

B Investments Holding
"S.A.E."

Consolidated Financial Statements
For the Year Ended December 31, 2022
Together with Auditor's Report



Saleh, Barsoum & Abdel Aziz

Grant Thornton

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*Translation of Independent Auditor's
Report Originally Issued in Arabic*

INDEPENDENT AUDITOR'S REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of B Investments Holding "S.A.E.", which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

These consolidated financial statements are the responsibility of the Company's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Egyptian Accounting Standards and the prevailing Egyptian laws. This 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, 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 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.

Opinion

The consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of B Investments Holding "S.A.E." as of December 31, 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the related Egyptian laws and regulations.

Cairo, March 29, 2023


Farid Samir Farid
F.R.A. No. (210)
R.A.A. 8739


B Investments Holding "S.A.E."
Consolidated Statement of Financial Position as of December 31, 2022

	<u>Note</u>	<u>December 31, 2022</u> <u>EGP</u>	<u>December 31, 2021</u> <u>EGP</u>
<u>Assets</u>			
<u>Non-current assets</u>			
Investments in associates using equity method	(6)	489 078 518	414 523 621
Investments in joint venture using equity method	(7)	429 919 432	564 962 226
Investments at fair value through OCI	(8)	--	381 572 723
Investment properties (net)	(9)	90 645 767	91 721 954
Loans to associates (net)	(10)	164 282 595	111 445 145
Notes receivable (net)	(12)	5 235 542	7 431 543
Advance for investments		--	110 682 592
Total non-current assets		1 179 161 854	1 682 339 804
<u>Current assets</u>			
Loans to joint ventures (net)	(11)	13 223 046	24 707 408
Notes receivable (net)	(12)	2 180 364	2 447 060
Due from related parties (net)	(13)	290 111 728	--
Other debit balances (net)	(14)	22 541 900	7 810 918
Treasury bills (net)	(15)	265 347 676	337 851 188
Cash at banks	(16)	1 852 601 758	61 801 312
Total current assets		2 446 006 472	434 617 886
<u>Financial non-current assets held for sale</u>			
Investments at fair value through OCI	(8)	682 394 512	--
Total financial non-current assets held for sale		682 394 512	--
Total assets		4 307 562 838	2 116 957 690
<u>Equity and liabilities</u>			
<u>Equity</u>			
Issued and paid-up capital	(21)	800 122 080	800 122 080
Reserves	(23)	280 806 359	282 206 583
Revaluation reserve of investments at fair value through OCI	(8)	441 273 047	197 138 855
Retained earnings		649 384 964	632 637 893
Net profit for the year attributable to shareholders of the Parent Company		846 190 451	105 308 898
Total Equity of the Parent Company		3 017 776 901	2 017 414 309
Non-Controlling interest	(22)	43 571 783	--
Total equity		3 061 348 684	2 017 414 309
<u>Non-current liabilities</u>			
Deferred tax liabilities	(24)	140 568 889	69 489 898
Total non-current liabilities		140 568 889	69 489 898
<u>Current liabilities</u>			
Due to related parties	(17)	133 837 328	4 691 395
Accounts payable and other credit balances	(18)	507 301 495	4 935 973
Current income tax		459 354 637	16 385 464
Provisions	(19)	5 151 805	4 040 651
Total current liabilities		1 105 645 265	30 053 483
Total equity and liabilities		4 307 562 838	2 116 957 690

- The attached notes form an integral part of the consolidated 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

- Auditor's report attached.





B Investments Holding "S.A.E."
Consolidated Statement of Profits and Losses for the year ended December 31, 2022

	<u>Note</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
		<u>EGP</u>	<u>EGP</u>
<u>Revenues & profits</u>			
Dividends income from investments at fair value through OCI	(27)	26 853 298	20 201 805
Profit from the sale of investments	(28)	1 376 429 792	--
Group's share of profits / (losses) of associate and joint ventures entities	(29)	24 580 372	57 489 500
Credit interests	(30)	64 301 449	70 826 202
Rental income of investment properties		9 215 105	4 744 567
Other income		199 662	9 408 000
		1 501 579 678	162 670 074
<u>Expenses & losses</u>			
Investment manager fees	(31)	(147 749 976)	(18 612 600)
Consulting fees and other expenses		(13 927 048)	(6 303 668)
Tax expense on dividend income from investment in associate and joint ventures entities using equity method		--	(4 952 950)
Board of directors allowances and other expenses		(679 200)	(358 800)
Depreciation of investment properties	(9)	(1 738 537)	(1 779 005)
Provision formed during the year	(19)	(3 000 000)	(2 000 000)
Expected Credit Gain / (Loss)		(990 838)	57 021
Acquisition expense		--	(998 147)
Foreign currency exchange gain (loss)		477 987 278	(434 459)
Net profit for the year before tax		1 811 481 357	127 287 466
Current Income tax		(459 354 637)	(21 613 173)
Deferred tax	(24)	(14 391 394)	(365 395)
Net profit for the year after tax		1 337 735 326	105 308 898
<u>Attributable as follow:</u>			
Attributable to the shareholders' of the Parent Company		846 190 451	105 308 898
Non-controlling interests		491 544 875	--
Net profit for the year		1 337 735 326	105 308 898
Basic earnings per share	(25)	5.25	0.64
Diluted earnings per share	(25)	5.25	0.64

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

B Investments Holding "S.A.E."

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the year	1 337 735 326	105 308 898
<u>Items of other comprehensive income</u>		
Revaluation reserve of investments at fair value through OCI net of tax	244 134 192	7 917 857
Group share in other comprehensive income items in joint ventures and associate entities' financial statements	(16 205 057)	5 356 607
Total items of other comprehensive income for the year net of tax	<u>227 929 135</u>	<u>13 274 464</u>
Total comprehensive income for the year	<u>1 565 664 461</u>	<u>118 583 362</u>
Distributed as follows:		
Interests attributable to shareholders of the parent company	1 074 119 586	118 583 362
Non-controlling interests	491 544 875	--
Total comprehensive income for the year	<u>1 565 664 461</u>	<u>118 583 362</u>

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

B. Investments Holding "S.A.E."

Consolidated Statement of Changes in Equity for the year ended December 31, 2022

	Issued and paid-up capital	Treasury Stocks	Shares Issuance Reserve	Revaluation reserve of investments at fair value (through OCI)	Legal reserve	Group's share in the change in equity of associate entities	Group's share in the business combination reserve for joint venture entities	Group's share in the Other comprehensive income in joint venture and associate entities' financial statements	Retained earnings	Equity attributable to shareholders of the Parent Company in net profit of the year	Total Equity attributable to shareholders of the Parent Company	Non controlling interests	Total Equity of the Parent Company
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as of January 1, 2021	800 122 080	(5 471 154)	(4 111 018)	189 220 998	262 411 838	(1 558 677)	(4 522 300)	11 938 249	554 335 066	287 905 313	2 090 270 415	-	2 090 270 415
Items of other comprehensive income													
Net profit for the year	-	-	-	-	-	-	-	-	-	105 308 898	105 308 898	-	105 308 898
Group's share in the Other comprehensive income in joint venture and associate entities' financial statements	-	-	-	-	-	-	-	-	-	5 356 607	5 356 607	-	5 356 607
Revaluation reserve of investments at fair value through OCI net of tax	-	-	-	7 917 857	-	-	-	-	-	-	7 917 857	-	7 917 857
Total Comprehensive Income	-	-	-	7 917 857	-	-	-	-	-	-	7 917 857	-	7 917 857
The company's shareholders transactions													
Transferred to legal reserve	-	-	-	-	11 133 187	-	-	-	-	(11 133 187)	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-	-	276 772 126	(276 772 126)	-	-	-
Dividends distributions	-	-	-	-	-	-	-	-	(203 786 520)	-	(203 786 520)	-	(203 786 520)
Group's share in the change in equity of associate entities	-	-	-	-	-	1 558 677	-	-	514 958	-	2 073 635	-	2 073 635
Treasury stocks sale	-	5 471 154	-	-	-	-	-	-	4 802 263	-	10 273 417	-	10 273 417
Total company's shareholders transactions	-	5 471 154	-	-	11 133 187	1 558 677	-	-	78 302 827	(287 905 313)	(191 439 489)	-	(191 439 489)
Balance as of December 31, 2021	800 122 080	-	(4 111 018)	197 138 855	273 545 045	-	(4 522 300)	17 294 856	632 637 893	105 308 898	2 017 414 309	-	2 017 414 309
Balance as of January 1, 2022	800 122 080	-	(4 111 018)	197 138 855	273 545 045	-	(4 522 300)	17 294 856	632 637 893	105 308 898	2 017 414 309	-	2 017 414 309
Items of other comprehensive income													
Net profit for the year	-	-	-	-	-	-	-	-	-	846 190 451	846 190 451	-	846 190 451
Group's share in the Other comprehensive income in joint venture and associate entities' financial statements	-	-	-	-	-	-	-	-	-	(16 205 057)	(16 205 057)	-	(16 205 057)
Revaluation reserve of investments at fair value through OCI net of tax	-	-	-	244 134 192	-	-	-	-	-	-	244 134 192	-	244 134 192
Total Comprehensive Income	-	-	-	244 134 192	-	-	-	-	-	-	244 134 192	-	244 134 192
The company's shareholders transactions													
Transferred to legal reserve	-	-	-	-	6 171 515	-	-	-	-	(6 171 515)	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-	-	99 137 383	(99 137 383)	-	-	-
The share of the group in the reserve for business combination of joint ventures	-	-	-	-	-	-	4 522 300	-	-	-	4 522 300	-	4 522 300
Impact of changing the accounting treatment of Ineqria from a joint venture to subsidiary	-	-	-	-	-	-	-	-	5 392 914	-	5 392 914	-	5 392 914
Closing the stock issuance reserve balance in the retained earnings	-	-	4 111 018	-	-	-	-	-	(4 111 018)	-	-	-	(4 111 018)
Minority interest share in dividends of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends distributions	-	-	-	-	-	-	-	-	(83 672 209)	-	(83 672 209)	-	(83 672 209)
Total company's shareholders transactions	-	-	4 111 018	-	6 171 515	-	4 522 300	-	16 747 071	(105 308 898)	(73 756 994)	(447 973 092)	(521 730 086)
Balance as of December 31, 2022	800 122 080	-	-	441 273 047	279 716 560	-	-	1 088 799	649 384 964	346 190 451	3 017 776 501	43 571 783	3 061 348 684

