Translated from Arabic

Al Arafa for Investment and Consultancies
(An Egyptian Joint stock company – Under Public Free Zone)

Separate Financial Statements
For the Financial Year Ended January 31, 2022
and Auditors' Reports

Translated from Arabic

Al Arafa for Investment and Consultancies
(An Egyptian Joint stock company – Under Public Free Zone)

Separate Financial Statements
For the Financial Year Ended January 31, 2022

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KPMG

Hazem Hassan
Public Accountants & Consultants

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Translated from Arabic

AUDITOR'S REPORT

To \ The Shareholders of Al Arafa for Investment and Consultancies (Egyptian Joint Stock company, under public free Zone)

Report on the Separate Financial Statements

We have audited the accompanying separate financial statements of Al Arafa for Investment and Consultancies Company (Egyptian Joint Stock company, under public free Zone) for the financial year ended January 31, 2022 which comprise the separate Statement of financial position, the statements of profit and loss, comprehensive income, changes in equity, and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the separate Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to entity's preparation and fair presentation of the separate 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 separate 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 separate financial statements.

Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the separate financial position of Al Arafa for Investment and Consultancies Company (Egyptian Joint Stock company, under public free Zone) as of January 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with the Egyptian Accounting Standards, the Egyptian laws and regulations relating to the preparation of these separate financial statements.

Report on other legal and regulatory requirements

The company maintains regular financial accounts that include everything that the law and the company's system stipulate that it must be recorded in them, and the separate financial statements have been found in agreement with what is stated in those accounts.

The financial data contained in the report of the Board of Directors prepared in accordance with the requirements of Law No. 159 of 1981 and its executive regulations are consistent with what is contained in the company's books, within the limits in which such data are recorded in the books.

KPMG Hazem Hassan
Public Accountants and Consultants

KPMG Hazem Hassan

KPMG Hazem Hassan
Public Accountants and Consultants
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Cairo: 16 May 2022

Translated From Arabic

AUDITOR'S REPORT

To: The Shareholders of Al Arafa for Investment and Consultancies company (S.A.E).

Report on the Financial Statements

We have audited the accompanying separate financial statements of Al Arafa for Investment and Consultancies Company (S.A.E) which comprise the separate financial position as at 31 January 2022, and the separate statements of profit and loss, comprehensive income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

These separate financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error, management responsibility also includes selecting 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 separate financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and the in light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the 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 separate 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 separate financial statements.

YOUSSEF KAMEL & CO.

CHARTERED ACCOUNTANTS - EXPERTS IN TAXATION

Since 1946 - Antoun Atalla

YOUSSEF KAMEL	AMIN SAMY	AMIR NOSHY	SABRY BEBAWE
(A.R no. 3764)	(A.R no. 4994)	(A.R no. 15030)	(A.R no. 14697)

Translated From Arabic

Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects on the financial position of Al Arafa for Investment and Consultancies Company (S.A.E) as at 31 January 2022, and of its separate financial performance and its separate cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these separate financial statements.

Report on Other legal and Regulatory Requirements

The Company maintains proper books of account, which includes all that is required by the law and by the statutes of the company, the separate financial statements, are in agreement thereto.

The financial information included in the Board of Director's report, prepared in accordance with Law No. 159 of 1981 and its executive regulations, is in agreement with the company's books of account.

Cairo on May 16, 2022

Auditor

AMIN SAMY

EFSA's register of auditors no. (107)

(A.R no. 4994)

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Translated From Arabic

Al Arafa for Investment and Consultancies
(An Egyptian Joint stock company - Under Public Free Zone)
Standalone Statement of Financial Position as of January 31, 2022

	Note No.	31 January 2022 USD	31 January 2021 USD
Assets			
Non-current assets			
Property, plant and equipment (net)	(10)(30-2)	1 967 140	1 936 431
Intangible Assets	(11)	8 073 530	8 073 530
Investment in subsidiaries	(12)(30-6)	4 404 077	4 404 077
Investment in associates	(13)(30-6)	116 200 646	116 200 646
Financial investments at fair value through other comperhensive income	(14)	30 860	30 860
Total non-current assets		130 676 253	130 645 544
Current assets			
Debtors and other debit balances	(15)(30-9)	850 945	1 193 511
Due from related parties	(1-28)	13 362 798	13 178 594
Cash and cash equivalents	(16)(30-10)	55 915 948	59 150 274
Total current assets		70 129 691	73 522 379
Total assets		200 805 944	204 167 923
Equity and Liabilities			
Equity			
Issued and Paid up capital	(23-2)(30-13)	94 050 000	94 050 000
Reserves	(24)(30-18)	19 078 938	18 981 666
Retained earnings		3 488 436	1 680 688
Net profit for the year		545 053	1 945 436
Total Equity		117 162 427	116 657 790
Liabilities			
Non-current liabilities			
Medium-term loan	(17)(30-12)	8 601 229	-
Lease liabilities - Non current portion	(20)(30-3)	758 817	804 821
Total non-current liabilities		9 360 046	804 821
Current liabilities			
Medium-term loan / installment	(17)(30-12)	2 500 000	13 907 087
Lease liabilities - Current portion	(20)(30-3)	714 466	1 089 340
Banks - credit facilities	(18)(30-11)	54 541 222	54 534 034
Due to related parties	(28-2)	16 100 130	15 647 240
Creditors and other credit balances	(19)(30-12)	427 653	1 527 611
Total current liabilities		74 283 471	86 705 312
Total liabilities		83 643 517	87 510 133
Total equity and liabilities		200 805 944	204 167 923

- - The notes on pages (10) to (41) are an integral part of these separate financial statements and read with.
- - Auditors' reports "attached "
- - Date : May 16, 2022

Group Financial Director	Group CFO	Vise-Chairman and Manging Director	Board Chairman
Mohamed Mohy	Mohamed Morsy	Dr/Alaa Arafa	Maria Luisa Cicognani

M.Morsy

M/Cicognani

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Al Arafa for Investment and Consultancies
(An Egyptian Joint stock company - Under Public Free Zone)
Standalone statement of profit or loss for the Financial Year Ended January 31, 2022

	Note No.	January 31, 2022 USD	January 31, 2021 USD
Operating revenue			
Technical Support Services Revenue	(30-15-C)	179 435	49 410
Gain / Loss on sale of financial investments at fair value	(30-15-B)	22 685	(971 824)
Dividends Income	(4)،(30-15-C)	3 339 599	
Gross (loss) / profit from operating revenue		3 541 719	(922 414)
Other revenues	(5)	213 415	195 042
General and administrative expenses	(7)،(30-16)	(3 353 108)	(3 466 676)
Other expenses	(6)،(30-16)	(411 806)	(86 268)
Losses from operating		(9 780)	(4 280 316)
Finance expenses		(3 176 502)	(3 424 578)
Finance income		3 731 335	9 650 330
Net finance income	(8)،(30-16-A)	554 833	6 225 752
Net profit for the year	(9)،(30-15-D)	545 053	1 945 436
Earnings Per Share (USD/share)	(26)،(30-17)	0.0012	0.004137

- The notes on pages (10) to (41) are an integral part of these separate financial statements.

