

Deloitte.

**B investments holding "S.A. E"
Separate Condensed Interim Financial Statements
For the nine months ended September 30, 2018
Together with Limited Review Report**

Translation of Review Report
Originally Issued in Arabic

Review Report

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

Introduction

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate condensed interim financial statements do not present fairly in all material respects the separate financial position of the entity as at September 30, 2018, and of its separate financial performance and its separate cash flows for the nine months' period then ended in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements".

Cairo November 14, 2018

Samy Habib Datt

R.A.A. 1385



B Investments Holding

"S.A.E"

Separate Condensed Interim Statement of Financial Position as of September 30, 2018

	Note	September 30, 2018	December 31, 2017
		EGP	EGP
Assets			
Non-current assets			
Investments in subsidiaries (net)		9 453 732	9 453 732
Investments in joint ventures (net)	(4)	132 421 240	71 571 040
Investments in associates (net)		153 856 436	153 856 436
Available for sale investments		141 262 077	141 262 077
Investment properties (net)		113 375 433	113 468 487
Loans to associates	(5)	102 944 712	94 717 354
Payments for acquisition of investments	(6)	65 100 941	-
Total noncurrent assets		718 414 571	584 329 126
Current assets			
Treasury bills	(7)	414 139 458	105 464 030
Other debit balances (net)	(8)	11 790 522	8 203 724
Cash and cash at banks	(9)	148 939 203	94 831 788
Total current assets		574 869 183	208 499 542
Total assets		1 293 283 754	792 828 668
Equity and liabilities			
Equity			
Issued and paid-up capital	(11)	800 122 080	584 464 310
Legal reserve	(12)	255 456 922	10 577 468
Other reserves	(11)	(4 111 018)	-
Retained earnings		147 029 450	104 004 637
Net profit for the period / year		56 426 408	45 289 276
Total equity		1 254 923 842	744 335 691
Non-Current liabilities			
Deferred tax liabilities		9 346 743	8 922 951
Total-non current liabilities		9 346 743	8 922 951
Current liabilities			
Due to related parties	(14)	4 813 773	2 951 376
Accounts payable and other credit balances	(15)	6 448 273	7 865 578
Income tax		9 853 227	18 355 176
Provisions	(10)	7 897 896	10 397 896
Total current liabilities		29 013 169	39 570 026
Total equity and liabilities		1 293 283 754	792 828 668

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

Chief Financial Officer

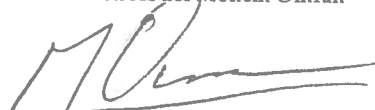
Ahmed Abdel Monem Madbouly



- Review report attached.

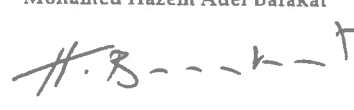
Chief Executive Officer

Dr. Mohamed Abdel Monem Omran



Chairman

Mohamed Hazem Adel Barakat



B Investments Holding
"S.A.E"

Separate Condensed Interim Income Statement for the nine months ended on September 30, 2018

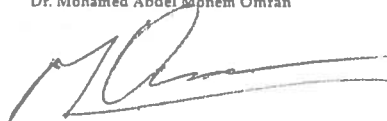
Note	Nine months ended		Three months ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
	EGP	EGP	EGP	EGP
Income and Profits				
Dividends income from available for sale investments	26 207 722	17 686 985	-	-
Dividends income from investments in associates	1 065 806	16 452 240	-	2 585 419
Rental income (17)	2 700 000	1 800 000	-	1 350 000
Reversal of impairment in notes receivable	-	3 209 132	-	-
Provisions no longer required (10)	2 500 000	-	-	-
Foreign exchange differences	1 876 733	-	322 745	-
Finance income (18)	61 189 076	14 090 633	26 809 570	6 913 828
	<u>95 539 337</u>	<u>53 238 990</u>	<u>27 132 315</u>	<u>10 849 247</u>
Expenses and Losses				
Depreciation of investment properties	(238 734)	(238 734)	(79 578)	(79 578)
Management fees (16)	(11 620 408)	(8 738 512)	(4 654 281)	(2 912 837)
Consulting fees and other expenses (19)	(12 589 193)	(2 294 705)	(2 407 933)	(803 878)
Board of directors allowances	(239 553)	-	(26 700)	-
Impairment in other debit balances	(2 954 500)	-	(2 954 500)	-
Foreign exchange differences	-	(3 986 843)	-	(3 814 283)
Net profit for the period before income tax	<u>67 896 949</u>	<u>37 980 196</u>	<u>17 009 323</u>	<u>3 238 671</u>
Income tax	(11 046 749)	(2 402 000)	(4 804 269)	(385 992)
Deferred tax	(423 792)	-	(23 963)	-
Net profit for the period	<u>56 426 408</u>	<u>35 578 196</u>	<u>12 181 091</u>	<u>2 852 679</u>
Basic and diluted earnings per share (13)	<u>0.40</u>	<u>0.30</u>	<u>0.09</u>	<u>0.02</u>