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

B Investments Holding "S.A.E."
Consolidated Statement of Cash Flows for the year ended December 31, 2022

	<u>Note</u>	<u>December 31, 2022</u> <u>EGP</u>	<u>December 31, 2021</u> <u>EGP</u>
<u>Cash flows from operating activities</u>			
Net profit for the year before income tax		1 811 481 357	127 287 466
<u>Adjustments to reconcile net profit to cash flows from operating activities</u>			
Group's share of profits of associates & joint venture entities using equity method		(24 580 372)	(57 489 499)
Reversal of Dividends income from investments at fair value through OCI		(26 853 298)	(20 201 805)
Refund of profits from the sale of investments		(1 376 429 792)	--
Tax expense on dividends income from investment in associates and joint venture entities using equity method		--	4 952 950
Reversal of acquisition expense		--	998 147
Provisions formed during the year		3 000 000	2 000 000
Depreciation of investment properties		1 738 537	1 779 005
Foreign currency exchange (Gain) / Loss		(477 987 278)	434 459
Credit interest - treasury bills		(36 776 241)	(57 798 430)
Credit interest		(27 525 208)	(13 845 346)
Expected credit losses		990 838	(56 451)
Provisions used		(1 888 846)	--
Operating (loss) before changes in working capital		(154 830 303)	(11 939 504)
Decrease in loans to associates entities and joint venture		20 460 549	10 984 434
Decrease in notes receivable		4 000 000	4 000 000
(Increase) in other debit balances		(21 241 141)	(8 368 967)
Decrease in due from related parties		--	1 997 200
Increase / (Decrease) in due to related parties		129 145 933	(16 976 254)
Increase in accounts payable and other credit balances		20 987 595	743 361
Income tax paid during the year		(5 989 550)	(31 685 909)
Proceeds from dividends income from investments at fair value through OCI		26 853 298	20 201 805
Proceeds from dividends income from associate and joint ventures entities		--	68 893 971
Net cash flows generated by operating activities		19 386 381	37 850 137
<u>Cash flows from investing activities</u>			
Proceeds from credit interest		29 267 363	33 302 471
(Payments) to acquire investments in joint ventures		(28 220 310)	(32 606 800)
Advance Payments for investments		--	(110 682 592)
Payments for investments in associates acquisition		(28 372 689)	--
(Payments) to acquire investment properties		(662 350)	(204 847)
Change in long term deposits		1 565 000	3 099 080
Receipts from the sale of investments in joint ventures		1 444 367 617	--
Proceeds/(payments) from sale and redemption of treasury bills		181 146 800	148 781 557
Net cash flows generated by investing activities		1 599 091 431	41 688 869
<u>Cash flows from financing activities</u>			
Proceeds from sale of treasury stocks		--	10 273 417
Dividends paid		(83 306 208)	(203 786 520)
Net cash flows (used in) financing activities		(83 306 208)	(193 513 103)
Net change in cash and cash equivalents during the year		1 535 171 604	(113 974 097)
Cash and cash equivalents at the beginning of the year		60 236 312	174 557 359
Effects of exchange rate changes on balances of cash held in foreign currencies		362 363 222	(346 950)
Cash and cash equivalents at the end of the year	(16)	1 957 771 138	60 236 312

Non-cash transaction:

Elimination of non-cash transactions is represented in the below:

* Elimination of change in revaluation reserve of investments at fair value through OCI amounted to EGP 244 134 192.

* Part of the income tax liability was settled as a deduction from the other debit balance amounted to EGP 6 456 879.

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

1. General information

B Investments Holding "S.A.E." (BPE Holding for Financial investments-formerly) "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 new Location is 24 Talaat Harb Street, Cinema Radio Building – 1st Floor - Cairo. Was registered in the company's the commercial register on July 15, 2020.

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 assemble meeting 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, 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.

2. Statement of compliance

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.

3. The basis for preparing the consolidated financial statements

The consolidated financial statements have been prepared according to the historical cost principle, except for the basis for revaluation of financial instruments that are measured at fair value or amortized cost. Historical cost is generally based on the fair value of the consideration received in exchange of assets.

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

Those estimates and associated assumptions are based on management historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates, therefore those estimates, and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods, if the revision affects both current and future periods.

In particular, information and estimates related to personal judgment and uncertainty in applying accounting policies that have a significant impact on the values of assets and liabilities included in the consolidated financial statements. The following are the most important items in which these estimates and personal judgment were used:

Assessing and determining basis of preparation

Management reviews its assumptions and judgments including those used to conclude on the extent of the Company's ability to control, jointly control, or exercise significant influence on its investees whenever a significant event or amendment to the conditions prevailing in its contractual agreements or changes in conditions associated with the preparation process of the financial statements.

Provisions and contingent liabilities

Management assess events and circumstances that might led to a commitment on the company's side resulting from performing its normal economic activities, management uses estimates and assumptions to assess whether the provision's recognition conditions have been met at the financial statement date, and analyze information to assess whether past events led to current liability against the company and estimates the future cash outflows and timing to settle this obligation in addition to selecting the method which enables the management to measure the value of the commitment reliably.

Impairment of financial assets

On a prospective basis, the company evaluates the expected credit losses for debt instruments measured at amortized cost and at fair value through other comprehensive income. The company measures the expected credit losses and recognizes a provision for credit loss at the date of preparing the financial reports. The measurement of credit losses reflects the expectation: (i) a weighted fair amount determined by evaluating a range of outcomes, (ii) the time value of money, and (iii) reasonable and supportive information that is available without incurring undue cost or effort at the end of each reporting period of preparation of financial reports about past events, current conditions, expectations and future conditions.

The company applies a three-stage model of impairment, based on changes in credit quality since the first recognition, the financial instrument that has not been decreased by impairment at the first recognition is classified in the first stage. The expected credit losses for financial assets in the first stage are measured at an amount equal to the portion of the expected credit losses over the life that results from default events that are possible within the next 12 months or until the contractual maturity date, if more (up to 12 months expected credit losses) if the company determines a significant increase in credit risk since the first recognition, the asset is transferred to the second stage and the expected credit losses are measured on the basis of the expected credit losses over the life, that is, until the contractual maturity date, but taking into account the expected advance payments, if any (expected credit losses over a lifetime).

For a description of how the company determines when a significant increase in credit risk will occur. If the company determines that a financial asset is credit-impaired, the asset is transferred to the third stage and the expected credit losses are measured as lifetime expected credit losses.

Impairment of non- financial assets

Non- financial assets are reviewed to determine whether there are any indications that the net carrying amount of these assets may not be recoverable and that they have suffered an impairment loss that needs to be recognized. In order to determine whether any such elements exist it is necessary to make subjective measurements, based on information obtained within the Company and in the market considering the past experience.

When indicators exist that an asset may have become impaired, the Company estimates the impairment loss using suitable valuation techniques. The identification of elements indicating that a potential impairment exists and estimates of the amount of the impairment, depend on factors that may vary in time, affecting management's assessments and estimates.

Recognition and measurement of current tax liabilities

The Company's profit is subject to income tax, which requires using of significant estimates to determine the total income tax liability. As determining the final tax liability for certain transactions could be difficult during the reporting period, the Company records current tax liabilities using its best estimate about the taxable treatment of these transactions and the possibility of incurring of additional tax charges that may result from tax inspections. When a difference arises between the final tax assessment and what has been recorded, such difference is recorded as an income tax expense and current tax liability in the current period and is considered as a change in accounting estimates. The following is a presentation of the most Significant accounting policies used in the preparation of the consolidated financial statements, noting that these policies have been applied consistently during the presented periods, including the comparative year:

5. Significant accounting policies

a. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to December 31 each year. Control is achieved when the Company

- Has power over the investee;
- Is exposed or has rights to variable returns from its involvement with the investee and

- Has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the particular ability to direct the relevant activities of the investee unilaterally. The company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power including

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Potential voting rights held by the Company, other vote holders or other parties
- Rights arising from other contractual arrangements and
- Any additional facts and circumstances that indicate that the Company has or does not have the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date of the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to the acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interest share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between the aggregate of the fair value of the consideration received and fair value of any retained interest and the previous carrying amount of the assets (including goodwill) less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary.

b. Business combination

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method unless the transaction does not constitute an acquisition in form or substance. Application of the purchase method involves the following steps:

- Identifying an acquirer,
- And measuring the cost of the business combination,
- And allocating, at the acquisition date, the cost of the combination to the assets acquired and liabilities and contingent liabilities assumed.

The cost of the business combination is measured as the aggregate of the fair values, at the (date of exchange), of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination.

