Orasconi Investment Holding
"S.A.E"
Consolidated financial statements
As of and for the year ended December 31, 2022
Together with auditor's report

KPMG

Hazem Hassan
Public Accountants & Consultants

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Translation of auditor's report Originally issued in Arabic

Auditor's report
To the shareholders of Orascom Investment Holding S.A.E.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Orascom Investment Holding S.A.E. and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of income, 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 Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Except as described in the Basis of Qualified Opinion paragraphs, we conducted our audit in accordance with the Egyptian Standards on Auditing and applicable Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

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

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

KPMG

Hazem Hassan

Translation of audit report Originally issued in Arabic

Basis of Qualified Opinion

1- As explained in Note (14) of the Notes to the Financial Statements, the Group has significant influence in its investments in Cheo Technology Joint Venture (Koryolink) in the Republic of North Korea, which amounted to EGP 613.6 million as of December 31, 2022, and it has been classified as "equity accounted investees", and the Group also has cash balance in North Korean Banks amounting to EGP 91 million, which was classified as other financial assets as of December 31, 2022. Koryolink operates under an international sanctions and operational and financial restrictions imposed by the international community on Republic of North Korea, which leads to difficulties in transferring profits abroad and repatriating funds outside the Republic of North Korea, the investment in Koryolink is measured at cost which represents the management's best estimate of the recoverable amount of this investment.

We were unable to obtain sufficient and appropriate audit evidence of the recoverable amount of the Group's investment in Koryolink as well as the accuracy of the valuation of the cash balances in North Korean Banks as of 31 December 2022, and the Group's share of the associate company's profits in the consolidated income statement for the financial year ended December 31, 2022, and therefore were unable to determine whether any adjustments to these amounts were necessary.

2- The management didn't provide us with financial information audited by the component auditor of Orascom Telecom Lebanon (a component) as of and for the year ended December 31, 2022, due to the current circumstances in Lebanon, therefore we couldn't obtain reasonable assurance over the existence, accuracy, completeness and ownership of the balances and amounts of the component company as of and for the year ended December 31, 2022, for a total amount of assets of EGP 73.9 million, which represents 1.8% from total assets of the Group and a total amount of liabilities of EGP 226.7 million, which represents 15.7% from total liabilities of the Group's consolidated balances as of December 31, 2022. We couldn't perform alternative audit procedures to obtain reasonable assurance over the existence, accuracy, completeness, and ownership of the balances and amounts for consolidation purposes of the consolidated financial statements.

3- Other current financial assets include an amount of EGP 114 million, Investment is a balance due from an external party resulting from the sale of all shares of Riza Company, owned by the Group, where this third party has stopped paying the sale installments since February 2020 to date, we were unable to obtain sufficient and appropriate audit evidence about the recoverable amount of this balance. Also, we couldn't perform alternative audit procedures to verify the recoverable amount of this balance and therefore were unable to determine whether any adjustments to these amounts were necessary as of December 31, 2022.

Qualified Opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary if we have obtained the audit evidences described in the Basis of Qualified Opinion paragraphs, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Orascom Investment Holding S.A.E. and its subsidiaries (the Group) 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 Egyptian laws and regulations relating to the preparation of these consolidated financial statements.

T. Hassan

KPMG Hazem Hassan

Public Accountants and Consultants

Cairo April 4, 2023

KPMG Hazem Hassan
Public Accountants and Consultants
(2)

Orascom Investment Holding "S.A.E"
Consolidated Statement of Financial Position As of

(In thousands of EGP)	Note no.	December 31, 2022	December 31, 2021
Assets			
Non-current assets			
Property, Plant and equipment	(15)	460,154	215,616
Investment property	(17)	202,032	206,162
Equity accounted investees	(14)	613,632	613,632
Other financial assets	(18)	791,605	53,109
Other assets	(21)	--	4,000
Total non-current assets		**2,067,423**	**1,092,519**
Current assets			
Trade receivables	(20)	72,739	106,254
Other financial assets	(18)	113,600	86,100
Other assets	(21)	72,282	28,524
Cash and cash equivalents	(22)	1,699,753	1,112,630
		1,958,374	1,333,508
Assets held for sale	(7)	--	1,586,106
Total current assets		1,958,374	2,919,614
Total assets		**4,025,797**	**4,012,133**
Equity and liabilities			
Share capital	(23)	577,025	577,025
Reserves		701,970	432,319
Retained earnings		1,311,736	614,186
Equity attributable to owners of the parent Company		**2,590,731**	**1,623,530**
Non-controlling interests		(10,739)	316,697
Total equity		**2,579,992**	**1,940,227**
Liabilities			
Non-current liabilities			
Borrowings	(25)	343,370	159,310
Provisions		4,680	2,818
Deferred tax liabilities	(19)	179,026	75,382
Total non-current liabilities		**527,076**	**237,510**
Current liabilities			
Borrowings	(25)	49,133	280
Other liabilities	(26)	553,488	395,810
Tax liabilities- income tax		91,205	49,702
Provisions	(27)	224,903	435,571
		918,729	**881,363**
Liabilities associated with assets held for sale	(7)	--	953,033
Total current liabilities		**918,729**	**1,834,396**
Total liabilities		**1,445,805**	**2,071,906**
Total equity and liabilities		**4,025,797**	**4,012,133**

- The accompanying notes from (1) to (35) form an integral part of these consolidated financial statements and should be read therewith.

Chief Financial Officer **Chairman**

Auditor's report "attached"

Orascom Investment Holding S.A.E.
Consolidated Statement of Income for The Year Ended

(In thousands of EGP)	Note no.	December 31, 2022	December 31, 2021 Represented
Continuing operations			
Operating revenues	(8)	97,518	27,922
Other income	(32)	43,303	200,742
Purchases and services costs	(9)	(122,365)	(77,259)
Other expenses	(10)	(12,031)	(11,483)
Provisions no longer required /(formed)	(27)	200,066	(62,728)
Personnel costs	(11)	(109,802)	(105,253)
Depreciation and amortization	(12)	(11,122)	(5,300)
Impairment loss in financial assets	(20) (18) (21)	(95,391)	(68,922)
Gains on fair value revaluation	(18-2)	139,144	--
Operating profit (loss)		**129,320**	**(102,281)**
Finance income	(13)	2,006	2,906
Finance costs	(13)	(6,428)	(13,066)
Gain from foreign currencies translation	(13)	328,139	49,833
Share of profit of equity accounted investments	(14)	396,178	425,586
Net impairment in equity accounted investments	(14)	(396,178)	(425,586)
Profit (Loss) for the year before income tax		**453,037**	**(62,608)**
Income tax	(19)	(84,664)	(50,423)
Profit (Loss) for the year from continuing		**368,373**	**(113,031)**
Discontinued operations			
Net operation results from discontinued operations after tax	(7)	59,676	974,260
Net profit / (loss) for the year		**428,049**	**861,229**
Attributable to:			
Owners of the parent company from continuing operations		368,423	(113,031)
Owners of the parent company from discontinued operations		49,201	908,243
Non-controlling interests		10,425	66,017
		428,049	**861,229**
Earning/ (Losses) per share (basic and diluted) from continuing operations – (in EGP)	(28)	0.070	(0.022)
Earnings per share (basic and diluted) from discontinued operations – (in EGP)	(28)	0.009	0.173

- The accompanying notes from (1) to (35) form an integral part of these consolidated financial statements and should be read therewith.

Orascom Investment Holding S.A.E.
Consolidated Statement of Comprehensive Income for The Year Ended

(In thousands of EGP)	December 31, 2022	December 31, 2021 Represented
Net profit for the year	**428,049**	**861,229**
Other comprehensive (loss) items that may be subsequently reclassified to profit or loss:		
Translation reserve reclassified to profit or loss during the disposal of discontinued operation	43,339	(297,262)
Foreign operations – foreign currency translation differences	506,238	(178,616)
Total other comprehensive (loss) items for the year	**549,577**	**(475,878)**
Total comprehensive income / (loss) for the year	**977,626**	**385,351**
Attributable to:		
Owners of the parent company	967,201	352,235
Non-controlling interests	10,425	33,116
	977,626	385,351

- The accompanying notes from (1) to (35) form an integral part of these consolidated financial statements and should be read therewith.

Orascom Investment Holding S.A.E.
Consolidated Statement of Changes in Equity for The Year Ended December 31, 2022

(In thousands of EGP)	Paid up capital	Legal reserves	Translation reserves	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance as of January 1, 2021, as issued	577,025	170,033	402,212	123,564	1,272,834	285,060	1,557,894
Adjustments for applying new accounting standards (EAS no. 47, 48)	-	-	-	(1,539)	(1,539)	(1,479)	(3,018)
Balance as of January 1, 2021, restated	577,025	170,033	402,212	122,025	1,271,295	283,581	1,554,876
Transferred to legal reserve	-	5,789	-	(5,789)	-	-	-
Other comprehensive income for the year							
Net profit for the year restated	-	-	-	795,212	795,212	66,017	861,229
Translation reserve reclassified to profit or loss during the disposal of discontinued operations	-	-	(297,262)	-	(297,262)	-	(297,262)
Foreign operations – foreign currency translation differences	-	-	(145,715)	-	(145,715)	(32,901)	(178,616)
Total comprehensive income for the year	-	-	(442,977)	795,212	352,235	33,116	385,351
Balance as of December 31, 2021	577,025	175,822	(40,765)	911,448	1,623,530	316,697	1,940,227

(In thousands of EGP)	Paid up capital	Legal reserves	Translation reserves	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance as of January 1, 2022, restated	**577,025**	**175,822**	**(40,765)**	**911,448**	**1,623,530**	**316,697**	**1,940,227**
Transferred to legal reserve	-	17,336	-	(17,336)	-	-	-
Net profit for the year restated	-	-	-	417,624	417,624	10,425	428,049
Translation reserve reclassified to profit or loss during the disposal of discontinued operations	-	-	43,339	-	43,339	-	43,339
Foreign operations – foreign currency translation differences	-	-	506,238	-	506,238	-	506,238
Total comprehensive income for the year	**-**	**-**	**549,577**	**417,624**	**967,201**	**10,425**	**977,626**
Disposal of non-controlling interest	-	-	-	-	-	(337,861)	(337,861)
Balance as of December 31, 2022	**577,025**	**193,158**	**508,812**	**1,311,736**	**2,590,731**	**(10,739)**	**2,579,992**

* Comparative figures are adjusted on profit or loss statement to prove reclassification of difference forex revaluation from reserves to profit or loss statement as a result of the sale of 7 floors has been owned in Brazil year 2021.

- The accompanying notes from (1) to (35) form an integral part of these consolidated financial statements and should be read there with.

