



Grant Thornton
Mohamed Hilal

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Britannia Egypt (L.L.C)

Financial Statements and Auditor's Report
For the period ended March 31, 2021

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Independent Auditor's Report

Translation from Arabic

To: Associates of

Britannia Egypt L.L.C

Report on the financial statements

- We have audited the accompanying financial statements of Britannia Egypt L.L.C which comprise the financial position of as of March 31, 2021, and the related statements of profit or loss, other comprehensive income, cash flows and changes in owners' equity for the period ended, and summary of significant accounting policies and other disclosures.

Management's responsibility for the financial statements

- The financial statements are the responsibility of the Company's Management. The management is responsible for the preparation and fair presentation of these financial statements in accordance to the Egyptian accounting standards and within the view of the current Egyptian laws and regulations, also management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements weather due to errors or fraud. The management's responsibility also includes selection and implementation of appropriate accounting policies and making accounting estimates that are reasonable in circumstances.

Auditor's responsibility

- Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Egyptian Auditing Standards and within the view of the current Egyptian laws and regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements in order to design 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 the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

- In our opinion, the financial statements referred to above present fairly in all material respects. The financial position of Britannia Egypt L.L.C as of March 31, 2021 and its financial performance and its cash flows and the changes in equity for the period then ended in conformity with the Egyptian accounting standards within the view of the Egyptian laws and regulations.

Report on other legal and regulatory requirements:

- The company keeps proper accounting records which include all that is required by law and the statutes of the company and the accompanying financial statements are in agreement therewith.
- The financial information contained in the report of the company manager's report as required by the companies Law No. 159 for the year 1981 and its executive regulations, is in agreement with the company's accounting records within the limit that such information is recorded therein.

Cairo, April 28, 2021

Ramy Aly Khalil

R.A.A no. 32738

Member of Egyptian Society for
Accountants and Auditors
Member of Egyptian Tax Society
Grant Thornton Mohamed Hilal

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Ramy Aly Khalil
Grant Thornton - Mohamed Hilal
Public Accountants
The Egyptian Member Firm of
Grant Thornton International

Notes to the financial statements

For the period ended March 31, 2021

1. Introduction

A. Company's Background

- Accordingly to the Egyptian Laws the under signatories of this contract Agreement to establish (Britannia Egypt LLC) a limited Liability company and submitted this contract to the Investment Authority (Administrative reviewed the contract)The undersigned signatories of this Contract hereby acknowledge that each one of them has fulfilled the required legal capacity for the foundation of the Company, and that neither of them had verdicts pronounced against him either by a criminal penalty or by a dishonoring felony, or by any of the penalties stipulated upon in Articles (89), (162), (163) and (164) of Law No. 159/1981 during the five years preceding the date of submitting the foundation request or application (unless he has been rehabilitated), and that they are not employed by the Government or the Public Sector or the Public Business Sector.

Furthermore, they have agreed amongst them as to the foundation of an Egyptian Limited Liability Company by license from the Government of the Arab Republic of Egypt, in accordance with the provisions of the prevailing Laws, and in particular the Companies Act No. 159/1981, it's Executive Statue and the provisions of this Contract.

- The company's duration is 25 years starting from the date of registration in the commercial register on August 31/8/2020 to 30/8/2045

B. The Company's main activities are as follows:

- To Establish and operate a Factory for the manufacturing and the packaging of food products, and all kinds of Biscuits, wafers filed and covered with Chocolate, with all kinds of flavours, and all kinds of Bakery products, Cakes, Sweets Bread, Dairy and Milk products ,Snacks Meals and flavours and any other food product
- The Trade and the distribution, specify the Trade and the distribution of the food production of all kinds of Biscuits, wafers filed and covered with Chocolate, and with all kinds of flavours, and all kinds of Bakery products, Snacks, Bread, Cakes, Sweets, Dairy and Milk products, and flavours and any other food product.
- To trade and distribute in accordance to the Law with regards to the trade and distribution of Biscuits, wafers filed and covered with Chocolate, and with all kinds of flavours, and all kinds of Bakery products, Snacks, Bread, Cakes, Sweets, Dairy and Milk products ,and flavours and any other food product.
- To manufacture products with any other third party.
- To export Biscuits, wafers filed and covered with Chocolate, and with all kinds of flavours, and all kinds of Bakery products, Snacks, Bread, Cakes, Sweets, Dairy and Milk products, and flavours and any other food product.

