ORASCOM
INVESTMENT

Orascom Investment Holding S.A.E.

Condensed Interim Consolidated Financial Statements
As of and for the nine month-period ended
September 30, 2020 (IFRS)
Together with the review report
US$

KPMG

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Review Report on Condensed Interim Consolidated Financial Statements

To: The Board of Directors of Orascom Investment Holding (S.A.E)

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Orascom Investment Holding (S.A.E) and its subsidiaries "the Group" as of September 30, 2020, and the related condensed interim consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed interim consolidated financial statements in accordance with International Accounting Standard No. (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review

Except as explained in point (1) in the basis of Qualified Conclusion, we conducted our review in accordance with Egyptian Standard on Review Engagements 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Group and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these condensed interim consolidated financial statements.

Base of Qualified Conclusion

1- As mentioned in detail in note no. (9), the Group's investment in Contact Financial Holding (formerly Sarwa Capital Financial Holding) -an associate- and accounted for by the equity method, with carrying amount of USD 108,356 thousands included in Group's condensed interim consolidated statement of financial position as of September 30, 2020, and the Group's share of Contact Financial Holding's net income of USD 3,188 thousands, included in Group's condensed interim consolidated statement of profit or loss and other comprehensive income for the period then ended. The management didn't provide us with the financial information prepared in accordance with IFRSs, accordingly, we were unable to review the carrying amount of the Group's investment in Contact Financial Holding as of September 30, 2020, and the Group's share of Contact Financial Holding's net income for the period then ended. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

2- The Group did not account for the loss on the sale of its subsidiary, Aurebach Grayson, classified as assets held for sale and liabilities associated with assets held for sale as of September 30, 2020, where the sale was executed on December 2020, resulting in a loss with an amount of USD 3.9 million. Considering this event as an adjusting subsequent event under IAS 10, therefore, the losses arising from the sale should be recognized in the condensed interim financial statements as of and for the nine-month period ended September 30, 2020, as impairment losses on the assets held for sale. If the loss was accounted for in the condensed interim financial statements financial statements, the losses from discontinued operations would have increased by USD 3.9 million and the assets held for sale would have been decreased by the same amount.

Conclusion

Based on our review, except for the possible effects of the matter described in point (1) in the Basis of Qualified Conclusion, as might have been determined to be necessary if we obtained the financial information prepared in accordance with IFRSs, and except for the effect on the condensed interim consolidated financial statements of the matter described in in point (2) in the Basis of Qualified Conclusion, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Orascom Investment Holding (S.A.E) and its subsidiaries "the Group" as of September 30, 2020, and of its consolidated financial performance and its consolidated cash flows for the nine-month period then ended in accordance with International Accounting Standard No. (34) "Interim Financial Reporting".

Emphasis of Matter

- Without modifying our conclusion, as mentioned in detail in note (9) from the accompanying notes of the condensed interim consolidated financial statements, the Group has a significant influence over its investee "Koryolink" in North Korea, the investment is amounting to USD 39 million, which the group classified as investments in equity accounted investees as of September 30, 2020. Also, the group has bank balances in North Korea amounting to USD 6.8 million, which the group classified as other financial assets as of September 30, 2020. Considering that Koryolink is operating under international bans, operational and financial restrictions imposed by the international community on North Korea, which lead to difficulties in transferring profits abroad and repatriate the funds to their home country, which lead to material uncertainty in Group's ability to get the recoverable amount of these assets.

- As mentioned in detail in note (26) from the accompanying notes of the condensed interim consolidated financial statements, the Company has been demerged into two entities Orascom Investment Holding "OIH" (demerging company) and a newly incorporated company called Orascom Financial Holding "OFH" (demerged company).

KPMG Hazem Hassan

Y. Hassan

Public Accountants and Consultants

Cairo September 12, 2021

KPMG Hazem Hassan
Public Accountants and Consultants
2

ORASCOM INVESTMENT HOLDING (S.A.E.)

Condensed interim consolidated statement of financial position as of

(In thousands of US dollars)	Note	September 30, 2020	December 31, 2019
Assets			
Property and equipment	10	71,335	73,279
Intangible assets	10	25,061	24,510
Investment property	11	42,657	60,747
Equity accounted investees	9	147,416	143,078
Other financial assets	12	11,910	17,381
Other assets	13	14,134	16,574
Total non-current assets		**312,513**	**335,569**
Inventories		821	506
Trade receivables		65,878	54,779
Other financial assets	12	11,123	4,940
Other assets	13	13,791	13,461
Cash and cash equivalents	14	43,426	63,438
		135,039	**137,124**
Assets held for sale	23	14,143	13,850
Total current assets		**149,182**	**150,974**
Total assets		**461,695**	**486,543**
Equity and liabilities			
Share capital	15	366,148	366,148
Other reserves		(156,239)	(142,231)
Retained earnings		33,888	36,773
Equity attributable to equity holders of the Company		**243,797**	**260,690**
Non-controlling interests		26,312	16,861
Total equity		**270,109**	**277,551**
Liabilities			
Borrowings	16	25,542	24,007
Other liabilities	17	7,537	7,642
Deferred tax liabilities		11,208	12,450
Total non-current liabilities		**44,287**	**44,099**
Borrowings	16	34,035	47,485
Trade payables and other liabilities	17	67,756	74,466
Income tax liabilities		7,392	5,806
Provisions	18	30,747	29,862
		139,930	**157,619**
Liabilities associated to assets held for sale	23	7,369	7,274
Total current liabilities		**147,299**	**164,893**
Total liabilities		**191,586**	**208,992**
Total equity and liabilities		**461,695**	**486,543**

Chief Financial Officer **Chairman**

Review report 'attached'

* The accompanying notes from (1) to (26) are an integral part of these condensed interim consolidated financial statements.

ORASCOM INVESTMENT HOLDING (S.A.E.)

