

BPE Holding for Financial Investments
"S.A.E."
Consolidated Condensed Interim Financial Statements
For the three months ended March 31, 2018
Together with Review Report

*Translation of review
Report Originally Issued in Arabic*

Review Report

To: The Board of Directors of BPE Holding for Financial Investments "S.A.E"

Introduction

We have reviewed the accompanying consolidated condensed interim financial statements of BPE Holding for Financial Investments "S.A.E" which comprise the consolidated condensed interim statement of financial position as of March 31, 2018 and the related consolidated interim statements of income, comprehensive income, changes in equity and cash flows for the three months' period then ended, and summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of the consolidated condensed interim financial statements in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements". Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Egyptian Standard on Review Engagements (2410) "Review of Interim Financial Statement Performed by the Independent Auditor of the Entity". A review of consolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in more details in note (2) to the consolidated financial statements, one of the Company's joint venture entities, which is accounted for in the attached consolidated condensed interim financial statements using the equity method, applying the International Accounting Standard No. (17) - Leases as issued by the International Accounting Standard Board to account for its financially leased administrative building, which constitutes a departure from the Egyptian Accounting Standard No. 20 - Accounting for finance lease agreements.

The effect of this departure is overstating the investments in joint venture entities, the consolidated net profit for the period and the consolidated opening retained earnings as at March 31, 2018 by EGP 44 540 102, EGP 4 799 006 and EGP 39 741 096 respectively.

Qualified Conclusion

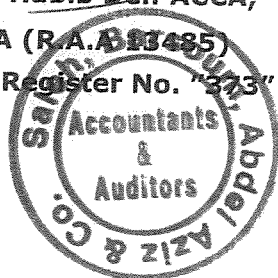
Based on our review, except for the effect of the matter described in the basis of qualified conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements do not present fairly, in all material respects, the consolidated interim financial position of the entity as at March 31, 2018, and of its consolidated interim financial performance and its consolidated interim cash flows for the three months period then ended in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements".

Cairo, May 15, 2018


Samy Habib Deif ACCA,

FESAA (R.A. 003485)

EFSA Register No. "373"



BPE Holding for Financial Investments "S.A.E"
Consolidated Condensed Interim Statement of Financial Position as at March 31, 2018

	<u>Note</u>	<u>March 31, 2018</u>	<u>December 31, 2017</u>
		<u>EGP</u>	<u>EGP</u>
<u>Assets</u>			
<u>Non-current assets</u>			
Intangible assets (net)		2 765 525	2 723 159
Investments in associates (net)	(5)	338 137 192	314 580 875
Available for sale investments		141 262 077	141 262 077
Investments in joint ventures (net)	(6)	209 532 814	190 849 155
Investment properties (net)		113 388 909	113 468 487
Loans to associates	(7)	96 614 774	94 717 354
Total-non current assets		901 701 291	857 601 107
<u>Current assets</u>			
Share price stability guarantee fund	(9)	55 650 000	-
Treasury bills	(8)	56 620 211	105 464 030
Due from related parties		1 255 968	1 176 069
Inventory (net)		-	-
Accounts Receivables (net)		-	-
Other debit balances		8 865 278	8 203 724
Cash and cash at banks	(10)	486 645 681	94 963 954
Total current assets		609 037 138	209 807 777
Total assets		1 510 738 429	1 067 408 884
<u>Equity and liabilities</u>			
<u>Equity</u>			
Issued and paid-up capital	(13)	584 464 310	584 464 310
Payment under capital increase	(13)	400 552 368	-
Legal reserve		12 841 931	10 577 468
Other reserves		28 056 036	28 238 547
Retained earnings		388 477 481	257 564 834
Net profit for the year attributable to shareholders of the Parent Company		33 463 534	133 177 110
Equity attributable to shareholders of the parent company		1 447 855 660	1 014 022 269
Non-controlling interests		4 485 106	4 444 603
Total equity		1 452 340 766	1 018 466 872
<u>Non-Current liabilities</u>			
Deferred tax liability		7 588 805	8 922 951
Total non- current liabilities		7 588 805	8 922 951
<u>Current liabilities</u>			
Due to related parties		5 113 095	2 951 630
Accounts payable and other credit balances	(11)	19 442 691	8 314 359
Income tax		18 355 176	18 355 176
Provisions	(12)	7 897 896	10 397 896
Total current liabilities		50 808 858	40 019 061
Total equity and liabilities		1 510 738 429	1 067 408 884


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

Chief Financial Officer
Ahmed Abdel Monem Madbouly

Chief Executive Officer
Dr. Mohamed Abdel Monem Omran

Chairman
Mohamed Hazem Adel Barakat

- Review report attached.