- The above mentioned objective is without prejudice with any laws, regulations or Decisions and pursuant to the issuance of the required licenses for such activities.
- The Company may have interest, or associate in any form whatsoever with the Companies and others, which practice, works similar to its own, or which may assist it in achieving its object in Egypt or abroad. It may also merge in the précised entities, purchase the, or affiliate them, all of which shall be in accordance with the provisions of the Law and its Executive Statute, and the Company should obtain all the required licenses and permits to execute its activities .

C. Company's fiscal year:

- The Financial year begins on April 1 and ends on March 31 of each year.

2- Basis of Preparing Financial Statements:

2-1 Comply with standards and laws

- The financial statements have been prepared in accordance with the applicable Egyptian laws and regulations as well as the Egyptian accounting standards and on historical cost basis.

2-2 Basis of measurement

- The financial statements are prepared on the historical cost basis. the accrual basis of Accounting and the concept of continuity).
- -The accounting policies set out below have been applied consistently to all periods
- Presented in these financial statements.

3-Significant Accounting Policies

A. Foreign Currency Exchange

- The company records all transactions in Egyptian pound. The Foreign currency transactions are evaluated based on the exchange rates declared at the date of transaction. At the date of the Standalone financial statements, monetary assets and liabilities are revaluated using the exchange rate declared as of the date of the Standalone financial statements, and the resulted foreign currency exchange differences are posted to the income statement.

B. Accounting Estimates

- In compliance with the Egyptian Accounting Standards, the company's management must prepare projections based on reasonable estimates that identify the effect of such estimates on the values of assets, liabilities, revenues and expenditures over the forecasted years. However, there will usually be differences between the estimates and the actual results because events and circumstances frequently do not occur as expected.

C. Deferred Tax:

- The deferred tax amount is calculated on the basis of the expected method of achieving or reimbursing the book values of assets and liabilities using the effective average annual income tax rate applicable for the quarterly periods. Approved by the tax administration. The basic items of deferred tax on the liability side include temporary differences for fixed assets, real estate consulting, other investments and inventory.
- Differences related to deferred tax (expense or revenue) arise from temporary tax differences that arise in a tax period and are reflected in a subsequent tax period or periods and from the stage tax losses that are expected to be used in subsequent tax periods.

D. Legal Reserve:

- According to article (55) from the company's by law and in accordance with the Egyptian laws and regulations, the company deducts an amount equal to 5% of the annual profits to constitute the legal reserve. This deduction shall stop whenever the total reserve would reach an amount equal to half of the company's issued capital. Whenever there is a decrease, then deduction shall have to be continued.

E. New issues amendments to the Egyptian Accounting Standards:

- New publications and amendments were made to the Egyptian accounting standards:
- On March 18, 2019, the Minister of Investment Decision No. 69 of 2019 was issued to amend some provisions of the Egyptian Accounting Standards issued by Resolution No. 110 of 2015 which was published in the Official Gazette on April 7, 2019, provided that they are implemented for financial periods in accordance with the Appendix of the Effective Date and the transitional provisions of each One criterion separately, bearing in mind that the early application of these standards is permitted on conditions in accordance with the transitional provisions of each standard, and the following is a summary of the most important amendments that may have an important impact on the financial statements of the company:
- The creation of 3 accounting standards represented in the Egyptian Accounting Standard No. (47) for financial instruments in line with International Reports Standard No. (9), and Egyptian Accounting Standard No. (48) for revenue from contracts with clients, in accordance with International Standard Report No. (15) to replace Egyptian Accounting Standard No. (11) related to revenue and Egyptian Accounting Standard No. (8) for construction contracts, the latest of which is Accounting Standard No. (49) for executive leasing contracts for the Financial Leasing and Factoring Law No. 176 of 2018, to replace Egyptian Accounting Standard No. (20) Financial leasing, in accordance with the international reporting standard R. M (16).
- Introducing an Egyptian accounting interpretation called "public services concession arrangements", which pertains to partnership projects between the government and the private sector.
- Amendments to Standards No. 1-4-25-26-83-40-42:

New or Amended Standards	Date of Implementation	A Summary of the Most Significant Amendments	The Possible Impact on the Financial Statements
<p>Egyptian Accounting Standard No. 1 Presentation of Financial Statements</p>	<p>•Its application applies to financial periods beginning on or after January 1, 2020 and early application is permitted if the Egyptian Accounting Standard No. (47) of Financial Instruments 2019 is applied at the same time.</p>	<ul style="list-style-type: none"> • adding other items to display in the statement of comprehensive income that comply with the new Egyptian Accounting Standard No. 47, • Amendment of the Clearing Clauses for Revenue Clauses consistent with the new Egyptian Accounting Standard No. 48, • Amendment paragraphs to compare the possibility of adding a third list, • Requiring a third financial position list to be presented in cases of policy amendment, retrospective amendment, or reclassification, 	<ul style="list-style-type: none"> • The current period is the first fiscal period for the company.

<p>Egyptian Accounting Standard No. 4 Statement of Cash Flows</p>	<ul style="list-style-type: none"> • Applies to financial periods beginning on or after January 1, 2019, • Except paragraphs "40A" and "42A" to "42B" take effect on or after January 1, 2020, early application is permitted if Egyptian Accounting Standard No. (42) amended 2019 is applied on the same date, 	<ul style="list-style-type: none"> • Cancelling the disclosure of: <ul style="list-style-type: none"> - the amount of cash and the like in subsidiary companies or other business activities that have been achieved or have lost control, - The amount of assets and liabilities other than cash and the like in subsidiary companies or business activities that have acquired or lost control over them. <p>This applies to investment in a subsidiary that is measured at fair value through profit or loss by the investment establishment.</p> <ul style="list-style-type: none"> • Cash flows are not reported on changes in ownership shares in a subsidiary within financing activities if the company is an investment entity according to the definition contained in the amended Standard 42 2019. 	<ul style="list-style-type: none"> • Not Applicable, the company has no investments in subsidiaries.
<p>Egyptian Accounting Standard No. 8 Construction contracts</p>	<ul style="list-style-type: none"> • As of the effective date of Standard (48) "Revenue from Contracts with Clients" 	<ul style="list-style-type: none"> • This standard will be withdrawn 	<ul style="list-style-type: none"> • Not applicable - The company does not have construction contracts
<p>Egyptian Accounting Standard No. 11 Revenue</p>	<ul style="list-style-type: none"> • As of the effective date of Standard (48) "Revenue from Contracts with Clients" 	<ul style="list-style-type: none"> • This standard has been withdrawn 	<ul style="list-style-type: none"> • The company did not implement early.
<p>Egyptian Accounting Standard No. 15 Disclosure of related parties</p>	<ul style="list-style-type: none"> • As of the effective date of Egyptian Accounting Standard No. 42 amended 2019 "Consolidated Financial Statements" 	<ul style="list-style-type: none"> • Excluding transactions between an investment establishment and its subsidiary facilities that are measured at fair value through profit or loss, from the obligation to exclude transactions between group facilities and existing balances when preparing the consolidated financial statements, • Referring to the definition of the terms "control of an investment establishment by joint control, significant influence" with other standards and their use according to the meaning stated in these standards 	<ul style="list-style-type: none"> • Not applicable – the company has no investments in subsidiaries. Accordingly, the company is not preparing consolidated financial statements.