Condensed interim consolidated statement of profit or loss and other comprehensive income for

(In thousands of US dollars, except per share amounts)	Note	Nine-month period ended septmebr 30, 2020	Represented Nine-month period ended septmebr 30, 2019	Three-month period ended septmebr 30, 2020	Represented Three-month period ended septmebr 30, 2019
Continued operations					
Revenues	5	46,727	46,159	15,547	15,263
Other income		94	360	18	227
Purchases and services	6	(17,498)	(17,446)	(5,942)	(5,769)
Other expenses		(854)	(2,566)	(241)	(1,241)
Provisions formed	18	(1,439)	(2,324)	-	(263)
Personnel cost		(16,588)	(15,598)	(5,423)	(5,472)
Depreciation and amortization	10/11	(6,310)	(5,439)	(2,085)	(1,809)
Gains from disposal of non-current assets		31	39	11	-
Operating income		**4,163**	**3,185**	**1,885**	**936**
Finance income	7	4,831	466	446	135
Finance expense	7	(6,567)	(8,507)	(2,367)	(2,742)
Net foreign currencies translation differences	7	(2,020)	(6,993)	(1,422)	(1,593)
Share of profits of equity accounted investees	9	179,736	173,032	76,251	72,905
Net impairment of equity accounted investees		(176,548)	(168,100)	(75,082)	(71,146)
Profit/(loss) before income tax		**3,595**	**(6,917)**	**(289)**	**(1,505)**
Income tax expense	8	(3,537)	(2,642)	(1,250)	(1,433)
Profit / (loss) for the period		**58**	**(9,559)**	**(1,539)**	**(2,938)**
Discontinued operations					
(Loss) / profit from discontinued operation (net of income tax)	20	(126)	3,193	1,472	6,219
(Loss) / profit for the period		**(68)**	**(6,366)**	**(67)**	**3,281**
Other comprehensive (loss) / income :					
Items that may be sequent reclassified to profit or loss net of tax					
Revaluation of investments at fair value through OCI		37	(362)	78	(219)
Foreign operations- Foreign currencies translation differences		(15,433)	10,431	6,749	1,782
Total comprehensive (loss) / income for the period		**(15,464)**	**3,703**	**6,760**	**4,844**
(Loss) / profit for the period attributable to:					
Owners of the Company from continuing operations		(1,513)	(12,616)	(2,100)	(3,578)
Owners of the Company from discontinuing operations		(100)	7,145	1,405	7,048
Non-controlling interests		1,545	(895)	628	(193)
		(68)	**(6,366)**	**(67)**	**3,277**
Total comprehensive (loss) / income attributable to:					
Owners of the parent company		(15,246)	6,569	5,795	4,544
Non-controlling interests		(218)	(2,866)	965	301
		(15,464)	**3,703**	**6,760**	**4,845**
(Losses) per share from continuing operation - basic & diluted (in US$)	19	**(0.0001)**	**(0.0028)**	**(0.0004)**	**(0.0007)**
(Losses) / earnings per share from discontinued operations- basic & diluted (in	19	**(0.00002)**	**0.0014**	**0.0003**	**0.0013**

Chief Financial Officer | **Chairman**

* The accompanying notes from (1) to (26) are an integral part of these condensed interim consolidated financial statements.

ORASCOM INVESTMENT HOLDING (S.A.E.)

Condensed interim consolidated statement of changes in equity for the nine-month period ended September 30, 2020

(In thousands of US dollars)	Share capital	Legal reserves	Other reserves: Translation reserves	Other reserves: Other reserves	Retained earnings	Equity attributable to owners of the parent company	Non-controlling Interests	Total equity
As at January 1, 2019	**366,148**	**86,078**	**(253,863)**	**7,262**	**65,216**	**270,841**	**18,738**	**289,579**
Reclassification on prior year balances **	-	-	**2,213**	-	**(2,213)**	-	-	-
Balance as at January 1, 2019, reclassified	**366,148**	**86,078**	**(251,650)**	**7,262**	**63,003**	**270,841**	**18,738**	**289,579**
Comprehensive income / (loss) for the period								
Revaluation of investments at fair value through OCI	-	-	-	(253)	-	**(253)**	(109)	**(362)**
Foreign operations- Foreign currencies translation differences	-	-	12,293	-	-	**12,293**	(1,862)	**10,431**
Net (loss) for the period	-	-	-	-	(5,471)	**(5,471)**	(895)	**(6,366)**
Total comprehensive income / (loss) for the period	-	-	**12,293**	**(253)**	**(5,471)**	**6,569**	**(2,866)**	**3,703**
Transactions with owners of the company								
Transferred to legal reserve	-	171	-	-	(171)	-	-	-
Derivatives revaluation-with NCI	-	-	-	313	-	**313**	137	**450**
Disposal of a subsidiary with NCI	-	-	-	(456)	-	**(456)**	2,482	**2,026**
Total transactions with owners of the Company	-	**171**	-	**(143)**	**(171)**	**(143)**	**2,619**	**2,476**
As of September 30, 2019	**366,148**	**86,249**	**(239,357)**	**6,866**	**57,361**	**277,267**	**18,491**	**295,758**

(In thousands of US dollars)	Share capital	Legal reserves	Other reserves: Translation reserves	Other reserves: Other reserves	Retained earnings	Equity attributable to owners of the parent company	Non-controlling Interests	Total equity
As at January 1, 2020	**366,148**	**86,253**	**(238,675)**	**10,191**	**36,773**	**260,690**	**16,861**	**277,551**
Comprehensive (loss) for the period								
Revaluation of investments at fair value through OCI	-	-	-	23	-	**23**	14	**37**
Foreign operations- Foreign currencies translation differences	-	-	(13,656)	-	-	**(13,656)**	(1,777)	**(15,433)**
Net (loss) for the period	-	-	-	-	(1,613)	**(1,613)**	1,545	**(68)**
Total comprehensive (loss) for the period	-	-	**(13,656)**	**23**	**(1,613)**	**(15,246)**	**(218)**	**(15,464)**
Transactions with owners of the Company								
Change in ownership percentage without a change in control	-	-	(375)	-	(1,272)	**(1,647)**	9,669	**8,022**
Total transactions with owners of the Company	-	-	**(375)**	-	**(1,272)**	**(1,647)**	**9,669**	**8,022**
As of September 30, 2020	**366,148**	**86,253**	**(252,706)**	**10,214**	**33,888**	**243,797**	**26,312**	**270,109**

Chief Financial Officer **Chairman**

* The accompanying notes from (1) to (26) are an integral part of these condensed interim consolidated financial statements.
** Representation on the prior year figures on the translation reserve and retained earnings for the year ended December 31, 2018.