Al Arafa for Investment and Consultancies
(An Egyptian Joint stock company - Under Public Free Zone)
Standalone Statement of Comprehensive Income for the Financial Year Ended January 31, 2022

	January 31, 2022	January 31, 2021
	USD	USD
Net profit for the year	545 053	1 945 436
Other comprehensive income items	-	-
Total comprehensive income for the year	545 053	1 945 436

* The notes on pages (10) to (41) are an integral part of these separate financial statements.

Al Arafa for Investment and Consultancies

(An Egyptian Joint stock company - Under Public Free Zone)

Separate Statement of Changes in Equity for the Financial Year Ended January 31, 2022

	Issued and Paid up Capital USD	Reserves USD	Retained Earnings USD	Net Profits for the year USD	Total USD
Balance as of 1 February 2020	94 050 000	18 257 754	2 590 594	13 858 449	128 756 797
Transactions with company's shareholders					
Closing profits for the financial year ended on 31 January 2020 in retained earnings	-	-	13 858 449	(13 858 449)	-
Dividends for the financial year ended on 31 January 2020	-	-	(75 433)	-	(75 433)
Transferred to reserves	-	14 692 922	(14 692 922)	-	-
Closing Losses of debit balances due from related parties as a result of UK creditor balances restructuring	-	(13 969 010)	-	-	(13 969 010)
Total transactions with company's shareholders	-	723 912	(909 906)	(13 858 449)	(14 044 443)
Comprehensive income					
Net Profit for the financial year ended 31 January 2021	-	-	-	1 945 436	1 945 436
Total comprehensive income	-	-	-	1 945 436	1 945 436
Balance as of 31 January 2021	94 050 000	18 981 666	1 680 688	1 945 436	116 657 790
Balance as of 1 February 2021	94 050 000	18 981 666	1 680 688	1 945 436	116 657 790
The application of EAS(47) impact "Financial Instruments"	-	-	(40 416)		(40 416)
Balance as of 1 January 2021 (amended)	94 050 000	18 981 666	1 640 272	1 945 436	116 617 374
Transactions with company's shareholders					
Closing profits for the financial year ended on 31 January 2021 in retained earnings	-	-	1 945 436	(1 945 436)	-
Transferred to reserves	-	97 272	(97 272)	-	-
Total transactions with company's shareholders		97 272	1 848 164	(1 945 436)	-
Comperhensive income					
Net Profit for the financial year ended 31 January 2022	-	-	-	545 053	545 053
Total comprehensive income	-	-	-	545 053	545 053
Balance as of 31 January 2022	94 050 000	19 078 938	3 488 436	545 053	117 162 427

- **The notes on pages (10) to (41) are an integral part of these separate financial statements.**

Al Arafa for Investment and Consultancies
(An Egyptian Joint stock company - Under Public Free Zone)
Separate Statement of Cash flows for the Financial year Ended January 31, 2022

Cash flows from operating activities	Note No.	January 31, 2022 USD	January 31, 2021 USD
Net profit for the year		545 053	1 945 436
Adjustments for the followings			
Property, plant and equipment depreciation	(10)	159 714	128 655
Interest and finance expenses	(8)	2 408 066	3 424 578
Credit interest	(9)	(3 731 335)	(4 971 116)
(Profit) /Losses on sale of financial investments at fair value		(22 685)	971 824
Capital gain	(5)	(50 800)	(22 154)
Foreign currency exchange balances translation differences		(325 533)	(3 473 805)
Cash flows (used in) operating activities		(1 017 520)	(1 996 582)
Change in			
Debtors and other debit balances	(15)	342 566	488 454
Due from related parties	(28-1)	(184 204)	1 574 375
Creditors and other credit balances	(19)	391 935	3 533 691
Due to related parties	(28-2)	412 474	(4 722 714)
Cash (used in) operating activities		(54 749)	(1 122 776)
Dividends			(75 433)
Interest and finance expense paid		(3 574 426)	(2 455 846)
Net cash (used in) operating activities		(3 629 175)	(3 654 055)
Cash flows from investing activities			
Payments for Acqusition of property, plant and equipment	(10)	(336 936)	(188 544)
Payments for Acqusition of investments in subsidiaries	(13)		(2 513 624)
Payments for Acquisition of financial investments at fair value through profit and loss		(997 581)	(33 974 981)
Proceeds from sale of financial investments at fair value through profit and loss		1 020 266	33 003 157
Proceeds from sale of property, plant and equipment		197 313	22 155
Collected interest income		3 731 335	4 971 116
Net cash generated from investing activities		3 614 397	1 319 279
Cash flows from financing activities			
Change in bank-credit facilities	(18)	7 188	(14 939 622)
Payments for medium-term loans	(17)	(2 805 858)	
Lease payments		(420 878)	(163 541)
Net cash (used in) financing activities		(3 219 548)	(15 103 163)
Net change in cash and cash equivalents during the year		(3 234 326)	(17 437 939)
Cash and cash equivalents at beginning of the year	(16)	59 150 274	76 588 213
Cash and cash equivalents at end of the year	(16)	55 915 948	59 150 274

- The notes on pages (10) to (41) are an integral part of these separate financial statements.

1- Company's Background and activities

1-1 Legal entity

- Al Arafa for Investment and Consultancies Company - an Egyptian Joint Stock Company, was established in accordance with investment incentives 85and guarantees Law No.8 of 1997, operating under the Free Zone decree.

- The Board of Directors of Swiss Garments Company (S.A.E.) -Free Zone (subsidiary company) proposed in its meeting held on the 18th of June 2005 to separate the Company into two Joint Stock Companies (main Company and Spin-off Company) operating according to the Free Zone System with the same shareholders and the same participation percentage in the company's issued capital as of the separation date. The Board also proposed using the book value of the assets and liabilities, as of the 30th of June 2005 as a basis for the separation. As the purpose of the main company will be specialized in investing in financial instruments and the spin-off company will be specialized in manufacturing ready made garments, As the company's Extraordinary General Assembly at its session held on October 14,2005 agreed on the mentioned board of director's proposal, as a final approval on the issuance of the separation decision was taken by the general Authority for Investment and Free Zone as of November 24,2005.

- The main Company's name was changed to Al Arafa for Investment and Consultancies Company, and

  the commercial register was amended accordingly on January 11, 2006.

- The company's amendment has been registered in the commercial registry with no. 17426 on 16/1/2006.

- According to the merging company's main statute, the company's financial year start from the first of February from each year and ends at 31 January from the next year, rule (55).

- Company's Duration is 25 years starting from the date of registering this amendment in the commercial register.

- Company's location: Nasr city free zone, Arab Republic of Egypt.

- The Company's Chairman is Mrs. Maria Luisa Cicognani

- The Company's vice Chairman and Managing Director is Dr Alaa Ahmed Abd El Maksoud Arafa

- The separate financial statements were approved for issuance by the company's board of directors on May 16, 2022.