BPE Holding for Financial Investments "S.A.E"
Consolidated Condensed Interim Income Statement for the three months ended on March 31, 2018

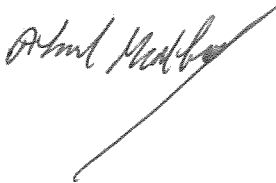
	<u>Note</u>	<u>Three months ended</u>	
		<u>March 31, 2018</u>	<u>March 31, 2017</u>
		<u>EGP</u>	<u>EGP</u>
<u>Revenues & Profits</u>			
Dividend income from available for sale investments		-	17 686 986
Group's share of profits of joint venture entities and Associate	(14)	28 704 622	32 340 627
Foreign exchange differences		-	207 861
Finance income	(17)	9 927 413	2 272 626
Reverse of impairment in notes receivable		-	3 209 132
Provisions no longer required		2 500 000	-
Other income		1 456 308	4 040 097
		<u>42 588 343</u>	<u>59 757 329</u>
<u>Expenses & Losses</u>			
Management fees		(2 912 837)	(2 912 837)
Consulting fees and other expenses	(18)	(5 267 897)	(649 196)
Depreciation of investment properties		(79 578)	(79 578)
Foreign exchange difference		(797 457)	-
Net profit for the period before tax		<u>33 530 574</u>	<u>56 115 718</u>
income tax		-	(1 269 161)
Deferred tax		-	-
Net profit for the period		<u>33 530 574</u>	<u>54 846 557</u>
<u>Attributable as follow:</u>			
Shareholders' of the Parent Company		33 463 534	54 931 226
Non-controlling interests		67 040	(84 669)
Net profit for the period		<u>33 530 574</u>	<u>54 846 557</u>
Basic and diluted earnings per share from the net profit for the period	(15)	<u>0.29</u>	<u>0.47</u>

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

Chief Financial Officer
Ahmed Abdel Monem Madbouly

Chief Executive Officer
Dr. Mohamed Abdel Monem Omran

Chairman
Mohamed Hazem Adel Barakat




BPE Holding for Financial Investments "S.A.E"
Consolidated Condensed Interim Other Comprehensive Income Statement for three months ended on March 31, 2018

	<u>March 31, 2018</u>	<u>March 31, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the period	33 530 574	54 846 557
Other comprehensive income		
Translation reserve difference of subsidiaries' financial statements	(66 344)	469 242
Company's shares in foreign currency translation and other reserves in the joint venture company financial statements	(142 704)	(2 705 975)
Total other comprehensive income for the period	<u>(209 048)</u>	<u>(2 236 733)</u>
Total comprehensive income for the period	<u><u>33 321 526</u></u>	<u><u>52 609 824</u></u>
Distributed as follows:		
Equity attributable to shareholders of the parent company	33 281 023	52 506 796
Non-controlling interests	40 503	103 028
Total other comprehensive income for the period	<u><u>33 321 526</u></u>	<u><u>52 609 824</u></u>

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

BPE Holding for Financial Investments "S.A.F."
Consolidated Condensed Interim Statement of Changes in Equity for the three months ended on March 31, 2018