ORASCOM INVESTMENT HOLDING (S.A.E.)

Condensed interim consolidated statement of cash flows for

(In thousands of US dollars)	Note	Nine-month period ended Septemebr 30, 2020	Represented Nine-month period ended Sepetmebr 30, 2019
Profit / (loss) for the period before tax		**3,595**	**(6,914)**
Adjustments for:			
Depreciation and amortization	10/11	6,310	5,439
Finance income	7	6,567	8,507
Finance expense	7	(4,831)	(466)
Net foreign currencies translation differences	7	2,020	6,993
(Gains) from disposal of non-current assets		(31)	(39)
Share of profits of equity accounted investees	9	(179,736)	(173,032)
Net impairment of equity accounted investees	9	176,548	168,100
Change in provision		376	4,431
Changes in other assets		(2,439)	(21,705)
Changes in other liabilities		(17,482)	28,520
Cash flows (used in) / generated by operating activities		**(9,103)**	**19,834**
Income taxes paid		(2,798)	(3,834)
Interest received		1,348	466
Dividends to employees		-	(827)
Net cash flows (used in) / generated by operating activities		**(10,553)**	**15,639**
Cash out flow for investments in:			
Property and equipment		(3,977)	(6,413)
Intangible assets		(236)	-
Payments under investment in subsidaries		(253)	-
Equity accounted investees		(877)	-
Investments at fair value through OCI		(190)	-
Other financial assets		-	(330)
Proceeds from disposal of:			
Property and equipment		100	291
Proceeds from selling assets – Riza Capital		1,890	-
Investments at fair value through OCI		971	206
Dividends received form equity accounted investees		2,484	-
Other financial assets		286	-
Net cash flows generated by / (used in) investing activities		**198**	**(6,246)**
Cash flows from financing activities			
Interest paid	16	(5,221)	(7,269)
Proceeds from non-current borrowing	16	11,349	2,687
Net (payments) for financial liabilities	16	(22,877)	(90,548)
Proceeds from other financial assets		-	98,035
Proceeds from NCI from capital increase of a subsidiary (Beltone)		8,022	-
Cash flows generated/ (used in) by financing activities		**(8,727)**	**2,905**
Net change in cash and cash equivalents from continuing operations		**(19,082)**	**12,298**
Discontinuing operations			
Net cash (used in) / generated by operating activities		(209)	2,130
Net cash (used in) / generated by discontinuing operations		**(209)**	**2,130**
Net change in cash and cash equivalents		**(19,291)**	**14,428**
Cash and cash equivalents at the beginning of the period		63,438	106,565
Effect of exchange rates on cash and cash equivalents		(721)	4,594
Cash and cash equivalents at the end of the period	14	**43,426**	**125,587**

Chief Financial Officer **Chairman**

* The accompanying notes from (1) to (26) are an integral part of these condensed interim consolidated financial statements.

1. General information

Orascom Investment Holding S.A.E. (**"OIH" or the "Company"**) is a joint stock company with its head office in Cairo, Egypt. The Company was established on 29 November 2011 (the "inception") and until this date the businesses of the Company were performed under various entities which were controlled by Orascom Telecom Holding, S.A.E. ("OTH"). As part of a larger transaction pursuant to which VimpelCom Ltd had acquired OTH, its shareholders agreed to affect the demerger, whereby, OTH was split into two companies, OTH and the Company ("Demerger"). The Demerger resulted in the transfer of certain telecom, cable and media and technology assets (the "OIH Assets") to the Company.

The Company through its subsidiaries (the "Group") is a mobile telecommunications business operating in high growth emerging markets in the Middle East, Africa and Asia. The Company is a subsidiary of Orascom Telecom Media and Technology Investments S.à.r.l. (the "Ultimate Parent Company").

The Company's shares are listed on the Egyptian Stock Exchange and its GDRs are listed on the London Stock Exchange.

The information presented in this document has been presented in thousands of United States Dollar ("US$"), except earnings per share and unless otherwise stated.

The condensed interim consolidated financial statements as of and for the period ended June 30, 2020 were approved for issue by the Board of Directors of the Company on September 12, 2021.

2. Statement of compliance

These condensed interim consolidated financial statements as of September 30, 2020 have been prepared in accordance with IAS 34 "Interim Financial Reporting". As permitted by IAS 34, the Company has opted to prepare a condensed version as compared to the condensed interim consolidated Financial Statements as of December 31, 2019. The condensed interim consolidated financial statements do not include all of the information required for the full annual financial statements, and should be read in conjunction with the condensed interim consolidated Financial Statements for the year ended December 31, 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The financial statements are not the statutory financial statements of the Company, as the statutory financial statements are prepared in accordance with the Egyptian Accounting Standards (EAS).

3. Significant accounting policies

3.1 Basis of preparation

These Condensed interim consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations as adopted by the International Accounting Standards Board ("IASB") and all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and all interpretations of the Standing Interpretations Committee ("SIC"). The IFRS were applied consistently to all the periods presented in this document.

The Condensed interim consolidated Financial Statements have been prepared on a going concern basis, as Management have verified the absence of financial, management or other indicators that could indicate critical issues regarding the Group's ability to meet its obligations in the foreseeable future, and in particular in the next 12 months.

The Condensed interim consolidated Financial Statements have been prepared under the historical cost basis except for certain financial assets and liabilities, including derivative instruments that are measured at fair value.

For presentational purposes, the current/non-current distinction has been used for the statement of financial position. The statement of comprehensive income is presented using the one-statement approach, dividing items of comprehensive income between a separate income statement and a separate statement of comprehensive income. Expenses are analysed in the income statement using a classification based on their nature. The indirect method has been selected to present the cash flows statement.

The Condensed interim consolidated Financial Statements have been prepared on the basis of the conventional historical cost method, except for the valuation of financial assets and liabilities, in which case the application of the criterion is mandatory fair value.

The information presented in this document has been presented in thousands of United States Dollar ("US$"), except earnings per share and unless otherwise stated.

3.2 Summary of main accounting principles and policies

The main accounting principles and policies adopted in preparing these condensed interim consolidated financial statements are set our below. These policies have been applied consistently by the Group entities.

Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The condensed interim consolidated financial statements include the financial statements of the Company and the financial statements of those entities over which the Company has control, both directly or indirectly, from the date on which control is transferred to the Group until the date such control ceases.