1-2 Merger of both Al Arafa for Investment and Consultancies Company (S. A. E.) with the General Free Zone System (merging company) and Al Arafa for Investment in Garments industry Company (merged company), Al Arafa for Investment in Spinning and Textile Industry Company (merged company), and Al Arafa for Investments in Garments Marketing and Retail Company (merged company)

The decision of the formed committee was issued by the General Authority for Investment and Free Zone, approved on the first of July 2019 to enquire the initial assessment of the assets and liabilities of the following companies for the purpose of merging with the Al Arafa for Investment and Consultancies Company (S. A. E.) merging company with both Al Arafa for Investment in Spinning and Textile Industry Company (S. A. E.) (free zone), and Al Arafa for Investment in Garments industry Company (S. A. E.) (free zone) and Al Arafa for Investments in Garments Marketing and Retail Company (S. A. E.) (free zone) (merged companies) in book values according to the financial statements of the merging company and the merged companies on October 31, 2018. Mainly taken as a basis for the merger. And establishing the net equity of Al Arafa for Investment and Consultancies Company (merging company) on October 31, 2018 amounting USD 146 935 721 (one hundred forty six million nine hundred thirty five thousand seven hundred and twenty one USD) and the net non-controlling interest in the Al Arafa for Investment in Garments industry Company (merged company) deficit of USD 31 971 885 (thirty one million nine hundred seventy one thousand eight hundred eighty five USD) and the Al Arafa for Investment in Spinning and Textile Industry Company (merged company) The amounting USD 16 753 (sixteen thousand seven hundred and fifty three USD) after excluding the value of the investments of Al Arafa for Investment and Consultancies Company (the merging company) in Al Arafa for Investment in Spinning and Textile Industry Company (merged company) amounting USD 2 077 340 (two million and seventy seven thousand and three hundred and forty USD), and Al Arafa for Investments in Garments Marketing and Retail Company (S. A. E.) (merged company) deficit of USD 3 896 892 (three million eight hundred ninety six thousand eight hundred and ninety two USD).

According to the decision of the extraordinary general assembly of the company on August 4, 2019, it was agreed to specify the authorized capital of the merging company amounting USD 150 million (one hundred and fifty million USD) as the issued and paid-up capital of the company was established amounting USD 94 050 000 (ninety four million fifty thousand USD) distributed over 470 250 000 shares (four hundred seventy million two hundred and fifty thousand shares) each share value is USD 20 cents. It is represented by the total net equity in the merging company, Al Arafa for Investment and Consultancies Company and the equity of net non-controlling interest in the merged companies according to the report of the committee formed by the General Authority for Investment and Free Zone and according to the decision of the Executive chairman of the General Authority for Investment and Free Zone No. 85 of 2019 regarding licensing the merger of each of the Al Arafa for Investment in Spinning and Textile Industry Company (S. A. E.), and Al Arafa for Investment in Garments industry Company (S. A. E.) and Al Arafa for Investments in Garments Marketing and Retail Company (S. A. E.) (free zone) (merged companies) in Al Arafa for Investment and Consultancies Company (S. A. E.) merging company in the public free Zone system in Nasr City, and this was notified in the company's commercial registry on December 10, 2019.

1-3 Company's purpose

Providing financial and management consultancy services, investing in Capitals of Egyptian and Foreign Companies and participating in restructuring companies and providing technical and management support.

1-4 Registration in the stock exchange

The Company has been registered in the Egyptian Stock Exchange.

2- Basis of preparation of the separate financial statements

2-1 Statement of compliance

The separate financial statements have been prepared in accordance with Egyptian Accounting Standards "EAS", and in accordance with the prevailing Egyptian laws and regulations.

2-2 Basis of measurement

The separate financial statements have been prepared on the historical cost basis except for Investments available for sale are measured at fair value and financial assets classified at fair value through other comprehensive income

2-3 Functional and presentation currency

The separate financial statements are presented in the USD and all the financial information included are in USD.

2-4 Use of estimates and judgments

The preparation of separate financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and assumptions related to the prevailing experience and other variable elements as actual results may differ from these estimates.

Estimates and related assumptions are reviewed Periodically.

Changes in accounting estimates are recognized in the period in which the estimate is changed if the change affects only that period or the period of change or future periods if the change affects both.

The following are the most significant items and notes related to them, and these estimates and assumptions are used :

1- Useful life of fixed assets (Note No. 30-2-iii)
2- Provisions and contingent liabilities (Note No. 30-15)
3- Impairment loss in the value of financial and non-financial assets (Note No. 30-5)
4- Financial instruments (Note No. 30-4).

2-5 Fair value measurement

The fair value of financial instruments is determined based on the market value of financial instruments or similar financial instruments at the date of the financial statements without deducting any estimated future costs of sale. Financial assets values are determined at current prices for the purchase of those assets, while determining the value of financial liabilities at the current prices, which would settle those liabilities.

In the absence of an active market to determine the fair value of financial instruments, the fair value is estimated using various valuation techniques, taking into consideration recent transactions prices, guided by the current fair value of other substantially similar instruments - discounted cash flow method - or any other methods to produce reliable results.

When using the discounted cash flow method as a method of evaluation, future cash flows are estimated based on the best estimate of the management. Discount rate used is determined in the light of the prevailing market price at the date of the financial statements for financial instruments similar in nature and terms.

Separate Financial Statements have been prepared on the basis of historical cost, with the exception of a number of company accounting policies and disclosures requiring the measurement of the fair value of certain financial and non-financial assets and liabilities of the company as a consistent control framework for the measurement of fair values. This includes the evaluation team, which has overall responsibility for overseeing all important fair value measurements, including for level 3 for the determination of fair values, and for reporting directly to the Finance Director.

The evaluation team continuously reviews important inputs and adjustments resulting from the evaluation. If information from third parties, such as broker prices or pricing services, is used to measure fair values, the evaluation team will evaluate evidence obtained from third parties to ensure that such assessments meet the requirements of Egyptian accounting standards, including determining the level of the fair value hierarchy where it should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level (1)** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level (2)** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level (3)** Other inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

3- Changes in significant accounting policies

Changes in accounting policies resulting from the application of the following Egyptian accounting standards have been applied: -

- Egyptian Accounting Standard No. (47) "Financial Instruments."

3-1 Impact of the application Egyptian Accounting Standard No. (47) – Financial Instruments

Egyptian Accounting Standard No. (47) sets out requirements for recognition and measuring financial assets & liabilities, and certain contracts for buying and selling non-financial items. This standard replaces the Egyptian Accounting Standard No. (25) Financial instruments: presentation and disclosure, Egyptian Accounting Standard No. (26) Financial instruments: recognition and measurement and, Egyptian Accounting Standard No. (40) Financial instruments: disclosures applied to the disclosure for year 2021.

- **Classification and measurement of financial assets and financial liabilities**

  Egyptian Accounting Standard No. (47) contains major classifications of financial assets: measurement at amortized cost, fair value through other comprehensive income and fair value through profit or loss. The classification of financial assets under Egyptian Accounting Standard No. (47) is generally based on the business model in which the financial asset and the contractual cash flow characteristics is managed. Egyptian Accounting Standard No. (47) eliminates the previous Egyptian Accounting Standard No. (26) categories from held-to-maturity, loans, debtors, and available for sale. Under Egyptian Accounting Standard No. (47), derivatives embedded in contracts in where the host is a financial asset in the scope of the standard are never separated. Instead, hybrid financial instrument as a whole is assessed for classification

  The changes in accounting policies resulting from the application of Egyptian Accounting Standard No. (47) have been applied as described below:

  The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application.

  - Determining the business model under which the financial assets are kept.
  - Classification of some equity instruments available for sale into equity instruments at fair value through other comprehensive income.