	Issued and paid-up capital	Payment under capital increase	Legal reserve	Company's share in Equity change of associates	Company's share in reserve combination of joint venture	Translation reserve of subsidiaries' financial statements	Company's shares in foreign currency translation in the joint venture	Retained earnings	Equity attributable to shareholders of the Parent Company in net profit of the period	Total Equity attributable to shareholders of the Parent Company	Non-controlling interests	Total equity
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as of January 1, 2017	584,464,310	-	6,997,113	(5,033,645)	(4,215,865)	12,894,379	-	109,613,935	152,636,257	892,432,891	9,079,711	901,512,602
Net profit of the Period	-	-	-	-	-	-	-	-	54,931,226	54,931,226	(84,669)	54,846,557
Item of other Comprehensive income												
Translation reserve of subsidiaries' financial statements	-	-	-	-	-	281,545	-	-	-	281,545	187,697	469,242
Company's shares in foreign currency translation in the joint venture	-	-	-	-	-	-	(2,705,975)	-	-	(2,705,975)	-	(2,705,975)
Total Other Comprehensive income						281,545	(2,705,975)			52,506,796	103,028	52,609,824
Transaction with the company shareholders												
Transferred to retained earnings	-	-	-	-	-	-	-	152,636,257	(152,636,257)	-	-	-
Transferred to legal reserve	-	-	3,580,355	-	-	-	-	(3,580,355)	-	-	-	-
Company's shares in foreign currency translation and other reserves in the joint venture financial statements	-	-	-	5,033,645	-	-	-	-	-	5,033,645	-	5,033,645
Total transaction with the company shareholders												
Balance as of March 31, 2017	584,464,310	-	10,577,468	5,033,645	(4,215,865)	13,175,924	-	149,055,902	(152,636,257)	949,973,332	9,182,739	959,156,071
Balance as of January 1, 2018												
Net profit of the period	584,464,310	-	10,577,468	-	(4,522,300)	8,224,398	-	257,564,834	133,177,110	1,014,022,269	4,444,603	1,018,466,872
Other comprehensive income												
Translation reserve of subsidiaries' financial statements	-	-	-	-	-	(39,806)	-	-	-	(39,806)	(26,538)	(66,344)
Company's shares in foreign currency translation and other reserves in the joint venture financial statements	-	-	-	-	-	-	(142,704)	-	-	(142,704)	-	(142,704)
Total Other Comprehensive income						(39,806)	(142,704)			33,281,024	40,502	33,321,526
Transaction with the company shareholders												
Capital Increase	-	409,914,206	-	-	-	-	-	-	-	409,914,206	-	409,914,206
Issuance costs of the new shares (net of tax)	-	(9,361,838)	-	-	-	-	-	-	-	(9,361,838)	-	(9,361,838)
Transferred to legal reserve	-	-	2,264,463	-	-	-	-	(2,264,463)	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-	133,177,110	(133,177,110)	-	-	-
Total transaction with the company shareholders												
Balance as of March 31, 2018	584,464,310	409,552,368	12,841,931	(4,522,300)	8,184,592	8,184,592	24,393,745	388,477,481	33,463,534	1,447,855,661	4,485,105	1,452,340,766

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

BPE Holding for Financial Investments "S.A.E"

Consolidated Condensed Interim Statement of Cash Flows for the three months ended on March 31, 2018

	Note	March 31, 2018 EGP	March 31, 2017 EGP
<u>Cash flows from operating activities</u>			
Net profit for the period before tax		33 530 574	56 115 718
<u>Adjustments to reconcile net profit to cash flows from operating activities</u>			
Group's share of profits of associates and joint venture entities		(28 704 622)	(32 340 627)
Depreciation of investment properties		79 578	79 578
Foreign exchange differences		797 457	(207 861)
Reversal of impairment in notes receivable		-	(3 209 132)
Credit interest - treasury bills		(4 022 827)	-
Credit interest		(5 904 586)	(2 272 626)
Provisions no longer required		(2 500 000)	-
Operating (loss)profit before changes in working capital		(6 724 426)	18 165 050
Increase in due from related parties		(79 899)	(507 727)
Decrease in accounts and notes receivable		-	3 000 000
Increase in share price stability guarantee fund		(55 650 000)	-
Increase in other debit balances		(661 554)	(1 991 226)
Increase in due to related parties		2 161 465	8 913
Increase (decrease)in accounts payable and other credit balances		11 128 332	(3 241 528)
Net cash flows (used in) generated by operating activities		(49 826 082)	15 433 482
<u>Cash flows from investing activities</u>			
Payments for acquisition of investments in joint ventures		(13 750 000)	-
Proceeds from credit interest		3 216 779	2 272 626
Change in treasury bills		52 866 646	-
Net cash flows generated by investing activities		42 333 425	2 272 626
<u>Cash flows from financing activities</u>			
Proceeds from the payment under capital increase		409 914 206	-
Payment for new shares issuance cost		(9 361 838)	-
Net cash flows generated by financing activities		400 552 368	-
Net change in cash and cash equivalents during the Period		393 059 711	17 706 108
Cash and cash equivalents at the beginning of the Period		26 593 776	110 396 427
Effects of exchange rate changes on balances of cash held in foreign currencies		(1 046 635)	519 791
Cash and cash equivalents at the end of the Period	(10)	418 606 852	128 622 326