- The attached notes form an integral part of these separate 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



B Investments Holding

"S.A.E"

Separate Condensed Interim statement of Comprehensive Income for the nine months ended on September 30, 2018

	<u>Nine months ended</u>		<u>Three months ended</u>	
	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Net profit for the period	56 426 408	35 578 196	12 181 091	2 852 679
Other comprehensive income	-	-	-	-
Total other comprehensive income	-	-	-	-
Total Comprehensive Income for the period	<u>56 426 408</u>	<u>35 578 196</u>	<u>12 181 091</u>	<u>2 852 679</u>

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

B Investments Holding

"S.A.E"

Separate Condensed Interim Statement of Changes in Equity for the nine months ended September 30, 2018

	Note	Issued and paid-up capital		Legal reserve		Net expenses of shares issuance		Retained earnings		Net profit for the period		Total	
		EGP		EGP		EGP		EGP		EGP		EGP	
Balance as of January 1, 2017		584 464 310		6 997 113		-		35 977 893		71 607 099		699 046 415	
Items of other comprehensive income													
Net profit for the period		-		-		-		-		35 578 196		35 578 196	
Other Comprehensive Income		-		-		-		-		-		-	
Total Comprehensive Income										35 578 196		35 578 196	
The company's shareholders transactions													
Transferred to Legal Reserve		-		3 580 355		-		(3 580 355)		-		-	
Transferred to retained earnings		-		-		-		71 607 099		(71 607 099)		-	
Total of the company's shareholders transactions		-		3 580 355		-		68 026 744		(71 607 099)		-	
Balance as of September 30, 2017		584 464 310		10 577 468		-		104 004 637		35 578 196		734 624 611	
Balance as of January 1, 2018		584 464 310		10 577 468		-		104 004 637		45 289 276		744 335 691	
Items of other comprehensive income													
Net profit for the period		-		-		-		-		56 426 408		56 426 408	
Other Comprehensive Income		-		-		-		-		-		-	
Total Comprehensive Income										56 426 408		56 426 408	
The company's shareholders transactions													
Capital increase	(11)	190 657 770		214 489 991		(4 595 393)		-		-		400 552 368	
Capital increase	(11)	25 000 000		28 125 000		484 375		-		-		53 609 375	
Transferred to legal reserve	(12)	-		2 264 463		-		(2 264 463)		-		-	
Transferred to retained earnings		-		-		-		45 289 276		(45 289 276)		-	
Total of the company's shareholders transactions		215 657 770		244 879 454		(4 111 018)		43 024 813		(45 289 276)		454 161 743	
Balance as of September 30, 2018		800 122 080		255 456 922		(4 111 018)		147 029 450		56 426 408		1 254 923 842	

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

B Investments Holding
"S.A.E"

Separate Condensed Interim Statement of Cash Flows for the nine months ended September 30, 2018