The effect of application of Egyptian Accounting Standard No. (47) on the carrying amounts of financial assets on January 31, 2021 relates solely to the new impairment requirements. The following table and the accompanying notes below explain the original classifications and measurement categories according to the Egyptian Accounting Standard No. (26) and the new classifications and measurement according to the Egyptian Accounting Standard No. (47) for each categories of the company's financial assets and financial liabilities as of January 31, 2021:

	Note No.	Classification under EAS No. (26)	Classification under EAS No. (47)	Carrying amount under EAS No. 26 in January 31 2021 USD	The Impact of implementation Egyptian Accounting Standard No. (47) USD	New book values in January 1 according to Egyptian Accounting Standard No. (47) in January 31, 2021 USD
First: Financial assets						
Equity Securities						
Investment at fair value through other comprehensive income ("FVOCI") (A)	(14)	Cost	Fair value through OCI	30 860	--	30 860
Debt Securities						
Debtors and other debit balances (B)	(15)	Loans and debt	Amortized cost	1 193 511	--	1 193 511
Due from related parties (B)	(28-1)	Loans and debt	Amortized cost	13 178 594	(40 416)	13 138 178
Cash and Cash equivalents (B)	(16)	Loans and debt	Amortized cost	59 150 274	--	59 150 274
Total financial assets				73 553 239	(40 416)	73 512 823
Second: financial liabilities						
Lease liabilities – Long term (B)	(18)	financial liabilities	financial liabilities	804 821	--	804 821
Loan's installment – Mid-term (B)	(17)	financial liabilities	financial liabilities	13 907 087	--	13 907 087
Lease liabilities – Short term (B)	(20)	financial liabilities	financial liabilities	1 089 340	--	1 089 340
Bank facilities (B)	(20)	financial liabilities	financial liabilities	54 534 034	--	54 534 034
Due to related parties (B)	(28-2)	financial liabilities	financial liabilities	15 647 240	--	15 647 240
Creditors and other credit balances (B)	(19)	financial liabilities	financial liabilities	1 527 611	--	1 527 611
Total financial liabilities				87 510 133	--	87 510 133

(A) Equity instruments are the investments that the company intends to retain in the long term for strategic purposes. As allowed in Egyptian Accounting Standard No. 47, the company classified these investments on the initial application date as being measured at fair value through other comprehensive income. Unlike Egyptian Accounting Standard 26, the accumulated fair value provision for those investments will be classified into retained earnings and will no longer be reclassified as profits or losses.

8 - Property, plant and equipment

	Buildings & Constructions resulting from lease contracts	Vehicles	Furniture & Office Equipment	Improvements in leasehold	Total
	USD	USD	USD	USD	USD
Cost as of February 1, 2021	1 706 906	376 257	340 769	536 363	2 960 295
Additions during the year	-	283 228	27 465	26 243	336 936
Disposals during the year	(155 383)	(185 801)	-	-	(341 184)
Cost as of January 31, 2022	1 551 523	473 684	368 234	562 606	2 956 047
Accumulated depreciation as of February 1, 2021	232 350	269 446	268 628	253 440	1 023 864
Depreciation for the year	33 188	48 131	23 420	54 975	159 714
Accumulated depreciation of disposals	(17 295)	(177 376)	-	-	(194 671)
Accumulated depreciation as of January 31, 2022	248 243	140 201	292 048	308 415	988 907
Net book value as of January 31, 2022	1 303 280	333 483	76 186	254 191	1 967 140
Fully depreciated fixed assets and still working as of January 31, 2022	-	50 195	257 495	-	307 690
Cost as of February 1, 2020	1 706 906	307 492	280 286	507 121	2 801 805
Additions during the year	–	98 819	60 483	29 242	188 544
Disposals during the year	–	(30 054)	-	-	(30 054)
Cost as of January 31, 2021	1 706 906	376 257	340 769	536 363	2 960 295
Accumulated depreciation as of February 1, 2020	198 212	266 382	258 073	202 595	925 262
Depreciation for the year	34 138	33 117	10 555	50 845	128 655
Accumulated depreciation of disposals	-	(30 053)	-	-	(30 053)
Accumulated depreciation as of January 31, 2021	232 350	269 446	268 628	253 440	1 023 864
Net book value as of January 31, 2021	1 474 556	106 811	72 141	282 923	1 936 431
Fully depreciated fixed assets and still working as of January 31, 2021	-	202 434	252 020	-	454 454

According to the assurances provided by the company's management ;

* There are no restrictions on the company's ownership of the assets and no encumbered assets as collateral against liabilities.
* The book value of assets does not differ materially from their fair value.
* There are no fully booked assets.
* There are no contractual commitments for the acquisition of fixed assets in the future.

(B) Financial assets are measured at amortized cost if they comply with the following two conditions:

- Holding the asset within a business model whose objective is to own the asset to generate contractual cash flows, and the contractual terms of the financial assets show specific cash flow dates, which primarily include payments of principal and interest on the remaining amount.

- Debt securities measured at amortized cost are subsequently measured at amortized cost using the actual return method adjusted for impairment losses, if any. Gains and losses are recognized in the statement of profit or loss when the asset is derecognized, modified, or impaired.

- Trade receivables, Due from related parties, other debit balances, cash and cash equivalents, due to related parties, trade payables and other credit balances are classified as debt instruments at amortized cost.

- **Impairment on financial assets**

- Egyptian Accounting Standard No. (47) replaces "incurred loss" model in EAS No. (26) with the "Expected Credit Losses" (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and investments in debt securities measured at fair value through other comprehensive income, but not to investments in equity instruments. Under Egyptian Accounting Standard No. (47), credit losses are recognized earlier than Egyptian Accounting Standard No. (26), See Note No. (30-19).

- For assets in the scope of Egyptian Accounting Standard No. (47) impairment model, impairment losses are generally expected to increase and become more volatile. The company has determined that the application of Egyptian Accounting Standard No. (47) will result in additional impairment amount as follows: -

	Due from related parties USD
Loss allowance on 31 January 2021 according to EAS No (26)	--
The application of EAS (47) impact:	
Additional impairment losses recognized on 1 February 2021	(40 416)
Allowance for expected credit losses according to EAS No. (47) on 1 February 2021.	(40 416)

- Additional information on how the company measures the allowance for impairment is described in Note no. (30-19).

4- **Investment income**

	Note No.	31 January 2022 USD	31 January 2021 USD
Share of profit of FC Trading Company	(28-1)	1 625 000	--
Share of profit of Concrete Company	(28-2)	1 714 599	--
		3 339 599	--

5- Other revenues

	31 January 2022 USD	31 January 2021 USD
Services Revenue rendered to other	82 075	96 894
Rental income	74 047	68 224
Capital gain	50 800	22 154
Others	6 493	7 770
	213 415	**195 042**

6- Other expenses

	31 January 2022 USD	31 January 2021 USD
50 % on rent	35 223	34 112
1 % on revenue	74 865	52 156
Takaful contribution expense	18 716	--
Loss impairment on related parties' balances	283 002	--
	411 806	**86 268**

7- General and Administrative expenses

	Note No.	31 January 2022 USD	31 January 2021 USD
Wages and salaries		128 190	93 072
Property, plant and equipment depreciation	(10)	159 714	128 655
Payments of lease contracts		457 827	723 386
Others		2 607 377	2 521 563
		3 353 108	**3 466 676**