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

BPE Holding for Financial Investments "S.A.E"

Subject to the provisions of Law No. 95 for year 1992 and its executive regulations

Notes to the Consolidated Condensed Interim Financial Statements

For the three months ended March 31, 2018

1. General information

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

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

The Company's principle business activity is investment in other entities, in accordance with its established investment policy. The Company aims to identify, research, negotiate, make and monitor the progress of and sell, realize and exchange investments and distribute proceeds of such investments with the principle objective of providing shareholders with a high relative overall rate of return by means of both income, capital growth and exit.

On January 11, 2017 the Company's extraordinary general assembly decided to change the Company name to be BPE Holding for Financial Investments, the change was registered in the Company's commercial register on February 24th, 2017.

The Board of Directors authorized these consolidated condensed interim financial statements for issue on May 15, 2018.

2. Statement of compliance the consolidated condensed interim financial statements

The consolidated condensed interim financial statements have been prepared according with Egyptian Accounting Standard No. (30) "Interim financial statements" Except for the treatment described below:

In its financial statements, Giza Systems applied the International Accounting Standard (IAS) 17 – Leases as issued by the International Accounting Standard Board to account for its financially leased administrative building. Giza systems recognized the building as a fixed asset at the present value of minimum lease payments, and recognized a liability to the finance lease company. Lease payments are apportioned between finance cost and reduction

of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. The building is depreciated based on its estimated useful life.

In contrast, Egyptian Accounting Standard EAS (20) - Accounting for finance leases requires the lessor to recognize all payments under finance leases in the period they are incurred, and the lessor is not allowed to recognize the leased asset as fixed asset.

The Company accounts for its investment in Inergia and Giza Systems using the equity method. Had Giza Systems applied the EAS 20 instead of IAS 17, the investment carrying amount as at March 31, 2018, net income for the period, and opening retained earnings will decrease by EGP 44 540 102, EGP 4 799 006 and EGP 39 741 096 respectively.

3. Significant accounting policies applied

The consolidated condensed interim financial statements have been prepared using the same accounting policies applied in the last year. The interim financial statements are to be read in conjunction with the consolidated financial statements issued for the year ended December 31, 2017.

4. Investments in subsidiaries companies

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

	Country of Domicile	Ownership %
Beard AG Company "Beard"	Switzerland	60

5. Investments in associates (net)

	<u>No. of Shares</u>	<u>Ownership interest</u>	<u>March 31, 2018</u> EGP	<u>December 31, 2017</u> EGP
Beltone Retail for Trade and Investment S.A.E.	727 526	22,79%	327 440	324 723
Madinet Nasr for Housing and Development "MNHD" S.A.E.	74 836 136	%7,5	325 547 790	302 032 670
Metalart S.A.E.	147 777	%51,92	66 156 628	65 292 521
Infinity Solar BV 1	246	%24.6	--	--
Infinity Solar BV 2	175	%17.5	--	--
Infinity Solar BV 3	175	%17.5	--	--
<u>Less: Impairment in investments (Metalart)</u>			(53 894 666)	(53 069 039)
			<u>338 137 192</u>	<u>314 580 875</u>

The increase in investments is due to the following:

- The investment in Madinet Nasr for Housing and Development "MNHD" increased by an amount of EGP 23 515 120 representing the Group's share of profits or loss of the associate .
- Metalart's increase is mainly due to the Group's share of profit of the associate - EGP 110 420.