Translation of Financial Statements originally issued in Arabic

Orascom Investment Holding S.A.E.
Consolidated Statement of Cash Flow for The Year Ended

(In thousands of EGP)	Note no.	December 31, 2022	December 31, 2021 Represented
Continuing operations			
Cash flows from operating activities			
Net (loss) for the year before tax		**453,037**	**(62,608)**
Adjustments for:			
Depreciation, amortization and impairment	(12)	11,122	5,300
Finance income	(13)	(2,006)	(2,906)
Finance costs	(13)	6,428	13,066
Net (gains) from foreign currencies translation	(13)	(328,139)	(49,833)
Other income	(32)	-	(200,155)
(Gain) from fair value revaluation through profit or loss		(139,144)	-
Impairment loss in financial asset		95,391	68,922
Share of profit from equity accounted investments	(14)	(396,178)	(425,586)
Net impairment from equity accounted investments	(14)	396,178	425,586
Change in provisions		(234,458)	61,587
Change in current assets included in working capital		27,929	(3,981)
Change in current liabilities included in working capital		94,510	(111,806)
Cash flows (used in) operating activities		**(15,330)**	**(282,414)**
Interest received		2,006	2,841
Net cash flows (used in) operating activities		**(13,324)**	**(279,573)**
Cash flows from investing activities			
Net cash outflows for investments in:			
Property and equipment		(193,552)	(108,455)
Investment property		-	(6,351)
Gain on investment revaluation through profit or loss		(560,891)	-
Net cash inflows from disposal of:			
Property and equipment		-	312
Net cash flows (used in) investing activities		**(754,443)**	**(114,494)**
Cash flows from financing activities			
Interest paid		(6,428)	(13,060)
Net proceeds from non-current borrowings	(25)	181,081	108,897
Net (payments) for financial liabilities	(25)	-	(81,799)
Net proceeds from financial assets		6,726	-
borrowing payments		(280)	-
Net cash flows generated from (used in) financing activities		**181,099**	**14,038**
Net change in cash and cash equivalents during the year from continuing operations		**(586,668)**	**(380,029)**
Discontinued operations			
Net cash flows (used in) / generated by operating activities		(51,658)	243,141
Net cash flows generated by investing activities		509,809	1,161,052
Net cash flows (used in) financing activities		-	(207,704)
Net change in cash and cash equivalents during the year from discontinued operations		**458,151**	**1,196,489**
Net change in cash and cash equivalents during the year		**(128,517)**	**816,460**
Cash and cash equivalents at the beginning of the year		**1,112,630**	**343,056**
Effect of Change in the exchange rate on cash and cash equivalents in foreign currencies for continuing operations		716,654	(2,375)
Effect of Change in the exchange rate on cash and cash equivalents in foreign currencies for discontinued operations		-	(2,025)
Balance of cash and cash equivalents transferred to assets held for sale		-	(42,486)
Impairment of cash and cash equivalents value		(1,014)	-
Cash and cash equivalents at the end of the year	(22)	**1,699,753**	**1,112,630**

- The accompanying notes from (1) to (35) form an integral part of these consolidated financial statements and should be read there with.

1- General information about parent of the Group

a- Legal status

Orascom Investment Holding S.A.E. "the Company" (formerly Orascom Telecom Media and Technology Holding) is an Egyptian Joint Stock Company pursuant to the provisions of the Capital Market Law no. 95 of 1992, and its executive regulations. The Company was registered at Commercial Register on November 29, 2011, under No 394061. The Company's Head Office located at Nile City Towers, Ramlet Boulak – Cairo –Egypt. The Company's duration is 25 years starting from November 29, 2011, and the extended period from that date till December 31, 2012, is considered the first financial year.

b- Purpose of the Company

The Company's purpose is to participate in establishing the joint stock and limited liability Companies that issue securities or to increase its share capital of these companies, considering the provisions of Article 127 of the executive regulations and the regulations of the Capital Market Law. The Company may have interest or participate, by any mean, in companies and other enterprises that have activities similar to those of the Company or those that may assist the Company to achieve its objectives in Egypt or abroad. It may also merge into those companies and enterprises purchase them or affiliate them pursuant to the provisions of the law and its executive regulations.

c- Brief over incorporation of the Company

The Company was established as a result of legal demerger from Orascom Telecom Holding S.A.E. as part of the VimpelCom transaction. In October 2010, VimpelCom Ltd. and Wind Telecom announced that both companies had signed a merger agreement, and where Wind Telecom (formerly Wind Investment) owns 51.7% of shares of Orascom Telecom Holding SAE. **"OTH"**. On April 14, 2011, the demerger plan was concluded, in order to transfer certain assets to the demerged Company that are not intended to form part of the VimpelCom – Wind Telecom Group going forward. Those assets represent mainly OTH investments in the Egyptian company for Mobile Services, CHEO Technology in North Korea, Orascom Telecom Ventures SAE, as well as other investments in the media and technology sectors, including undersea cable assets.

Accordingly, the demerger plan provided that the split of OTH will be executed by way of legal demerger, and the incorporation of Orascom Telecom, Media and Technology Holding S.A.E - OTMT (demerged company), which will acquire the investments excluded from the transaction. The demerger resulted in existing shareholders of OTH holding the same percentage interest in OTMT as they hold in OTH as of the execution date of the demerger.

2- Statement of compliance with the Egyptian Accounting Standards

- The consolidated financial statements have been prepared in accordance with the Egyptian Accounting Standards issued by the Minister of Investment's decree No. (110) for year 2015 and equivalents to the Minister of Investment's decree No. 69) for year 2019, and applicable Egyptian laws and regulations. The Egyptian Accounting Standards require referral to International Financial Reporting Standards "IFRS" for certain types of transactions or events when no Egyptian Accounting Standard or legal requirement exists to address treatment for these transactions or events.

- The consolidated financial statements as of and for the year ended December 31, 2022, were approved by the board of directors on April 3, 2023.

3- Basis for preparation of consolidated financial statements

As disclosed in Note 1-C, the Company was established as a result of demerger from OTH, the new legal status represents continued economic body starting from the date on which the demerging company acquired or established the subsidiaries and associates and then ownership was transferred to the resulting demerged company.

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

In the absence of a specific guidance in Egyptian Accounting Standards, EAS 5 requires management to select and apply an appropriate accounting policy. Management used its judgement in developing and applying an accounting policy to account for its investments in subsidiaries and associates transferred as part of the demerger as follow:

Although the legal acquisition of subsidiaries was through transfer of shares of equity ownership certificates in application of the demerger decision which was taken in December 2011, the net assets of the company were consolidated through the spin off process as a continuing economic entity under the company's control from the actual date on which the demerger company has acquired the subsidiaries or incorporated them and so the statement of changes in equity includes the retained earnings of these entities during the period from controlling or incorporating these companies by the demerger company.

A) Basis of measurement

The consolidated financial statements are prepared on the historical cost convention, except for financial derivatives that are measured at fair value, and financial instruments at fair value through profit or loss. The historical cost depends mainly on the fair value of the consideration transferred to obtain assets.

B) Presentation currency

These consolidated financial statements are presented in Egyptian pounds, which is the Company's functional currency. All financial information presented in Egyptian pounds has been rounded to the nearest thousand except for earnings per share for the year / period, unless otherwise stated in the consolidated financial statements or notes.

4- Significant accounting policies

The consolidated financial statements have been prepared by the same accounting policies that are followed on an ongoing basis when preparing the Company's annual consolidated financial statements, the accounting policies have been followed consistently in all periods presented in consolidated financial statements.

4-1 Basis of preparing the consolidated financial statements

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

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

The parent company should reassess the control of the investee if the facts and circumstances indicate that there are variables for one or more of the three control elements mentioned above.
The consolidated statement of income includes the income and expenses of subsidiaries acquired or disposed of during the year as of the effective date of acquisition or the effective date of disposal as appropriate. The total income of the subsidiaries is distributed between the shareholders of the holding company and the non-controlling interests even if the negative balance of the non-controlling interests (deficit) arises.

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

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

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity therein. When the Group loses absolute or joint control of a subsidiary or jointly controlled enterprise and instead retains significant influence over it, it recognizes the remaining investment as an investment in an associate and measures it at its fair value at the date of the loss of ultimate or joint control. The fair value of the investment remaining on the date on which the joint or absolute control was lost is considered as the cost on initial recognition of the investment in an associate company.

4-2 <u>Business combination</u>

Business combinations (acquisitions) are accounted for using the acquisition method. The consideration transferred in a business combination transaction is measured at fair value, which is calculated on the basis of the total fair values at the acquisition date of the assets transferred from the Group and the liabilities incurred by the Group in favour of the former owners of the acquire as well as the equity instruments issued by the Group in exchange for control of the acquire.

Goodwill is measured on the basis that it represents an increase in (1) Total: the consideration transferred, and any rights to the owners of non-controlling interests in the acquired entity, and the fair value of the share, which the company acquired owned in the company's ownership rights acquired before the acquisition date (if any) for (2) Net values: Assets acquired and liabilities incurred at the date of acquisition. If, after reassessment shows that the net acquired assets by the values and obligations incurred over the total: the consideration transferred, and any rights to the owners of non-controlling interest in the acquired entity, and the fair value of the acquirers share in the acquired company's owners' equity before the date of acquisition (if any) then the increase would be recognized in the profit or loss for the period. (bargain purchase).

For non-controlling interests that represent current equity interests and entitle their holders to a proportionate share of the net assets of the entity in liquidation, they may be measured at initial recognition either at fair value or in the proportionate share of the non-controlling interests in the recognized values of the net assets of the acquired - The measurement basis for each acquisition transaction is selected separately.

In Group Entities under Common Control, the Group treats the differences between the cost of business combination and the Group's share in the carrying amount of the net assets and contingent consideration of the acquired entity as a reserve for the consolidation of a business in equity if the acquisition does not result in Change in the principle of absolute control of the Group over the enterprises or companies that have been assembled before and after the acquisition. The same policy is also applied if the Group acquires a proportion of the non-controlling interests' interest in the subsidiary or the Group dispossesses a percentage of its ownership in the subsidiary but retains control of the subsidiary.

In this case, the fair value of the net assets and contingent consideration of the acquired entity is not determined until the date of initial control, taking into account changes in equity items that occurred during the period from the date of initial control until the date of increasing the control share.

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

Orascom Investment Holding (the parent company) currently owns directly and indirectly the following subsidiaries:

Entity name	Segment	Country	Direct and indirect interest in entity
Oracap Holding company (Free zone)	Media and Technology	Egypt	99.96%
Oracap Far East Ltd.	Media and Technology	Malta	100 %
Osorcon company	Others	Northern Korea	100%
Orascom Telecom Lebanon	Management services	Lebanon	99.8%
OIH Renewables SARL	Other	Luxembourg	100 %
Victoire coop Investment Holding	Investment Property	Netherlands	100 %
Victoire B.V.	Investment Property	Netherlands	100 %
Victorie 2 (Brazil)	Investment Property	Brazil	100 %
Victorie 9 (Brazil)	Investment Property	Brazil	100 %
Victorie 11 (Brazil)	Investment Property	Brazil	100 %
Victorie 13 (Brazil)	Investment Property	Brazil	100 %
Victorie 17 (Brazil)	Investment Property	Brazil	100 %
Victorie 18 (Brazil)	Investment Property	Brazil	100 %
Victorie 19 (Brazil)	Investment Property	Brazil	100 %
O-Capital for Energy	Energy	Egypt	99.2 %
O-Capital for Services and Construction	Energy	Egypt	99.2 %
Orascom Telecom Venture "S.A.E"	Media and Technology	Egypt	100 %
Orascom Prisme Pyramids Entertainment "S.A.E"	Other	Egypt	70%
Orascom Pyramids Entertainment "S.A.E"	Other	Egypt	100 %
Orascom Pyramids for Tourist Establishments	Other	Egypt	100 %
OSL for Entertainment	Other	Egypt	100 %
OIH Senegal	Other	Egypt	100%
Afrigate	Other	Egypt	100%

4-3 Investments in associates

An associate is an entity over which the Group has significant influence on through participating 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 are incorporated in these financial statements using the equity method of accounting. Investments classified as held for sale, are accounted for in accordance with EAS 32 Non-current Assets Held for Sale and Discontinued Operations, where they are stated at the lower of their carrying amount or fair value less costs to sell.

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

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

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

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

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

The Group owns investment in associate as the following:

	Segment	Country	Direct and indirect interest in entity
CHEO Technology JV (Koryolink)	Mobile phone services	North Korea	60%*

(*) The investment Percentage has been decreased from 75% to 60% during 2022 (Note no. 14).

4-4 Foreign currencies 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 preparing 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 Group and the presentation currency for the consolidated financial statements.

In preparing the separate financial statements of the individual entities, transactions in currencies other than Egyptian pounds 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 the Egyptian pound 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.

At the date 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 Egyptian Pound using exchange rates prevailing at the balance sheet date, equity items are expressed in Egyptian Pound 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 period. Exchange differences arising, if any, are classified as equity and recognized in the Group's foreign currency translation reserve.

The exchange rates applied in relation to the EGP are as follows:

	Closing rate as of December 31, 2022	Average rate for the year ended December 31, 2022	Closing rate as of December 31, 2021	Average rate for the year ended December 31, 2021
American Dollar	24.74	19.176	15.660	15.652
Pakistan Rupee	0.109	0.094	0.089	0.096
Brazilian Real	4.68	3.71	2.811	2.901
Euro	26.48	20.21	17.80	18.52

4-5 Fixed assets and depreciation

All items of fixed assets are reported in the balance sheet at historical cost, less any accumulated depreciation and impairment losses. Cost of an item of fixed assets includes expenditures that are directly attributable to the acquisition of the item.