8- Finance Expenses

	Note No.	31 January 2022 USD	31 January 2021 USD
Interest expense, bank commission and expenses		2 408 066	3 424 578
Foreign currency translation differences	(30-1)	768 436	--
		3 176 502	**3 424 578**

9- Finance income

	Note No.	31 January 2022 USD	31 January 2021 USD
Credit interest		3 731 335	4 971 116
Foreign currency translation differences	(30-1)	--	4 679 214
		3 731 335	**9 650 330**

11- Intangible assets

	31 January 2022 USD	31 January 2021 USD
Trademarks	8 073 530	8 073 530
	8 073 530	**8 073 530**

12- Investments in Associates

	Note No.	31 January 2022 USD	31 January 2021 USD
Golden Textile Wool Company	43,60 %	4 393 177	4 393 177
Italian Shirts DMCC Company	40 %	10 900	10 900
		4 404 077	4 404 077

13- Investments in subsidiaries

Company's Name investee	Legal form %	Percentage In capital on 31 January 2022 %	Paid Percentage From participation value %	Cost of Investment as of 31 January 2022 USD	Cost of Investment as of 31 January 2021 USD
• Concrete Garments	(S.A.E.)	91.64	100	31 771 464	31 771 464
• Swiss Cotton Garments	(S.A.E.) Free Zone	99.20	100	7 065 223	7 065 223
• Egypt Tailoring Garments	(S.A.E.)	99.40	100	16 008 060	16 008 060
• Crystal for Making Shirts	(S.A.E.)	99.90	100	1 888 764	1 888 764
• Savini Garments *	(S.A.E.)	49.20	25	1 181 090	1 181 090
• Fashion Industry	(S.A.E.) Free Zone	89.80	33.18	731 313	731 313
• Camegit for Garments Manufacturing	(S.A.E.)	99.50	100	961 036	961 036
• Egypt Portugal Marketing	(S.A.P.) Free Zone	59	100	40 445	40 445
• EP Garments	(S.A.P.)	60	100	39 777	39 777
• Euromed for Trading and Marketing	(S.A.E.)	97.21	100	970 180	970 180
• White Head Spinning Company	(S.A.E.)	44.10	100	315 419	315 419
• Port Said Garments	(S.A.E.)	97.17	100	1 150 820	1 150 820
• Swiss Garments	(S.A.E.) Free Zone	99.20	100	18 848 000	18 848 000
• Baird Group	England	98.15	100	35 215 430	35 215 430
• Al Arafa for real estate Investment **	(S.A.E.)	99.20	100	1	1
• FC Trading	Emirates	100	100	13 624	13 624
				116 200 646	**116 200 646**

* The company owns 49.2 % of the capital of Savini Garments Company, in addition to 50 % indirect ownership through the subsidiary Swiss Garments Company.

** The investments in Al Arafa for real estate Investment Company amounting USD 1, after deducting the impairment losses of the Authority, which was previously formed in previous years.

14- Investments available for sale

Company's Name investee	Legal form %	Percentage In capital on 31 January 2022 %	Paid Percentage From participation value %	Cost of Investment as of 31 January 2022 USD	Cost of Investment as of 31 January 2021 USD
• Al Asher for Real Estate Development and investment	(S.A.E.)	1	100	30 860	30 860
				30 860	**30 860**

* Financial investments available for sale are not listed in on the Egyptian Exchange and are stated at cost due to the difficulty in determining their fair value reliably.

15- Debtors and other debit balances

	31 January 2022 USD	31 January 2021 USD
Tax authority	53 074	53 074
Debtors and other debit balances (sold companies)	44 580 084	44 580 084
Notes receivables	9 986	11 155
Prepaid expenses	48 028	46 906
Deposits held by others	1 661	1 656
Insurance letters of guarantee	17 430	18 402
Other debit balances	1 718 786	2 060 338
	46 429 049	46 771 615
Less:		
Impairment losses on trade and other receivables	(44 580 084)	(44 580 084)
Impairment losses in other debit balances	(998 020)	(998 020)
	850 945	**1 193 511**

16- Cash and cash equivalents

	31 January 2022 USD	31 January 2021 USD
Time deposits	55 473 098	55 336 024
Current accounts	369 891	3 741 751
Cash on hand	72 959	72 499
	55 915 948	**59 150 274**

17- Medium-term loan

	Medium-term loan Non-current portion USD	Medium loan Current portion USD	Total USD
The remaining of the medium-term loan granted to the company by Arab African International Bank (AAIB) with an amount of $29,971,343 to finance the purchase of 38% of Concrete's ready Made Garments capital The rescheduling of the loan has been activated to the remaining balance equivalent to $13,907,087 from March 1, 2021 on nine unequal semi-annual installments ending June 2025 after deducting the premium paid amounting to USD 1 805 858	8 601 229	2 500 000	11 101 229
Balance on 31 January 2022	8 601 229	2 500 000	11 101 229
Balance on 31 January 2021	–	13 907 087	13 907 087

18- Banks - Credit facilities

	31 January 2022 USD	31 January 2021 USD
Banks - Credit facilities *	54 541 222	54 534 034
	54 541 222	54 534 034

* The credit facility item amounting to USD 54 541 222 is represented in withdrawals from short-time current facilities with a term deposit guarantee granted by local banks in USD based on an interest rate linked to the LIBOR rate on the amounts withdrawn in USD.

19- Creditors and other credit balances

	31 January 2022 USD	31 January 2021 USD
Deposits from others	77 008	49 070
Accrued expenses	76 582	79 871
General Authority for Investment	44 823	27 715
Notes payable	72 846	53 019
Unearned revenue	--	287
Accrued interest – Lease contracts	98 525	37 989
Accrued interest	40 689	1 207 049
Other Credit balances	17 180	72 611
	427 653	1 527 611

20- Lease contracts liabilities

	Note No.	31 January 2022 USD	31 January 2021 USD
Total lease contracts liabilities	(21)	1 473 283	1 894 161
Less:			
Installments due in a year		(714 466)	(1 089 340)
The balance of long-term Lease contracts		758 817	804 821

21- Lease contracts (Sale and re-leased system).

The company has sold and re-leased the administrative building of the company's headquarters in the public free zone in Nasr City, and the administrative building in the Investors area - Fifth Settlement - New Cairo, with a financial lease contracts established with Corp Lease Egypt (SAE), according to the provisions of the law No. 95 of 1995, its executive regulations and amendments, and the data for these contracts are as follows:

21-1 Contract No. 3848 - selling and re-leased the administrative company's building in the public free zone in Nasr City:

On 12 June 2014, the company sold and re- leased its administrative building in the public free zone in Nasr City according to a Financial lease.

On 3 August 2021, the company's management canceled this contract and concluded a new contract with the remaining balance from the previous contract, and its statement is as follows:

Contract No. 5963 - selling and re- leased the administrative building in the public free zone in Nasr City:

Description	Contract value USD	Accrued interest USD	Contract duration Month	Purchase value at the contract end USD	The quarter value USD
The contract from 20/11/2021 to 20/8/2023	1 639 344	1 166 061	22	1	223 548

21-2 Contract No. 4454 - selling and re- leased the administrative building in the investors area in the Fifth settlement:

On 15 February 2016, the company sold and re-leased its administrative building in the Investors' area in Fifth Settlement, New Cairo, according to financial lease.

