548**	-	**367,530**

11-Inventory

(In thousands of EGP)	31 December 2022	31 December 2021
Electronic cards	1,534	-
Ending balance	**1,534**	-

12-Related parties and Board of directors' allowance and executive managers

(12-1) Allowances and bonuses for members of the Board of Directors and key executives

(In thousands of EGP)	For the year ended 31 December 2022	Financial period from incorporation date till 31 December 2021 (Represented)
Board of directors' allowance and executive managers	27,786	58,490
	27,786	**58,490**

(12-2) Due from related parties

* The Group entered into transactions with companies and establishments that fall under the definition of related parties as specified in Accounting Standard No. (15) "Related Parties". Related parties are the members of the Board of Directors of the Company and their related entities, companies under common ownership and/or joint management and control, their partners and senior management personnel. The partners of the joint arrangements and non-controlling interests are considered by the Group as related parties. Management decides the terms and conditions of transactions, services provided to/from related parties and any other expenses. - The administration decides the terms and rules of operations and the service provided by or to related parties in addition to any other expenses. The following table shows the nature and value of transactions between related parties and the balance due at the end of each period / year.

(In thousands of EGP)	Nature of relationship	Account Nature	31 December 2022	31 December 2021
Beltone mena equity Fund	Other company	Current account	-	440
Investments in index fund	Associate company	Current account	-	11
Deduct			-	(437)
Impairment in balances due to related party			-	14

(12-3) Due to related parties

(In thousands of EGP)	Nature of relationship	Account Nature	31 December 2022	31 December 2021
Orascom Investment Holding	Affiliate	Current account	94	3
International Company for Management Services in the field of investment fund	Associate	Current account	-	882
The electronic company for management services in the field of investment funds	Associate	Current account	-	699
			94	**1,584**

(12-4) Most important transactions with related parties

(In thousands of EGP)	Nature of transaction	Nature of relationship	Account Nature	31 December 2022	31 December 2021
Orascom Investment Holding	Expenses paid for the group	Affiliate	Current account	295	7,951

13-Financial assets at fair value through profit or loss

(In thousands of EGP)	31 December 2022	31 December 2021
Investments in index fund	-	807
Investment in Nasdaq	-	1,341
Investment in treasury bills	-	20,000
Financial Assets- Kemet Eats-Eltor	-	7,031
Financial Assets- Delta	-	5,175
Total financial assets measured at fair value through profit or loss	-	**34,354**

14-Financial assets at Amortized cost

Financial investments at amortized cost are represented in the purchase value of Egyptian treasury bills

(In thousands of EGP)	31 December 2022	31 December 2021
Treasury Bills – less than three months	365,000	-
Deduct:		
Unearned treasury Bills interest	(9,141)	-
Cash and cash equivalent	355,859	-

15-Cash and cash equivalents

(In thousands of EGP)	31 December 2022	31 December 2021
Cash on hand	8	38
Cash at banks-local currency	85,079	731,501
Cash at banks-foreign currencies	319	145,497
Deposits at banks- in local currency	120,300	158,438
Deposits at banks- in foreign currency	116,098	-
Investment Funds EGP	-	108,996
Settlement balances at the clearance bank	-	46,409
Cash and cash equivilents	**321,804**	**1,190,879**

For the purpose of the preparation of the statement of cash flows:

(In thousands of EGP)	31 December 2022	31 December 2021
Cash and cash equivilents	321,804	1,190,879
Financial assets at amortized cost	355,859	-
	677,663	**1,190,879**

16-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 demergimg company). As detailed in note no (1-C).

13-Financial assets at fair value through profit or loss

(In thousands of EGP)	31 December 2022	31 December 2021
Investments in index fund	-	807
Investment in Nasdaq	-	1,341
Investment in treasury bills	-	20,000
Financial Assets- Kemet Eats-Eltor	-	7,031
Financial Assets- Delta	-	5,175
Total financial assets measured at fair value through profit or loss	-	**34,354**

14-Financial assets at Amortized cost

Financial investments at amortized cost are represented in the purchase value of Egyptian treasury bills

(In thousands of EGP)	31 December 2022	31 December 2021
Treasury Bills – less than three months	365,000	-
Deduct:		
Unearned treasury Bills interest	(9,141)	-
Cash and cash equivalent	355,859	-