	<u>Note</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>
		<u>EGP</u>	<u>EGP</u>
<u>Cash flows from operating activities</u>			
Net profit for the period before income tax		67 896 949	37 980 196
<u>Adjusted by :</u>			
Foreign exchange differences		(1 876 733)	3 986 843
Reversal of impairment in notes receivable		-	(3 209 132)
Treasury bills return		(41 545 360)	(1 798 489)
Credit interest		(19 643 716)	(12 292 144)
Impairment in other debit balances		2 954 500	-
Provisions no longer required		(2 500 000)	-
Depreciation of investment properties		238 734	238 734
Operating Profit before changes in working capital		<u>5 524 374</u>	<u>24 906 008</u>
Decrease in notes receivable		-	63 832 364
Increase in balances due from related parties		-	(62 676)
Increase in other debit balances		(4 460 540)	(2 747 946)
Increase in balances due to related parties		1 862 397	11 425
Decrease in accounts payable and other credit balances		(1 416 708)	(5 348 541)
Decrease in other liabilities		-	(5 799 975)
Income tax paid during the period		(18 355 176)	-
Net cash flows (used in) generated by operating activities		<u>(16 845 653)</u>	<u>74 790 659</u>
<u>Cash flows from investment activities</u>			
Proceeds from credit interest		10 434 461	12 292 144
Payments to acquire investments in joint ventures		(60 850 200)	(4 999 900)
Payments to acquire investment properties		(145 680)	-
Payments for acquisition of investments		(65 100 941)	-
Change in long term deposits		(2 010 128)	24 391 673
Payments for acquisition of treasury bills		(414 475 492)	(89 039 855)
Proceeds from sale and redemption of treasury bills		246 349 706	-
Net cash flows (used in) investment activities		<u>(285 798 274)</u>	<u>(57 355 938)</u>
<u>Cash flows from financing activities</u>			
Proceeds from capital increase		463 664 205	-
Payment for new shares issuance cost		(10 695 983)	-
Net cash flows generated by financing activities		<u>452 968 222</u>	<u>-</u>
Net change in cash and cash equivalents during the period		150 324 295	17 434 721
Cash and cash equivalents at the beginning of the period		26 461 610	110 250 273
Effects of foreign exchange rate changes on cash and cash equivalents		22 852	(3 986 843)
Cash and cash equivalents at the end of the period	(9)	<u>176 808 757</u>	<u>123 698 151</u>

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

B Investments Holding "S.A.E."

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

Notes to the Separate Condensed Interim Financial Statements

For the nine months ended September 30, 2018

1. General information

B investments holding (BPE Holding for Financial investments formerly) "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, 2016 the Company's extraordinary general assembly decided to change the Company name to be BPE Holding for Financial Investments, the change was registered in the Company's commercial register on February 24, 2016.

On May 8, 2018 the Company's extraordinary general assembly decided to change the Company name to be B investments Holding, the change was registered in the Company's commercial register on July 8, 2018.

The Board of Directors authorized these separate financial statements for issue on November 14, 2018.

2. Statement of compliance

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

3. Significant accounting policies applied

The separate 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 separate financial statements issued for the year ended December 31, 2017.

4. Investments in joint venture

	<u>No. of Shares</u>	<u>Ownership</u>	<u>September 30, 2018 EGP</u>	<u>December 31, 2017 EGP</u>
Inergia Technologies for Information Systems S.A.E "Inergia	5 532 124	68.04%	55 321 240	55 321 240
Ebtikar for Financial Investment	771 000	21.21%	77 100 000	16 249 800
Red Sea Venture for Solar Energy	7 425	49.5%	5 727 150	5 727 150
<u>Less:</u> Impairment in investments in Red Sea Venture for Solar Energy			(5 727 150)	(5 727 150)
			<u>132 421 240</u>	<u>71 571 040</u>

The increase in the balance is due to the Company's subscription during the period in the capital increase of "Ebtikar for Financial Investments" by an amount of EGP 60 850 200.

5. Loans to associates

	<u>September 30, 2018 EGP</u>	<u>December 31, 2017 EGP</u>
Infinity Solar BV 1	30 716 443	28 261 580
Infinity Solar BV 2	51 533 587	47 415 014
Infinity Solar BV 3	20 694 682	19 040 760
	<u>102 944 712</u>	<u>94 717 354</u>

The increase in the account balance is due to the accrual of interest income by an amount of EGP 7 128 496, in addition to the recognition of foreign currency revaluation gain by an amount of EGP 1 098 862.