On 29 September 2021, the Company's Management canceled the lease contract for the administrative building owned by it in the investors' area in the Fifth Settlement in New Cairo and paid its dues to the financial leasing company. The Company's Management canceled the initial sale contract concluded between the Swiss Garments Company and Al Arafa Investments and Consultations Company and paid all the related obligations.

The financial lease payments within the general and administrative expenses included in the profit or loss statement, and the amount of 457,827 US dollars during the period includes the value of the interest premium due for the above-mentioned contract in addition to the amount of 335,676 US dollars, the value of the first and second quarters of the contracts transferred from Al-Arafa for Real Estate Company (a subsidiary)(disclosure 7).

22- Financial instruments

22-1 Financial Risk Management

Financial instruments represent cash balances with banks, the cash on hand, customers, debtors, suppliers, notes payable, creditors, loans, credit facilities and obligations of financial lease contracts. The book value of these financial instruments does not differ materially from their fair value on the date of the financial position.

i. Credit risk

The book value of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the date of the separate financial statements is as follows:

	31 January 2022 USD	31 January 2021 USD
Investments at fair value through OCI	30 860	30 860
Debtors and other debit balances	749 843	1 093 531
Due from related parties	13 362 798	13 178 594
Cash and cash equivalents	55 915 948	59 150 274

The following is the analysis of the debt aging for Al-Arafa Investments and Consulting Company, as follows:

	31 January 2022 USD	31 January 2021 USD
Balances not due	3 850 489	5 289 998
Balances due from 0 to 90 days	765 888	378 880
Balances due from 91 to 180 days	4 027 347	344 758
Balances due from 181 to 270 days	1 961 277	2 919 667
Balances due from 271 to 365 days	13 072	3 803 085
Balances due over one year	3 068 145	442 208
	13 362 798	13 178 594

ii. **Liquidity risk**

The following statement shows the contractual terms of the company's financial obligations on 31 January 2022:

		Due date	
	Book value USD	Within year USD	2 – 5 years USD
Banks - credit facilities	54 541 222	54 541 222	--
Creditors and other credit balances	427 653	427 653	--
Due to related parties	16 100 130	16 100 130	--
Long-term lease contracts obligations	1 473 283	714 466	758 817
Medium-term loan	11 101 229	2 500 000	8 601 229

iii. **Foreign exchange risk**

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Company's exposure to foreign exchange risk on 31 January 2022 was in accordance with the amounts in foreign currencies are as follows:

Foreign currencies	31 January 2022 Surplus (Deficit)	31 January 2021 Surplus (Deficit)
Euro	(986 151)	(53 919)
Sterling Pound	(1 680 439)	1 263 568
Egyptian Pound	1 024 445 138	965 039 880

The following is a statement of foreign exchange rates against the USD:

	Closing Rate		Average exchange rate	
	31 January 2022	31 January 2021	31 January 2022	31 January 2021
	USD	USD	USD	USD
Euro	1.1161	1.2137	1.1774	1.2169
Sterling Pound	1.3403	1.3715	1.3760	1.3627
Egyptian Pound	0.0634	0.0632	0.0635	0.0635

22-2 Fair value estimate

An approximation of nominal fair value less any estimated credit adjustments to financial assets and liabilities with maturity dates of less than one year is assumed. For disclosure purposes, the company's interest rates for similar financial instruments are used to deduct future contractual cash flows to assess the fair value of financial obligations.

To assess the fair value of non-current financial instruments, the company uses many methods and makes the assumptions set out on market conditions at the date of each financial position statement. Market prices and customer prices for financial management or similar instrument are used for long-term debt. Other methods, such as the estimated current value of future cash flows, are used to determine the fair value of the rest of the financial instruments. At year end, the fair value of non-current obligations is not materially different from their book value.

Investments

a Fair value is determined on the basis of the declared market rates at the date of the financial position, without deducting transaction-related costs, except for investments in equity recognized at cost and mentioned above, less impairment loss (if any).

Interest facilities

Fair value is calculated on the basis of deduction of cash flow for the principal amount and expected future interest.

Debtors and creditors

The nominal value of debtors and creditors with a residual useful life of less than one year reflects the fair value.

Interest rate used to determine fair value

The company uses the rate of return applicable in the history of the financial position as well as a regular credit distribution to deduct the financial instruments.

23- Capital

23-1 The Authorized Capital

The authorized capital of the company amounting USD 150 million (one hundred and fifty million US dollars), and the issued capital of the company is the sum of the net equity in the merging company according to the report of the formed committee by the General Authority for Investment and Free Zone according to the decision of the CEO of the General Investment Authority And the free Zone No. 127 of 2019, and this was indicated in the company's commercial register in the commercial registry on 15 December 2019.

23-2 Issued and paid-up capital

The issued and paid-up capital after the amendment has reached according to the decision of the extraordinary general assembly of the company.
The issued and paid-up capital of the company consists of 470 250 000 nominal shares, at a value of 20 cents per share, and the issued capital amounting to 94 050 000 USD is fully paid, which is the sum of the net equity in the merging company, according to the report of the formed committee by the General Authority for Investment and Free Zone in accordance with the decision of the CEO of the General Authority for Investment and Free Zone No. 127 of 2019.

24- Reserves

	Note No.	31 January 2022 USD	31 January 2021 USD
Statutory reserve	(24-1)	18 157 741	18 060 469
General reserve		30 990	30 990
Other reserves (treasury bills reserve)	(24-2)	890 207	890 207
		19 078 938	18 981 666

24-1 Statutory reserve

The statutory reserve was increased by an amount of 97,272 USD in accordance with the decision of the ordinary general assembly of the company with a date on 31 August 2021 from the profit for the fiscal year ending on 31 January 2021This reserve is not distributed but can be used to increase capital or reduce losses.

24-2 Treasury bills reserve

The balance represents profit from sale of treasury bills amounting 11 396 151 shares sold in 2008.

25- Tax status

As mentioned in the Company's tax card, the Company and the company`s dividends are not subject to tax laws and charges applied in Republic of Egypt (article No. 35 of law No.8 of 1997 which replaced by Article 41 of Law 72 of 2017).

25-1 Payroll tax

The payroll tax has been inspected from the beginning of the activity until 2013 and the final assessment has been made and the years from 2014/2018 are currently inspected by the competent authority. The tax within held is paid monthly on legal dates.

25-2 Withholding Tax

The company provides the withholding tax to the Central Department of withholding tax under the tax account in the legal dates.

25-3 Stamp tax

The company is obligated to pay tax on advertisements, and there are no taxes due from the company.

25-4 Real estate tax

The company is exempt according to the provisions of the law 72 for the year 2017.

26- Earnings Per Share

Earnings per share for the Financial year ending on 31 January 2022 was calculated on the basis of the profit for shareholders holding ordinary shares and the weighted average for the number of shares outstanding during the year as follows:

		31 January 2022 USD	31 January 2021 USD
Net profit for the year		545 053	1 945 436
Weighted-average number of ordinary shares	Share	470 250 000	470 250 000
Earnings per share	USD/Share	**0,0012**	**0,00413**

27- Pension and Post Retirement Plans

The Company contributes to the governmental social insurance scheme for the benefit of its employees in accordance with the social insurance law no. 148 of 2019 and its amendments. Contributions are charged to the income statement according to the accrual basis.