<p>Egyptian Accounting Standard No. (17) Standalone Financial Statements</p>	<ul style="list-style-type: none"> • As of the effective date of Egyptian Accounting Standard No. 42 amended 2019 “Consolidated Financial Statements” 	<ul style="list-style-type: none"> • Adding some paragraphs regarding investment establishments to determine: - Assembly exemption status, - Requiring the parent company if it is accounting for its investments in subsidiaries at fair value through profits or losses in its independent lists if it measures its investments in subsidiaries at fair value through profits or losses. 	<ul style="list-style-type: none"> • Not applicable – the company has no investments in subsidiaries. Accordingly, the company is not preparing Standalone financial statements.
<p>Egyptian Accounting Standard No. 18 Investments in associate companies</p>	<ul style="list-style-type: none"> • As of the effective date of Egyptian Accounting Standard No. 42 amended 2019 “Consolidated Financial Statements” 	<ul style="list-style-type: none"> • Adding an investment to a company that is not an investment facility in itself but has ownership in a sister establishment or a joint venture that is an investment facility, that when the company applies the equity method, it may choose to maintain a fair value measurement that this investment facility applies to the ownership shares of its sister enterprise or project The subscriber in subsidiary facilities, thus eliminating the need to make adjustments in order for the accounting policies of the sister company or the joint venture to comply with the accounting policies of the company 	<ul style="list-style-type: none"> • Not Applicable – the company has no investments in associate companies.
<p>Egyptian Accounting Standard No. 20 Accounting rules and standards related to financial leasing operations</p>	<p>Applied from the application of the standard</p>	<ul style="list-style-type: none"> • This standard will be withdrawn 	<p>Not applicable - the company has no finance lease contracts.</p>
<p>Egyptian Accounting Standard No. 22 Earnings per share</p>	<p>The application isn't determined it till now</p>	<ul style="list-style-type: none"> • The scope of the standard has been modified to include all lists of independent, consolidated or individual, not only lists of companies registered or on the way to be registered. 	<p>The Management is currently assessing the potential impact of implementing the amendment of the standard on the financial statements.</p>

<p>Egyptian Accounting Standard No. 24 Income Taxes</p>	<ul style="list-style-type: none"> • As of the effective date of Egyptian Accounting Standard No. 42 amended 2019 “Consolidated Financial Statements” 	<ul style="list-style-type: none"> • Abolishing the exclusion of all cases of business collection from recognition of its current and deferred tax as revenue or expenses, whereby the current tax and deferred tax will be recognized as revenue or expense and included in the income statement in cases of business collection when an investment facility has acquired a subsidiary facility, even in cases that arise from constructive payments transactions On shares, 	<ul style="list-style-type: none"> • Not applicable – the company did not make consolidated financial statement
<p>Egyptian Accounting Standard No. 25 Financial instruments - presentation</p>	<ul style="list-style-type: none"> • It applies to financial periods beginning on or after January 1, 2020, and early application is permitted if Egyptian Accounting Standard No. (47) “Financial Instruments” 2019 is applied at the same time. 	<ul style="list-style-type: none"> • Some amendments were included in this standard to comply with the updated Egyptian Accounting Standard No. 47 “Financial Instruments”. 	<ul style="list-style-type: none"> • The company did not make early adoption
<p>Egyptian Accounting Standard No. 26 Financial instruments - recognition and measurement</p>	<ul style="list-style-type: none"> • It applies to financial periods beginning on or after January 1, 2020, and early application is permitted if Egyptian Accounting Standard No. (47) “Financial Instruments” 2019 is applied at the same time. 	<ul style="list-style-type: none"> • Some amendments were included in this standard in order to comply with the new Egyptian Accounting Standard No. 47 “Financial Instruments”, whereby paragraphs on topics covered in the new Standard (47) were withdrawn and the scope of the amended Standard (26) was determined to deal with only limited cases of coverage accounting according to the choice of origin. 	<p>Not applicable - The company does not have a hedge accounting</p>
<p>Egyptian Accounting Standard No. 29 Business aggregation</p>	<ul style="list-style-type: none"> • As of the effective date of the revised Egyptian Accounting Standard No. 42, 2019 • “Consolidated Financial Statements” 	<ul style="list-style-type: none"> • Excluding the investment establishment’s acquisition of an investment in a subsidiary that requires it to be measured at fair value through profit or loss from the scope of application of the standard, 	<p>The company did not apply the fair value method for investment in subsidiaries</p>
<p>Egyptian Accounting Standard No. 30 Periodic financial statements</p>	<ul style="list-style-type: none"> • As of the effective date of the revised Egyptian Accounting Standard No. 42, 2019 • “Consolidated Financial Statements” 	<ul style="list-style-type: none"> • adding some disclosures to establishments that become or stop being other facilities even though they own less than half of the voting rights in the other facility, 	<ul style="list-style-type: none"> • The company observed these disclosures when presenting its periodic lists