The financial statements used in the consolidation process are those prepared by the individual Group entities in accordance with IFRS.

Associates

Associates are investments in companies where the Group exercises a significant influence, which is presumed to exist when the Group holds voting rights between 20% and 50%. Associates are accounted for using the equity method.

The equity method is as follows:

- The Group's share of the profit or loss of an investee is recognised in the income statement from the date when significant influence begins up to the date when that significant influence ceases or when the investment is classified as held for sale. Investments in associates with negative shareholders' equity are impaired and a provision for its losses is accrued only if the Group has a legal or constructive obligation to cover such losses. Equity changes in investees accounted for using the equity method that do not result from profit or loss are recognised directly in consolidated equity reserves;
- The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value;
- if the ownership interest in an associate is reduced, but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit and loss;
- Unrealised gains and losses generated from transactions between the Company or its subsidiaries and its investees accounted for using the equity method are eliminated on consolidation for the portion pertaining to the Group; unrealised losses are eliminated unless they represent impairment.

Management fees received from associates are included within revenue.

Property and equipment

Property and equipment are stated at purchase cost or production cost, net of accumulated depreciation and any impairment losses. Cost includes expenditure directly attributable to bringing the asset to the location and condition necessary for use and any dismantling and removal costs which may be incurred because of contractual obligations, which require the asset to be returned to its original state and condition.

The useful lives of property and equipment and their residual values are reviewed and updated, where necessary, at least at each year-end. Land is not depreciated. When a depreciable asset is composed of identifiable separate components whose useful lives vary significantly from those of other components of the asset, depreciation is calculated for each component separately, applying the "component approach".

The useful lives estimated by the Group for the various categories of property and equipment are as follows.

	Number of years
Buildings	50
Leasehold improvements and renovations	3-8
Plant and machinery	8-15
Cable system and equipment	4-20
Tools	5-10
Computer equipment	3-5
Furniture and fixtures	5-10
Vehicles	3-6

Gains or losses arising from the sale or retirement of assets are determined as the difference between the net disposal proceeds and the net carrying amount of the asset sold or retired and are recognised in the income statement in the period incurred under "Disposal of non-current assets".

Leases

With the adoption of IFRS 16, the Group recognises a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use. Each lease payment is allocated between the principal liability and finance costs. Finance costs are charged to the income statement over the lease period using the effective interest rate method. The right-of-use asset is depreciated on a straight-line basis over the lease term.

Right-of-use assets are measured at cost comprising the following: (i) the amount of the initial measurement of lease liability; (ii) any lease payments made at or before the commencement date less any lease incentives received; (iii) any initial direct costs and, if applicable, (iv) restoration costs. Payments associated with short-term leases and leases of low-value assets are recognised as an expense in the income statement on a straight-line basis.

Lease liabilities are measured at the net present value of the following: (i) fixed lease payments, (ii) variable lease payment that are based on an index or a rate and, if applicable, (iii) amounts expected to be payable by the lessee under residual value guarantees, and (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option. Lease liabilities do not include any non-lease components that may be included in the related contracts.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The right-of-use asset is depreciated on a straight-line basis over the entire term of the contract, unless the contract provides for the transfer of ownership at the end of the lease term or the cost of the lease reflects the fact that the lessee will exercise the purchase option. In this case, the depreciation must be the shorter of the useful life of the asset and the duration of the contract. The estimated useful lives for right-of-use assets are calculated according to the same criterion applied to owned tangible assets. In addition, the right-of-use asset is decreased by any impairment losses and adjusted to reflect any remeasurement of the associated lease liability.

In the statement of financial position, the Group presents right-of-use assets within tangible assets and lease liabilities within current and non-current borrowings.

In the income statement, interest expense on lease liabilities constitutes a component of financial expenses and is shown separately from the depreciation of right-of-use assets.

The Group recognizes deferred taxation on right-of-use assets and on lease liabilities in relation to contracts for which IFRS 16 is applied for the first time. Management has assessed the existing tax legislation and interpreted the accounting principles applied, concluding the recognition of deferred tax is appropriate.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

Licenses

Costs for the purchase of telecommunication licenses are capitalised. Amortisation is charged on a straight-line basis such as to write off the cost incurred for the acquisition of a right over the shorter of the period of its expected use and the term of the underlying agreement, starting from the date on which the acquired license may be exercised.

Software

Acquired software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Software licenses are amortised on a straight-line basis over their useful life (between 3 to 8 years), while software maintenance costs are expensed in the income statement in the period in which they are incurred.

Costs incurred on development of software products are recognised as intangible assets when the Group has intentions to complete and use or sell the assets arising from the project, considering the existence of a market for the asset, its commercial and technological feasibility, its costs can be measured reliably and there are adequate financial resources to complete the development of the asset. Other development expenditures are recognised in the income statement in the period in which they are incurred.

Directly attributable costs that are capitalised as part of a software product include software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

	Number of years
Rights of use	17-20
Trademarks	20
Contractual agreements with customers	20
Computer software	5

Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. In determining an asset's value in use the estimated future cash flows are discounted using a pre-tax rate that reflects the market's current assessment of the cost of money for the investment period and the specific risk profile of the asset. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units, "CGU"). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Investment property

Investment properties are property (land or a building or part of a building or both) held by the Group to earn rental income or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in supply of goods or services or for administrative purposes. Investment properties are initially measured at cost. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure.

Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs. Subsequent to initial recognition, the Group has elected to measure investment properties at cost less accumulated depreciation and accumulated impairment losses, if any. Investment property is derecognised upon disposal, when it is permanently withdrawn from use and no future economic benefits expected from its disposal. Gains or losses arising from the retirement or disposal of investment property are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period of the retirement or disposal. Reclassifications to / from investment property are made when, and only when, there is a change of use.

Revenue from operating lease rentals is recognised on a straight-line basis over the relevant term of the lease. The rental income generated by investment properties is recognised within revenue in the consolidated income statement.

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 of leased units are estimated at 50 years.

Business Combination

The acquisition method of accounting is used to account for all business combination, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- Fair values of the assets transferred;
- Liabilities incurred to the former owners of the acquired business;
- Equity interests issued by the group;
- Fair value of any asset or liability resulting from a contingent consideration arrangement and;
- Fair value of any pre-existing equity interest in the subsidiary;

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the:

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity, and
- Acquisition date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly on profit or loss as a bargain purchase.