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

Repairs and maintenance expenses are charged to the profit or loss during the financial period in which they have been incurred. The gain or loss arising on the disposal or retirement of an item of fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Depreciation of the depreciable assets is based on the straight-line method and is charged to income statement over the useful life of each Group of assets.

The following are estimated useful lives for fixed assets that are used to calculate depreciation:

Asset	Years
Buildings	50 Years
Cellular equipment	8 – 15 Years
Machines	5 – 10 Years
Computer equipment	3 – 5 Years
Furniture and fixtures	5 – 10 Years
Vehicles	3 – 6 Years
Leasehold improvements	3 – 8 Years

4-6 Projects under Construction

Projects under construction are carried at cost, less accumulated impairment, if any. Costs include all costs associated with the acquisition of the asset and bringing it to be ready for its intended use. Projects under construction are transferred to fixed assets when they become ready for their intended use and then start its depreciation using the assumptions that are used in depreciate the same types of the assets.

4-7 Intangible assets

Non-monetary assets that don't have physical substance, but can be identified separately, acquired for operating purpose, and expected to generate future economic benefits is treated as intangible assets. Intangible assets (excluding goodwill) include computer systems, telecom network licenses, right of use, and trademarks. Intangible assets are measured at cost, which represents the cash price at the initial recognition. In case of deferral of payments for periods exceed the normal credit terms, difference between cash price and total amount is recognized as interest. Intangible assets are carried at cost net of amortization and impairment losses, subsequent expenditures on intangible assets are capitalized over the carrying amount of the asset, when and only when, these expenditures increase the future economic benefits of the asset or assets, while other expenditures are charged to income statement. Intangible assets are amortized on a straight-line basis over their useful lives, unless the useful lives of intangible assets are not identified, an impairment test is performed annually.

4-8 Goodwill

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets at acquisition date, 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 is described above at "Investments in associates.

4-9 Impairment of tangible and intangible assets excluding goodwill

On annual basis, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

4-10 Investment property

a) Recognition and initial measurement

This item includes buildings leased to lessee under operating leases. Investments property are carried at cost including transaction costs less the accumulated depreciation and impairment, the carrying amount of investment property, useful life and depreciation method is reviewed on annual basis. The fair values of these investments are disclosed at the balance sheet date unless it is not practical to be determined in a reliable manner. In this case such fact shall be disclosed.

b) Depreciation

Is charged to the income statement on a straight-line basis over the estimated useful lives of each component of the investment properties. The estimated useful lives are as follows:

Assets	Years
Leased units	50

4-11 Financial instruments

Financial assets

Business model, classification, and measurement

Business model assessment

The Group assesses the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash flaws or realizing cash flows through the sale of the assets.
- How the performance of the portfolio is evaluated and reported to the Group's management.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- How managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume, and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.
In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).
- A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

- **Financial assets – Subsequent measurement and gains and losses**

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses from changes in fair value, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to 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 profit or loss.

Disposals

- **Financial assets**

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group 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 Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group 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 contingent liability) is recognized in profit or loss.

4-11-1 Impairment

As allowed by EAS No. (47), the Group applies two impairment models for financial assets measured at amortized cost and FVOCI:

- the **simplified approach model** for trade receivables related to fees and commission under the scope of EAS No. (48) "Revenues from Contracts with Customers"; and
- the **general approach model** for Brokerage customers and other financial assets, including financial assets under the scope of EAS No. (47).
- Impairment losses on financial assets are recognized in the Consolidated Income Statement within the credit losses expenses.

4-11-2 Simplified approach model

With regards to trade receivables related to fees and commission, the simplified approach model for determining the impairment is performed in two steps:

- any trade receivable in default is individually assessed for impairment; and
- a general reserve is recognized for all other trade receivables (including those not past due) based on the determined historical loss rates and carryforward losses expectations.

4-11-3 General approach model

- The general model impairment requirements of EAS No. (47) apply to all credit exposures that are measured at amortized cost or FVOCI, except the cases covered by simplified model as abovementioned.
- For purposes of the impairment policy below, these instruments are referred to as ("Financial Assets").
- The determination of impairment losses and allowance moves from an incurred credit loss model whereby credit losses are recognized when a defined loss event occurs under previous accounting standard, to an expected credit loss model under EAS No. (47), where allowances are taken upon initial recognition of the Financial Asset, based on expectations of potential credit losses at the time of initial recognition.
- The Group uses three main components to measure ECL. These are Probability of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD").
- The probability of tripping the corresponding parties is derived from internal group assessments. The Group allocates the probability of default for each exposure of the counterparty based on the economic environment in which the customer works, considering the relevant quantitative and qualitative information and quality available.
- Loss estimates when you stumble are independent of the client's probability of default. Loss models when tripping ensure that the main drivers of losses, including the quality of the warranty, are reflected in the loss factor when the specified stumble.
- Exposure when its stumbles is defined as the expected amount of credit risk to the counterparty at the time of its stumble. The exposure model is designed when you default on the life of the financial asset considering the expected payment files.

- EAS No. (47) Introduces a three-stage approach to impairment for Financial Assets that are not credit-impaired at the date of origination or purchase. This approach is summarized as follows:
- **Stage 1:** The Group recognizes a credit loss allowance at an amount equal to 12-month expected credit losses. This represents the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date, if credit risk has not increased significantly after initial recognition.
- **Stage 2:** The Group recognizes a credit loss allowance at an amount equal to lifetime expected credit losses for those Financial Assets which are considered to have experienced a significant increase in credit risk since initial recognition. This requires the computation of ECL based on lifetime probability of default, lifetime loss given default and lifetime exposure at default that represents the probability of default occurring over the remaining lifetime of the Financial Asset. Allowance for credit losses are higher in this stage because of an increase in credit risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.

- **Stage 3:** The Group recognizes a loss allowance at an amount equal to lifetime expected credit losses, via the expected recoverable cash flows for the asset, for those Financial Assets that are credit impaired. For further detail see following paragraph "Credit-impaired Financial Assets in Stage 3".
- The Group calculates expected credit losses for each financial asset individually. Similarly, the determination of the need to transfer between stages is made on an individual asset basis.

4-11-4 Significant increase in credit risk

- Under EAS No. (47), when determining whether the credit risk (i.e., risk of default) of a Financial Asset has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information based on the Group's historical experience, credit risk assessment and forward-looking information (including macro-economic factors). The assessment of significant credit deterioration is key in determining when to move from measuring an allowance based on 12-month ECLs to one that is based on lifetime ECLs (i.e., transfer from Stage 1 to Stage 2).

4-11-5 Credit-impaired financial assets

- At each reporting date, the Group reviews the indicators for impairment of receivables balances, in order to take the necessary actions to account for impairment against the amounts that may not be collected from customers. The study is necessary to ensure that clients own and maintain a portfolio of shares to cover the debt owed to them - enabling the Group to take necessary measures to preserve the Group's right in case of any amounts due from customers and failure or delay in payment. The calculation using aging reports will not be applicable on brokerage receivables as there is no specified or expected time frame for clearing or collection, however a provision is to be formed for the difference between debit due balance and the value of owned shares (collateral).
- For Financial Assets considered to be credit-impaired, the ECL allowance covers the amount of loss the Group is expected to incur. The estimation of ECLs is done on a case-by-case basis for non-homogeneous portfolios, or by applying portfolio-based parameters to individual Financial Assets in these portfolios via the Group's ECL model for homogeneous portfolios.
- Forecasts of future economic conditions when calculating ECLs are considered. The lifetime expected losses are estimated based on the probability-weighted present value of the difference between the contractual cash flows that are due to the Group under the contract; and the cash flows that the Group expects to receive.

4-11-6 Collateral for financial assets considered in the impairment analysis

- EAS No. (47) requires cash flows expected from collateral and other credit enhancement to be reflected in the ECL calculation. The following are key aspects with respect to collateral and guarantees:
- Eligibility of collateral, i.e. which collateral should be considered in the ECL calculation;
- Collateral evaluation, i.e. what collateral (liquidation) value should be used; and
- Projection of the available collateral amount over the life of a transaction.

4-11-6 Monetary accounting estimates

- The accounting estimates and judgments related to the impairment of Financial Assets is a critical accounting estimate because the underlying assumptions used can change from period to period and may significantly affect the Group's results of operations.
- In assessing assets for impairments, management judgment is required, particularly in projecting future economic information and scenarios where circumstances of economic and financial uncertainty, when developments and changes to expected cash flows can occur both with greater rapidity and less predictability. The actual amount of the future cash flows and their timing may differ from the estimates used by management and consequently may cause actual losses to differ from reported allowances.

4-12 Financial obligations and equity instruments issued by the Group

Classification of instruments as equity or liability

Financial instruments are classified as liabilities or as equity in accordance with the substance of the group's contracts at the date of issue of those instruments.

Equity instruments

Equity instruments represent any contract that gives the group the right to the net assets of an entity after deducting all of its obligations.

Equity instruments issued by the Group are stated at the value of the proceeds received or the net value of the assets transferred, less the costs of issuance directly attributable to the transaction.

Financial obligations

Financial liabilities have been classified as either "fair value through profit or loss" or other financial liabilities.

Other financial liabilities

Other financial obligations include balances of loans, suppliers, balances due to related parties and other credit balances. The first financial obligations are recognized at fair value (the value received) after deducting the transaction cost, provided if it is subsequently measured at amortized cost using the effective interest rate and the distribution of interest expense over the relevant periods It is based on the actual return.

The effective interest rate method is a method for calculating the amortized cost of financial obligations and charging interest expense over the relevant periods.

The effective interest rate is the rate at which future cash payments are discounted over the estimated life of the financial liability or any less appropriate period.

4-13 De-recognition of financial instruments from books:

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

4-14 Effective interest rate method:

The effective interest rate method is used to calculate the amortized cost of financial assets that are debt instruments and to distribute the return over the relevant periods. The effective interest rate is the rate at which future cash receipts (which includes all fees and payments or receipts between parties to the contract that are part of the effective interest rate and includes transaction costs and any other premiums) are discounted over the estimated life of the financial assets or any appropriate less period.

The return on all debt instruments is recognized based on the effective interest rate, except for those classified as financial assets at fair value through profits or losses, where the return on them is included in the net change in their fair value.

4-15 Inventories

Inventories are stated at the lower of cost and net realizable value. Costs are being determined using the weighted average method to price goods sold. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4-16 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks, demand deposits and short-term, highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value of and with a maturity date of three months or less from the acquisition date.

4-17 Income taxes and deferred taxes

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

An estimated income tax expense is recognized in profit or loss in each reporting period, while actual income tax expense is recognized in profit or loss at year-end.

Deferred tax assets and liabilities are recognized on the 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.

Current tax payable is calculated based upon taxable profit of the year as determined in accordance with applicable local laws and regulations using tax rates enacted on 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 prevailing at 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.

Deferred tax liabilities are generally recognized for all taxable temporary differences while 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.

Deferred tax assets and liabilities are accounted for using the balance sheet method and are reported in the balance sheet as non-current assets and liabilities.

4-18 Provisions

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

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

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

4-19 Non-current assets held for sale (or disposal Groups)

A non-current asset Classified (or disposal Group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use .For this to be the case the asset (or disposal Group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal Groups) and its sale must be highly probable. Management must be committed to a plan to sell the asset (or disposal Group) In addition; the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification, unless delay results from external events beyond control of the Group and that sufficient evidences exist that the Group is committed to a sale plan.

Non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell.

4-20 Revenue recognition

The Company recognize revenue depending on the following five steps:

1- Defining the contract with the customer.
2- Defining the contractual obligation to transfer goods and/or services (known as performance obligations).
3- Determine the transaction price.
4- Allocate the transaction price to the specified performance obligations based on the stand-alone selling price for each good or service.
5- Recognition of revenue when the related performance obligation is satisfied

The company's revenues are as follows:

1- **Revenues from technical support**
Revenues from technical support are recognized in the profit or loss over the term on which the services are rendered and based on the contracts with subsidiaries and associates

2- **Interest income**
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable until maturity.