The acquirer recognizes the acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under EAS (29) "Business Combination" at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with EAS (32) "Non-current Assets Held for Sale and Discontinued Operations", that are recognized and measured at fair value less costs to sell.

Goodwill arising on acquisition date is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognized immediately in the consolidated statement of profits and losses.

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

When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

A business combination agreement may allow for adjustments to the cost of the combination that are contingent on one or more future events. The Group usually estimates the amount of any such adjustment at the time of initially accounting for the combination, even though some uncertainty exists. If the future events do not occur or the estimate needs to be revised, the cost of the business combination is adjusted accordingly.

However, when a business combination agreement provides for such an adjustment, that adjustment is not included in the cost of the combination at the time of initially accounting for the combination if it either is not probable or cannot be measured reliably. If that adjustment subsequently becomes probable and can be measured reliably, the additional consideration shall be treated as an adjustment to the cost of the combination.

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

<u>Subsidiary</u>	<u>Country of Domicile</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
		<u>%</u>	<u>%</u>
B Healthcare Investments	Egypt	99.99	99.99
Inergia Technologies for Information Systems S.A.E	Egypt	68.04	--

c. Investments in associates and joint venture entities

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

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. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates and jointly controlled entities 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 and jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate / jointly controlled entity, less any impairment in the value of individual investments. Losses of an associate / jointly controlled entity in excess of the Group's interest in that associate/ jointly controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate / jointly controlled entity) 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 investor's share of the net fair value of the associate's / jointly controlled entity's identifiable assets, liabilities and contingent liabilities is accounted for in accordance with EAS (29) Business Combination, therefore:

1. 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 investment 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.

2. Any excess of the group's share of the net fair value of the investee'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 investee'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 and jointly controlled entities:

	<u>Country of Domicile</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Associates</u>		<u>Ownership %</u>	<u>Ownership %</u>
Al Retail For Trade and Investment	Egypt	22.79	22.79
Madinet Nasr for Housing and Development S.A.E "MNHD"	Egypt	7.51	7.51
Infinity Solar 1 B.V.	Netherland	24.6	24.6
Infinity Solar 2 B.V.	Netherland	17.5	17.5
Infinity Solar 3 B.V.	Netherland	17.5	17.5
<u>Joint venture entities</u>			
Inergia Technologies for Information S.A.E. "Inergia" *	Egypt	--	68.04
Red Sea venture for Solar Energy	Egypt	49.50	49.50
Giza Systems Company S.A.E.*	Egypt	--	44.71
Ebtikar Holding for Financial Investments	Egypt	16.45	16.45
Basata Financial Holding	Egypt	20.30	20.25
Gourmet Egypt.com Foods S.A.E (Gourmet)	Egypt	52.90	52.90

* On September 29, 2022, B investments holding, and the management parties of Giza systems S.A.E. (contracting parties) have terminated the previous shareholders agreement dated September 27, 2006, throughout which the contracting parties had joint control over Giza systems S.A.E. and based on that, the investment in Inergia Technologies for Information Systems S.A.E. has been reclassified from a joint venture to a subsidiary.

d. Investments measured at fair value through other comprehensive income

Investments measured at fair value through other comprehensive income are initially recognized, at acquisition, at fair value plus transaction costs which include fees and commissions paid to agents, advisors, brokers and dealers, taxes levied by regulatory agencies and securities exchanges, and transfer taxes and duties.

After initial recognition, these investments are subsequently measured at fair value with gains or losses resulting from fair value measurement recognized directly in equity, until the investment is derecognized, upon disposal of the investment, the accumulated profits or losses are not reclassified to profits or losses.

e. Goodwill

Goodwill arising on the acquisition of a subsidiary 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.

If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. This applies as well on investments in associates, where goodwill is included within the carrying amount of the investment.

The Group's policy for goodwill arising on the acquisition of an associate / jointly controlled entity is described above at "Investments in associates and jointly controlled entities".

f. Investment properties

Investment properties are properties held to earn rentals and or for capital appreciation. Investment properties are measured initially at cost including transaction costs and are subsequent to the initial recognition reported in the balance sheet at historical cost, less any accumulated depreciation and impairment losses.

Gain or loss on de-recognition is calculated as the difference between the net disposal proceeds and the carrying amount of the asset.

Investment property, except for land, is depreciated using the straight-line method, depreciation is charged to the consolidated statement of profits and losses over the useful life of each investment property.

The following are estimated useful lives for investment properties that are used to calculate depreciation:

<u>Description</u>	<u>Lifetime by years</u>	<u>Depreciation Rate</u>
Buildings	50	2%
Fittings and contracting works	20	5%

g. Cash and cash equivalents

Cash and cash equivalents are comprised of cash at banks, short-term demand deposits with maturities less than three months that are readily convertible to specified amounts of cash.

h. Consolidated statement of Cash flows

The consolidated statement of cash flows is prepared applying the indirect method.

i. Foreign currency translation

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency).

For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Egyptian pound, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than EGP are recorded at the rates of exchange prevailing at the dates of the transactions.

At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are retranslated to EGP at the rates prevailing at the balance sheet date.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise, except for exchange differences arising on non-monetary assets and liabilities carried at fair value, where translation differences are recognized as part of changes in fair value.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign and local subsidiaries whose reporting currencies are different from the presentation currency of the Group (EGP), are expressed in EGP using exchange rates prevailing at the balance sheet date, equity items are expressed in EGP using the historical exchange rates at the date of acquisition or incorporation. Income and expense items are translated at the average exchange rates for the year.

Exchange differences arising, if any, are classified as equity and recognized in the Group's foreign currency translation reserve.

j. Revenue recognition and measurement

The Company's revenue represented below:

- Dividend income from investments

Dividend income from investments is recognized at a point in time when the shareholders' right to pay these dividends at the fair value of the consideration received or still owed to the company is issued.

- Interest income

Interest income is recognized according to the accrual principle on the basis of a time proportional distribution, taking into account the principal outstanding and the interest rate applied over the period to the maturity date.

k. 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, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its 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 profit or loss as finance costs.

l. Taxation

A provision for potential tax claims is generally recognized based on management comprehensive study for prior years' tax assessments and disputes.

Deferred tax assets and liabilities are recognized on temporary differences between the assets and liabilities tax basis set by the Egyptian Tax Law and its executive regulations, and their reported amounts per the accounting principles used in the preparation of the consolidated financial statements.

Accordingly, during each reporting period, an estimated income tax expense is recognized in the profit or loss that represents the sum of the tax currently payable and deferred tax with actual income tax expense recognized at year-end.

Current tax payable is calculated based on taxable profit of the year as determined in accordance with applicable local laws and regulations using tax rates enacted by the balance sheet date. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized, based on tax rates and tax laws that have been enacted by the balance sheet date.

Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity unless those related items recognized in equity have affected taxable profit and calculation of current tax expense for the year, then the related deferred tax is recognized in the consolidated statement of profits and losses.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are accounted for using the balance sheet liability method and are reported in the balance sheet as non-current assets and liabilities.

m. Dividends

Dividends declared to the shareholders and Board of Directors are recognized as a liability in the financial statements in the year in which these dividends have been approved by the Company's shareholders.

n. Earnings per Share

Basic and diluted earnings per share are calculated based on dividing the profit or loss, according to the financial statements (net of employees statutory profit share and board of directors profit share, if any), attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year.

o. Impairment of non-financial assets

At each balance sheet date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The company considers each investment, whether a jointly controlled entity, or associate, as a single cash generating unit.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and those not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent the revised estimate does not exceed what the carrying amount would have been determined had the impairment loss not been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the consolidated statement of profits and losses.

p. Financial instruments

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

Financial assets are recognized and derecognized on the "trade date" where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: investment in treasury bills, cash at banks, due from related parties, credit facilities to related parties, and certain items within other debit balances. The classification depends on the nature and purpose of the financial asset and is determined at the time of initial recognition.

A. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt investments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The subsequent measurement of all other financial assets is measured by fair value.

B. Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period. The return on all debt instruments is recognized on an effective interest basis except as a financial asset at fair value through profit or loss where the yield is included in the net change in fair value.

C. Financial assets at fair value through other comprehensive income (FVTOCI)

On initial recognition, the company can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the investments.

The company has designated all investments in equity instruments, that are not held for trading, as at FVTOCI on initial application of EAS No. (47).

Dividends on these investments in equity instruments are recognized in profit or loss when the company's right to receive the dividends is established based upon the Egyptian Accounting Standard No. (48) "Revenue from contracts with customers". Dividends earned are recognized in profit or loss and are included in the "Dividends income from investments" line item.

D. Financial assets at fair value through profit and loss (FVTPL)

Investments in equity instruments are classified as FVTPL unless the Company classifies the investment as FVTOCI upon initial recognition as FVTOCI.

Debt instruments - which do not meet the conditions of amortized cost - are measured at fair value through profit or loss, and debt instruments that meet the conditions of amortized cost - however the company chooses to classify them at fair value through profit or loss - are also measured at fair value through profits or losses. A debt instrument may be classified upon initial recognition at fair value through profit or loss if that classification eliminates or significantly reduces a measurement or recognition inconsistency that may arise from the use of different bases in measuring assets or liabilities or in recognizing the resulting gains or losses. The company has not classified any debt instrument at fair value through profit or loss.

Debt instruments are reclassified from the "amortized cost" classification to the "fair value through profit or loss" classification when the business model is changed such that the amortized cost terms are no longer applicable. It is not allowed to reclassify debt instruments that are classified upon initial recognition at fair value through profit or loss outside that classification.