15-Cash and cash equivalents

(In thousands of EGP)	31 December 2022	31 December 2021
Cash on hand	8	38
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Deposits at banks- in local currency	120,300	158,438
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For the purpose of the preparation of the statement of cash flows:

(In thousands of EGP)	31 December 2022	31 December 2021
Cash and cash equivilents	321,804	1,190,879
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	677,663	**1,190,879**

16-Issued and paid-up capital

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The following table lists the largest shareholders in the Company as of 31 December 2022:

Shareholders	Amount	Ordinary shares	The percentage of ordinary shares that have the voting right
Orascom Acquisition SARL	840,097	2,709,989,320	51.7%
Orascom TMT Investment SARL	10,381	33,485,965	0.6%
Other	775,687	2,502,215,335	47.7%
Total available ordinary shares	**1,626,165**	**5,245,690,620**	**100%**

(16-1) 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 450,159,341 treasury shares, representing 8.58% of the issued shares, and the cost of its purchase amounted to 93,653 thousand Egyptian pounds.

17- Un-distributable profits

The retained earnings balances as of 31 December 2022, which is almost zero (in compare to an amount of EGP 21 million as of 31 December 2021) that is undistributable, which represents the balance of legal reserves that the subsidiaries set aside from their profits.

18-Lease liability

(In thousands of EGP)	31 December 2022	31 December 2021
Beginning balance	20,880	23,975
Additions during the year / period	7,042	770
Payment for lease Contracts during the year / period	(5,919)	(6,200)
Interest on Lease liability during the year / period (involve continued operations)	643	-
Interest on Lease liability during the year / period (involve discontinued operations)	1,049	2,335
change in the scope of subsidiaries grouping- Disposal	(18,864)	-
Change in foreign currency	1,103	-
Total balance	**5,934**	**20,880**

The lease liability are as follows:

(In thousands of EGP)	31 December 2022	31 December 2021
Current balances	2,543	4,937
Non-Current balances	3,391	15,943
Total balance	**5,934**	**20,880**

19-Credit facilities

(In thousands of EGP)	31 December 2022	31 December 2021
Credit facilities	-	851,134
Credit facilities- Sale and lease-back contracts	-	149,651
Total credit facilities	-	**1,000,785**

The following table represent movment on credit facility during the year ended

(In thousands of EGP)	31 December 2022	31 December 2021
Beginning balance resulting from demerge	**1,000,785**	**477,091**
Current balance	619,169	477,091
Non- current balance	381,616	-
Finance interest – Credit facilities- (Discontinued operation)	**51,378**	**80,010**
Interest of credit facilities from sale and lease Back	9,996	10,297
Net collection from credit facilities and interest paid	87,204	434,824
Payments of finance interest from Current Loans	-	(1,437)
Changes in the scope of combination subsidiaries	(1,149,363)	-
Total balance	-	**1,000,785**
Current	-	619,169
Non -current	-	381,616

20- 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)	31 December 2022	31 December 2021
Depreciation and Amortization	(199)	(19,730)
Dividends	(17,795)	(14,317)
Foreign currencies translation differences	-	4,655
Net deferred tax liabilities	**(17,994)**	**(29,392)**

Deferred tax assets and liabilities are presented in net when the Group has a legal right to offset between current tax assets and liabilities, as well as when the deferred tax assets and liabilities are settled in the same tax authority in the country and when the Group intends to settle those balances net or to recover the value of assets and settle the value of tax liabilities in same time.

The following table shows the most important items of deferred tax liabilities as presented in the Group's consolidated financial statements:

In thousands of EGP	Depreciation and amortization	Undistributed dividends	Foreign currency differences	Total as of 31 December 2022
Beginning balance	(19,730)	(14,317)	4,655	**(29,392)**
Change in the scope of grouping subsidiaries - Disposal	19,730	-	(4,655)	**15,075**
Charged to the statement of income during the period	(199)	(3,478)	-	**(3,677)**
Net deferred tax liabilities	**(199)**	**(17,795)**	**-**	**(17,994)**

In thousands of EGP	Depreciation and amortization	Undistributed dividends	Foreign currency differences	31 December 2021
Balance Resulting from the demerger	(20,254)	(9,308)	4,655	**(24,907)**
Dividends taxes	-	1,914	-	**1,914**
Charged to the statement of income during the period	524	(6,923)	-	**(6,399)**
Net deferred tax liabilities	**(19,730)**	**(14,317)**	**4,655**	**(29,392)**

21-Customers – credit balances

(In thousands of EGP)	31 December 2022	31 December 2021
Brokerage customers	-	463,020
E-payments customers	1,527	-
Total brokerage customers	**1,527**	**463,020**

*Customers- credit balances are represented by advances made by the customers to buy shares in the activity of securities trading, in addition to coupons collected for the benefit of the customers that are also being transferred to these customers.