3- **Dividends income**
Dividends income from equity investments other than associates is recognized in the profit and loss when the Group's rights to receive payment have been established; the cost of the investment is reduced by the dividends related to the pre-acquisition period which represents recovery of the acquisition cost.

4- **Revenues from investment property**
Revenues from investment property are recognized on accrual basis (on net amount less any deductions) accrued to income statement, based on the straight-line method through rental contract duration.

4-21 Employees' benefits

Short-term employees' benefits

Salaries, wages, paid vacations, sick leave, bonus, and other non-cash benefits in favour of employees' services for the Group, are recognized on an accrual basis in the same period these services have been rendered.

4-22 Dividends distribution

Dividends declared to the shareholders of the Parent company, non-controlling interests in subsidiaries, board of directors' remunerations, and employees' share of profits are recognized as a liability in the financial statements in the period in which these dividends have been approved by each Group company's shareholders.

4-23 Borrowing costs

Borrowing costs are recognized immediately in the profit and loss, except for borrowing costs directly attributable to the acquisition, or construction of qualifying assets, which are added to the cost of those assets until such assets are substantially ready for their intended use.

4-24 Earnings per share

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

4-25 Segment reporting

Operating segments are reported in a manner which is consistent with the internal reporting information provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors of the Company.

4-26 Estimation of fair value

Applying the accounting policies stated in Note (4) requires from management to use estimates and assumptions in determining the carrying amount of assets and liabilities that are not readily apparent from other sources.

The fair value of financial instruments quoted in an active market depends on observable market prices at the date of the financial statements, while the fair value of non-quoted financial instruments is determined using valuation techniques based on market conditions available at the financial statements date.

4-27 Legal reserves

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

4-28 Employees' profit share

Each company of the Group which operates in Egypt is obliged to pays 10% of its cash dividends as profit sharing to its employees to the sum of their annual salaries. Profit sharing is recognized as a dividend distribution through equity and as a liability in the provision which distribution has been approved by shareholders. And since dividends' distribution is the right of the company's shareholders so the liability is not recognized for the employees' s dividends related to profits that are not declared for distribution till the financial statements date (Retained earnings).

4-29 Statement of cash flows

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

4-30 Fair value estimation

- The fair value of a financial instrument traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active, if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.
- The fair value of instruments that are not traded in an active market (for example privately negotiated derivatives between two parties) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

  If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

  Specific valuation techniques used to value financial instruments include quoted market prices or dealer and broker quotes for similar instruments and other techniques such as option valuation models and discounted cash flows.

4-31 Critical accounting judgments and key sources of uncertainty estimates

Preparation of the consolidated financial statements and application of the Group's accounting policies, according to the Egyptian accounting standards, requires management to make judgments, estimates and assumptions about the presentation of these statements and 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 relevant under current circumstances and conditions in which carrying amounts of assets and liabilities are determined. Actual results may differ from these estimates significantly if surrounding conditions and factors changed.

The 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.

The following are the significant items on which estimates, and personal judgements are used:

4-31-1 Review the main conditions of contractual agreements

The management reviews its assumptions and judgements including those used to conclude on the extent of the Group'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.

4-31-2 Valuation of financial Instruments

For some financial instruments that are not traded in an active market and included in the financial statements such as financial derivatives. Management estimated its fair value using valuation techniques based on inputs and assumptions, some linked to quoted market prices and other non-linked to market prices but depend on management's estimates. Management used acceptable option valuation models during the period in estimating the fair value of these financial instruments.

4-31-3 Impairment of non-current assets excluding goodwill

Non-current 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 Group and in the market considering the past experience.

When indicators exist that an asset may have become impaired, the Group 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.

4-31-4 Estimating the useful lives for fixed assets and depreciation method and the salvage value

Management reviews the estimated useful lives of fixed assets at the end of each year, the review process involve assessment of the surrounding circumstances and factors affecting fixed assets' useful lives e.g. developments in technology and change in the pattern those assets are used, if the rates used are determined to be inappropriate, rates are adjusted accordingly.

4-31-5 Recognition and measurement of current and deferred tax assets and liabilities

Current and deferred income taxes are determined by each Group entities in accordance with the applicable tax laws to each country in which the Group entities domiciled.

The company's profit is subject to income tax, which require using of significant estimates to determine the total income tax liability. As determining the final tax liability for some transactions could be difficult during the period, the company record current tax liability according to its best estimate about the taxable treatment of that transactions and the possibility of incurring of additional tax charges that may result from tax inspections. And when a difference arising between the final tax assessment and what have been recorded, such difference is recorded as income tax expense and current tax liability in the current period and is considered as a change in accounting estimates.

In order to recognize deferred tax assets, management uses assumptions about the availability of sufficient future tax profits to allow the use of the recognized deferred tax assets, and management uses assumptions related to determining the tax rate announced at the date of the financial statements, at which it is expected that both assets and tax liabilities will be settled in the future.

This process requires the use of multiple and complex estimates in the estimation and determination of taxable vessels and taxable and deductible tax differences arising from the difference between the accounting basis and the tax basis of certain assets and liabilities. In addition to estimating the possibility of using deferred tax assets arising from tax losses in the light of estimating the future tax profits and future plans for each activity of the Group companies.

4-31-6 Goodwill

The impairment test on goodwill is carried out by comparing the recoverable amount of cash-generating units and their carrying amounts. The recoverable amount of a cash-generating unit is the higher of "fair value less costs to sell" or its value in use. This complex valuation process entails the use of methods such as the discounted cash flow method, which uses assumptions to estimate future cash flows. The recoverable amount depends significantly on the discount rate used in the discounted cash flow model as well as the expected future cash flows and the growth rate used for the extrapolation.

4-31-7 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 analyse 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 enable the management to measure the value of the commitment reliably.

4-32 Lease contracts

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

4-32-1 Lessee

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

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

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

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

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

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

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

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

Short-term leases and leases of low-value assets

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

4-32-2 <u>As a lessor</u>

At incorporation or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on their relative stand- alone prices.

When the Group acts as a lessor, it determines at lease incorporation whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-o fuse asset arising from the head lease, not with reference to the underlying asset.

If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies EAS (48) to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in EAS(47) to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognizes lease payments received under operating leases as income on a straight- line basis over the lease term as part of 'other revenue.

5- <u>Financial instruments risk management</u>

The Group's financial instruments comprise of financial assets and liabilities. Financial assets comprise of financial assets at fair value through profit or loss – financial derivatives, debt instruments represented in treasury bills, cash at banks, due from related parties, available for sale investments, accounts receivable and other debit balances. The financial liabilities comprise of borrowings, credit facilities, credit to customers, due to related parties and payables. Following are the most significant risks, the Group companies are exposed to when conducting their business activities, financial instruments used and strategies that the Group follows to manage those risks.

The Group is exposed to various financial risks resulted from its ordinary course of business. These risks include market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group is especially exposed to currency risk, interest rate risk, and price risk. The Group's financial risk management function seeks to minimize the effects of these risks mainly through operational and finance continuing activities. The management of the Group is responsible for designing and monitoring the framework of the risk management function.

Market risk

Foreign currency risk management related to operations

Each of the Group companies is conducting its operating activities using its functional currency. Hence, some of companies of the Group are exposed to exchange rate fluctuations risk related to payments, collections, or equity instruments using currencies other than functional currency. These liabilities and equity instruments are usually related to capital expenditures with external suppliers and revenues resulted from services rendered to external customers. The Group monitors the risk of foreign currencies fluctuation risk resulted from its operating activities.

At year end, major net assets / (net liabilities) foreign currencies positions presented in Egyptian pound (EGP), were as follows:

(In thousands of EGP)	December 31, 2022	December 31, 2021
USD	667,041	75,170
Euro	143,466	50,498
GBP	8	270
Other	22,614	14,945

Management estimates that if any changes occurs either upward or downward in the exchange rate of the Egyptian pound (functional currency) in the range of 10% against the US Dollar or Euro with the stability of all other variables, the receivables and payables denominated in foreign currencies will be affected by increase or decrease equivalent to EGP 159 million (2021: EGP 14 Million) which affecting the net (loss) / profit for the year by the same amount.

Change in market price risks

This risk is considered limited as invested equity instruments exposed to this risk are not material from management's point of view.

Interest rate risk

Risk associated with interest rates for the Group is related to borrowings, where Group is exposed to the risk of fluctuations in cash flows resulting from the change in market interest rates for loans with variable interest rates, as the Group is exposed to the risk of change in fair value of loans with fixed interest rates.

The Group did not enter into any derivative contracts to hedge the risks associated with possible fluctuations in interest rates, whether to hedge the cash flows or fair value.

The Group monitors and analyses the interest rate risks on an on-going basis and calculates the impact of movements in market interest rates on the income statement for each currency.

The following table shows the total outstanding loans of the Group on the financial position date and the proportion of each of the loans with fixed or variable interest rates, as well as those that were obtained without interest to total outstanding loans:

(In thousands of EGP)	December 31, 2022	December 31, 2021
Total borrowings	392,503	159,590
of which % is at a variable interest rate	%100	%100

Management estimates the impact resulting from the change in the interest rate by 1%, leading to an increase or decrease in the finance cost for the current period on December 2022 of EGP 2.8 Million (2021: EGP 1.6 Million).

Credit risk

Credit risk of the Group represents the inability of contractual parties to pay their debts, especially, receivables, financial instruments, cash at banks and equivalent.

The credit risks which the Group is exposed to can be analysed for each segment, as follows:

Cash balances at banks

The credit risk associated with the balances of cash and cash equivalents risk is very limited as the Group deals with banks with good reputation in the market.

In general, the receivables and financial receivables included in financial assets relate to a variety of small amounts due from a wide range customer, which reduce the credit risk given to customers.

Liquidity risk

Liquidity risk represents the factors which may affect the Group's ability to pay part or all of its liabilities, management monitors these liabilities and in case these liabilities have been increased, management depends on obtaining dividends from its subsidiaries or through management of excess cash at subsidiaries to mitigate any increase in these liabilities above acceptable levels The Group monitors and mitigates liquidity risk arising from the uncertainty of cash inflows and outflows by maintaining sufficient liquidity of cash balances. In general, liquidity risk is monitored at entity level whereby each subsidiary is responsible for managing and monitoring its cash flows and rolling liquidity reserve forecast in order to ensure that it has sufficient committed facilities to meet its liquidity needs and a coordination with the management of the Group exist to manage surplus cash balances, where the Group directs these surpluses to companies that have deficit in their liquidity, so the Group depends mainly on internal transfers between Companies of the Group and on dividends from subsidiaries.

Laws and regulations in certain countries, such as for example North Korea, in which the Group operates limit the conversion of current cash balances into foreign currency. Given the nature of the business, Group companies may have to make payments in foreign currencies (for example capital expenditures), the lack of individual entity foreign currency reserves means that these companies are largely dependent on the parent Company to make these payments on its behalf.

The below table analyses the Group's financial liabilities into relevant maturity Groupings based on the payment remaining period at the date of the consolidated financial statements:

(In thousands of EGP)

As of December 31, 2022	Carrying amount	Expected cash flows (*)	Less than 1 year	Between 1 and 5 years	More than 5 years
Liabilities					
Borrowings from banks	392,503	797,944	53,307	744,637	-
Creditors and other credit balances	546,503	546,503	546,503	-	-
	939,006	1,344,447	599,810	744,637	-

(In thousands of EGP)

As of December 31, 2021	Carrying amount	Expected cash flows (*)	Less than 1 year	Between 1 and 5 years	More than 5 years
Liabilities					
Borrowings from banks	159,590	229,954	16,983	212,971	-
Creditors and other credit balances	337,209	337,209	337,209	-	-
	496,799	567,163	354,192	212,971	-

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

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital. Management currently depends mainly on various internal resources to finance its activities and capital expenditures.

Political and economic risks in emerging countries

A significant amount of the Group's operations is conducted in Egypt, North Korea and Pakistan. The operations of the Group depend on the market economies of the countries in which the subsidiaries operate. In particular, these markets are characterised by economies that are in various stages of development or are undergoing restructuring. Therefore, the operating results of the Group are affected by the current and future economic and political developments in these countries. In particular, the results of operations could be unfavourably affected by changes in the political or governmental structures or weaknesses in the local economies in the countries where it operates. These changes could also have an unfavourable impact on financial position, performance and future business prospects of the Group.