<p>Egyptian Accounting Standard No. 31 Impairment of assets</p>	<ul style="list-style-type: none"> • The decision did not specify the effective date of the standard, and it is believed to take effect from the date of entry into force of the standards 47 , 34 	<ul style="list-style-type: none"> • Real estate investments that are measured at fair value as well as financial assets that fall within the scope of Egyptian Accounting Standard No. (47) are excluded from the scope of application of this standard 	<ul style="list-style-type: none"> • Not applicable - The company has no real estate investments
<p>Egyptian Accounting Standard No. 32 Non-current assets held for sale and discontinued operations</p>	<ul style="list-style-type: none"> • The decision did not specify the effective date of the standard, and it takes place in two concerts from the date on which the standard 34 becomes effective 	<p>Real estate investments measured at fair value are excluded from the scope of application of this standard</p>	<ul style="list-style-type: none"> • Not applicable - The company has no real estate investments
<p>Egyptian Accounting Standard No. 34 Real Estate Investment</p>	<ul style="list-style-type: none"> • This amendment applies to financial periods beginning on or after January 1, 2019 	<ul style="list-style-type: none"> • Real estate investment trusts are obligated only to use the fair value model when measuring subsequent to all real estate 	<ul style="list-style-type: none"> • Not applicable - The company has no real estate investments
<p>Egyptian Accounting Standard No. 38 Employee benefits</p>	<ul style="list-style-type: none"> • As of the financial periods beginning on or after January 1, 2020, early application is permitted 	<ul style="list-style-type: none"> • Accounting rules have been amended to amend and reduce the employee benefits system 	<ul style="list-style-type: none"> • As of the financial periods beginning on or after January 1, 2021, early application is permitted
<p>Egyptian Accounting Standard No. 42 Consolidated financial statements</p>	<ul style="list-style-type: none"> • As of the financial periods beginning on or after January 1, 2020, early application is permitted 	<ul style="list-style-type: none"> • Added paragraphs for excluding investment establishments from grouping 	<ul style="list-style-type: none"> • Not applicable – the company has no investments in Subsidiary. Accordingly, the company will not prepare consolidated financial statements
<p>Egyptian Accounting Standard No. 44 Disclosure of shares in other entities</p>	<ul style="list-style-type: none"> • As of the effective date of Egyptian Accounting Standard No. 42 amended 2019 “Consolidated Financial Statements” 	<ul style="list-style-type: none"> • The required disclosures for shares in unconsolidated subsidiaries (investment establishments) have been identified. 	<ul style="list-style-type: none"> • Not applicable – the company did not make consolidated financial statement
<p>Egyptian Accounting Standard No. 47 Financial instruments</p>	<ul style="list-style-type: none"> • As of the financial periods beginning on or after January 1, 2020, early application is permitted 	<ul style="list-style-type: none"> • This standard aims to set the principles of the financial report on financial assets and financial obligations to present appropriate and useful information to users of financial statements in their discretion. 	<ul style="list-style-type: none"> • The company did not implement early.