** The balance of electronic payments customers is the value of the amounts deposited by customers in prepaid cards.

22-Provisions

(In thousands of EGP)	31 December 2022	31 December 2021
Begening balance	33,744	53,262
Provisions formed during the year / period	973	10,649
Provisions no-longer required during the year / period	-	(22,823)
Provisions used during the year / period	(1,560)	(7,344)
change in the scope of subsidiaries grouping- Disposal	(33,157)	-
Provisions ending balance	-	**33,744**

Provisions are made according to the best estimate of the expected value of the obligations at the date of the consolidated financial statements arising from the Group's exercise of its activities and its contractual relationships with third parties. The management annually reviews and settles these provisions according to the latest developments, discussions and agreements with the concerned parties. The usual published information about provisions in accordance with Egyptian accounting standards was not disclosed, because the Group's management believes that doing so may severely affect the results of negotiations with those parties.

23-Other liabilities

(In thousands of EGP)	31 December 2022	31 December 2021
Accrued expenses	4,041	36,120
Suppliers	5,695	16,812
Accrued expenses-Employees	12,748	4,354
Accrued Commissions	-	4,113
Accrued interest -credit facilities	-	1,975
Financial Regulatory Authority "FRA" fees	-	1,704

Payables to banks & companies for bookkeeping	-	986
National Authority for Social Insurance	346	628
Tax payable	2,305	-
Social contribution	299	-
Insurance deposits-Leasing contracts	-	607
Misr for Central Clearing, Depository and Registry	-	458
Other credit balances	13	28,256
Total other liabilities	**25,447**	**96,013**

24-Other operating expenses

(In thousands of EGP)	For the year ended 31 December 2022	Financial period from incorporation date till 31 December 2021 (Represented)
Operating expenses	19,732	2,340
Headquarter expenses	-	907
Information link lines	446	94
Professional fees	7,694	5,454
Advertising and printing expense	1,213	206
Other Governes expenses	3,641	764
Total other operating expenses	**32,726**	**9,764**

25-Depreciation and amortization.

(In thousands of EGP)	For the year ended 31 December 2022	Financial period from incorporation date till 31 December 2021 (Represented)
Fixed assets depreciation	1,005	203
Amortization of right of use asset	2,114	-
Amortization of intangable assets	111	-
	3,230	**203**

The table as follow included the net loss of the period from discontinued operation

(In thousands of EGP)	For the year ended 31 December 2022	Financial period from incorporation date till 31 December 2021 (Represented)
Fixed assets depreciation	4,215	8,386
Amortization of right of use asset	3,099	6,147
Amortization of intangable assets	2,578	3,867
Total income tax expense	**9,892**	**18,400**

26-Credit interest

(In thousands of EGP)	For the year ended 31 December 2022	Financial period from incorporation date till 31 December 2021 (Represented)
Current accounts and time deposits interest	25,739	7,437
Treasury Bills interest	13,117	-
Investment Fund	6,072	4,641
Total income tax expense	**44,928**	**12,078**

27-Income tax expense

(In thousands of EGP)	For the year ended 31 December 2022	Financial period from incorporation date till 31 December 2021 (Represented)
Current income tax	(6,319)	-
Income tax Dividends	(4,075)	(1,916)
Treasury bills tax	(2,623)	-
Deferred tax	(3,677)	(5,008)
Total income tax expense	**(16,694)**	**(6,924)**

28-losses per share

(In thousands of EGP)	For the year ended 31 December 2022	Financial period from incorporation date till 31 December 2021 (Represented)
Net (losses) profit for the year (in thousands of EGP)	(72,114)	(23,734)
Weighted average shares during the year (in thousands)	5,124,968	5,245,691
Earning per share (EGP/share)	**(0,0141)**	**(0.0045)**