Regulatory risk in emerging countries

Due to the nature of the legal and tax jurisdictions in the emerging countries where the Group operates, it is possible that laws and regulations could be amended. This could include factors such as the current tendency to withholding tax on the dividends of these subsidiaries, receiving excessive tax assessments, granting of relief to certain operations and practices relating to foreign currency exchange. These factors could have an unfavourable effect on the financial activities of the Group and on the ability to receive funds from the subsidiaries.

Revenue generated by the majority of the Group subsidiaries is expressed in local currency, the Group expects to receive most of this revenue from its subsidiaries and therefore it relies on their ability to be able to transfer funds.

The regulations in the various countries, such as for example North Korea, where the subsidiaries operate could reduce the ability to pay interest and dividends and to repay loans, credit instruments and securities expressed in foreign currency through the transfer of currency. In addition, in some countries it could be difficult to convert large amounts of foreign currency due to central bank regulations. The central banks may amend regulations in the future and therefore the ability of the Company to receive funds from its subsidiaries may be changed.

Classes of financial instrument

(In thousands of EGP)	31 December 2022			31 December 2021		
	Financial assets at amortized Cost	Financial assets at fair value through PL	Total	Financial assets at amortized Cost	Financial assets at fair value through PL	Total
Other financial assets	91,571	700,034	791,605	139,209	-	139,209
Trade receivables	72,739	--	72,739	106,254	-	106,254
Other assets	72,282	--	72,282	13,974	-	13,974
Cash and cash equivalents	1,699,753	--	1,699,753	1,112,630	-	1,112,630
Total	**1,936,345**	**700,034**	**2,636,379**	**1,372,067**	-	**1,372,067**

(In thousands of EGP)	31 December 2022			31 December 2021		
	Financial liabilities at through profit or loss	Financial liabilities at amortized cost	Total	Financial liabilities at fair value through PL	Other financial liabilities at amortized cost	Total
Borrowings	-	392,503	392,503	-	159,590	159,590
Creditors and other credit balances	-	546,498	546,498	-	337,209	337,209
Total	-	**939,001**	**939,001**	-	**496,799**	**496,799**

6- Segment reporting

The chief operating decision-maker has been identified as the board of directors of the Company. The board of directors reviews the Group's internal reporting in order to assess its performance and allocate resources, mainly from a geographical perspective.

Pursuant to the decision to dispose of entities previously included in the Media and Technology segment, OIH management has changed its internal reporting as analysed by the chief operating decision-maker and revised the reportable operating segments as follows:

- Investment property: investment properties relate to real estate property the Group owns in Sao Paolo, Brazil.
- GSM – Lebanon: relating to the management contract of the Lebanese mobile telecommunications operator Alfa, which is owned by the Republic of Lebanon.
- Submarine cables: relating to the provision of direct broadband and high-speed connectivity to telecom operators, internet service providers and major corporations through submarine fibre optic cables. (included in discontinued operations during 2022).
- Others: Includes equity investment of the Group and income and expenses related to holding company
- The Group reports on operating segments, which are independently managed. The chief operating decision-maker assesses the performance of such operating segments based on:
- Total revenue and earnings before Interest, tax, depreciation and amortization.
- Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

Revenue and EBITDA disclosure per segment

The following information is regularly provided to the chief operating decision maker and is measured consistently with that of the financial statements.

Continuing operations

	December 31, 2022				December 31, 2021			
(In thousands of EGP)	Operating revenue	Inter segment revenue	Revenue from external customers	Adjusted EBITDA*	Operating revenue	Inter segment revenue	Revenue from external customers	Adjusted EBITDA*
Entertainment	97,518	--	97,518	46,308	27,922	--	27,922	(26,054)
Others	16,300	(16,300)	--	94,134	14,659	(14,659)	--	(70,927)
Total	**113,818**	**(16,300)**	**97,518**	**140,442**	**42,581**	**(14,659)**	**27,922**	**(96,981)**

Discontinued operations

	December 31, 2022				December 31, 2021			
(In thousands of EGP)	Operating revenue	Inter segment revenue	Revenue from external customers	Adjusted EBITDA*	Operating revenue	Inter segment revenue	Revenue from external customers	Adjusted EBITDA*
Investment property	--	--	--	--	40,532	--	40,532	603,040
Cables	--	--	--	--	824,824	--	824,824	378,352
others	--	--	--	--	--	--	--	9,491
Total	--	--	--	--	865,356	-	865,356	990,883

* Impairment of non-financial assets and gains on sale of non-financial assets are not considered in the calculation of the adjusted EBITDA.

The following table illustrate the reconciliations on the Adjusted EBITDA to reach the net profit /(loss) before income tax for the year ended:

(In thousands of EGP)	December 31, 2022	December 31, 2021
Adjusted EBITDA	**140,442**	(96,981)
Adjustments:		
Depreciation and amortization	(11,122)	(5,300)
Finance income	2,006	2,906
Finance costs	(6,428)	(13,066)
Net gains from foreign currencies translation	328,139	49,833
Share of profit of equity accounted investments	396,178	425,586
Net impairment in equity accounted investments	(396,178)	(425,586)
(Loss) for the year before income tax	**453,037**	**(62,608)**

Assets per segment

The following table illustrates assets for each reportable segment as they are regularly provided to the management.

(In thousands of EGP)	December 31, 2022					December 31, 2021				
	Property and equipment	Intangible assets	Investment property	Equity instruments	Total	Property and equipment	Intangible assets	Investment property	Equity instruments	Total
Investment Property	--	--	202,032	--	202,032	--	--	206,162	--	206,162
Entertainment activities	421,647	--	--	--	421,647	179,545	--	--	--	179,545
Other	38,507	--	--	613,632	652,139	36,071	--	--	613,632	649,703
Total	460,154	--	202,032	613,632	1,275,818	215,616	--	206,162	613,632	1,035,410

Capital expenditure

The table below illustrates the capital expenditure incurred by each segment for the year ended December 31, 2022, and the year ended December 31, 2021:

(In thousands of EGP)	The year ended December 31, 2022	The year ended December 31, 2021
Submarine cables (discontinued operations)	--	493,778
Investment property	--	206,162
Entertainment activities	251,507	117,642
Total	**251,507**	**817,582**

7- Assets and liabilities held for sale and discontinued operations results

a-Assets and liabilities held for sale

On April 27, 2021, the Company's board of directors approved the sale of all the shares owned by the Group in Trans World Associates, to Orastar Limited. It worth to be mentioned that the total value of Trans World Associates regarding the deal is about USD 96 million.The ownership percentage of Orascom Investment Holding in Trans World Associates (Private) is 51% from the company's capital, Accordingly, the assets and liabilities related to assets held for sale and the sale process has been completed during 2022. The assets and liabilities held for sale are as follows:

Assets held for sale	December 31, 2021
(In thousands)	
Fixed assets	924,770
Intangible assets	39,830
Other assets	208,692
Inventory	15,098
Accounts receivables	208,714
Debtors and other debit balances	146,516
Cash and cash equivalent.	42,486
Total Assets held for sale	1,586,106
Liabilities associated with assets held for sale	
Financial liabilities	357,566
Other liabilities	175,162
Tax liabilities	80,386
Creditors and other credit balance	292,955
Received under the sale transaction of TWA*	46,964
Total liabilities associated with assets held for sale	953,033

* Liabilities related to assets held for sale represents amounts received under the sale of TWA equivalent to USD 3 million and within January 2022, the Company has completed the sale process, and the procedures for transferring the ownership of the shares are being completed.

b-Discontinued operations results

The discontinued operations represent the following: -

(In thousands of EGP)		Year ended December 31, 2022	Year ended December 31, 2021
Gain on disposal of TWA	(7-b-1))	38,298	--
Net results of discontinued operations from the disposal of TWA	(7-b-1)	21,378	--
Discontinued operations resulting from the disposal of TWA	(7-b-2)	--	132,144
Discontinued operations resulting from disposals of floors in Brazil	(7-b-3)		842,116
Net profit from discontinued operations		**59,676**	**974,260**

(7-b-1) Discontinued operations result from TWA:
During 2021 the Company has announced the sale of all shares of TWA, Orascom Investment Holding owns 51% of total TWA and the sale transaction is completed on 21 January 2022 and the share of Orascom Investment Holding amounted about USD 35.5 million and the shares ownership has been transferred on that date mentioned above.

The following is TWA' profits during the financial year ending :(In thousands of EGP)	**Year ended December 31, 2022**	**Year ended December 31, 2021**
Sale value of Company in Trans World Associate received in 2022	509,791	--
Advanced payment of sale value paid in 2021	46,964	--
Total amount received	**556,755**	--
Carrying amount of assets sold	(701,415)	--
Disposal of carrying amount to NCI	(43,339)	--
Company shares in TWA profit before tax	**149,874**	--
Income Tax	(111,576)	--
Group net profit from the disposal	**38,298**	--

it is worth to be mentioned that sale amount may change in the future as the contract states that the final value of the sale will be edited based on the amount of sale that will be calculated based on financial statement of TWA on the sale date as it is being prepared in the present time.

(In thousands of EGP)	**December 31, 2022**	**December 31, 2021**
Operating revenue	**56,836**	**824,824**
Operating cost	(30,772)	(640,320)
Profit for the year before tax	**26,064**	**184,504**
Income Tax	(4,686)	(52,360)
Net profit for the year	**21,378**	**132,144**

(7-b-2) Trans World Associates

(In thousands of EGP)	**December 31, 2022**	**December 31, 2021**
Operating revenue	--	**824,824**
Purchases and services costs	--	(292,197)
Personnel costs	--	(130,442)
Depreciation and amortization	--	(127,968)
Gains from disposal of non-current assets	--	2,045
Other expenses	--	(25,878)
Net finance cost	--	(65,880)
Profit for the year before tax	--	**184,504**
Income tax	--	(52,360)
Net profit for the year	--	**132,144**

(7-b-3) Discontinued operations result from Disposal of investment properties in Brazil:
In October 2021, Orascom Investment Holding sold the floors in Brazil owned by the Company through its subsidiary Victoire Holding B.V., against a total consideration of for USD 76.5 million (equivalent to approximately EGP 1.2 billion). The contract stipulates that Orascom Investment Holding will guarantee for the buyer to obtain a fixed annual return for a period of 24 months from the date of the sale of the above-mentioned floors, with a total amount of EGP 13.262 thousand, whereby Orascom Investment Holding will transfer the difference of the return to the buyer in the event that the fixed return stipulated in the contract is not reached, OIH has agreed with the seller to open an escrow account for the full amount previously mentioned. The sale contract also stipulates a guarantee for the payment of any amounts resulting from cases brought due to real estate taxes on floors, which are estimated at a total value of EGP 7,460 thousand, the Company's lawyer believes that there is no need to make a provision, as the Company's position is strong, and therefore the Company has not formed any provisions for the mentioned amount.