28- Related Parties

Transactions with related parties represent the company's transactions with company's shareholder and the companies owned by the shareholders whether directly or indirectly and the company's top management as they have a significant influence and control, as the following:

28-1 Due from related parties

Company's Name	Nature of transactions	Value of transactions USD	Balance on 31 January 2022 USD	Balance on 31 January 2021 USD
• Swiss Cotton Garments Company	Financial transactions	(1 967 369)	1 253 869	3 221 238
• Al Arafa for real estate investment *	Financial transactions	1 528 357	5 288 615	3 760 258
• Golden Tex Wool Company	Financial transactions	824 481	2 573 948	1 749 467
• Camegit for Garments Manufacturing	Financial transactions	(81 630)	902 971	984 601
• Crystal for Making shirts	Financial transactions	(219 337)	119 640	338 977
• Egypt Portugal Marketing Company	Financial transactions	586	22 813	22 227
• Italian Shirts DMCC	Financial transactions	--	5 538	5 538
• EP Garments	Financial transactions	(193)	5 650	5 843
• FC Trading	Financial transactions Dividend income	(3 367 580) 1 625 000	1 334 148	3 076 728
• Euromed For Trade and Marketing	Financial transactions	(11 492)	2 225	13 717
• Port said for Readymade Garments	Financial transactions	2 176 524	2 176 524	--
• White Head	Financial transactions and Technical Support	275	275	--
			13 686 216	13 178 594
Allowance for expected credit losses			(323 418)	--
			13 362 798	13 178 594

* Arafa Investments and Consultations Company bears all obligations arising from the financial leasing contracts of Arafa Real Estate Investment Company and transferred to Arafa Investments and Consultations, its contracts with the company are being concluded and documented in accordance with the agreement concluded regarding the transfer of the right under which Arafa Investments and Consulting Company bears all the obligations arising from these contracts (Disclosure 7,21).

28-2 Due to related parties

Company's Name	Nature of transactions	Value of transactions USD	Balance on 31 January 2022 USD	Balance on 31 January 2021 USD
• Swiss Garments Company	Financial transactions	2 432 238	5 319 861	2 887 623
• Egypt Tailoring Company	Financial transactions	(178 087)	5 193 723	5 371 810
• Savini Garments Company	Financial transactions	51	2 384 214	2 384 163
• Fashion Industry	Financial transactions	(6 181)	944 990	951 170
• Concrete Company	Financial transactions and Technical Support	(163 116)	119	1 877 834
	Dividend income	(1 714 599)		
• Port said for Readymade Garments	Financial transactions	(600 168)	–	600 168
• Bird Group	Financial transactions	682 751	2 257 223	1 574 472
			16 100 130	15 647 240

- All related parties' transactions during the year were performed with the same basis of interacting with other.
- There are no transactions with the top management.

29- Contingent liabilities

The value of the letters of guarantee issued by banks on behalf of the company and some of its subsidiaries and on behalf of others on 31 January 2022 amounting 10,070,995 USD.

30- Significant accounting policies

The accounting policies set out below have been applied consistently during the financial year presented in these Separate financial Statements

30-1 Translation of transactions in foreign currencies

The company maintains its accounts in USD. Foreign transactions are translated in the functional currency at the exchange rate prevailing on the transaction dates. Assets and liabilities of a monetary nature in foreign currencies are translated into the functional currency at the exchange rate at the date of the preparation of the separate financial statements.

Assets and liabilities that measured at fair value are translated at the exchange rate used when determining the fair value.

Non-monetary assets and liabilities that measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
Exchange rate differences are recognized in profits and losses except for the exchange rate differences arising from translation of foreign transactions of what is recognized in other separate comprehensive income.

30-2 Property, plant and equipment

a. Recognition and measurement

Items of property, plant and equipment are recognized at cost less accumulated depreciation and accumulated impairment losses.
When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.
profit and loss resulted from disposal of assets are recognized within separate income statement

b. Subsequent acquisition costs

The costs subsequent to acquisition are capitalized on the assets only if it is probable that it will generate and increase the future economic benefits and of the assets. As all the other expenses are recognized in the separate income Statement as an expense.

c. Depreciation

Depreciation of fixed assets - which is the cost of an asset deducting its scrap value – according to the straight-line method over the estimated useful life of each type of fixed asset and the depreciation is charged to the separate income statement. Land is not depreciated.

The following are the estimated useful lives, for each class of assets for the fiscal year and the year comparative.

Fixed assets	**Useful life Years**
* Buildings	50
* Transport & Transportation Vehicles	5
* Office furniture and equipment	2-16.66
* Leasehold improvements	10

30-3 Lease contracts

30-3-1 Financial leasing contracts (sales and re-lease operations)

If the entity (the lessee) transfers the asset to another entity (the lessor) and re-leases this asset, the entity must determine whether the transfer of the asset is accounted for whether or not a sale of this asset.

30-3-2 In the case of transferring the asset is not a sale:

The lessee must recognize the transferred asset and must recognize a financial liability equal to the transfer proceeds.

30-4 Financial Instruments:

1) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Upon initial recognition, an entity shall measure the financial asset or financial liability at its fair value added or deduct it, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that can be directly attributable to the acquisition or issuance of the financial asset or financial liabilities, with the exception of the due from customers who, if the amounts owed to them do not include a significant financing component.

2) Classification and subsequent measurement

Financial assets- The applied policy from February 1, 2021

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The accounting policies related to the application are similar to the accounting policies applied by the company, with the exception of the following accounting policy, which came into effect starting from February 1, 2021.

Financial assets – Policy applied before February 1, 2021
The company classifies financial assets into one of the following classifications:
- Loans and debts
- At fair value through profit or loss

Financial assets – Subsequent measurement and gains and losses: Policy applied before February 1, 2021

Financial assets at FVTPL	**Financial assets at FVTPL are measured at fair value. Changes in the fair value, including any interest or dividend income, are recognized in profit or loss.**

Financial liabilities – Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in the statement of profit or loss.

3) Derecognition
Financial assets
The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

4) **Offsetting**

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

30-5 Impairment

1) Non-derivative financial assets

Policy adopted from 1 February 2021

Financial instruments and contract assets

The Company recognizes loss allowances for ECLs on:

- Financial assets measured at amortized cost.
- Debt investments measured at FVOCI; and
- Contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
- Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as releasing security (if any is held); or
- The financial asset according to the terms of payment and the nature of each sector for individual customers and considering the study of expected credit losses prepared by the company.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.
Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).
ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer.
- A breach of contract such as a default or being more than 120 days past due; The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; It is probable that the borrower will enter bankruptcy or other financial reorganization; or the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is two years past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Policy applied before February 1, 2021

Non-derivative financial assets

Financial assets not classified as at fair value through profit or loss, including an interest in an equity accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- Default or delinquency by a debtor.
- Restructuring of an amount due to the company on terms that the Company would not consider otherwise.
- Indications that a debtor or issuer will enter bankruptcy.
- Adverse changes in the payment status of borrowers or issuers.
- The disappearance of an active market for a security because of financial difficulties.
- Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost.