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

29- Subsidiaries with significant non-controlling interests

(In thousands of EGP)	Country of operations	Contribution of NCI %	31 December 2022	Contribution of NCI %	31 December 2021
Beltone Financial Holding company	Egypt	-	-	41.85%	133,049
DOT technologies and software development	Egypt	21.10%	15,376	20.10%	5,168

- All commitment of subsidiaries are included in the consolidated financial statements. The proportion of voting rights in the subsidiaries directly owned by the company is not different from the proportion of ordinary shares held. The company does not have any interest in preferred shares in the subsidiaries included in the Group.

The following tables summarise the financial information of most importance for subsidiaries with significant non-controlling interestes-Beltone financial holding.

-Summarized statemnet of financial position

(In thousands of EGP)	Beltone financial holding		DOT technologies and software development
	31 December 2022	31 December 2021	31 December 2022
Current assets	-	1,411,528	75,914
Current liabilities	-	(1,204,529)	(16,330)
Net current assets	-	**206,999**	**(59,584)**
Non-current assets	-	560,146	16,875
Non-current liabilities	-	(396,397)	(3,590)
Net non-current liabilities	-	**163,749**	**13,285**
Net Assets	-	**370,748**	**72,869**
NCI before Adjustments		155,158	15,376
Consolidation adjustments		(22,109)	-
Non-controlling interests balance	-	**133,049**	**15,376**

Summarized income statement and statement of comprehensive income:

(In thousands of EGP)	Beltone financial holding		DOT technologies and software development
	31 December 2022	31 December 2021	31 December 2022
Total revenues	-	221,120	1,112
Total expenses	-	(373,090)	(78,750)
(loss) before income tax	-	**(151,970)**	**(77,638)**
Income tax	-	(17,792)	(199)
(loss) for the period after tax	-	**(169,762)**	**(77,837)**
Total other comprehensive Income	-	452	-
Total comprehensive (Loss)	-	**(169,310)**	**(77,837)**
NCI's share before consolidation adjustments	-	**(70,856)**	**(16,422)**
Consolidation adjustments	-	(2,449)	-
NCI's Share	-	**(73,305)**	**(16,422)**

Summarized statement of cash flows:

(In thousands of EGP)	Beltone financial holding		DOT technologies and software development
	31 December 2022	31 December 2021	31 December 2022
Net cash flows generated by operating activities	-	44,990	(88,120)
Net cash flows (used in) investing activities	-	(11,276)	(7,069)
Net cash flows generated by financing activities	-	488,980	122,147
Net change in cash and cash equivalent during the period	-	**522,694**	**26,958**
Effect of exchange rate fluctuation on cash and cash equivalents	-	6	-
Cash and cash equivalent at the beginning period	-	336,562	25,229
Cash and cash equivalents at the end of the period	-	**859,262**	**52,187**

30- 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 losses of the Disposal process :

(In thousands of EGP)	31 December 2022	31 December 2021
Cash consideration	384,796	-
Add / (deduct):		
Selling expenses	(3,826)	-
Net book value of assets sold	(206,375)	-
Disposal of book value for non-controlling interest	86,367	-
Disposal of Goodwill	(299,910)	-
(Losses) of the group generated from disposal operation	**(38,948)**	-
Losses of the period for Beltone Financial Holding	(107,192)	(175,332)
Net discontinued operations	**(146,140)**	**(175,332)**

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

(In thousands of EGP)	4 August 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
Other revenue	12,101
Recovery Expected credit loss expense	(103,213)
Profits on disposal of assets	580
Provisions no longer required	-
Total Revenue	**108,985**
Wages , salaries and equivalents	(99,661)

Establishment and subscribtion expenses	-
Other operating expenses	(45,974)
Amortization of intangible assets	(2,578)
Depreciation of Fixed asset and Right of use	(7,315)
Evaluating financial assets at fair value through profit or loss	1,412
Provision formed	(973)
Foreign currencies translation differences	4,322
Interest expense	(62,423)
Net profit for the period before taxes	**(104,205)**
Income tax expense	(2,987)
Net (losses) / profit for the period	**(107,192)**
Distributed as follows:	
The rights of the company's shareholders	**(62,333)**
Non-controlling interest holders	**(44,859)**