6. Investments in joint venture (net)

	<u>Ownership interest</u>	<u>No. of Shares</u>	<u>March 31, 2018 EGP</u>	<u>December 31, 2017 EGP</u>
Inergia Technologies for Information Systems "Inergia"	68.04 %	5 532 124	178 427 808	174 599 355
Red Sea Venture for Solar Energy	49.5%	7 425	5 727 150	5 727 150
Ebtikar for Financial Investment	24.99%	299 998	31 105 006	16 249 800
<u>Less: Impairment in investments Red Sea Venture for Solar Energy</u>			(5 727 150)	(5 727 150)
			<u>209 532 814</u>	<u>190 849 155</u>

The increase in investment in joint venture mainly due to the Group's share of profits of Inergia increased by an amount of EGP 3 971 159, also the subscription in the capital increase of "Ebtikar for Financial Investment" by an amount of EGP 13 750 000, and Group's share of profits of Ebtikar for Financial Investment Company in the comprehensive income statement by an amount EGP 1 105,206.

7. Loans to associates

	<u>March 31, 2018 EGP</u>	<u>December 31, 2017 EGP</u>
Infinity Solar BV 1	28 827 728	28 261 580
Infinity Solar BV 2	48 364 853	47 415 014
Infinity Solar BV 3	19 422 193	19 040 760
	<u>96 614 774</u>	<u>94 717 354</u>

The increase in the outstanding loans balances is due to the interest income accrual of the first quarter in 2018 by an amount of EGP 2 356 458, the increase is offset by the foreign currency translation loss by an amount of EGP 459 038.

8. Treasury bills

	<u>March 31, 2018 EGP</u>	<u>December 31, 2017 EGP</u>
Treasury bills	60 200 000	112 250 000
<u>Less: Unrealized interest</u>	<u>(3 579 789)</u>	<u>(6 785 970)</u>
	<u>56 620 211</u>	<u>105 464 030</u>

The decrease in treasury bills is due to collected and sold treasury bills during the period by an amount of EGPM 91,4, this is offset by the purchased treasury bills during the period by an amount of EGPM 38,5. The maturities of the treasury bills are due in a period from 6 – 12 months.

The account's balance represents the guarantee deposit transferred to the stabilization fund's bank account in the name of the offering manager on March 29, 2018 by an amount of MEGP 55,65. Pursuant to the public subscription notice with respect to the sale of the 5 million shares to the public. The duration of the stabilization fund is 30 days starting from the first trading date on the Egyptian Stock Exchange. On May 2, 2018 the deposit amount was refunded to the Company after the expiry of the guarantee period, no utilization of the fund's balance took place during the guarantee period.

10. Cash and cash at banks

	<u>March 31, 2018</u>	<u>December 31, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Current accounts –local currency*	418 207 716	4 934 405
Current accounts –foreign currency	399 136	883 888
Time deposits – local currency	--	20 775 483
Time deposits – foreign currency	68 038 829	68 370 178
	<u>486 645 681</u>	<u>94 963 954</u>

The cash accounts consist of restricted cash balance related to collected proceeds for the Company' capital increase by an amount of EGPM 409,9. On April 26, 2018 the capital increase proceeds were released by the bank upon registering of this increase in the Company's commercial register at April 24, 2018

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

	<u>March 31, 2018</u>	<u>March 31, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Cash at banks	486 645 681	221 210 526
<u>(Less)</u> Time deposits – more than 3 months	<u>(68 038 829)</u>	<u>(92 588 200)</u>
	<u>418 606 852</u>	<u>128 622 326</u>

11. Accounts payable and other credit balances

The increase in accounts payable and other credit balances is mainly due to recorded accruals during this quarter for the consultancy fees and other expenses related to offering of the company's shares in the Egyptian stock market.

12. Provisions

	<u>December 31, 2017</u>	<u>Provisions no longer required</u>	<u>March 31, 2018</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Provision claim	10 397 896	(2 500 000)	7 897 896
	<u>10 397 896</u>	<u>(2 500 000)</u>	<u>7 897 896</u>

13. Capital

The Company's authorized capital amounted to EGP 2.4 billion, and the issued and paid-up capital amounted to EGP 584 464 310 divided into 116 892 862 shares of EGP 5 par value each on 31 March 2018.

On December 20, 2017, the extra ordinary generally assembly approved the increase of the company's issued capital with an amount of EGP 375 million, the increase will be effected through an initial public offering and private subscription provided that the subscription of such increase shall be offered based on the fair value of the new shares as determined by an independent financial advisor.

The capital increase was registered in the commercial register on April 24, 2018, The capital structure after the completion of the legal procedures became issued and paid-up capital with total amount of EGP 775 122 080 divided into 155 024 416 shares of EGP 5 par value each.