Statement of Financial Position
As of March 31, 2021

Translation From Arabic

	<u>Notes</u>	<u>31/3/2021</u> <u>EGP</u>
<u>Assets</u>		
<u>Current Assets</u>		
Other debit balances	4	725,904
Cash and banks	5	3,214,712
Total Current Assets		3,940,616
Total Assets		3,940,616
<u>Equity and liabilities</u>		
<u>Shareholder's equity</u>		
Issued & Paid up Capital	6	3,894,950
Net (Loss) for the period		(186,828)
Total Shareholder's Equity		3,708,122
<u>Current Liabilities</u>		
Provisions	7	7,000
Other credit balances	8	225,494
Total Current Liabilities		232,494
Total Liabilities		232,494
Total equity and Liabilities		3,940,616

The accompanying accounting principles and the notes to the financial statements from note no. (1) to (16) are integral part of these financial statements and must be read with them.

Auditor's report is attached

Company's Manager

Britannia Egypt L.L.C

Statement of Profit or Loss

For the period ended 31 March 2021

Translation From Arabic

		<u>The period from</u> <u>August 31, 2020 to</u> <u>March 31, 2021</u>
		<u>EGP</u>
Sales Revenue		620,224
Less:		
Cost of Goods Sold	9	(354,713)
Gross Profit		<u>265,511</u>
Less:		
General And Administrative Expenses	10	(442,509)
Social Contribution	8	(1,551)
Provisions	7	(7,000)
Foreign exchange loss		(1,279)
Net (Loss) Before tax		<u>(186,828)</u>
Income Tax		0
Deferred Tax		0
Net (Loss) after tax		<u>(186,828)</u>
Earnings (Losses) per Share	11	<u>(373.66)</u>

The accompanying accounting principles and the notes to the financial statements from note no. (1) to (16) are integral part of these financial statements and must be read with them.

Auditor's report is attached

Company's Manager



Statement of Cash Flows
For the period ended 31 March 2021

	<u>Notes</u>	<u>The period from August 31, 2020 to March 31, 2021</u>
		<u>EGP</u>
<u>Cash Flows from Operating Activities</u>		
Net (Loss) Before tax		(186,828)
<u>Adjustments to reconcile net loss to net cash provided from operating activities</u>		
Provisions		7,000
Foreign exchange loss		1,279
Operating Profits(losses) Before Working Capital Changes		(178,549)
Change in Other debit Balances		(725,904)
Change in Other Credit Balances		225,494
Cash Flows provided from (used in)Investing Activities		(678,959)
Cash Flows provided from Financing Activities		
Proceeds from Capital	6	3,894,950
Cash Flows provided from Financing Activities		3,894,950
Change in cash during the period		3,215,991
Foreign exchange (loss)		(1,279)
Cash in the Beginning period		0
Cash & Cash Equivalents at the End of the period	5	3,214,712

The accompanying accounting principles and the notes to the financial statements from note no. (1) to (16) are integral part of these financial statements and must be read with them.

Auditor's report is attached

Company's Manager





Britannia Egypt L.L.C

Statement of Other comprehensive income

For the period ended 31 March 2021

Translation From Arabic

The period from August
31, 2020 to March 31, 2021

EGP

Net (Loss) after tax	(186,828)
Total other comprehensive income after deducting income Tax	0
Total comprehensive income for the period	<u>(186,828)</u>

The accompanying accounting principles and the notes to the financial statements from note no. (1) to (16) are integral part of these financial statements and must be read with them.