The following is the Company's share of the net profit related to the sale of floors in Brazil for the year ended:

(In thousands of EGP)	December 31, 2022	December 31, 2021
Operating revenues	--	40,532
Purchase and service costs	--	--
Depreciation	--	(11,621)
Gain on sale of investment property*	--	842,116
Provisions	--	(3,151)
Other Income	--	4,337
Other operating expenses	--	(44,233)
Net financing income	--	88
Profit for the year before tax	--	888,769
Income tax	--	(46,653)
Profit for the year	--	842,116

* Profits from the sale of investment properties presented in the following for thecal year ended:

(In thousands of EGP)	December 31, 2022	December 31, 2021
Total collected from the sale of investment property	--	1,240,850
Deduct: Book value of investment property	--	(695,996)
Disposal of accumulated to OCI	--	297,262
Gain on sale of investment property	--	**842,116**

8- Operating revenues

(In thousands of EGP)	For the year ended December 31, 2022	For the year ended December 31, 2021
Revenues from entertainment activities	97,518	27,922
Total	**97,518**	**27,922**

9- Purchases and services cost

(In thousands of EGP)	For the year ended December 31, 2022	For the year ended December 31, 2021
Consulting and professional services	81,864	29,675
Advertising and promotional services	11,034	7,157
Maintenance costs	2,556	2,766
Bank charges	3,520	--
Site costs	3,774	--
Purchases of goods and changes in inventories	493	12,163
Insurance expenses	559	528
Rent expenses	834	2,042
Travel and accommodation expenses	1,251	43
Equipment technology supplies expenses	872	--
Utilities and energy costs	1,002	1,240
Other service expenses	14,606	21,645
Total	**122,365**	**77,259**

10- Other expenses

(In thousands of EGP)	For the year ended December 31, 2022	For the year ended December 31, 2021
Tax expenses	2,476	--
Other operating expenses	9,555	11,483
Total	**12,031**	11,483

11- Personnel costs

(In thousands of EGP)	For the year ended December 31, 2022	For the year ended December 31, 2021
Wages and salaries	94,132	88,099
Bonuses	8,307	8,207
Other benefits	1,298	1,030
Pension costs	5,765	4,190
End of service	--	2,773
Subscriptions	104	--
Other personnel costs	196	954
Total	**109,802**	**105,253**

12- Depreciation

(In thousands of EGP)	For the year ended December 31, 2022	For the year ended December 31, 2021
Depreciation of fixed assets		
Buildings	2,453	2,449
Computers and other equipment	4,539	2,507
Depreciation of investment property		
Buildings	4,130	344
Total	**11,122**	**5,300**

13- Net financing income

(In thousands of EGP)	For the year ended December 31, 2022	For the year ended December 31, 2021
Finance income generated from:		
Interest income	2,006	2,906
Total financial income	**2,006**	**2,906**
Finance cost generated from:		
Interest Expense	(6,428)	(13,066)
Total finance cost	**(6,428)**	**(13,066)**
Net foreign currencies translation gains	328,139	49,833
Total foreign currencies translation Gain	**328,139**	**49,833**
Net financing income	**323,717**	**39,673**

14- Equity-accounted investees

(In thousands of EGP)	Country	Ownership percentage % in 2022	December 31, 2022	Ownership percentage % in 2021	December 31,2021
Cheo Technology-Koryolink	Northern Korea	60	13,294,525	75	12,898,346
Less: Impairment in investments			(12,680,893)		(12,284,714)
			613,632		**613,632**

- **Koryolink Company**

The Group's investments in Republic of North Korea related primarily to the 75% voting rights in the local telecom operator Koryolink. The accounting treatment has been modified during period ended September 30, 2015. Through, recognizing it as an investment in an associate instead of investment in subsidiaries, as the Group management believes that the existence of significant influence instead of control. Thus, in light of the increase of the restrictions, financial and operating difficulties facing Koryolink due to the international sanction imposed by the international community including the United States of America, the European Union and the United Nations. These sanctions have the effect of restricting financial transactions and the import and export of goods and services, including goods and services required to operate, maintain and develop mobile networks. In addition to the restrictions imposed on the associate that affect the ability of the associate company to transfer profits to the parent (return of funds to its native) and the absence of a free-floating currency exchange market in Republic of North Korea, announced by the Central Bank of Republic of North Korea, other than launching a competing local telecom operator wholly owned by the North Korean Government.

On September 11, 2017, the United Nations Security Council issued a resolution obliging member state of the United Nations to pass laws prohibiting joint ventures and existing partnerships with North Korea unless approval is obtained to continue such joint ventures.

At the present, the Group's management submitted an official request through the Government of the Arab Republic of Egypt in order to be excluded from adhering to the said resolution.

On December 26, 2018, the request to the Security Council Committee established to follow up the implementation of sanctions on Republic of North Korea was approved, with the exception of Koryolink, to ban foreign investment in North Korea and to allow Orascom Investment Holding to continue its activities in Republic of North Korea and consider the associate as a telecommunications infrastructure company offering a public service.

The following table presents the movement on the investment of Koryolink Company during the year ended:

(In thousands of EGP)	December 31, 2022	December 31, 2021
Total assets	9,154,900	14,003,514
Total liabilities	(923,919)	(1,532,177)
Net assets	**8,230,981**	**12,471,337**
	December 31, 2022	**December 31, 2021**
Total revenues	1,472,938	5,873,884
Total expenses	(886,007)	(5,306,436)
Net profit after tax	**586,931**	**567,448**
Share of profit of the associate company	**396,178**	**425,586**

	December 31, 2022	December 31, 2021
Opening balance of the investment in the associate	12,898,346	12,472,760
Group's share of profit of the associate company	396,178	425,586
Ending balance	13,294,524	12,898,346
Opening balance of impairment	(12,284,714)	(11,859,128)
Impairment of Group's share of profit of the associate	(396,178)	(425,586)
Ending balance of impairment	(12,680,892)	(12,284,714)
	613,632	613,632

*During the third quarter of 2022, (Koryolink to announced capital increase about EUR 20 million and KPTC company (North Korean Postal) shareholder in Koryolink with 25% ownership percentage, has subscribed in all shares of capital increase resulting in decreasing of Orascom Investment holding ownership percentage from 75% to 60% to change the capital structure to the following :

Description	Capital (before the increase)	Ownership percentage	Capital (after the increase)	Ownership percentage
	Amount in EUR	%	Amount in EUR	%
Orascom Investment Holding	60,000,000	75%	60,000,000	60%
North Korea Postal Company KPTC	20,000,00	25%	40,000,000	40%
Total	80,000,000	100%	100,000,000	100%

Income and loss, resulting from decreasing ownership percentage in Koryolink are calculated that is result of the profit realised with amount of EGP 104 million. Considering, circumstance of investment in Koryolink and international penalties imposed by the international community on Republic of North Korea , the Group didn't record profit resulting from decreasing ownership percentage in Koryolink and the cost of investment hasn't been changed .

15- Fixed assets

(In thousands of EGP)	Land and Buildings	Computers, fixtures and other equipment	Assets under Construction	Total
Cost	52,520	22,679	160,821	236,020
Accumulated depreciation and impairment	(10,777)	(9,628)	--	(20,405)
Net book value as of January 1, 2022	41,743	13,051	160,821	215,615
Additions	149,696	25,964	75,848	251,508
Disposals	--	--	--	--
Depreciation	(2,453)	(4,539)	--	(6,992)
Reclassification	(15)	15	--	--
Foreign currencies translation differences	--	23	--	23
Net book value as of December 31, 2022	188,971	34,514	236,669	460,154
Cost	202,218	47,190	236,671	486,079
Accumulated depreciation and impairment	(13,246)	(12,679)	--	(25,925)

(In thousands of EGP)	Land and Buildings	Cable system and equipment	Computers, fixtures and other equipment	Assets under Construction	Right of use	Total
Cost	64,233	945,670	180,192	126,924	--	1,317,019
Accumulated depreciation and impairment	(15,319)	(264,567)	(71,668)	-	--	(351,554)
Net book value as of January 1, 2021	**48,914**	**681,103**	**108,524**	**126,924**	--	**965,465**
Impact of EAS 49	--	--	--	--	80,626	80,626
Additions	543	42,878	73,316	176,366	60,967	354,069
Disposals	--	(602)	(1,740)	--	(5,370)	(7,712)
Depreciation	(2,449)	--	(2,507)	--	--	(4,956)
Depreciation represented in discontinued operation	(673)	(46,065)	(28,229)	--	(49,472)	(124,439)
Reclassification to assets held for sales	(6,458)	(658,074)	(174,937)	(54,341)	(89,015)	(982,825)
Reclassifications	--	--	38,233	(38,233)	--	-
Foreign currencies translation differences	1,866	(19,240)	392	(49,895)	2,264	(64,613)
Net book value as of December 31, 2021	**41,743**	--	**13,051**	**160,821**	--	**215,615**
Cost	**52,520**	--	**22,680**	**160,821**		**236,020**
Accumulated depreciation and impairment	**(10,777)**	--	**(9,628)**	--		**(20,405)**

16- Intangible assets

(In thousands of EGP)	License	Goodwill	Right of use	Trademark	Other	Total
Cost	**36,143**	**15,017**	**25,972**	--	**970**	**78,102**
Accumulated amortization and impairment	**(29,545)**	**(8,098)**	**(3,078)**	--	--	**(40,721)**
Net book value as of January 1, 2021	**6,598**	**6,919**	**22,894**	--	**970**	**37,381**
Additions	1,850	--	8,688	--	--	10,538
Amortization	--	--	--	--	--	--
Amortization (in discontinued operations)	(1,892)	--	(1,842)	--	--	(3,734)
Reclassifications for assets held for sales	(5,945)	(6,275)	(27,097)	--	(554)	(39,871)
Foreign currencies translation differences	(611)	(644)	(2,643)	--	(416)	(4,314)
Net book value as of December 31, 2021	--	--	--	--	--	--
Cost	--	--	--	--	--	--
Accumulated amortization and impairment	--	--	--	--	--	--

The balance of intangible assets includes goodwill resulted from the Group acquisitions during the year and prior years as the follows:

	December 31, 2022				**December 31, 2021**			
(In thousands of EGP)	**Financial service**	**Cables**	**Others**	**Total**	**Financial service**	**Cables**	**Others**	**Total**
Cost	--	--	8,098	8,098	--	--	8,098	8,098
Accumulated amortization and impairment	--	--	(8,098)	(8,098)	--	--	(8,098)	(8,098)
Assets held for sale	--	--	--	--	--	--	--	--
Change in scope of consolidation splitting effect	--	--	--	--	--	--	--	--
Change in scope of consolidation	--	--	--	--	--	--	--	--
Foreign currency translation differences	--	--	--	--	--	--	--	--
Net book value on 31 December 2022	--	--	--	--	--	--	--	--
Cost	--	--	8,098	8,098	--	--	**8,098**	**8,098**
Accumulated amortization and impairment	--	--	(8,098)	(8,098)	--	--	**(8,098)**	**(8,098)**

18- Other financial assets

(In thousands of EGP)	December 31, 2022			December 31, 2021		
	Non-current	Current	Total	Non-current	Current	Total
Financial receivables at amortized cost	--	113,600	113,600	--	86,100	86,100
Non current restricted cash (18-1)	2,238,002	--	2,238,002	53,109	--	53,109
Borrowing from Koryolink*	(2,146,688)	--	(2,146,688)	--	--	--
Total financial investment at amortized cost	**91,314**	**113,600**	**204,914**	**53,109**	**86,100**	**139,209**
Other financial assets	257	--	257	--	--	--
Financial investment at fair value through profit or loss – (Vortex fund) (18-2)	700,034	--	700,034	--	--	--
Total Financial investment at amortized cost	**791,605**	**113,600**	**905,205**	**53,109**	**86,100**	**139,209**

*During August 2022, Koryolink Company took a decision based on a shareholder's request in Koryolink company, the decision give all shareholders without distinguish free interest loan according to rules and procedures specific to local law. Loan transferred amounted to EUR 81.7 million (equivalent to EGP 1.55 billion) to Orascom Investment Holding account in Republic of North Korea knowing that all local policies and laws related specified to bank transfers and transactions of the amounts mentioned. Orascom Investment Holding will continue to comply with international decision specified to international penalties related to this matter. The loan is free interest for 5 years can be increased automatically to a period or to periods or other periods each one is 3 years. There will be an agreement between Koryolink about the settlement either in cash or by offsetting intercompany balances.

18-1- Pledged deposit and restricted cash at amortized cost

(In thousands of EGP)	December 31, 2022			December 31, 2021		
	Non-current	Current	Total	Non-current	Current	Total
Pledged deposit	--	--	--	3,150	-	**3,150**
Cash at bank in North Korea	142,782	--	**142,782**	99,913	-	**99,913**
Impairment in financial assets	(51,468)	--	**(51,468)**	(49,954)	-	**(49,954)**
	91,314	--	**91,314**	**53,109**	--	**53,109**

18-2- Financial Investment at fair value through Profit or loss- Lighthouse energy SCSP

During 2022 the Company invested in investment fund which operates in renewable energy industry. The share of the group in the fair value of investment amounted to EUR 26.6 million equivalent to USD 28.3 million. This investment classified in the fund as of December 31,2022 as financial investment at fair value through profit or loss and its fair value classified based on level 3 investments (levels of fair value revaluation) as there are inputs used that are not observed for assets and liabilities. There is no transfers between the levels for the year from January 1, 2022 to December 31, 2022, the investments in the fund assessed from the third level using unadjusted inputs provided by the fund management based on the team's internal assumptions for the investment's business plan. As the result of management evaluation represents the median valuation between Deloitte's minimum and maximum valuation ranges.