Financial assets classified at fair value through profit or loss are measured at fair value at the end of each financial period, with any gain or loss resulting from re-measurement recognized in profit or loss. The net gain or loss - recognized in profit or loss for the period - is included in "other gains and losses" in the condensed statement of comprehensive income.

The value is determined and the interest income from debt instruments classified at fair value through profit or loss is included in the net profit or loss referred to above.

Income from dividends resulting from investments in equity instruments classified at fair value through profit or loss is recognized in profit or loss when the company has the right to receive dividends in accordance with Egyptian Accounting Standard No. (48) "Revenue from contracts with customers", and that income is included within the net profit or loss referred to above.

q. Impairment of financial assets

On a prospective basis, the company evaluates the expected credit losses for debt instruments measured at amortized cost and at fair value through other comprehensive income. The company measures the expected credit losses and recognizes a provision for credit loss at the date of preparing the financial reports. The measurement of credit losses reflects the expectation: (i) a weighted fair amount determined by evaluating a range of outcomes, (ii) the time value of money, and (iii) reasonable and supportive information that is available without incurring undue cost or effort at the end of each reporting period of preparation of financial reports about past events, current conditions, expectations and future conditions.

The company applies a three-stage model of impairment, based on changes in credit quality since the first recognition, the financial instrument that has not been decreased by impairment at the first recognition is classified in the first stage. The expected credit losses for financial assets in the first stage are measured at an amount equal to the portion of the expected credit losses over the life that results from default events that are possible within the next 12 months or until the contractual maturity date, if more (up to 12 months expected credit losses) if the company determines a significant increase in credit risk since the first recognition, the asset is transferred to the second stage and the expected credit losses are measured on the basis of the expected credit losses over the life, that is, until the contractual maturity date, but taking into account the expected advance payments, if any (expected credit losses over a lifetime).

For a description of how the company determines when a significant increase in credit risk will occur. If the company determines that a financial asset is credit-impaired, the asset is transferred to the third stage and the expected credit losses are measured as lifetime expected credit losses.

r. Derecognition of financial assets

The group derecognizes the financial asset from its books - only - when its contractual rights to the cash flows from the asset expire, or when the company transfers the financial asset and all the risks and benefits associated with its ownership to another entity to a large extent.

If it turns out that the company has neither transferred nor retained substantially all of the risks and benefits associated with ownership of the asset and continues to control the transferred asset, then the company will recognize the right it held in the asset and with a corresponding liability representing the amounts that may have to be paid. If it turns out that the company retains to a large extent all the risks and benefits of ownership of the transferred financial asset, then the company continues to recognize the financial asset, provided that it also recognizes the gains it received as an amount borrowed as a security for that asset.

When a financial asset carried at amortized cost is removed from the books, then the difference between the carrying amount of the asset and the sum of the consideration received and the consideration still accrued is recognized in profit or loss.

Financial liabilities and equity instruments

a. Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

The instrument is an equity instrument if, and only if, both conditions (a) and (b) below are met:

a) The instrument includes no contractual obligation:

- i. to deliver cash or another financial asset to another entity; or
- ii. to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the issuer.

b) If the instrument will or may be settled in the issuer's own equity instruments, it is:

- i. a non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments; or
- ii. a derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Equity instruments issued by the company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method.

A financial liability is classified as current liability when it satisfies any of the following criteria:

- It is expected to be settled in the entity's normal operating cycle
- It is held primarily for the purposes of trading;
- It is due to be settled within twelve months after the reporting period;
- The entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other financial liabilities are classified as non-current.

d. Derecognition of financial liabilities

The company derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

6. Investments in associates using equity method

<u>Company Name</u>	<u>No. of Shares</u>	<u>Ownership %</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
			<u>EGP</u>	<u>EGP</u>
AI Retail for Trade and Investment (6-1)	727 526	22.79%	446 893	409 058
Madinet Nasr for Housing and Development "MNHD" (6-2)	157 751 540	7.51%	488 631 625	414 114 563
Infinity Solar 1 B.V (6-3)	246	24.6%	--	--
Infinity Solar 2 B.V (6-3)	175	17.5%	--	--
Infinity Solar 3 B.V (6-3)	175	17.5%	--	--
			489 078 518	414 523 621

(6-1) AI Retail for Trade and Investment

The group's recognized share of profit amounted to EGP 37 835 in the consolidated statement of profit or loss (December 31, 2021: share of profit amounted to EGP 31 306) - Note (29).

(6-2) Madinet Nasr for Housing and Development "MNHD"

On December 13, 2021, the extraordinary general assembly of Madinet Nasr for Housing and Development S.A.E. has approved the company's cash capital increase for the old shareholders at par value, and the subscription was closed on March 29, 2022, after completing the subscription in the cash capital increase in full. The share of B Investments from that increase amounted to EGP 28 372 689, and This was registered in the investee's commercial register on May 29, 2022. Investment in Madinet Nasr for Housing and Development (MNHD) was classified as investments in associates as the Company has significant influence over MNHD through its direct stake and the stake owned by BIG Investments Group B.V.I Co. (related party) which holds a stake of 19.93% of the total shares of MNHD, therefore both companies own collectively 27.44% of MNHD's shares, and that have been done after taking into considerations that both BIG Investment Group B-V-I and B Investments Holding are being managed by a management contract (solo) between both companies and BPE Partners S.A.E.

The group's recognized share of profit amounted to EGP 45 924 997 in the consolidated statement of profit or loss (December 31, 2021: share of profit amounted to EGP 18 209 735) - note (29). The group's share in the effect resulting from the profits of other comprehensive income items amounted to 219 243 EGP.

(6-3) Infinity Solar (1, 2 & 3) B.V.

In partnership with Infinity Solar Energy and Ib Vogt, the Company invested in three solar power generation plants located in Ben Ban, Egypt with a total capacity of 130 MW. The investment is financed through equity and debt from international development finance institutions including the European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC) and the shareholders of the solar energy companies.

Additionally, these solar projects are part of the second round of the Ministry of Electricity's Feed-in Tariff (FIT) program to encourage the development of renewable energy resources in the country as well as private sector involvement in energy generation.

The shareholders' agreements signed by the Company and other shareholders regulate the operation and management of the solar companies and the relationship between shareholders. The terms of shareholders' agreements entitle the company to exercise significant influence over the solar entities' through participation in the financial and operating policy decisions of the investees and accordingly are accounted for as investments in associates.

The shareholders' agreements provide that the planned investment period will be four years starting from the commercial operation date of the solar plants where the company will exit the investments through sale, otherwise the company will have the option to put all of its shares in the solar entities after the elapse of the mentioned four years' period, the option will be excisable at any time during a period of 2.5 years.

The company subscribed for shares in the capital of the solar entities, each share capital has par value of USD 1. The issued shares are not paid and are only payable on the call of each investee. Each solar entity is a private company with limited liability incorporated under the laws of the Netherlands, and each solar entity ultimately invests in a joint stock company that undertake the solar power generation related activities in Egypt.

The finance (Loans) made by the Company to the three solar entities, which takes the form of shareholders loans, reached USD 6.65 million equivalent to EGPM 164.28 at December 31, 2022 - Note (10).

The group's share in the value of the losses of Infinity Solar B-V 1, 2 and 3 has not been recognized, as the losses are recognized within the limits of the book value of the investment of zero EGP at the end of 2022, and the company's share in the losses during the year that have not been recognized amounted to 34 498 522 EGP, 54 989 360 EGP and 551 531 EGP, respectively.

Summarized financial information in respect of the Group's material associates of December 31, 2022 is set out below.

The summarized financial information below represents amounts in associates' financial statements prepared as of December 31, 2022 in accordance with EAS.

EGP 000'	Total Assets	Total Equity	Total Revenue	Profit (Loss)
MNHD	13 982 963	4 898 469	5 336 202	736 739

7. Investments in joint ventures using equity method

	<u>No. of Shares</u>	<u>Ownership %</u>	<u>December 31, 2022 EGP</u>	<u>December 31, 2021 EGP</u>
Inergia Technologies for Information Systems "Inergia" (7-1)	5 532 124	68.04	--	263 256 699
Red Sea Venture for Solar Power (7-2)	7 425	49.5	5 727 150	5 727 150
Ebtikar Holding for Financial Investments (7-3)	168 600 600	16.45	110 112 671	115 248 630
Gourmet Egypt .com Foods (7-4)	4 316 572	52.9	83 165 071	112 472 756
Basata Financial Holding S.A.E. (7-5)	896 555	20.3	98 689 919	73 984 141
Egyptian IVF Center S.A.E. (7-6)	1 873 291	51	137 951 771	--
<u>Deduct:</u> Impairment in investments (Red Sea Venture for Solar Energy)			(5 727 150)	(5 727 150)
			<u>429 919 432</u>	<u>564 962 226</u>

(7-1) Inergia Technologies for Information Systems "Inergia"

On September 11, 2022, the GAM of Inergia Technologies agreed on selling all or part of the shares owned in Giza systems, and also approved the execution of related parties contracts with the shareholders and the board of directors members for the sale of (819 244 share) from the company's shares in Giza Systems capital by USD 13.235 per share.

After obtaining all the necessary approvals from the concerned authorities for the completion of the acquisition process, and as per the shareholders agreement and the undertaking deed letter, Inergia Technologies for Information Systems has lost control over Giza Systems company on September 30, 2022.

On September 29, 2022, B investments holding, and the management parties of Giza systems S.A.E. (contracting parties) have terminated the previous shareholders agreement dated September 27, 2006, throughout which the contracting parties had joint control over Giza systems S.A.E. and based on that, the investment in Inergia Technologies for Information Systems S.A.E. has been reclassified from a joint venture to a subsidiary.