Auditor's report is attached

Company's Manager



**Statement of Changes in Equity
For the period ended 31 March 2021**

Translation From Arabic

	<u>Paid Up Capital</u>		<u>Net (losses) Profit for the Year</u>		<u>Total</u>
	<u>L.E</u>		<u>L.E</u>		<u>L.E</u>
Paid up Capital	3,894,950		0		3,894,950
Net (Loss) of the year	0		(186,828)		(186,828)
Total other comprehensive income	0		(186,828)		(186,828)
Balance as of March 31, 2021	3,894,950		(186,828)		3,708,122

The accompanying accounting principles and the notes to the financial statements from note no. (1) to (16) are integral part of these financial statements and must be read with them.
Auditor's report is attached

Company's Manager



Handwritten signatures in blue ink, including a large signature and a smaller one to its right.

4- Other debit balances	<u>31/3/2021</u>
	<u>EGP</u>
Advances to Suppliers	719,760
Withholding tax receivable	6,144
Total	<u>725,904</u>

5- Cash and Banks	<u>31/3/2021</u>
	<u>EGP</u>
Bank - Current Accounts Local Currency	3,214,712
Total	<u>3,214,712</u>

6- Issued & Paid-up Capital	<u>31/3/2021</u>
	<u>USD</u>
Authorized Capital (U.S Dollar)	500
quota Par Value (U.S Dollar)	500
Issued & Paid-up Capital (U.S Dollar)*	<u>250,000</u>

* The capital was translated into Egyptian pounds using 15.5798 EGP/US Dollar, The issued and paid up capital is amounted to EGP 3,894,950.

Capital Structure

<u>Company Name</u>	<u>Nationality</u>	<u>Ownership%</u>	<u>Number of quota</u>
BRITANNIA and Associates Dubai PVT Company Limited.	Emirates	99%	495
Strategic Brands Holding Company Limited	Emirates	1%	5
		<u>100%</u>	<u>500</u>

7- Provisions	<u>31/3/2021</u>
	<u>EGP</u>
Charging during the period	7,000
Balance as of end of the period	<u>7,000</u>

8- Other Credit Balances	<u>31/3/2021</u>
	<u>EGP</u>
Accrued Expenses	213,973
Withholding tax Payable	9,088
Others	600
Advances from Customers	282
Accrued Social Contribution	1,551
Total	<u>225,494</u>

9- Cost of Goods Sold

	<u>The period</u> <u>from August 31, 2020</u> <u>to March 31, 2021</u>
	<u>EGP</u>
Inventory at the beginning of the period	0
Purchases during the paeriod	354,713
Less:	
Inventory at the end of the period	0
Cost of Goods Sold	<u>354,713</u>

10- General and Administrative Expense

	<u>The period</u> <u>from August 31, 2020</u> <u>to March 31, 2021</u>
	<u>EGP</u>
Professional Fees	202,694
Salaries & Wages	30,000
Bank charge	2,870
Others	206,945
Total	<u>442,509</u>

11- Earnings (Losses) per Share

	<u>The period</u> <u>from August 31, 2020</u> <u>to March 31, 2021</u>
	<u>EGP</u>
Net (Loss) after tax	(186,828)
Number of outstanding quotas during the period	500
Total	<u>(373.66)</u>

12- Financial instrument and related Risk assignment

Overview

- The company is exposed to the following risks arising when using financial instruments: -
 - Credit risk
 - Liquidity risk
 - Market risk

Risk framework

- The general responsibility for setting the framework for risk management for the company and following up on its implementation rests with its management. The management also has the responsibility to develop and monitor the implementation of the company's risk policies.
- Risk management policies are developed with the aim of determining the risks facing the company, the acceptable risk limits, rules for controlling those risks, and ensuring compliance with the acceptable limits.
- Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the company's activities. The company aims through its training, management standards and procedures to develop a disciplined and constructive control environment through which employees understand the role assigned to them and their obligations.
- The company's management supervises how the management monitors the extent of compliance with the risk management policies and procedures. It also reviews the appropriateness of the risk management system framework for the risks faced by the company. The internal audit cooperates with the company's management in carrying out its supervisory and control role. The internal audit undertakes both the periodic review of the controls and procedures of risk management and submits reports on its results to the management.