6. Payments Under acquisition of Investments

During September 2018, the Company signed a shareholders agreement for acquiring at least 52.9% of the capital of Gourmet Egypt.Com (SEA), the agreement provides that the acquisition will be concluded through the acquisition of 40% of Gourmet' shares owned by one of the existing shareholders, to be followed by a capital increase, so the Company's share will increase to reach at least 52.9%. By end of September 2018, the Company paid the purchase price of the 40% stake in Gourmet's capital, according to the annexes of the shareholders agreement the Company has the right to get back the paid amount to acquire the 40% stake if the acquisition transaction is not completed by end of November 2018. This amount was classified as paid under acquisition of investments until the completion of acquisition procedures related to the remaining stake of the capital of Gourmet Egypt.com.

7. Treasury bills

	<u>September 30, 2018</u>	<u>December 31, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Treasury bills	429 300 000	112 250 000
Less: Unrealized return	(15 160 542)	(6 785 970)
	<u>414 139 458</u>	<u>105 464 030</u>

The increase in treasury bills is due to purchase of treasury bills during the period by an amount of EGP 513 million, selling and redemption of treasury bills by an amount of EGP 246 million in addition to return on treasury bills by an amount of EGP 41 million (note 18). The maturities of the treasury bills are due within period ranges from 3 to 6 months.

8. Other debit balances (net)

	<u>September 30, 2018</u>	<u>December 31, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Deposit held with others	46 795	46 795
Accrued interest	2 080 759	2 456 585
Accrued rent	3 629 500	2 250 000
Accrued dividends revenue	--	2 585 420
Prepaid expenses	334 556	113 353
Debit income tax	47 852	47 852
Withholding tax	9 000	9 000
Tax on treasury bills	6 656 541	--
Advance payments to suppliers	1 334 019	694 719
Other	606 000	--
<u>Less:</u> Impairment losses on other debit balances	(2 954 500)	--
	<u>11 790 522</u>	<u>8 203 724</u>

The increase in other debit balances is mainly due to the increase of withholding tax on treasury bills by an amount of EGP 6 656 541, deducted on the selling and redemption of treasury bills during the period in addition to collection of the accrued dividends.

9. Cash and cash at banks

	<u>September 30, 2018</u>	<u>December 31, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Current Accounts – Local Currency	77 783 357	4 934 409
Current Accounts – Foreign Currency	21 118	751 718
Time Deposits – Local Currency	--	20 775 483
Time Deposits – Foreign Currency	71 134 728	68 370 178
	<u>148 939 203</u>	<u>94 831 788</u>

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

	<u>September 30, 2018</u>	<u>September 30, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Cash at Banks	148 939 203	191 839 365
Treasury bills - less than 3 months	99 004 282	--
Less: Time deposits - More than 3 months	(71 134 728)	(68 141 214)
	<u>176 808 757</u>	<u>123 698 151</u>

10. Provisions

	<u>December 31, 2017</u>	<u>Provisions no longer required</u>	<u>September 30, 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>

11. 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 December 31, 2017.

On December 20, 2017, the shareholders in the extra ordinary general assembly approved the increase of the company's issued capital with a maximum amount of EGP 375 million, the increase was effected through an initial public offering and private subscription, the subscription of such increase was offered based on the fair value of the new shares as determined by an independent financial advisor. On March, 2018 the subscriptions were allocated to shareholders by 38 131 554 shares of EGP 10.75 per share includes issuance cost of EGP .125 per share. 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 which transferred to legal reserve, 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.

On December 20, 2017 the extraordinary general assembly meeting approved increase the issued capital by cash increase following the private subscription through issuing shares by the same number of shares that sold through initial public offering amounted 5 000 000 share and the subscription in this increase to be limited on shareholders that selling their shares through the public offering and the subscription to be done by the same public offering price. Total proceeds from the capital increase amounted to EGP 53 750 000 which comprise of EGP 25 000 000 representing the par value of the issued shares, EGP 28 125 000 representing share premium of the issued shares and EGP 625 000 representing shares' issuance fees and has been registered on the commercial register on July18, 2018.

The issued and paid-up after the increase amount of EGP 800 122 080 divided into 160 024 416 shares of EGP 5 par value each.