On October 3, 2022, the ownership of the shares was transferred, as Inergia Technologies for Information Systems sold 5 095 071 shares, 348 899 shares, 353 274 shares, 46 571 shares, and 70 500 shares to each of the Saudi Internet and Communications Services Company and Mr. Mohamed Shehab El Din Mohamed Atef Nawawi, Mr. Hazem Ahmed Abdel Fattah Maharem, Mr. Mohamed Sedik Hussein, and Mr. Ossama Mahmoud Sorrou, respectively, at a price of 13.235 US dollars per share.

According to the purchase agreement, the final sale price is calculated on the actual numbers of Giza Systems on September 30, 2022. Accordingly, the final price was recalculated to become 14.2705 US dollars per share.

(7-2) Red sea venture for solar energy

Investment in Red Sea Venture for Solar Energy "S.A.E" is recognized as a jointly controlled entity based on the preliminary agreement between the company and the other shareholders which provide that the decision making process will be jointly made by the parties to the agreement. The company recognized impairment for the amount of investment as a result of the cessation of the investee's business activities.

(7-3) Ebtikar Holding for Financial Investments

On June 12, 2017 the company subscribed in the capital of Ebtikar Holding for Financial Investments. As per the article of association. The company, management company and others hold 50% of Ebtikar Holding for Financial Investment's capital and the management company holds (representing itself and its managed entities) 50% of votes at board meetings.

On December 16, 2020, the board members of Ebtikar Holding for Financial Investment have approved a capital increase of EGPM 26 where B Investments Holding's share in this increase has reached an amount of EGP 5 265 400. This was registered in the investee's commercial register on February 7,2021.

During May 2021, a deed of assignment was signed between Ebtikar Holding for Financial Investment (Seller) and Basata Financial Holding S.A.E. (Buyer) with portion of the credit balance arising from restructuring of Ebtikar Holding for Financial Investment owned shares in Tamweel Holding for Investment S.A.E., Tamweel Group of Companies and Basata for Microfinance S.A.E (previously Vitas Misr) to Basata Financial Holding S.A.E. where part of its credit balance will be transferred to Ebtikar Holding for Financial Investment's shareholders. Accordingly, Ebtikar Holding for Financial Investment transferred part of its rights in Basata Financial Holding S.A.E. by an amount of EGP 192 700 000 to Ebtikar Holding for Financial Investment's shareholders with Basata Financial Holding S.A.E. acceptance of the transfer and of its commitment to fulfill the aforementioned amount to the shareholders upon request where the share of B Investments Holding amounted to EGP 39 024 400.

On May 26, 2021, the extraordinary general assembly meeting of Ebtikar Holding for Financial Investment approved the capital decrease by an amount of EGP 192 700 000 where B Investments Holding's share in this decrease reached an amount of EGP 39 024 400. This was registered in the investee's commercial register on July 13,2021.

On October 24, 2021, the extraordinary general assembly meeting of Ebtikar Holding for Financial Investment approved the dilution of the par value per share to be 0.5 Egyptian piasters instead of EGP 100 where Ebtikar Holding for Financial Investment number of shares will be 1 024 818 200 shares. The number of B Investments Holding's owned shares after this amendment reached 168 600 600 shares. This was registered in the investee's commercial register on November 22,2021. The group's recognized share of loss amounted to EGP 5 135 959 in the consolidated statement of profit or loss (December 31, 2021: share of loss amounted to EGP 2 488 717) Note-(29).

(7-4) Gourmet Egypt.Com Foods

During September 2018, the Company signed a shareholder's agreement for acquiring shares in the capital of Gourmet Egypt S.A.E., the acquisition was completed during October 2018, the company holds 52.9% of Gourmet's share capital, the terms of shareholders agreement of Gourmet provide the contracting parties have joint control over Gourmet. Acquisition cost reached an amount of EGPM 126.3 by the end of 2018 that included an amount of EGPM 33.7 recorded as credit balance to shareholders in Gourmet's books until the completion of the capital increase procedures of the investee.

On July 10, 2020, the company and the shareholders of Gourmet Egypt.com foods S.A.E "Gourmet" signed an appendix to the shareholders' agreement signed on September 18, 2018, according to which some of the terms of that agreement related to the acquisition of B Investments Holding Company (an Egyptian joint stock company) are amended share in the capital of Gourmet Egypt.com foods S.A.E "Gourmet" which is related to capitalizing the credit balance of the company in the books of Gourmet Egypt.com "Gourmet" in light of the targeted business results of Gourmet Egypt.com foods Company "Gourmet".

On May 6, 2021, the board members of Gourmet Egypt.com foods have approved a capital increase by an amount of EGP 11 234 610 where this increase was registered in Gourmet Egypt.com foods commercial register on June 27,2021.

On June 19, 2022, the board members of Gourmet Egypt.com foods have approved a capital increase by an amount of EGP 11 234 610 where B Investments Holding's share in this increase amount to EGP 5 943 110, where this increase was registered in Gourmet Egypt.com foods commercial register on July 3,2022.

The group's recognized share of loss amounted to EGP 34 167 333 in the consolidated statement of profit or loss (December 31, 2021: share of loss amounted to EGP 21 574 637) – note (29).

(7-5) Basata Financial Holding

On July 17, 2020, the company invested in the capital of Basata Financial Holding S.A.E. As per the memorandum of association. The company, the management company and others own 50% of the capital of Basata Financial Holding S.A.E. the management company holds (representing itself and its managed entities) 50% of votes at board meetings.

On January 26, 2021, the board members of Basata Financial Holding S.A.E. have approved a capital increase by an amount of EGPM 55, where B Investments Holding's share in this increase has reached an amount of EGP 11 139 100. This was registered in the investee's commercial register on February 10,2021.

On May 5, 2021, the board members of Basata Financial Holding S.A.E. have approved a capital increase by an amount of EGPM 80, where B Investments Holding's share in this increase has reached an amount of EGP 16 202 300. This was registered in the investee's commercial register on July 26,2021.

On September 28, 2021, the extraordinary general assembly meeting of Basata Financial Holding S.A.E. approved a capital increase by an amount of EGP 192 700 000 where B Investments Holding's share in this increase has reached an amount of EGP 39 024 400. This was registered in the investee's commercial register on December 29,2021.

On January 12, 2022, the Board of members of Basata Financial Holding S.A.E have approved a capital increase by an amount of EGPM 50, where B Investments Holding's share in this increase has reached an amount of an amount of EGP 10 126 000, this was registered in the investee's commercial register on January 19, 2022.

On June 22, 2022, the Board of members of Basata Financial Holding S.A.E have approved a capital increase by an amount of EGP 59 023 300, where B Investments Holding's share in this increase has reached an amount to EGP 12 151 200, and This was registered in the investee's commercial register on September 6, 2022.

The group's recognized share of profit amounted to EGP 6 292 905 in the consolidated statement of profit or loss (December 31, 2021: share of profit amounted to EGP 645 707) – note (29). The group's share in the effect resulting from the losses of other comprehensive income items amounted to 3 864 327 EGP.

(7-6) Egyptian IVF Center S.A.E.

On June 28, 2022, B Healthcare Investment Company (a subsidiary) acquired 51% of the ownership rights of the Egyptian IVF Center S.A.E. With a total amount of 111 323 844 EGP and transferred to investments in joint ventures.

On July 7, 2022, the Board of members of the Egyptian IVF center Company S.A.E have approved a capital increase by an amount of 15 000 000 EGP, where B Investments Holding's share in this increase has reached an amount of 15 000 000 EGP, and this was registered in the investee's commercial register on November 3, 2022.

The group's recognized share of profit amounted to EGP 11 627 927 in the consolidated statement of profit or loss - note (29).

8. Investments at fair value through OCI

<u>Name of Company</u>	<u>No. of Shares</u>	<u>Ownership %</u>	<u>December 31, 2022 EGP</u>	<u>December 31, 2021 EGP</u>
Total Egypt LLC "Total" - Cost*	330 248	6.375%	113 009 935	113 009 935
<u>Add:</u> Valuation of remaining Quotas **			569 384 577	268 562 788
			<u>682 394 512</u>	<u>381 572 723</u>

The following is the movement of the revaluation reserve of investments at fair value through OCI during the year:

<u>Description</u>	<u>December 31, 2022 EGP</u>	<u>December 31, 2021 EGP</u>
Balance at the beginning of year	197 138 855	189 220 998
Differences in valuation of investments at fair value through OCI	300 821 789	11 657 255
Deferred tax arising from Differences in valuation of investments at fair value through OCI (Note 24)	(56 687 597)	(3 739 398)
Total charged to consolidated statement of comprehensive income	244 134 192	7 917 857
Balance at end of year	<u>441 273 047</u>	<u>197 138 855</u>

* Pursuant to the shareholders' agreement signed in 2013 with Total O M" parent Company of Total Egypt ", the Company invested EGP 141 262 077 in Total, and accounts for its investment at fair value through OCI. The Company's share in Total was 13.01% as of December 31, 2013. During 2014, Total called for a capital increase and the Company did not subscribe in this capital increase, which diluted the Company's interest from 13.01% to 7.97%. The commercial register of Total has been amended to reflect the capital increase on September 24, 2014. Additionally, the shareholders' agreement signed in 2013 between the Company and Total O M "parent company of Total Egypt" stipulates that the Company has a put option to sell all or part of the shares owned to Total O M, the put option is exercisable starting from the sixth year until the thirteenth year from the date of signing the shareholders' agreement. In return, (Total O M) has the option to call all of the shares owned by the Company starting from the eighth year until the thirteenth year from the date of signing the shareholders' agreement.