Total proceeds collected from the capital increase amounted to EGP 409 914 205 comprise of EGP 190 657 770 representing the par value of the issued shares, EGP 214 489 991 representing share premium of the issued shares, and EGP 4 766 444 representing shares' issuance fees. The collected proceeds were offset by an amount of EGP 9 361 837 representing shares' issue costs incurred by the Company.

During 2017, the company, the management company and the shareholders signed a new shareholders' agreement to cancel the rights and obligations under the original shareholders' agreements including the put option rights which were granted in the old shareholders' agreements, the cancelation of these rights are conditional that no delisting of the Company's shares during a period of six months following the trading of the company's shares on EGX which was started on March 29, 2018.

14. Group's share of profits (loss) of associates and joint venture entities

	<u>March 31, 2018</u>	<u>March 31, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Madinet Nasr for Housing and Development	23 515 120	29 431 130
Inergia Company	3 971 159	3 083 213
Metal Art	110 420	(182 376)
Ebtikar for Financial Investment	1 105 206	--
Beltone Retail for Trade and Investment	2 717	8 660
	<u>28 704 622</u>	<u>32 340 627</u>

15. Basic and diluted earnings per share

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

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all convertible financial

Instruments and share options. The net profit is adjusted by omission of the cost of convertible debt instruments taking tax effect into consideration. As there are no debt instruments that are convertible to shares, so diluted and basic earnings per share are equal.

Description	March 31, 2018	March 31, 2017
	EGP	EGP
Net profit for the period attributable to the shareholders' of the Parent Company	33 463 534	54 931 226
Weighted average number of shares	116 892 862	116 892 862
Basic and diluted earnings per share	0.29	0.47

16. Significant related parties' transactions

<u>Company name</u>	<u>Type of relation</u>	<u>Nature of transactions</u>	<u>Revenue (expense)</u>
BPE Partners	Management company	Management fees Expenses paid on behalf of the company	(2 912 837) (2 200 000)

17. Finance income

	March 31, 2018	March 31, 2017
	EGP	EGP
Credit interest on time deposits	3 548 128	2 272 626
Credit interest on loans issued to related party companies	2 356 457	--
Interest on treasury bills	4 022 828	--
	9 927 413	2 272 626

The increase in finance income during the period is mainly due to the recognition of credit interest on loans issued to related party companies with total amount of EGPM 2,4, in addition to recognizing interest from treasury bills amounted to EGPM 4,02, and the increase in credit interest from time deposits with an amount of EGPM 1.27.

18. Consulting fees & other expenses

The main reason for the increase in consulting fees and other expenses during the period relates to the costs associated with offering of the Company's shares in the Egyptian stock market.

19. Management agreements

On 19 July 2017, The Company has signed a new management agreement with BPE Partners SAE, the signed new management agreement will take effect once the listing of the company's shares take effect on the EGX. The trading on the company's shares has started on March 29, 2018.

Pursuant to the terms of the new management agreement, the management company is entitled to a management fees of 2% of the company's capital up to EGP 600 million

and 1.5% of any capital increase of more than EGP 600 million Up to EGP 1.2 billion and 1% on any capital increase of more than EGP 1.2 billion.

Additionally, the management company is entitled to a performance fee, the performance fee will be due to the management company only on the exit of investments entered into by the Company.

Performance fees for existing investments at the date the new management agreement takes effect will be 15% of the gains on any existing investment calculated as the difference between cash proceeds net of taxes and fees received from the disposal and distribution (dividend, interest, or rent) of the investment and the adjusted cost of the existing investment. The adjusted cost is the historical cost of the investment accumulated at an acceptable rate of return on investment (10% per annum) for each year following the acquisition date of the investment until the date on which the new management agreement takes effect.

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

20. Subsequent events

During April, the General Assembly of Total Egypt decided to distribute profit dividends, the company's share of those profit dividends is EGP 26.2 million.

On April 24, 2018 the necessary legal procedures to increase the company's capital were completed, and the shares were issued, as a result the amounts recorded as payments under capital increase in the company's equity by March 31, 2018, were recognized in issued and paid capital, share premium reserve and other reserves in the subsequent period.

On May 8, 2018 the Company's extraordinary general assembly decided to change the Company name to be "B Investments Holding SAE".