Where the settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

In case that initial treatment of business combination is not complete at the end of financial period consolidated, the group recognises temporary amounts for accounts and during the measurement period not to exceed one year from the date of acquisition. The adjustment is performed retrospectively for completion of new information (Intangible assets, deferred taxes/provisions and others).

Provisions

Provisions are only recognised when the Group has a present legal or constructive obligation arising from past events that will probably result in a future outflow of resources, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. The amount provided represents the best estimate of the present value of the outlay required to meet the obligation. The interest rate used in determining the present value of the liability reflects current market rates and takes into account the specific risk of each liability.

Revenue recognition

Revenue is recognised when the control over a product or service is transferred to a customer. Revenue is measured at the transaction price, which is based on the amount of consideration that the Group expects to receive in exchange for transferring the promised goods or services to the customer and excludes any sales incentives as well as taxes collected from customers that are remitted to government authorities. The transaction price will include estimates of variable consideration to the extent it is probable that a significant reversal of revenue recognised will not occur.

Where a contract includes multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Management has exercised judgment in determining performance obligations, variable consideration, allocation of transaction price and the timing of revenue recognition.

The Group does not recognise any assets associated with the incremental costs of obtaining a contract with a customer that are expected to be not recovered. The majority of revenue is recognised at a point-in-time or over a period of one year or less, and the Group applies the practical expedient to recognise the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that would otherwise be recognised is one year or less.

Specifically, the Group mainly recognises revenue from financial services, cables and mobile traffic. The criteria followed by the Group in recognising ordinary revenue are as follows:

<u>Revenue of the financial services</u>

Revenue of the financial services mainly refer to Investment banking and management fees. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised over time by reference to the stage of completion of the transaction at the end of the reporting period. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

More specifically, investment banking revenue refers to security and investment banking fees recognised when complete the implementation of the service.

Management fees of funds and portfolios are recognised as revenue, as the services are rendered, in accordance with the contractual terms of each fund and portfolio.

Incentive fees are recognised as revenue based on predetermined percentages agreed with clients, calculated by reference to the annual return on each fund or portfolio, but only to the extent that the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Group.

Sale commissions represent commissions on sale of securities for clients in local or global stock exchanges, calculated at point in time on the basis of specified rates agreed with clients as a percentage of the sale transaction. Purchase commissions represent commissions on purchase of securities for clients in local or global stock exchanges, calculated at point in time on the basis of specified rates agreed with clients as a percentage of the purchase transaction.

Custodian fees are recognised as the difference between fees collected from clients and those incurred or paid to custodians. They are recognised i) over time according to contracts signed with clients; ii) at point in time as commissions for collecting coupons for customers (the collection of these coupons is on behalf of the customers).

Revenue from cable segment

Revenue from bandwidth capacity sales is recognised over time on the basis of usage of bandwidth by the customers. Advances received from customers, for which the service has not yet been provided is disclosed as deferred income. Otherwise the transaction price is adjusted for the effects of a significant financing component included in advance payments such as IRU contracts.

Revenue from mobile traffic

Revenue arising from post-paid traffic, interconnection and roaming is recognised over time on the basis of the actual usage made by each subscriber and telephone operator. Such revenue includes amounts paid for access to and usage of the group network by customers and other domestic and international telephone operators. Revenue from the sale of prepaid cards and recharging is recognised over time on the basis of the prepaid traffic actually used by subscribers during the period. The unused portion of traffic at period end is recognised deferred income. Revenue from mobile (prepaid or subscription) activation and/or substitution, prepaid recharge fees and the activation of new services and tariff plans is recognised at a point in time for the full amount at the moment of activation independently of the period in which the actual services are rendered by the Group.

Revenue from rental

Rental income from the investment property owned by the Company is recognised over time based on the maturity lease agreements.

Earnings per share

Basic: Basic earnings per share are calculated by dividing the profit for the period attributable to equity holders of the Company, both from continuing and discontinued operations, by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the Company and held as treasury shares.

Diluted: Diluted earnings per share are calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of ordinary shares of the Company outstanding during the period where, compared to basic earnings per share, the weighted average number of shares outstanding is modified to include the conversion of all dilutive potential shares, while the profit for the period is modified to include the effects of such conversion net of taxation. Diluted earnings per share are not calculated when there are losses as any dilutive effect would improve earnings per share.

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. 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, of the mobile telecommunication business.

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:

- *Financial Service*: relating to the financial services of Beltone financial group represented in the group of different financial segment of Investment Banking, Asset Management, Brokerage and Other financial Services.
- *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.
- *Cable*: 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.
- *Other*: includes Media & Technology (relating mainly to the provision of online advertising and content to corporate customer, mobile value-added services and software development and hosting of corporate clients) and the Group's equity investments and income and expenses related to OIH.
- 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;
- Adjusted EBITDA, defined as profit for the period before income tax expense /(benefit), impairment loss of associate, share of profit/(loss) of investment in associates and, foreign exchange gains /(loss), financial expense, financial income, gain/(loss) on disposal of non-current assets, impairment charges and depreciation and amortisation; and,
- Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

Revenue and adjusted 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.

	Nine-month period ended September 30, 2020				**Nine-month period ended September 30, 2019**			
(In thousands of US$)	**Total segment revenue**	**Inter segment revenue**	**Revenue from external customers**	**Adjusted EBITDA**	**Total segment revenue**	**Inter segment revenue**	**Revenue from external customers**	**Adjusted EBITDA**
Cables	31,772	-	31,772	14,325	33,313	-	33,313	17,039
Financial services	12,382	-	12,382	2,903	10,264	-	10,264	1,217
Investment property	2,540	-	2,540	1,945	2,582	-	2,582	1,618
Others	915	(882)	33	(8,731)	872	(872)	-	(11,289)
Total	**47,609**	**(882)**	**46,727**	**10,442**	**47,031**	**(872)**	**46,159**	**8,585**