On December 24, 2020, the Company sold 20% of its share in Total Egypt which is equal to 1.6% of the Company's total Quotas, and accordingly, its ownership percentage has become 6.375%.

** The Company's management reached to an appropriate method for measuring the fair value of the investment in Total Egypt LLC "Total" on December 31, 2022, based on the exercising of the put option signed between B Investments Holding Company and Total Energies Marketing Afrique SAS (TEMA), as on February 6, 2023, B Investments Holding Company executed the final sale of its entire share in Total Energies Marketing Egypt LLC (TE) of 6.375% to Total Energies Marketing Afrique SAS (TEMA) with a total amount of USD 27.6 million. In addition to an additional amount of about USD 2.2 million, in the event that some of the conditions of the TEMA deal with ADNOC Distribution Company "ADNOC" are met, this additional amount was collected before the consolidated financial statements were issued Note (36), Accordingly, the investment in Total Egypt as of December 31, 2022 has been reclassified to be financial non-current assets held for sale.

9. Investment properties (net)

	<u>Maadi Administration Building</u>		<u>Total</u>
	<u>EGP</u>		<u>EGP</u>
<u>Cost</u>	<u>Land</u>	<u>Building</u>	
As of January 1, 2021	57 922 825	38 360 184	96 283 009
Disposals during the year	--	204 847	204 847
As of December 31, 2021	57 922 825	38 565 031	96 487 856
As of January 1, 2022	57 922 825	38 565 031	96 487 856
Additions during the year	--	662 350	662 350
As of December 31, 2022	57 922 825	39 227 381	97 150 206
<u>Accumulated depreciation</u>			
As of January 1, 2021	--	2 986 897	2 986 897
Depreciation during the year	--	1 779 005	1 779 005
As of December 31, 2021	--	4 765 902	4 765 902
As of January 1, 2022	--	4 765 902	4 765 902
Depreciation during the year	--	1 738 537	1 738 537
As of December 31, 2022	--	6 504 439	6 504 439
Net book value as of December 31, 2022	57 922 825	32 722 942	90 645 767
Net book value as of December 31, 2021	57 922 825	33 799 129	91 721 954

The Company leased the first floor of the administrative building in Maadi to Daikin Egypt for air-conditioners for operating lease after completing the decoration and utility connection works, in return for a monthly rent of 325 000 EGP for the first year, 341 250 EGP for the second year and 27 563 USD for the third year and the building was delivered from the first of November 2019.

Also, the Company leased the ground floor and mezzanine in the administrative building in Maadi to the National Bank of Egypt as operating lease where the lease rent will be computed in the successive month following the completion of utilities instalments with a monthly rent of 231 150 EGP with an annual cumulative increase of 10% starting from the second year for a period of nine years starting from November 2021.

These properties were registered under the Company's name in the Real Estate Registration Authority where the fair value of the real estate investments was measured at an amount of EGP 97 785 900 as of December 31, 2022 based on the valuation expert report. (2021: EGP 95 081 410).

10. Loans to associates

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Infinity Solar 1 B.V.	48 102 267	32 696 342
Infinity Solar 2 B.V.	82 112 824	56 731 029
Infinity Solar 3 B.V.	35 130 939	22 259 077
<u>Deduct:</u> Expected credit losses	<u>(1 063 435)</u>	<u>(241 303)</u>
	<u>164 282 595</u>	<u>111 445 145</u>

On December 31, 2017, the Company signed shareholder loan agreements with its investees, the solar entities as disclosed in Note 6. The loans were made pursuant to the shareholders' agreements governing the Company's investments in the solar entities. The Company's funding to its investees is in the form of shareholder loans that will be repaid, from the operation of the solar plants' projects undertaken in Egypt by the investees of the solar entities, during the investment period and on the Company's exit from the investments if sale or exercise of the put options occur before full repayment.

On December 1, 2022, the company amended some provisions of shareholder loan agreements with its investees and the solar entities, previously signed on December 31, 2017, whereby the interest rate was modified to become 9.5% annually for each of Infinity Solar (1) B.V. and Infinity Solar (2) B.V. and with an interest rate of 5.57% for Infinity Solar (3) B.V. And not capitalizing unpaid interest to the principal of the loan, starting from January 1, 2022.

Total loan amount as of December 31, 2022 reached USD 6.65M equivalent to EGPM 164.28.

11. Loans to joint ventures

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Current portion from loan to joint ventures	13 282 742	24 772 315
<u>Deduct:</u> Expected credit losses	<u>(59 696)</u>	<u>(64 907)</u>
	<u>13 223 046</u>	<u>24 707 408</u>

On July 10, 2020, the company and the shareholders of Gourmet Egypt.com S.A.E "Gourmet" signed an appendix to the shareholders' agreement signed on September 18, 2018, according to which some of the terms of that agreement related to B Investments Holding Company (an Egyptian joint Stock company) acquisition of share in the capital of Gourmet Egypt.com S.A.E "Gourmet" were amended which is related to capitalizing the credit balance of the company in the books of Gourmet Egypt.com "Gourmet" in light of the targeted business results of Gourmet Egypt.com Company "Gourmet".

12. Notes receivable (net)

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Current notes receivable	3 000 000	3 000 000
Deduct: Present value of the current portion	(812 203)	(549 668)
Deduct: Expected credit losses	(7 433)	(3 272)
Short term notes receivable – Net	2 180 364	2 447 060
Non-current portion of notes receivable	9 000 000	12 000 000
Deduct: Present value of the non-current portion	(3 746 913)	(4 559 117)
Deduct: Expected credit losses	(17 545)	(9 340)
Long term notes receivable – Net	5 235 542	7 431 543

13. Due from related parties (net)

	<u>Relationship nature</u>	<u>Account nature</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
			<u>EGP</u>	<u>EGP</u>
Red Sea venture for Solar Energy	Joint venture	Current account	1 261 101	1 150 528
Mr. Mohamed Shehab El Din Mohamed Atef Nawawi	Shareholder in a subsidiary company	Current account	123 544 928	--
Mr. Hazem Ahmed Abdel Fattah Maharem	Shareholder in a subsidiary company	Current account	125 093 242	--
Mr. Mohamed Sedik Hussein	Shareholder in a subsidiary company	Current account	16 498 237	--
Mr. Ossama Mahmoud Sorrou	Shareholder in a subsidiary company	Current account	24 975 321	--
Deduct: Expected credit losses			(1 261 101)	(1 150 528)
			290 111 728	--

14. Other debit balances (net)

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Deposits held with others	46 795	46 795
Accrued interest	16 205 240	3 902
Accrued rental income	2 804 500	2 804 500
Prepaid expenses	153 367	148 105
Withholding tax receivable	200 670	131 277
Withholding tax on treasury bills	3 862 494	6 325 602
Advance payment to tax authority	1 197 300	400 000
Advance payment to suppliers	489 734	363 932
Other debit balances	443 750	394 476
Deduct: Expected credit losses	(2 861 950)	(2 807 671)
	22 541 900	7 810 918

15. Treasury bills (net)

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Treasury bills – with maturities more than 3 months	160 975 000	342 200 000
Treasury bills – with maturities less than 3 months	107 000 000	--
Deduct: unrealized interest	(2 620 831)	(4 337 700)
Deduct: Expected credit losses	(6 493)	(11 112)
	<u>265 347 676</u>	<u>337 851 188</u>

The balance represents treasury bills bought from private banks with an average interest rate during 2022 of 13.97%.

16. Cash at banks

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Current accounts - local currency	23 326 093	47 813 001
Current accounts - foreign currencies	1 829 284 303	12 430 632
Time deposits at banks - foreign currencies	--	1 565 000
Deduct: Expected credit losses	(8 638)	(7 321)
	<u>1 852 601 758</u>	<u>61 801 312</u>

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Cash at banks	1 852 601 758	61 801 312
Add: Treasury bills – with maturities less than 3 months	105 169 380	--
Deduct: Deposit more than 3 months	--	(1 565 000)
	<u>1 957 771 138</u>	<u>60 236 312</u>

17. Due to related parties

	<u>Relationship nature</u>	<u>Account nature</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
			<u>EGP</u>	<u>EGP</u>
BPE Partners S.A.E.	Management company	Management fees	4 699 952	4 691 395
		Incentive fees *	129 137 376	--
			<u>133 837 328</u>	<u>4 691 395</u>

* Represents incentive fees of BPE Partners S.A.E. (Management Company) for executing the sale of shares owned by the company in Giza Systems Company. Notes (7) and (28).

18. Accounts payable and other credit balances

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Accounts payable	119 051	82 406
Accrued expenses	27 789 655	2 953 971
Withholding tax	141 042	161 721
Prepaid rent	682 607	434 883
Rent insurance	1 235 000	782 500
Dividends Payable	477 331 066	469 638
Others	3 074	50 854
	<u>507 301 495</u>	<u>4 935 973</u>

19. Provisions

	<u>December 31,</u>	<u>Formed during</u>	<u>Used during</u>	<u>December 31, 2022</u>
	<u>2021</u>	<u>the year</u>	<u>the year</u>	
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Provision for claims	4 040 651	3 000 000	(1 888 846)	5 151 805
	<u>4 040 651</u>	<u>3 000 000</u>	<u>(1 888 846)</u>	<u>5 151 805</u>

Provision balance is related to claims from external parties arising from the ordinary course of business. Management reviews these provisions on quarterly basis and revise the amounts based on the latest developments, or negotiations or agreements reached with claiming parties.