The following table shows fair value adjustment for the investment classified within the third level during the year.

31 December 2022	EGP
Cost of the purchase	560 890
Effect of the Fair value	139 144
Balance in 31 December 2022	**700 034**

19- Income tax

(In thousands of EGP)	Financial year ended December 31, 2022	Financial year ended December 31, 2021
Current tax expense	(18,421)	2,771
Deferred tax	103,085	47,652
Total Income Tax	**84,664**	50,423

Deferred tax assets and liabilities are offset when there is a legally enforceable right to the Group to offset current tax assets and liabilities, and when the deferred tax assets and liabilities are settled with the same tax authority in the country, and when the Group has the intention to settle the net of these balances or to redeem these tax assets and settle these tax liabilities at the same time.

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

(In thousands of EGP)	2022	2021
Balance as of January 1 ,2022	**(75,382)**	(118,284)
Foreign currency translation differences	(559)	12,707
Charged to the statement of income during the year	(103,085)	(47,652)
Charged to the statement of income (in discontinued operations)	–	4,452
Charged to the assets held for sale	–	73,395
Balance as of December 31, 2022	**(179,026)**	**(75,382)**

The following table includes the nature of items comprising the deferred tax liabilities:

	December 31, 2022					December 31, 2021				
Deferred tax liabilities	**Depreciation and amortization**	**Unremitted earnings**	**Forex**	**other**	**Total**	**Depreciation and amortization**	**Unremitted earnings**	**Forex**	**other**	**Total**
(In thousands of EGP)										
Opening balance	(3,768)	(18,914)	(6,814)	(45,886)	(75,382)	(93,383)	(18,112)	(6,814)	25	(118,284)
Charged to the income statement for the year	(9,369)	4,357	(72,763)	(25,310)	(103,085)	(1,815)	(802)	--	(45,035)	(47,652)
Charged to the income statement for the year (in discontinued operations)	--	--	--	--	--	(3,140)	--	--	7,592	4,452
Charged to the assets held for sale	--	--	--	–	--	80,346	--	--	(6,951)	73,395
Currency translation differences	–	–	–	(559)	(559)	14,224	--	--	(1,517)	12,707
Ending balance	(13,137)	(14,557)	(79,577)	(71,755)	(179,026)	(3,768)	(18,914)	(6,814)	(45,886)	(75,382)

20- Trade receivables

(In thousands of EGP)	December 31, 2022	December 31, 2021
Debit balance-subscribers	421,254	290,792
Receivables from Koryolink dividends	375,268	372,295
Other debit balances	26,263	18,196
Expected credit losses	(750,046)	(575,029)
Total	**72,739**	**106,254**

Movement of expected credit loss is represented as follows:

(In thousands of EGP)	December 31, 2022	December 31, 2021
Beginning balance	**575,029**	**557,467**
Foreign currency translation differences	104,174	3,795
Additions (recognized as an expense during the year)	70,843	4,684
Expected credit loss for the year (discontinued operations)	--	9,233
Provision used during the year	--	9,516
Transferred to assets held for sale	--	(9,666)
Ending balance	**750,046**	**575,029**

The following table shows the aging analysis of trade receivables as of December 31, 2022, and 2021, net of the relevant allowance for doubtful debts:

(In thousands of EGP)	December 31, 2022	December 31, 2021
Not past due	5,735	13,668
Past due 0-30 days	--	839
Past due 31-120 days	--	--
Past due 121 - 150 days	--	--
Past due more than 150 days	67,004	91,747
Total trade receivables	**72,739**	**106,254**

21- Other assets

(In thousands of EGP)	December 31, 2022			December 31, 2021		
	Non-current	Current	Total	Non-current	Current	Total
Prepaid expenses	--	5,117	5,117	--	2,257	2,257
Advances to suppliers	--	4,106	4,106	--	7,329	7,329
Receivables due from tax authority	--	2,267	2,267	--	1,418	1,418
Income tax paid in advance	--	1,097	1,097		6,424	6,424
Other receivables	4,000	66,260	70,260	4,000	17,193	21,193
Expected credit loss	(4,000)	(6,565)	(10,565)	--	(6,097)	(6,097)
Total	--	**72,282**	**72,282**	**4,000**	**28,524**	**32,524**

22- Cash and cash equivalents

(In thousands of EGP)	December 31, 2022	December 31, 2021
Banks- current accounts and deposits *	1,700,295	1,112,315
Cash on hand	472	315
Total	**1,700,767**	1,112,630
Impairment of cash and cash equivalents	(1,014)	--
Total Cash and cash equivalents	**1,699,753**	**1,112,630**

* Banks current accounts as of December 31, 2022, include an amount of EGP 28.8 million (equivalent to USD 1.2 million) which represents restricted amounts in Lebanon according to the restrictions of the government over the local banks which related to transfers of funds abroad.

23- Issued and paid-up capital

As of December 31, 2022, the authorized capital is amounted to EGP 2,885 billion and the issued capital became EGP 577,025,968 consisting of 5,245,690,620 shares with a nominal value of EGP 0.11 per share. The authorized, issued and paid capital after split was noted in the Company's commercial registry on December 10, 2020.

The following table shows the major shareholders of the company as of December 31, 2022:

Shareholders	Ordinary shares with voting rights	Ordinary shares with voting rights percentage
Bank of New York Mellon	2,846,499,353	%54.26
Others	2,399,191,267	%45.74
Total available ordinary shares	**5,245,690,620**	%100

24- Un-distributable earnings

Retained earnings include an amount of EGP 54 million as of December 31, 2022 (comparing to EGP 39 million as of December 31, 2021), which is not available for distribution, representing a legal and special reserves at the subsidiaries level.

25- Borrowings

(In thousands of EGP)	December 31, 2022			December 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Borrowings from banks	47,090	323,741	**370,831**	280	159,310	159,590
Liability from sale and lease back	2,043	19,629	**21,672**	--	--	--
Total	**49,133**	**343,370**	**392,503**	280	159,310	159,590

The following table shows the ageing analysis of borrowings:

(In thousands of EGP)	within one year	1-2 years	2-3 years	3-4 years	4-5 years	after 5 years	Total
December 31, 2022							
Borrowings from banks	47,090	25,638	30,869	52,629	63,064	151,542	**370,832**
Liability from sale and lease back	2,043	2,528	3,155	3,922	4,876	5,147	**21,671**
As of December 31, 2022	**49,133**	**28,166**	**34,024**	**56,551**	**67,940**	**156,689**	**392,503**
December 31, 2021							
Borrowings from banks	280	26,552	26,552	26,552	26,552	53,102	**159,590**
As of December 31, 2021	**280**	**26,552**	**26,552**	**26,552**	**26,552**	**53,102**	**159,590**

The loan currencies represent as follows:

(In thousands of EGP)	USD	Euro	EGP	Total
As of December 31, 2022	--	--	**392,503**	**392,503**
As of December 31, 2021	--	--	159,590	159,590

Current borrowing – Local bank (Orascom Investment Holding)

A credit facility contract in the form of a medium-term loan to finance the purchase of assets related to the company was signed with an Egyptian bank on July 27, 2015, according to which a facility of EGP 5 million is available for a period of sixty-seven months ending on February 27, 2021.

On August 9, 2015, an addendum to the previously mentioned financing contract was signed with an increase of EGP 600,000.

Withdrawal period: It is scheduled for six months starting from the date of signing this contract and ending on January 23, 2016.

Repayment period: the company is obligated to pay to the bank's order each sub-loan to be used within the limits of the credit facility amount in sixty monthly instalments with equal value.

Interest and payment periods: A return of 2% per annum above the rate of return established on the certificates with the bank, and the return is due to be paid every month, so that the applicable return in any case during the term of this contract and until it is fully paid out of the original returns commissions and expenses is not less than 12% .

On January 27, 2016, a credit facility contract was signed in the form of a medium-term loan to finance the purchase of assets related to the company with an Egyptian bank, according to which a facility of EGP 2 million is provided for a period of sixty-seven months ending on August 26, 2021.

Withdrawal period: It is scheduled for six months starting from the date of signing this contract and ending on July 27, 2016.

Repayment period: the company is obligated to pay to the bank's order each sub-loan to be used within the limits of the credit facility amount in sixty monthly instalments of equal value.

On July 21, 2016, an addendum to the previously mentioned financing contract was signed with an increase of EGP 3 million.

Withdrawal period: The withdrawal period for the previously mentioned loan has been extended for another six months to end on January 26, 2017 instead of July 27, 2016.

Interest and payment periods: A return of 1.5% per annum above the rate of return established on the certificates with the bank, and the return is due to be paid every month, so that the applicable return in any case during the term of this contract and until it is fully paid out of the origin returns commissions and expenses is not less than 11%.

Non-current borrowing

On September 30, 2020, a long-term loan contract was signed between the Bank of the Arab International Banking company and Orascom Pyramids for Entertainment Projects S.A.E., provided that the Bank of the Arab International Banking Company grants the company financing in the form of a long-term loan amounting to EGP 230 million. This is for the purpose of contributing to the financing of the remaining part of the investment costs of the project to develop and provide services in the visit area of the Giza Pyramids and the adjacent and associated areas according to the usufruct licensing contract dated December 13, 2018, concluded between the Supreme Council of Antiquities and Orascom Investment Holding Company, as follows:

- An amount of EGP 80 million for the civil works for the restaurant complex and the connection of utilities.
- An amount of EGP 52 million for the infrastructure works for the information network information systems and the accounting system for the project.
- An amount of EGP 90 million for the civil works, renovations and improvements to the visitors' building, the VIP building "the current student building", the site of the visit, the organization of the area for the stables "horses - camels - karts" and for the electric vans, the charging station and its maintenance.
- An amount of EGP 8 million for the field work of The Nile Pyramids Lounge.
- The company is obligated to disburse according to the above items only with the same values, except for the items of civil works, the company is allowed to increase them by 10% as a discount on the surpluses of other exchange items, provided that the user of all items does not exceed the total value of the loan.
- On April 7, 2022, a long-term loan agreement was signed between the Bank of the International Arab Banking Company and Orascom Pyramids for Entertainment Projects (S.A.E), provided that the Bank of the International Arab Banking Company will grant the company financing in the form of a long-

term loan amounted to EGP 130,000,000, in order to finance the remaining part of the investment costs of the project for each of the works of (restaurants complex and the works of visiting areas (the phase financed by the bank) according to the following portions:

The first portion: an amount of EGP 20 000 000 to complete the works of the restaurants complex.

The second portion: an amount of EGP 110 000 000 to complete the work of the visiting area.

Finance Lease Contracts Liabilities:

The Group entered into finance lease transactions during the year 2022 in order to rent 6 electric buses and 2 charging stations, and the rental value is paid in quarterly instalments for a period of 27 instalments, while giving the company the right to own these buses and charging stations at the end of the contract period, and the payment of instalments ends on 30/7/2028, for a specific value.

Non-current financing

During 2021, the Group signed a financing contract worth EGP 251 million from the National Bank to finance 72.5% of the capital costs related to the sound and light development project in pyramids area. The term of the contract is 9 years, starting from July 27, 2021, and ending on July 26, 2030, and the interest rate is calculated at 1% above the annual corridor rate. It should be noted that the Group has not withdrawn any funds from the financing until December 31, 2022.