(In thousands of US$)	Three-month period ended September 30, 2020 Total segment revenue	Inter segment revenue	Revenue from external customers	Adjusted EBITDA	Three-month period ended September 30, 2019 Total segment revenue	Inter segment revenue	Revenue from external customers	Adjusted EBITDA
Cables	10,527	-	10,527	4,490	10,348	-	10,348	4,955
Financial services	4,206	-	4,206	1,361	4,062	-	4,062	1,198
Investment property	814	-	814	757	853	-	853	595
Others	307	(307)	-	(2,649)	287	(287)	-	(4,003)
Total	15,854	(307)	15,547	3,959	15,550	(287)	15,263	2,745

Reconciliation of EBITDA to profit / (loss) before income tax

(In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019	Three-month period ended September 30, 2020	Three-month period ended September 30, 2019
Adjusted EBITDA	10,442	8,585	3,959	2,745
Depreciation and amortization	(6,310)	(5,439)	(2,085)	(1,809)
Gains from disposal of non-current assets	31	39	11	-
Finance income	4,831	466	446	135
Finance expense	(6,567)	(8,507)	(2,367)	(2,742)
Net foreign currencies translation differences	(2,020)	(6,993)	(1,422)	(1,593)
Share of profits of equity accounted investees	179,736	173,032	76,251	72,905
Net impairment of equity accounted investees	(176,548)	(168,100)	(75,082)	(71,146)
Profit / (loss) before income tax	3,595	(6,917)	(289)	(1,505)

Assets per segment

(In thousands of US$)	As of September 30, 2020 Property and equipment	Intangible assets	Investment property	Equity investments	Total	As of December 31, 2019 Property and equipment	Intangible assets	Investment property	Equity investments	Total
Financial Services	10,339	23,017	-	-	33,356	61,075	1,636	-	-	62,711
Investment Property	-	-	42,657	-	42,657	-	-	60,747	-	60,747
Cables	57,301	2,044	-	-	59,345	9,086	22,874	-	-	31,960
Other	3,695	-	-	147,416	151,111	3,118	-	-	143,078	146,196
Total	71,335	25,061	42,657	147,416	286,469	73,279	24,510	60,747	143,078	301,614

Capital expenditure

The table below illustrates the capital expenditure incurred by each segment for the nine-month period ended September 30, 2020 and September 30, 2019:

(In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019	Three-month period ended September 30, 2020	Three-month period ended September 30, 2019
Cables	5,409	13,125	2,198	6,522
Financial services	1,687	38	1,646	10
Other	1,772	-	993	-
Total	8,868	13,163	4,837	6,532

5. Revenues

(In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019	Three-month period ended September 30, 2020	Three-month period ended September 30, 2019
Interconnection traffic	31,772	33,313	10,527	10,348
Revenue form Financial services	12,382	10,264	4,206	4,062
Management contract -Fees	-	-		-
Investment Property Revenue	2,540	2,582	814	853
Other revenues	33	-	-	-
Total	46,727	46,159	15,547	15,263

Disaggregation of revenue from contracts with customers. `

The table below illustrates the Geographical, Service line and Timing of revenue incurred by each segment for the nine-month period ended September 30, 2020 and September 30, 2019:

(In thousands of US$)	Investment property		Cables		Financial services		Management agreement		Other revenues		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Primary geographical markets												
Brazil	2,540	2,582	-	-	-	-	-	-	-	-	2,540	2,582
Pakistan	-	-	31,772	33,313	-	-	-	-	-	-	31,772	33,313
Egypt	-	-	-	-	12,382	10,264	-	-	33	-	12,415	10,264
Total Primary geographical markets	2,540	2,582	31,772	33,313	12,382	10,264	-	-	33	-	46,727	46,159
Major service Lines												
Rental revenues	2,540	2,582	-	-	-	-	-	-	-	-	2,540	2,582
Management Fees - Funds	-	-	-	-	1,238	1,362	-	-	-	-	1,238	1,362
Performance Fees - Funds	-	-	-	-	601	833	-	-	-	-	601	833
Success Fees	-	-	-	-	-	505	-	-	-	-	-	505
Retainer Fees	-	-	-	-	-	95	-	-	-	-	-	95
Other Financial management Revenues	-	-	-	-	10	495	-	-	-	-	10	495
Brokerage Revenues	-	-	-	-	10,023	6,974	-	-	-	-	10,023	6,974
Cable rental	-	-	31,772	33,313	-	-	-	-	-	-	31,772	33,313
GSM Management Agreement	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	510	-	-	-	33	-	543	-
Total Major service Lines	**2,540**	**2,582**	**31,772**	**33,313**	**12,382**	**10,264**	**-**	**-**	**33**	**-**	**46,727**	**46,159**
Timing of revenue recognition												
Products transferred at point of sale	-	-	-	-	-	-	-	-	-	-	-	-
Services transferred over period of time	2,540	2,582	31,772	33,313	12,382	10,264	-	-	33	-	46,727	46,159
Total timing of revenue recognition	**2,540**	**2,582**	**31,772**	**33,313**	**12,382**	**10,264**	**-**	**-**	**33**	**-**	**46,727**	**46,159**

6. Purchases and services.

(In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019	Three-month period ended September 30, 2020	Three-month period ended September 30, 2019
Rental of local network, technical sites and other leases	4,535	5,027	1,558	1,536
Customer acquisition costs	-	229	-	83
Purchases of goods and changes in inventories	1,565	1,195	681	510
Band width cost	3,222	2,983	1,186	963
Maintenance costs	2,048	1,788	693	563
Utilities	520	455	170	184
Interconnection traffic	70	23	23	9
Advertising and promotional services	357	491	145	72
Consulting and professional services	3,873	3,731	1,137	1,226
Insurance	76	79	16	19
Bank and post office charges	89	301	0	201
Airfare	78	108	7	35
Accommodation, meals and per diem	54	241	7	172
IT supplies and expense	95	139	32	36
Sites expense	254	154	78	111
Security guards	177	155	70	49
Other service expenses	485	347	139	-
Total	**17,498**	**17,446**	**5,942**	**5,769**

7. Net financing (costs)

(In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019	Three-month period ended September 30, 2020	Three-month period ended September 30, 2019
Interest income on deposits *	4,831	466	446	135
Finance income	**4,831**	**466**	**446**	**135**
Interest expense on borrowings	(4,232)	(5,902)	(1,711)	(2,040)
Other interest expense and financial charges	(2,335)	(2,605)	(656)	(702)
Finance expense	**(6,567)**	**(8,507)**	**(2,367)**	**(2,742)**
Net foreign currencies translation differences	(2,020)	(6,993)	(1,422)	(1,593)
Net foreign currencies translation differences	**(2,020)**	**(6,993)**	**(1,422)**	**(1,593)**
Net financing (costs)	**(3,756)**	**(15,034)**	**(3,343)**	**(4,200)**

(*) Interest income during the nine-month period ended September 30, 2020, include an amount of USD 3.9 million represent the value of the profit resulting from the accelerated payment of the full value of the loan granted by a foreign bank for the direct or indirect acquisition of the shares of the companies that own the Brazil building.