20. Impairment in financial and non-financial assets

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Impairment in joint venture investment entities	5 727 150	5 727 150
Impairment in associate investment entities	7 273 507	7 273 507
Expected credit losses	5 286 292	4 295 454
	<u>18 286 949</u>	<u>17 296 111</u>

21. Capital

The Company's authorized capital amounted to EGP 2.4 billion, and the issued and paid-up capital amounted to EGP 800 122 080 divided into 160 024 416 shares of EGP 5 par value each on December 31, 2022.

22. Non-controlling interest holders

<u>Inergia Technologies Information Systems Company</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Capital	25 988 850	--
Retained earnings	2 533 487	--
Net profit for the year	491 544 875	--
Dividends distributions	(476 495 429)	--
	<u>43 571 783</u>	<u>--</u>

23. Reserves

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Legal reserve beginning balance	273 545 045	262 411 858
Transferred from net profit for the year	6 171 515	11 133 187
Legal reserve ending balance	<u>279 716 560</u>	<u>273 545 045</u>
Shares Issuance Reserve	(4 111 018)	(4 111 018)
Closing the stock issuance reserve balance in the retained earnings	4 111 018	--
Business combination reserve for joint venture entities – "Inergia" - Note 28	--	(4 522 300)
Translation reserve of joint ventures financial statements – Inergia - Note 28	--	12 502 427
Actuarial losses for employee benefits of joint ventures – Inergia - Note 28	--	57 545
Revaluation reserve of investments at fair value through OCI in the associate entities	1 089 799	4 734 884
	<u>280 806 359</u>	<u>282 206 583</u>

24. Deferred tax liabilities / Deferred tax

	<u>December 31,</u>	<u>Movement during the year asset /</u>		<u>December 31,</u>
	<u>2021</u>	<u>(Liability)</u>		<u>2022</u>
	<u>Asset /</u>	<u>Consolidated</u>	<u>Consolidated</u>	<u>Asset /</u>
	<u>(Liability)</u>	<u>statement of</u>	<u>statement of</u>	<u>(Liability)</u>
	<u>EGP</u>	<u>profits and</u>	<u>Comprehensive</u>	<u>EGP</u>
	<u>EGP</u>	<u>losses</u>	<u>Income</u>	<u>EGP</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Deferred tax liability arising from the depreciation of investment properties	(622 901)	(61 764)	--	(684 665)
Deferred tax liability arising from unrealized foreign Currency exchange gain	2 556 936	(14 329 630)	--	(11 772 694)
Differences in valuation of investments at fair value through OCI – (note 8)	(71 423 933)	--	(56 687 597)	(128 111 530)
	<u>(69 489 898)</u>	<u>(14 391 394)</u>	<u>(56 687 597)</u>	<u>(140 568 889)</u>

The deferred tax assets were not recognized on the following items due to insufficient assurance to realize them in the future.

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Impairment in joint venture entities	5 727 150	5 727 150
Impairment in associate entities	7 273 507	7 273 507
Provisions	5 151 805	4 040 651
Expected credit losses	5 286 292	4 295 454
	<u>23 438 754</u>	<u>21 336 762</u>

25. 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.

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the year attributable to the shareholders of the Parent Company	846 190 451	105 308 898
Less: Board of directors profit share *	(6 100 000)	(3 660 000)
	<u>840 090 451</u>	<u>101 648 898</u>
Weighted average number of shares	160 024 416	160 024 416
Basic and diluted earnings per share	5.25	0.64
Add/Deduct treasury stocks:		
Weighted average number of shares after deducting treasury shares	160 024 416	159 949 775
Diluted earnings per share	5.25	0.64

* The remuneration of the members of the Board of Directors was approved from the Ordinary General Assembly held in 20 March 2023 - Refer to Note (36).

26. Significant related parties transactions

Transactions made during the financial period consist of accounts of an ongoing basis in management fees and expenses paid on behalf of the company or the company's payment on behalf of those Parties.

The significant transactions during the year are as follows:

<u>Company name</u>	<u>Type of relation</u>	<u>Type of transaction</u>	<u>Volume of transactions for the year</u>
			<u>EGP</u>
BPE Partners S.A.E.	Management Company	Management fees	(18 612 600)
		Incentive fees	(129 137 379)
Infinity Solar (1) B.V.	Associate	Credit interest income	3 729 747
Infinity Solar (2) B.V.	Associate	Credit interest income	6 381 125
Infinity Solar (3) B.V.	Associate	Credit interest income	1 582 323
Gourmet Egypt.com note (28).	Joint Venture	Credit interest income	964 670
Mr. Mohamed Shehab El Din Mohamed Atef Nawawi	Shareholder in a subsidiary company	Share sale	122 980 391
		Expenses paid on behalf	564 537
Mr. Hazem Ahmed Abdel Fattah Maharem	Shareholder in a subsidiary company	Share sale	124 522 496
		Expenses paid on behalf	570 746
Mr. Mohamed Sedik Hussein	Shareholder in a subsidiary company	Share sale	16 415 409
		Expenses paid on behalf	82 828
Mr. Ossama Mahmoud Sorrou	Shareholder in a subsidiary company	Share sale	24 849 935
		Expenses paid on behalf	125 386

27. Dividends income from investments at fair value through OCI

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Total Egypt L.L.C.	26 853 298	20 201 805
	<u>26 853 298</u>	<u>20 201 805</u>

28. Profit from the sale of investments

As described in detail in (Note 7), Inergia Technologies sold all of the shares owned in Giza Systems, and recognized profit amounted to 1 376 429 792 EGP, as shown below:

<u>Description</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Proceeds from sale of investments	1 676 609 621	--
Deduct:		
Investment cost in Giza Systems	(81 445 782)	--
Brokerage fee and other transfer expense	(4 392 585)	--
Expenses related to sale of investment	(14 443 676)	--
Disposal of investment in Inergia from investments in joint ventures using equity method	(207 935 459)	--
Disposal of Combination reserve	(4 522 300)	--
Disposal of other comprehensive income items	12 559 973	--
	<u>1 376 429 792</u>	<u>--</u>

29. Group's share of profits (losses) of investment in associate entities and joint ventures

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Madinet Nasr for Housing and development S.A.E.	45 924 997	18 209 735
Inergia Technologies for information systems S.A.E.	--	62 666 106
Egyptian IVF Center S.A.E.	11 627 927	--
AI Retail for Trade and Investment	37 835	31 306
Gourmet Egypt.com S.A.E. *	(34 167 333)	(21 574 637)
Ebtikar holding for finance investment	(5 135 959)	(2 488 717)
Basata Financial Holding	6 292 905	645 707
	<u>24 580 372</u>	<u>57 489 500</u>

* The Group's share of the interest income on loans to joint ventures was eliminated, so, the Group's share of loss of Gourmet Egypt.com Foods S.A.E. was reduced by an amount of EGP 1 083 462, which represents related transactions between the Group and Gourmet Egypt.com Foods S.A.E.

30. Credit interests

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Interest income on bank current accounts	14 867 343	1 442 678
Credit interest on loans to associates	11 693 195	10 500 336
Credit interest on loans to joint ventures*	964 670	1 084 758
Return on treasury bills	36 776 241	57 798 430
	<u>64 301 449</u>	<u>70 826 202</u>

* Credit interest for loans granted to Gourmet Egypt.com has reached an amount of EGP 2 048 132 and for the purpose of presentation of the group's investments in joint ventures an elimination of EGP 1 083 462 was made from the credit interest and the group's share in losses of Gourmet Egypt.com as per the equity method where intercompany transactions between the group and the joint ventures were eliminated –Note (29).

31. Investment manager fees

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Management fees	18 612 600	18 612 600
Incentive fees	129 137 376	--
	<u>147 749 976</u>	<u>18 612 600</u>

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 (Included share premium) 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 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.

32. Financial instruments and risk management

The company's financial instruments comprise financial assets and liabilities. Financial assets comprise cash at banks, due from related parties, AFS investments, accounts receivable, balances due on others or related parties. Financial liabilities comprise, creditors, and amounts due to related parties.

The company is exposed to several financial risks arising from its ongoing activities that may affect the carrying amounts of its financial assets and liabilities as well as the relevant revenues and expenses. The significant risks related to financial instruments and significant policies and procedures adopted by management to minimize the effect of those risks, are summarized below.

Capital management

The company manages its capital to ensure that it will be able to continue as going concern, in order to generate returns for shareholders, benefits for other stakeholders and to provide an adequate return for shareholders.

The company's management reviews the capital structure of the company on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Categories of financial instruments

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Financial assets</u>	<u>EGP</u>	<u>EGP</u>
Cash at banks	1 852 601 758	61 801 312
Treasury Bills at amortized cost	265 347 676	337 851 188
Financial assets at amortized cost	493 512 011	147 385 110
Financial assets at FVTOCI	682 394 512	381 572 723
<u>Financial liabilities</u>		
Financial liabilities at amortized cost	641 138 823	9 627 368

Risk Management Objectives

The company monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The use of financial instruments is governed by the appropriate monetary and credit policies to be approved by the Board of Directors.

Foreign currency risk

Foreign currency risk represents fluctuations in exchange rates of foreign currencies, which affects receipts and disbursements in foreign currencies as well as the evaluation of assets and liabilities denominated in foreign currencies. Management monitors the company's foreign currencies position and the exchange rates declared by banks, and reduces overdrafts in foreign currencies, on an ongoing basis, since most of those assets represent cash at bank, documents for investment fund with a relatively cash nature, which reduces this risk to a minimum level.