31- Tax status

First: tax status of the Holding Company

Corporate tax

The company submits the annual income tax declaration of legal persons within the legal deadline in accordance with the provisions of Law No. 91 of 2005 and its executive regulations and their amendments, and the Unified Tax Procedures Law No. 206 of 2020 and its executive regulations and their amendments since the beginning of the activity on December 10, 2020 to date. The company received a notification from the Egyptian Tax Authority to transfer the company's affiliation from the joint-stock companies' tax office to the new Senior Taxpayer Center (2) during the year 2022.

The company has fulfilled and completed all the procedures required for that, as well as the procedures related to transferring the company's affiliation to the new electronic system affiliated with the Senior Center. New financiers (2) on the Egyptian Tax Authority website.

The company received a notification of the examination through the e-mail of the new electronic system affiliated with the new Key Financiers Center (2) for the company's first period ending on 12/31/2021 from the Egyptian Tax Authority, and preparation for the examination is underway.

Payroll taxes

The company supplies the monthly wages and salaries tax within the legal date. The company submits the wages and salaries settlement and the relevant quarterly tax forms within the legal deadline on the website of the Egyptian Tax Authority and pays the due differences.

The company received a notification of the examination through the e-mail of the new electronic system affiliated with the new Key Financiers Center (2) for the company's first period ending on 12/31/2021 from the Egyptian Tax Authority, and preparation for the examination is underway.

Withholding Tax

The Company is subject to the provisions of Law 91 of 2005, and its amendments and its executive regulations and amendments regarding withholding tax retaining and collection under the tax account, and the Company pays the withholding tax on the legal time frame.

Stam Tax

The company received a notification of the examination through the e-mail of the new electronic system affiliated with the new Key Financiers Center (2) for the company's first period ending on 12/31/2021 from the Egyptian Tax Authority, and preparation for the examination is underway.

32-Re-presentation of some comparison figures

The following table summarizes the re-presented made to the condensed consolidated income statement for the December the year ending on 31 December 2021, 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)	Financial period from the incorporation date till 31 December 2021 As it was issued	Re-presented	Financial period from the incorporation date till 31 December 2021 Re-presented
Fee and commission income	170,167	(170,167)	-
Interest income	192,233	(180,155)	12,078
Total operating income	**362,400**		12,078
The company's share in investment profits are accounted for using the equity method	120,679	25	120,704
Dividends - bonds	9,385	(9,385)	-
Other revenue	4,375	(4,375)	-
Evaluating financial assets at fair value through profit or loss	1,415	(1,415)	-
Recovery Expected credit loss expense	-	-	-
Provisions no longer required	22,823	(22,823)	
Profits on disposal of assets	1,021	(1,021)	-
Total income	**522,089**		**132,782**
Wages , salaries and equivalents	(210,938)	176,316	(34,622)
Establishment and subscription expenses	(7,950)	-	(7,950)
Other operating expenses	(88,207)	78,443	(9,764)
Depreciation and amortizatin	(19,891)	19,688	(203)
Provision formed	(10,649)	10,649	-
ECL	(169,554)	169,554	
Impairment losses of other assets	(103)	103	
Goodwill impairment	(1,039)	1,039	
Foreign currencies translation differences	(321)	(418)	(97)
Interest expense	(92,642)	92,642	-
Net profit for the period before taxes	**(78,554)**	-	**80,146**
Income tax expense	(23,556)	16,632	(6,924)
Net profit for the period from discontinued operations	**(102,110)**	-	**73,222**
Discontinued operations:			
Net results of discontinued operations (after tax)	-	(175,332)	(175,332)
Net profit for the period	**(102,110)**	-	**(102,110)**

33-New Editions and Amendments to Egyptian Accounting Standards:

- On March 6, 2023, the Prime Minister's Decree No. (883) of 2023 was issued amending some provisions of the Egyptian Accounting Standards,

the following is a summary of the most significant amendments:

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (10) amended 2023 "Fixed Assets " **And Egyptian Accounting Standard No. (23) amended 2023 "Intangible Assets".**	1- These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets. - This resulted in amendment of the paragraphs related to the use of the revaluation model option in some of the applicable Egyptian Accounting Standards, which are as follows: - Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". - Egyptian Accounting Standard No. (24) "Income Taxes" - Egyptian Accounting Standard No. (30) "Interim Financial Reporting" - Egyptian Accounting Standard No. (31) "Impairment of Assets" - Egyptian Accounting Standard No. (35) "Agriculture" - Egyptian Accounting Standard No. (49) "Leasing Contracts"	Management is currently studying the possibility of changing the applied accounting policy and using the revaluation model option stated in those standards and assessing the potential impact on the financial statements in case of using this option.	The amendments of adding the option to use the revaluation model are effective for financial periods starting **on or after 1 January 2023, retrospectively**, cumulative impact of the preliminary applying of the revaluation model shall be **added to the revaluation surplus account in equity, at the beginning of the financial period in which the company applies this model for the first time.**
Egyptian Accounting Standard No. (34) amended 2023 "Investment property ".	1- This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property. 2- This resulted in amendment of some paragraphs related to the use of the fair value model option in some of the applicable Egyptian Accounting Standards, which are as follows: - Egyptian Accounting Standard No. (1) "Presentation of Financial Statements" - Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". - Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates" - Egyptian Accounting Standard No. (24) "Income Taxes" - Egyptian Accounting Standard No. (30) "Interim Financial Reporting " - Egyptian Accounting Standard No. (31) "Impairment of Assets"	There's no potential impact on the company's financial statements	The amendments of adding the option to use the fair value model are effective for financial periods starting **on or after 1 January 2023, retrospectively,** cumulative impact of the preliminary applying of the fair value model shall be **added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this model for the first time.**

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	- Egyptian Accounting Standard No. (32) "Non-Current Assets Held for Sale and Discontinued Operations" - Egyptian Accounting Standard No. (49) "Leasing Contracts"		
Egyptian Accounting Standard No. (36) amended 2023 **"Exploration for and Evaluation of Mineral Resources"**	1- This standard was reissued in 2023, allowing the use of revaluation model when subsequent measurement of exploration and valuation assets. 2- The company applies either the cost model or the revaluation model for exploration and valuation assets, the evaluation should carried out by experts specialized in valuation and registered in a register maintained for this purpose at the Ministry of Petroleum, and in the case of applying the revaluation model (whether the model stated in the Egyptian Accounting Standard (10) "Fixed Assets " or the model stated in Egyptian Accounting Standard (23) "Intangible Assets") should consistent with the classification of assets in accordance with paragraph No. (15) of Egyptian Accounting Standard No. (36) amended 2023.	There's no potential impact on the company's financial statements.	The amendments of adding the option to use the revaluation model are effective for financial periods starting **on or after 1 January 2023, retrospectively**, cumulative impact of the preliminary applying of the revaluation model shall be **added to the revaluation surplus account in equity, at the beginning of the financial period in which the company applies this model for the first time.**
Egyptian Accounting Standard No. (35) amended 2023 **"Agriculture".**	1- This standard was reissued in 2023, where paragraphs (1-5), (8), (24), and (44) were amended and paragraphs (5a) - (5c) and (63) were added, with respect to the accounting treatment of agricultural produce harvested, (Egyptian Accounting Standard (10) "Fixed assets " was amended accordingly). 2- The Company is not required to disclose the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) for the current period, which is the period of the financial statements in which the Egyptian Accounting Standard No. (35) amended 2023 and Egyptian Accounting Standard No. (10) amended 2023 are applied for the first time in relation to agricultural produce harvested. However, the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) should be disclosed for each comparative period presented.	There's no potential impact on the company's financial statements	These amendments are effective for annual financial periods starting **on or after 1 January 2023, retrospectively**, cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested shall be **added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this treatment for the first time.**

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (50) "Insurance Contracts".	1- This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the company provides appropriate information that truthfully reflects those contracts. This information provides users of the financial statements with the basis for assessing the impact of insurance contracts on the company's financial position, financial performance, and cash flows. 2- Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". 3- Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 4- The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows: - Egyptian Accounting Standard No. (10) "Fixed Assets ". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment property ".	There's no potential impact on the company's financial statements	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting **on or after 1 July 2024**, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the company should disclose that fact.

34-Translation:

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

The original Arabic statements are the official financial statements.