Financial assets at amortized cost

The Company assessed evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred and made an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Equity- accounted investees	Impairment losses in equity-accounted investees are measured by comparing their carrying amount with the recoverable amount, and the impairment losses are recognized in profit or loss and the impairment loss is reversed when preferential changes occur in the estimates used to determine the recoverable amount.
Financial assets at fair value through OCI	Impairment losses on available-for-sale financial assets are recognized by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognized in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairment loss is reversed through profit or loss. Impairment losses recognized in profit or loss for an investment in an equity instrument classified as available-for-sale in profit or loss are not reversed.

2) **Non-financial assets**

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

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

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

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

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

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

30-6 Investments in subsidiary and associate companies

Investments in subsidiary and associate companies are recorded at cost and in the event of a permanent decline in the market value or the value of assets calculated from their book value - according to the studies carried out in this regard.

The book value is adjusted for the value of impairment losses in the value of assets and charged to the separate income statement for each investment separately, and the value of the impairment previously recorded in previous year is reversed so that the book value of these investments does not exceed the net original value before recording the impairment losses in the value of the assets.

30-7 Investments in joint ventures:

Joint ventures are companies that have been established under contractual agreements and require a majority approval to undertake strategic financial and management decisions.

30-8 Financial investments (Treasury Bills)

Treasury bills purchases-if any-are stated at nominal value less returns and are included in a separate item in the statement of financial position, the amounts due within three months from the date of purchase is added to cash and banks to achieve cash and cash equivalents at the date of statement of financial position value in order to prepare the cash flows statement in accordance with the requirements of the Egyptian Accounting Standards.

30-9 Trade receivables, debtors and note receivables

Trade receivables, debtors and note receivable are included as current assets unless they are contractually due over more than twelve months after the financial statements date in which case they are classified as non-current assets in the financial statements. These assets are recognized initially at fair value plus any directly attributable transaction costs.
Subsequent to initial recognition, they are measured at amortized cost using the effective interest method, less impairment losses (30-5-i).

30-10 Cash and cash equivalents

For making cash flow statement, then cash and cash equivalents contains cash in bank and box balances time deposits, which do not exceed three months and banks overdrafts that are repayable on demand and form an integral part of the company's cash management.

30-11 Loans and credit facilities

Loans are measured at initial recognition at fair value plus related cost.
After initial recognition, they are measured at amortized cost using the effective interest method.

30-12 Creditors and other credit balances

Creditors and other credit balances recognized at their cost.

30-13 Capital

i. Common shares
Incremental costs directly attributable to the issue of common stock and underwriting options are recognized as a deduction from shareholders' equity.

ii. Repurchase and re-issuance of capital share
When capital share recognized as equity is repurchased, the amount of consideration paid against repurchase, including directly attributable costs, is recognized and it will be classified as treasury bills, presenting the treasury bills as a deduction from total equity.

When the treasury shares are sold or reissued, the amount proceed is recognized as an increase in shareholders' equity and the surplus or deficit resulting from the transaction within the reserves.

iii. Dividends
Dividends are recognized as a liability in the period in which they are declared and approved by company's general assembly

30-14 Provisions

A provision is recognized when the company has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and the obligation can be reasonably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability, as the provisions balance is audited at the financial statement date, amending the balance if necessary, for an optimal estimation.

30-15 Revenue

i. Return on investments
Dividend income is recognized in the statement of income on the date of establishing the company's right to receive the dividends of the investee companies is established and is recognized after the date of acquisition.

ii. Profits (losses) on sale of investments
Gains and losses arising from the sale of financial investments are recognized in the separate statement of income at the date of disposal, by the difference between the cost and the selling price deducting expenses and commissions.

iii. Management fees and technical support services
Management fees and technical support services are recognized as the service is provided in accordance with the accrual basis.

Iv. Interest income
Interest payable is recognized in the separate income statement based on the accrual basis on a time proportion basis, taking into consideration the target rate of return on the asset.

30-16 Expenses

i. Cost of borrowing
Interest expenses associated with loans and bank credit facilities are recognized in the income statement using the effective interest rate method on an accrual basis.

ii. Social insurance contribution
The Company contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance. Under this law, the employees and the employer contribute into the system on a fixed percentage - of - salaries basis. The Company's liability is confined to the amount of its contribution. Contributions are charged to the income statement according to the accrual basis.

30-17 Earnings per share

Earnings per share is calculated by dividing the profit or loss relating to shareholders by their common shares in the Company by the weighted average to the number of shares outstanding during the period.

30-18 Legal reserve

According to the Company's bylaws, 5% of the net profit is set aside to form a legal reserve. The transfer to legal reserve ceases once the reserve reaches 50% of the issued share capital, if the reserve falls below the defined percentage then the Company is required to continue setting aside more reserves

30-19 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information on the Group's exposure to each of the above risks, the Company's objectives, policies and methods for measuring and managing the risk, as well as the Company's capital management, as well as some additional disclosures included in these financial statements.

The Board of Directors is fully responsible for the development and monitoring of the overall risk management framework of the Group and identifies and analyzes risks to the Group to identify and monitor risk levels and appropriate controls.

The Company's management aims to establish a disciplined and disciplined regulatory environment in which all employees are aware of and understand their role and commitment.

The Audit Committee assists the Board of Directors of the Holding Company in its supervisory role in the regular and sudden examination of controls and policies related to risk management.

Credit risk
Credit risk is the risk that one party of a financial instruments will fail to discharge his obligation and cause to incur financial losses to the other party.

Trade, notes receivables and other debit balances

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer as almost all the company's debtors is represented in related parties which not comprise a material concern to the credit risk on the basis of the transactions that took place during the year, and there are not any losses resulted from it.

Guarantees

The Company's policy is to provide financial guarantees for owned subsidiaries only.

Liquidity risk

The Liquidity risk is the risk that the company will not be able to meet its contracted financial obligations.

The company's approach to manage its liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company reputation. The company maintains sufficient cash balance to meet the expected operating expenses for a relevant period including financial liabilities and excluding the effect of unpredictable circumstances such as natural disasters.

The company holds 54,540,537 USD in credit facilities with a guarantee of 3% interest rate over the LIBOR to the USD.

Market risk

Market risk is the risk that changes in market prices, such as foreign currencies exchange rates, interest rates and equity instruments prices will affect the Company's income or the value of its financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Capital risk management

The Board of Directors policy is to maintain substantive capital in order to maintain the confidence of investors, creditors and the market as well as to meet the future developments of the activity.

The Board of Directors of the Company will monitor the return on capital as determined by the management as the net profit for the year divided by the total shareholders' equity. The Board of Directors of the Company will also monitor the level of dividends to the shareholders.

The board of directors of the company endeavor to balance the higher returns that can be achieved with the levels of interest and the advantages and guarantees provided by maintaining appropriate capital position.

There are no changes in the Company's capital management strategy during the period. The Company is not subject to any external requirements imposed on its own capital.

31- Significant events

Most countries of the world, including Egypt, were exposed during the first half of 2020 to the spread of the new Corona virus (Covid-19), which caused disturbances in most commercial and economic activities in general. So it is likely to have an impact substantially on asset elements, liabilities and value redemption them, as well as works in the financial statements company results in the coming periods as well as likely to affect demand for the company's services and liquidity available to it, the company is currently assessing and determining the size of this effect on the financial statements present However, in the event of instability and uncertainty as a result of current events, the magnitude of the impact of that event depends mainly on the expected duration and the period of time at which the end of that period is expected and the consequences thereof this is difficult to determine at the present time.