- The following table shows the movement of borrowings during the year:

	December 31, 2022		
(In thousands of EGP)	**Borrowing from banks**	**Financing lease**	**Total**
Opening balance	**159,590**	--	**159,590**
Current borrowing	280	--	280
Non-current borrowing	159,310	--	159,310
Repayment of borrowings and interest	(280)	--	(280)
Proceeds from borrowings	180,534	21,672	202,206
Payment of finance cost	547	--	547
Intertest Transferred to fixed assets	30,440	--	30,440
Ending balance	**370,831**	**21,672**	**392,503**
Current borrowings	47,090	2,043	49,133
Non-current borrowings	323,741	19,629	343,370

	December 31, 2021		
(In thousands of EGP)	**Borrowing from banks**	**Financing lease**	**Total**
Opening balance	**537,101**	--	**537,101**
Current borrowing	160,734	--	160,734
Non-current borrowing	376,367	--	376,367
Impact of EAS 49	83,036	--	83,036
Repayment of borrowings and interest	(94,859)	--	(94,859)
Proceeds from borrowings	108,897	--	108,897
Repayment of borrowings (discontinued operations)	(196,787)	--	(196,787)
Proceeds of borrowings (discontinued operations)	38,520	--	38,520
Transferred to Liabilities held for sale	(357,566)	--	(357,566)
Foreign currency translation differences	41,248	--	41,248
Ending balance	**159,590**	--	**159,590**
Current borrowings	280	--	280
Non-current borrowings	159,310	--	159,310

26- Other liabilities

(In thousands of EGP)	December 31, 2022			December 31, 2021		
	Non-current	Current	Total	Non-current	Current	Total
Capital expenditure payables						
Trade payables *	--	204,112	**204,112**	--	172,658	**172,658**
Customers credit balances	--	3,600	**3,600**	--	7,414	**7,414**
Other trade payables	--	9,894	**9,894**	--	1,900	**1,900**
	--	**217,606**	**217,606**	--	**181,972**	**181,972**
Accrued and deferred revenue	--	3,390	**3,390**	--	58	**58**
Due to government bodies	--	81	**81**	--	277	**277**
Accrued employee expenses	--	19,556	**19,556**	--	45,808	**45,808**
Customer deposits	--	426	**426**	--	354	**354**
Other credit balances **	--	312,429	**312,429**	--	167,341	**167,341**
	--	**335,882**	**335,822**	--	**213,838**	**213,838**
Total	--	**553,488**	**553,488**	--	**395,810**	**395,810**

(*) This balance includes balances of related parties (refer to note no. 30 for information about the significant transactions with related parties and the balances resulted from these transactions on the date of financial statements)

(**) Current other credit balance includes employee benefits in Orascom Telecom Lebanon company with an amount of EGP 23.8 million as of December 31, 2022 (EGP 15.2 million as of December 31, 2021).

27- Provisions

(In thousands of EGP)	January 1	No longer required	Formed	Formed from discontinued operations	Used	Foreign currency translation differences	December 31
Year 2022							
Provision for claims (current portion)	435,571	(225,197)	25,131	--	(34,392)	23,790	224,903
Total provision as of December 31, 2022	**435,571**	**(225,197)**	**25,131**	--	**(34,392)**	**23,790**	**224,903**
Year 2021							
Provision for claims (current portion)	373,995	--	37,390	25,338	(1,481)	329	435,571
Total provision as of December 31, 2021	**373,995**	--	**37,390**	**25,338**	**(1,481)**	**329**	**435,571**

Provisions are related to expected claims resulting from the Group companies' ordinary course of business. The required information about these provisions were not disclosed, according to the Egyptian Accounting Standards, because the management of the Group believes that doing so, will strongly affect the final settlement of these provisions for claims.

28- Earnings/ (Losses) per share

Basic earnings /(losses) per share is calculated by dividing the net (loss) / profit attributable to shareholders of the Parent company by the weighted average number of ordinary shares outstanding during the year.

	The year ended December 31, 2022	The year ended December 31, 2021
Net profit / (loss) for the year from continuing operation (in thousands of EGP)	368,423	(113,031)
Weighted average number of shares (in thousands)	5,245,691	5,245,691
Profit /(Losses) per share (in EGP)	**0.070**	**(0.022)**

	The year ended December 31, 2022	The year ended December 31, 2021
Net profit from discontinued operations (in thousands of EGP)	49,201	908,243
Weighted average number of shares (in thousands)	5,245,691	5,245,691
Earnings per share (in EGP)	0.009	**0.173**

29- Capital Commitments

The capital commitment represents the following:

	December 31, 2022	December 31, 2021
Commitments related to fixed assets	112,724	67,378
Other commitments	22,629	28,005
Total	**135,353**	**95,383**

30- Related parties

The following table provides the total amount of significant transactions that have been entered with related parties together with balances outstanding as of the relevant years of the financial statements:

(In thousands of EGP)	December 31, 2022			December 31, 2021		
	Purchase of services and goods	Selling goods and services	Investment expenses	Purchase of services and goods	Selling goods and services	Investment expenses
Associate						
Koryolink	--	2,973	--	--	2,454	--

(In thousands of EGP)	December 31, 2022		December 31, 2021	
	Receivables	Payables	Receivables	Payables
Other related parties				
Orastar LTD	326		326	--
Dr.Omar Zawawy (shareholder of a subsidiary)	(326)		(326)	--
Koryolink*		192,662	--	154,840

The Group has due balances from Cheo Technology Joint Venture Company "Koryolink" - a subsidiary company- amounting to EGP 283,967 thousand as of December 31, 2022 (EGP 280.994thousand as of December 31, 2021), for which impairment losses were fully formed, and the group did not perform between the debit balances against the credit balances related to Koryolink since the Group does not have a legal right of set-off, nor does it intend to settle the amounts recognized on a net basis or realize the asset and settle the liability at the same time.

Key management compensation

(In thousand EGP)	The year ended December 31, 2022	The year ended December 31, 2021
Board of directors' allowances	6,521	25,326
	6,521	**25,326**

31- Contingent liabilities

Contingent liabilities are represented in guarantees issued by the holding company and related to the activities of its subsidiaries, as follows:

Orascom Pyramids for Entertainment Projects

- There are letters of guarantee amounting to EGP 20 million in favor of the SAIB.

Orascom Investment Holding Company

- There are letters of credit amounting to EGP 65,7million in favor of the National Bank of Egypt

32- Other income

EGP	December 31, 2022	December 31, 2021
Other income	43,303	200,742
Total	**43,303**	**200,742**

Other income includes an amount of EGP 200.1 million during 2021, which represents the value of assets received from Blue Stone company, refer to note no. (17).

33- Restatement on comparative figures

The following table summarizes the restatement made to the consolidated statement of income for the year ended on December 31, 2021, to be in conformity with the presentation of the current financial statements related to discontinued operations after the Demerger and sale of real estate investment in Brazil and reclassification of Trans World Associates Limited to assets and liabilities held for sale, as follows:

(In thousands of EGP)	December 31, 2021 As issued	restatement	December 31, 2021 Represented
Continuing operations			
Operating revenues	27,922	--	27,922
Other income	200,742	--	200,742
Purchases and services costs	(75,088)	(2,171)	(77,259)
Other expenses	(9,369)	(2,114)	(11,483)
Provisions formed	(37,390)	(25,338)	(62,728)
Personnel costs	(90,618)	(14,635)	(105,253)
Depreciation and amortization	(5,300)	--	(5,300)
Impairment of non-current assets	(55,940)	(12,982)	(68,922)
Operating (losses)	**(45,041)**	**(57,240)**	**(102,281)**
Finance income	2,906	--	2,906
Finance cost	(13,066	--	(13,066
Foreign currencies translation (loss)	16,467	33,366	49,833
Share of profit of equity accounted investees	425,586	--	425,586
Net impairment in equity accounted investees	(425,586)	--	(425,586)
(Loss) for the year before income tax	**(38,734)**	**(23,874)**	**(62,608)**
Income tax	(47,652)	(2,771)	(50,423)
(Loss) for the year from continuing operation	**(86,386)**	**(26,645)**	**(113,031)**
Discontinued operations			
Operation results from discontinued operations after tax	650,353	323,907	974,260
(Loss) for the year	**563,967**	**297,262**	**861,229**

34- Subsequent events

During March 2023, Orascom Investment Holding announced the sale of parent company's headquarter with purpose of lease back to GB for finance lease with amount of EGP 157 million for 5 years on March 15, 2023, and it will end on March 15, 2027.

35- New issuance and amendment of Egyptian accounting standards

On 6 March 2023, The decision no (883) for year 2023 for accounting standards amendment and the summary for the significant amendment as the following:

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (10) amended 2023 fixed assets and its depreciation and Egyptian Accounting Standard No (23) intangible assets	1- This Standard reissued in 2023 allowing the usage of revaluation model when subsequent measurement amendment of some paragraphs This resulted in related to using revaluation model option some of the applicable Egyptian Accounting Standards, which are as follows: - Egyptian Accounting Standard No (5) "accounting Policies, Change in Accounting Estimates And Errors" - Egyptian Accounting Standard No (24) "Income Tax" - Egyptian Accounting Standard No (30)" Interim Financial Reporting " - Egyptian Accounting Standard No (31) "Impairment of assets" - Egyptian Accounting Standard No (49)" Leasing Contract" 2-In line with Egyptian accounting standard no (35) amended 2023" agriculture" paragraph are amended (3),(6),(37) in the Egyptian accounting Standard no(10)" fixed assets and its depreciation" as there are paragraph added to the same standard 22(A),80(G),80(D) related to bearer plant -The company is not obligated to disclose the information about the quantity required according to paragraph 28(w) In Egyptian accounting standard no (5). it is the first period financial statement in which Egyptian Accounting standard no (35) amended 2023 and Egyptian Accounting standard no 10 applied but it should disclose the information about the quantity required according to paragraph 28 (w) in Egyptian accounting standard for each previous period shown. -the company may measure one of bearer plant accounts at fair value in the beginning The earliest period shown in the financial statement for period in which the company applied for the first time amendment mentioned above and use this fair value as its hypothetical cost on that date . Any difference between previous book value and fair value of the opening balance should be added to revaluation surplus by side the equity in the beginning of The earliest period shown	Currently the management studies the possibility of changing the accounting policy followed and using revaluation model option mentioned in this standard, and evaluate the potential effect on the financial statement in the case of use this option Currently the management evaluates the potential effect on the financial statement resulting from the amendment application made in the standard.	The amendments of adding the option to use revaluation model are effective for financial periods starting **<u>on or after January 1, 2023</u>** **retrospectively,** by recognizing the cumulative impact of the preliminary applying of the revaluation model shall be **added to the balance of revaluation surplus by side equity in the beginning of fiscal period in which the company applies this model for the first time** The amendments of these amendment for are effective for financial periods starting **<u>on or after January 1, 2023</u>** **retrospectively,** by recognizing the cumulative accounting treatment for bearer plant applying preliminary by adding the balance of retained earnings in the beginning of the fiscal period in which the company applied this treatment for the first time

Egyptian Accounting Standard No. (34) amended 2023 "Investment property ".	1- This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property. 2- This resulted in amendment of some paragraphs related to the use of the fair value model option in some of the applicable Egyptian Accounting Standards, which are as follows: - Egyptian Accounting Standard No. (1) "Presentation of Financial Statements" - Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". - Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates" - Egyptian Accounting Standard No. (24) "Income Taxes" - Egyptian Accounting Standard No. (30) "Interim Financial Reporting " - Egyptian Accounting Standard No. (31) "Impairment of Assets" - Egyptian Accounting Standard No. (32) "Non-Current Assets Held for Sale and Discontinued Operations" - Egyptian Accounting Standard No. (49) "Leasing Contracts"	Management is currently studying the possibility of changing the applied accounting policy and using the fair value model option stated in the standard and assessing the potential impact on the financial statements in case of using this option.	The amendments of adding the option to use the fair value model are effective for financial periods starting **<u>on or after January 1, 2023</u> retrospectively,** cumulative impact of the preliminary applying of the fair value model shall be **added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this model for the first time.**
Egyptian Accounting Standard No. (50) "Insurance Contracts".	1- This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the company provides appropriate information that truthfully reflects those contracts. This information provides users of the financial statements with the basis for assessing the impact of insurance contracts on the company's financial position, financial performance, and cash flows. 2- Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". 3- Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 4- The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows: - Egyptian Accounting Standard No. (10) "Fixed Assets ". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment **property** ".	Management is currently evaluating the potential impact on the financial statements from the application of the standard.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting **<u>on or after July 1, 2024</u>**, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the company should disclose that fact.