During 2017, the company, the management company and the shareholders signed a new shareholders' agreement to cancel the rights and obligations stipulated under the original shareholders' agreements including the put option rights which were granted in the old shareholders' agreements.

12. Legal reserve

	<u>September 30, 2018</u>	<u>December 31, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Beginning balance	10 577 468	6 997 113
Transferred from prior year net profit	2 264 463	3 580 355
Legal reserve - share premium*	242 614 991	--
	<u>255 456 922</u>	<u>10 577 468</u>

*The balance represents the share premium paid by the subscribers in the capital increase (note 11), which was transferred into legal reserve in accordance with the requirements of Law No. 159 of 1981.

13. Basic and diluted earnings per share

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

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all convertible financial instruments and share options. The net profit is adjusted by omission of the cost of convertible debt instruments taking tax effect into

consideration. As there are no debt instruments that are convertible to shares, so diluted and basic earnings per share are equal.

	<u>September 30, 2018</u>	<u>September 30, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the period	56 426 408	35 578 196
Weighted average number of shares	140 614 652	116 892 862
Basic and diluted earnings per share	<u>0.4</u>	<u>0.30</u>

14. Related party's transactions

The transactions during the period on the current accounts with a monetary nature represents the management fees and the paid expenses on behalf of the company or that paid by the company on behalf of the related parties.

<u>Company name</u>	<u>Type of relation</u>	<u>Nature of transactions</u>	<u>Volume of transaction during the period</u>	<u>Balance (liability)</u>
			<u>EGP</u>	<u>EGP</u>
BPE Partners	Management company	Management fees Expenses paid on behalf of the company	(11 620 408) (159 492)	(4 813 773)

15. Accounts payable and other credit balances

	<u>September 30, 2018</u>	<u>December 31, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Payables	600 659	97 875
Accrued Expense	5 729 210	7 705 232
Withholding tax	118 404	62 471
	<u>6 448 273</u>	<u>7 865 578</u>

The decrease in accounts payable and other credit balances is mainly due to the payment of part of the accrued expenses related to the offering the companies' shares on the Egyptian stock market.

16. Management fees

The increase in management fees is due to the capital increase which is used as a base for the management fees' calculation based on the new management agreement signed with BPE partners (the management company), the new management agreement is effective on March 29, 2018 (note 20).

17. **Rent revenue**

The increase in rent revenue is due to the signed new rental contract and the increase of the rent value in the new contract.

18. **Finance income**

	<u>September 30, 2018</u>	<u>September 30, 2017</u>
	<u>EGP</u>	<u>EGP</u>
Credit interest for time deposits and current accounts	12 515 220	12 292 144
Credit interest for loans issued to associates	7 128 496	--
Treasury bills return	41 545 360	1 798 489
	<u>61 189 076</u>	<u>14 090 633</u>

The increase in finance income during the period is mainly due to the credit interest on loans to associates by an amount of EGP 7.13 million, in addition to the interest from treasury bills by an amount of EGP 39.7 million.

19. **Consulting fees & other expenses**

The increase in consulting fees and other expenses during the period is mainly due to the costs associated with offering of the Company's shares in the Egyptian stock market.

20. **Management agreement**

On 19 July 2017, The Company signed a new management agreement with BPE Partners SAE, the new management agreement became effective on the date of completion of listing the company's shares on the EGX. The trading on the company's shares started on March 29, 2018.

Pursuant to the terms of the new management agreement, the management company is entitled to a management fees of 2% of the company's paid up capital up to EGP 600 million and 1.5% of any capital increase 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 are accrued for the management company and 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% annually) 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.

21. **Subsequent events**

On October 14, 2018, MNHD has received an offer from 6th of October Company for Development and Investment S.A.E. (SODIC) regarding an intent of Mandatory Purchase Offer for the company's shares by direct exchange (Share swap only).

On October 15, 2018, MNHD Board of Directors had decided studying the offer and delegate MNHD Managing Director for appointing an independent financial advisor to present his report to Board of Directors, also appointing a legal counsel for that transaction and the exchange of information between the two companies, until MNHD receives the final offer from SODIC.