Interest rate risk

Interest rate risk represents the fluctuations in interest rates which may have an impact on the company's results of operations and cash flows. All financial assets and liabilities are not subject to variable interest rates thus the cash flows interest rate risk is considered limited.

Liquidity risk

Liquidity risk is represented in inability of the company to meet its financial liabilities when they become due, which are paid in cash or another financial asset. The company manages financial liquidity to ensure - as much as possible – its possession of sufficient amount of liquidity to meet its liabilities when due in the normal and exceptional circumstances without incurring unacceptable losses, or impact on the company's reputation.

Credit risk

The credit risk is represented in the inability of clients, related parties or other parties, who are granted credit, to pay their dues. The company studies the credit position before the granting credit, and the company reviews its due balances, and loans granted to associates on a regular basis.

The company reviews this risk, and submits quarterly reports to the audit committee for this risk, and the means of facing its impact on the financial statements.

The maximum credit risk is represented as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>EGP</u>	<u>EGP</u>
Cash at banks	1 852 601 758	61 801 312
Notes receivable	7 415 906	9 878 603
Due from related parties	290 111 728	--
Other debit balances	22 541 900	7 810 918
Treasury bills	265 347 676	337 851 188
Loans to associate entities and joint venture	177 505 641	136 152 553
	<u>2 615 524 609</u>	<u>553 494 574</u>

Fair Value measurement

Fair value measurements recognized in the consolidated statement of financial position:

The following table provides an analysis of financial and non-financial instruments that are measured subsequent to initial recognition at fair value, grouped into Stages 1 to 3 based on the degree to which the fair value is observable.

- Stage 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Stage 2: fair value measurements are those derived from inputs, other than quoted prices included within Stage 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). However, it is not considered quoted prices as that included in stage 1.
- Stage 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2022 EGP	Stage 1	Stage 2	Stage 3	Total
Financial assets at FVTOCI				
Unlisted shares measured at FV	--	--	682 394 512	682 394 512
2021 EGP	Stage 1	Stage 2	Stage 3	Total
Financial assets at FVTOCI				
Unlisted shares measured at FV	--	--	381 572 723	381 572 723

33. Tax position**B-Investment Holding****Corporate Tax**

The Company is subject to Corporate Income Tax in accordance with the tax Law No. 91 of 2005 and its amendments.

The Company submitted its corporate tax for each year according to the provisions of the Income Tax Law and its amendments since inception date until December 31, 2021 according to the Income Tax Law No. 91 of 2005 and its amendments.

Years 2006/2008:

The Company's books have not been inspected yet and therefore the company tax returns for those years were approved in accordance with the provisions of Law No. 91 of 2005.

Years 2009/2016:

Inspection completed and settlements were made.

Years 2017/2020:

These years were inspected, Part of tax differences was paid, and a request will be submitted to the review committee of final submission regarding the residual differences under dispute.

Years 2021/2022:

The Company has not received any notices for income tax inspection till date.

Salary tax:**Years 2005 /2018:**

Inspection completed and settlements were made.

Years 2019/2022:

The Company has not received any notices for salary tax inspection till date.

Stamp Tax**From inception till 2019:**

Inspection completed and settlements were made.

Years 2020/2022:

The Company has not received any notices for stamp duty inspection.

Withholding Tax

The Company deducts the due withholding tax according to the provisions of the Income Tax Law and submits tax returns to the Tax Authority regularly on due dates, taking into consideration that the Company's books have been inspected and no differences were identified.

Inergia Technologies Information Systems Company

Corporate Tax

The Company submitted its corporate tax for each year according to the provisions of the Income Tax Law and its amendments since inception date until December 31, 2021 according to the Income Tax Law No. 91 of 2005.

From inception till 2016:

Inspection completed and settlements were made.

Years 2017 / 2021:

The Company has not received any notices for income tax inspection till date.

Salary tax:

From inception till 2016:

Inspection completed and settlements were made.

Years 2017/2021:

The Company has not received any notices for salary tax inspection till date.

Stamp Tax

From inception till 2010:

Inspection completed and settlements were made.

Years 2011/2021:

The Company has not received any notices for stamp duty inspection.

B Healthcare Investment

Corporate Tax

The Company has not received any notices for income tax inspection.

Salary tax:

The Company has not received any notices for salary tax inspection.

Stamp Tax

The Company has not received any notices for stamp duty inspection.

34. Dividends distributions

On May 24, 2022, the General Assembly of the company approved the distribution of profits for the fiscal year ended on December 31, 2021 to shareholders by 0.50 EGP per share, with a total amount of 80 012 208 EGP, and an amount of 3 660 000 EGP to the Board of Directors members.

35. Significant Events during the year.

In February 2022, the Russian and Ukrainian conflict erupts. Conditions change quickly, which leads to high volatility in all markets. Nevertheless, management closely monitors and analyzes market developments in this highly volatile situation. However, it is too early to fully assess the effects of the situation. Despite the current uncertainties, there is currently no indication of a significant disruption in the company's business or failure to fulfill the Group's obligations towards its customers and there are no indications of a material impact on its future operating performance.

On March 21, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided, in its extraordinary meeting, to raise the rates of the deposit and lending return for one night and the price of the main operation of the Central Bank by 100 points, to reach 9.25%, 10.25%, and 9.75%, respectively. The credit and discount rates were also raised. by 100 basis points, to reach 9.75%.

On April 27, 2022, the Prime Minister issued Decision No. 1568 of 2022 amending some provisions of the Egyptian Accounting Standards by adding Appendix (B) to the Egyptian Accounting Standard No. (13) regarding the effects of changes in foreign exchange rates. This appendix aims to develop a special accounting treatment to deal with The effects of the exceptional economic decision related to moving the exchange rate by placing an additional temporary option for Paragraph No. (28) of Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates," which requires recognition of currency differences in the profit or loss statement for the period in which In which these differences arise, and as an alternative to that, the facility that has existing obligations in foreign currency at the date of moving the exchange rate related to fixed assets, real estate investments, intangible assets (except for goodwill), and exploration and evaluation assets acquired during the period from the beginning of January 2020 until the date of moving the exchange rate, is allowed to recognize differences The debit currency resulting from the translation of these liabilities on the date of moving the exchange rate within the cost of these assets. The treatment also allows the facility to recognize the debit and credit currency differences. Resulting from translating the balances of monetary assets and liabilities in foreign currencies existing at the date of moving the exchange rate within the items of other comprehensive income and closing them in the retained earnings for the same period, and this the management has chosen not to apply this alternative accounting treatment.

On May 19, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting, to raise the rates of the one-night deposit and lending return and the price of the main operation of the Central Bank by 200 points, to reach 11.25%, 12.25%, and 11.75%, respectively. The credit and discount rates were also raised by 200 basis points, to reach 11.75%.

On June 23, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting, to maintain the rates of return for deposits and lending for one night, and the price of the main operation of the Central Bank, at the level of 11.25%, 12.25%, and 11.75%, respectively. The credit and discount rate were kept at 11.75%.

On August 18, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting, to maintain the rates of return for deposits and lending for one night, and the price of the main operation of the Central Bank, at the level of 11.25%, 12.25%, and 11.75%, respectively. The credit and discount rate were kept at 11.75%.

On September 22, 2022, the Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting, to maintain the rates of return for deposits and lending for one night, and the price of the main operation of the Central Bank, at the level of 11.25%, 12.25%, and 11.75%, respectively. The credit and discount rate were kept at 11.75%. On October 27, 2022, the Monetary Policy Committee of the Central Bank decided, in its extraordinary meeting, to raise the rates of the overnight deposit and lending return and the price of the main operation of the Central Bank by 200 basis points, to reach 13.25%, 14.25%, and 13.75%, respectively. The credit and discount rate were raised by 200 basis points to 13.75%.

36. Events subsequent to the date of the financial statements

On January 23, 2023, the Company entered into shareholders agreement with TSFE Healthcare and Pharma sub-fund and B Healthcare Investment Company (a subsidiary) in relation to the investment in B Healthcare Investment Company, whereby TSFE Healthcare and Pharma sub-fund" will invest in "B Healthcare Investment company with an amount of EGP 32 500 000, accordingly the contribution of "TSFE Healthcare and Pharma sub-fund" will be 6 500 001 shares, with a percentage of 20% of the capital of B Healthcare Investment Company, and on February 20, 2023, the extraordinary general assembly of B Healthcare Investment Company approved the capital increase with EGP 32 500 000, by an increase in the company's shares with 6 500 000 shares, and the process of approving the extraordinary general assembly is ongoing. On February 6, 2023, B Investments Holding Company executed the final sale of its entire share in Total Energies Marketing Egypt LLC (TE) of 6.375% to Total Energies Marketing Afrique SAS (TEMA) with a total amount of USD 27.6 million, In addition to an additional amount of about USD 2.2 million, in the event that some of the conditions of the TEMA deal with ADNOC Distribution Company "ADNOC" are met, this additional amount was collected before the consolidated financial statements were issued.

On March 20, 2023, the Ordinary General Assembly Meeting of the company approved the distribution of profits for the fiscal year ending on December 31, 2022, to shareholders by 4 EGP per share with a total amount of 640 097 664 EGP, and an amount of 6 100 000 EGP to the board of directors members, the minutes of this general assembly meeting is being authorized.

37. Consolidated financial statements issuance date

The Board of Directors authorized the consolidated financial statements for the year ended December 31, 2022 for issue on March 29, 2023.