Credit risk

- The credit risk is the risk of financial losses for the company as the client cannot pay the debts and risk restarted from the balance of customer and financial investment

Exposure to credit risk

- The carrying value of financial assets represents the maximum exposure to credit risk. The maximum exposure to credit risk at the time of preparing the report was the following:

	<u>No.</u>	<u>Carrying amount</u>
		<u>31/3/2021</u>
Other debit balances	4	<u>725,904</u>

Liquidity risk:

- Liquidity risk is that the company will not be able to fulfil its financial obligations when due, which are repaid by delivering cash or another financial asset. The company's policy is to manage the financial liquidity in a way that ensures, as far as possible, that it permanently possesses sufficient liquidity to meet its obligations when due, under normal and exceptional circumstances and without incurring unacceptable losses or risking harm to the company's reputation.
- The company ensures that it has sufficient cash to meet operating expenses for a period of 60 days with the exception of the potential impact of extraordinary circumstances that cannot be reasonably foreseen, such as natural disasters.

Market risk

- Market risk is represented in changes in market prices, such as changes in exchange rates, interest rates, and stock prices, which affect the company's income or the financial instruments it owns.
- The objective of market risk management is to manage and control market risk within acceptable limits, and to achieve the best return. The company bears financial obligations in order to manage market risk.

- All these transactions are executed within the limits of the guiding rules set by the Management.

Interest rate risk

- The company is not subject to this risk as the company has no interest bearing financial debts.

Capital management

- It is the policy of the Management to maintain a strong capital base so that the confidence of the investor, creditors and the market is preserved as well as supporting the future development of the business.
- Capital consists of paid-up capital and period losses, and the company's management monitors the return on capital as well as controls the level of dividends that quota holders get.

13 – Significant Events:

13-1- COVID 19

- The impact of the recent outbreak of novel “Covid-19” epidemic on the global economy and markets continues. In addition to, it's negative impact on several aspects including labor, operations, and liquidity available to the company. Accordingly, the company's management has develop and implement contingency plans to address these exceptional circumstances, and we are currently closely monitoring and evaluating all the developments related to the spread of the novel virus. Where all necessary measures will be taken to maintain our operational operations, and most importantly, is to protect our employees, clients and all citizens associated with the company.
- In light of our current knowledge and available information, we do not expect the novel Covid-19 virus to have an impact on the company ability to continue for the foreseeable future.

13-2- Application of the new Egyptian accounting standards:

- In accordance with the decision of the Financial Regulatory Authority (FRA) issued on September 20, 2020, the application of the new accounting standards (Financial Instruments Standard - Revenue Standard from Contracts with Clients - Rent Standard) and the accompanying amendments to the lists have been postponed, provided that they are applied starting from January 1, 2021 instead of January 1, 2020.

14. Tax Position:

13-1- Corporate Income Tax

- The company is subject to the corporate income tax in accordance with the Egyptian tax law no.159 for year 1981
- The company's books have not been examined by the Tax Authority to date.

14-2- Payroll Tax

- The company implements the current laws and the Company books have not been examined by the Tax Authority to date.

14-3- Withholding Tax

- The company implements the current laws and the Company books have not been examined by the Tax Authority to date.

14-4- Value added tax

- The company implements the current laws and the Company books have not been examined by the Tax Authority to date.

14-5- Stamp tax

- The company implements the current laws and the Company books have not been examined by the Tax Authority to date.

15- Comparative Figures

- The period from August 30, 2020 to March 31, 2021 represents the first fiscal period of the company.

16- Issuance of the Financial Statements

- The financial statements were approved for issuance for the fiscal period ended on March 31, 2021 according to the approval from the company's management on April 25, 2021.

Company's Manager