8. Income tax expense.

In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019	Three-month period ended September 30, 2020	Three-month period ended September 30, 2019
Current tax expense	3,137	3,777	978	1,447
Deferred tax	400	(1,135)	272	(14)
Total income tax expenses	**3,537**	**2,642**	**1,250**	**1,433**

9. Investment in equity accounted investees

Equity accounted investees primarily relate to the investment in the investment in telecommunication operator in North Korea (Cheo Technology Koryolink) and Contact Financial Holding (formerly Sarwa Capital Financial Holding).

The following table provides a breakdown of equity accounted investees:

Entity	Country	Ownership %	As of September 30, 2020	As of December 31, 2019
Cheo Technology-Koryolink (9-1)	DPRK	75.00%	798,874	610,908
Contact Financial Holding (9-2)	Egypt	29.98%	108,356	104,677
Electronic Fund Administration Services	Egypt	20.00%	18	18
International Fund Administration Services	Egypt	20.00%	31	31
Axes Holding company	Egypt	33.90%	627	627
Impairment			(760,490)	(573,183)
Equity accounted investees			**147,416**	**143,078**

(9-1) Koryolink

The tables below set forth-summary financial information of the associate company.

Summarised statement of financial position

(In thousands of US$)	As of September 30, 2020	As of December 31, 2019
Assets	2,021,426	1,919,015
Liabilities	(143,386)	(301,307)
Net assets	**1,878,040**	**1,617,708**

Summarised statement of income statement

(In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019
Revenues	295,840	302,021
Total expenses	(60,443)	(77,888)
Profit for the period after tax	235,397	224,133
Share of profit of the associates	**176,548**	**168,100**

The Group's investments in 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 associates 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 implemented on the company 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 North Korea, announced by the Central Bank 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 states of the United Nations to pass laws prohibiting joint ventures and existing partnerships with the North Korean Republic unless approval is obtained to continue such joint ventures.

At the present, the company's management submitted an official request through Ministry of the foreign affairs of 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 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 North Korea. And Consider the company as a telecommunications infrastructure company offering a public service.

The following table presents the movement on the investment of Koryolink during the period / year:

(In thousands of US$)	**Nine-month period ended September 30, 2020**	**Year ended December 31, 2019**
Opening balance	**38,352**	**34,397**
Share of profit of equity accounted investee before impairment	176,548	165,511
Impairment	(176,548)	(165,511)
Foreign currency translation differences	659	3,955
Ending balance	**39,011**	**38,352**

(9-2) Contact Financial Holding (Formerly Sarwa Capital Financial Holding)

On December 20, 2018, the company purchased number of 216,032,608 share from shares of Sarwa capital, which represents 30% of total equity by price per share 7.36 EGP by total price EGP 1,590 million and it was financed by the contract related to open credit facility with bank Audi by amount of US$ 90 million during December 2018.

The Group has prepared the Purchase Price Allocations (PPA) and relevant fair value adjustments of assets, liabilities and related adjustments in the last quarter of 2019. The comparative figures of 2018 have been restated to reflect the final figures which results in a final value of goodwill of US$ 49,059,857 as follows:

(In thousands of US$)	**As of December 31, 2018**
Total assets	195,441
Total liabilities	(103,685)
Net assets as of December 31, 2018	**91,756**
Identifiable assets resulted from the acquisition of 30% of for Sarwa Capital company after PPA assessment	
Tangible assets (land)	2,907
Intangible assets (Customer list)	50,085
Other	449
Deferred tax	(11,923)
Net assets after the PPA study	**133,274**
Group's share of the net assets acquired (30%)	39,982
Consideration paid	89,042
Goodwill	**49,060**

On May 9, 2019, the issued and paid-up capital have increased by a decision of Sarwa's Board of Directors held on March 3, 2019. The increase of capital through the issuance of 28 Million shares at nominal value of EGP 0.16 amounted to EGP 4 480 000, with total value of the increase is fully funded from the balance of retained earnings. The 28 Million shares issued for Employee Stock Ownership Plan (ESOP) approved by the Egyptian financial regulator authority (FRA) on February 26, 2019.

On October 3, 2019, the issued and paid-up capital have increased by a decision of Sarwa's Board of Directors held on May 13, 2019, and authorized by companies extraordinary general assembly dated September 8, 2019 through distribution of free shares to shareholders according to their investment percentage by 3 shares for every 5 shares to be financed from retained earning balance.

As a result of the above, the ESOP has increased to be 44.8 Million shares and the Company has exercised 15.5 Million shares for Managers and employees, this leads to decrease the ownership of Orascom Investment Holding percentage from 30% to be 29.61 as of December 31, 2019.

During the Nine-month period ended September 30, 2020, the group purchased 4,265 thousand shares of Sarwa Capital Holding Company at a value of EGP 13,861 thousand (US$ 877 thousand), thus the group's contribution to the capital of the associate company became 29.98%.

The following table presents the net Group's share of profit of Sarwa Capital during the period:

In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019
Total revenue	169,105	156,160
Total expense	(156,315)	(138,973)
Net profit after tax	**12,790**	**17,187**
Owners of the parent company	**12,260**	**16,464**
Group's share of profit from equity accounted investees	**3,676**	**4,939**
PPA effect and other		
Client list amortization	(628)	-
Deferred tax	140	-
Net Group's share of profit from equity accounted investees	**3,188**	**4,939**

The following table presents the movement on the investment of Sarwa Capital during the period / year:

(In thousands of US$)	For the period ended September 30, 2020	For the year ended December 31, 2019
Openning balance	104,677	89,042
Share of profit in the associate company	3,188	5,023
Paid under increase of investment	877	35
Dividends paid during the period	(2,194)	-
Foreign currency translation differences	1,808	10,577
Ending balance	**108,356**	**104,677**

10. Property & equipment and intangible assets

The details of the property & equipment and intangibles acquired and disposed of during the current and comparative period are detailed in the following table:

(In thousands of US$)	Property and equipment	Intangible assets
Balance as of January 1, 2020	73,279	24,510
Additions	7,290	701
Disposals	(221)	-
Depreciation and amortization	(5,122)	(414)
Foreign currency translation differences	(3,891)	264
Balance as of September 30, 2020	71,335	25,061
Balance as of January 1, 2019	**80,941**	**33,851**
Additions	12,539	624
Disposals	(273)	-
Depreciation and amortization	(4,199)	(230)
Depreciation and amortization including in discontinued operation	(889)	(112)
Change in scope	(1,814)	(6,686)
Foreign currency translation differences	(9,907)	1,921
Balance as of September 30, 2019	**76,398**	**29,368**

- *There are pledged assets by TWA equivalent to US$ 65 Million, in exchange for facilities related to marine cables SMW5.*

Right of use balance:

(In thousands of US$)	**Nine-month period ended September 30, 2020**
Cost	7,060
Accumulated depreciaition	(1,239)
As of January 1,	5,821
Additions	3,078
Depreciation	(1,505)
Foreign currency translation differences	(118)
Ending balance	7,276
Cost	9,860
Accumulated depreciaition	(2,584)

11. Investment property

The investment property balance comprises the value of seven floors which are owned by Victoire in Brazil. The investment property is carried at its historical cost.

(In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019
Cost	67,562	69,993
Accumulated depreciaition and impairment	(6,815)	(5,703)
Opening balance	60,747	64,290
Depreciation	(774)	(1,010)
Foreign currency translation differences	(17,316)	(4,224)
Ending balance	42,657	59,056
Cost	48,282	65,338
Accumulated depreciaition and impairment	(5,625)	(6,282)

According to the contract concluded with Bluestone Investment Company (the seller) regarding the purchase of the seven floors in Brazil during 2015 to Orascom Investment Holding, which states a guarantee of obtaining a fixed annual return at the end of the fourth year of the contract, in the event of the inability to rent the seven mentioned floors and achieve the return mentioned in the contract, during the term of the contract, and the company addressed the Bluestone Investment Company in order to obtain the return difference in accordance with the concluded contract.

12. Other financial assets

(In thousands of US$)	As of September 30, 2020			As of December 31, 2019		
	Non-current	Current	Total	Non-current	Current	Total
Financial receivables at amortized cost	2,525	7,514	10,039	6,882	4,785	11,667
Restricted Cash (12-1)	7,139	412	7,551	7,138	121	7,259
Financial assets at FVOCI (12-2)	2,246	-	2,246	3,361	-	3,361
Financial assets at FVTPL (12-3)	-	3,197	3,197	-	34	34
Total	**11,910**	**11,123**	**23,033**	**17,381**	**4,940**	**22,321**

12-1 Restricted cash

(In thousands of US$)	As of September 30, 2020			As of December 31, 2019		
	Non-current	Current	Total	Non-current	Current	Total
Pledged deposits	334	412	746	328	121	449
Cash on banks in North Korea	6,805	-	6,805	6,810	-	6,810
Total	**7,139**	**412**	**7,551**	**7,138**	**121**	**7,259**

12-2 Financial assets at fair value through OCI

(In thousands of US$) **Company name**	As of September 30, 2020	As of December 31, 2019
Egypt Opportunities Fund	772	2,041
Misr for Central Clearing Depository and Registry	410	478
EGX 30	487	506
Guarantee Settlement Fund	366	318
Egyptian goods stock	193	
El Arabi for Investment	12	12
BMG	6	6
MENA Capital	167	167
Expected credit losses	(167)	(167)
Total	**2,246**	**3,361**

12-3 Financial assets at Fair Value Through profit or Loss

(In thousands of US$)	As of September 30, 2020	As of December 31, 2019
Investment in Europe funds	3,105	-
Investment in investment funds	92	34
Total	**3,197**	**34**

13. Other assets

(In thousands of US$)	As of September 30, 2020			As of December 31, 2019		
	Non-current	Current	Total	Non-current	Current	Total
Prepaid expenses	13,880	2,985	**16,86**	16,574	2,693	**19,267**
Advances to suppliers	-	2,023	**2,023**	-	649	**649**
Receivables due from tax authority	-	866	**866**	-	907	**907**
Employee loans	-	25	**25**	-	75	**75**
Assets from current tax	-	6,595	**6,595**	-	5,184	**5,184**
Other non-trade receivables	254	1,812	**2,066**	-	4,470	**4,470**
Allowance for doubtful current assets	-	(515)	**(515)**	-	(517)	**(517)**
Total	**14,134**	**13,791**	**27,92**	**16,574**	**13,461**	**30,035**

14. Cash and cash equivalents

(In thousands of US$)	As of September 30, 2020	As of December 31, 2019
Bank accounts and Deposits	43,371	63,376
Cash on hand	55	62
Total	**43,426**	**63,438**

* Banks - current accounts as of September 30, 2020, include an amount of USD 6.7 million represents in a cash restricted in Lebanon, according to the Lebanese restrictions by the Lebanese government on local banks along with the restriction on the cash transfer abroad.

15. Equity attributable to the owners of the Company

Share capital

On 29 November 2011, the Company was incorporated with an authorised and issued share capital amounting to EGP 2,203,190,060 Million (equivalent to US$ 366,148 thousand at date of transactions) distributed over 5,245,690,620 shares, each with a nominal value of EGP 0.42.

In the subsequent period and after the approval of the extraordinary general assembly on to the demerging OIH, into two companies, OIH (demerging company) and OFH (demerged company) and dividing the assets, liabilities and owners' equity, the authorized capital of the company will become EGP 2,885,129,841 and the share capital of the company will become EGP 577,025,968 divided over 5,245,690,620 shares with a par value of EGP 0.11 per share.

16. Borrowings

(In thousands of US$)	As of September 30, 2020			As of December 31, 2019		
	Current	Non-current	Total	Current	Non-current	Total
Liabilities to banks	31,572	18,783	50,355	45,695	18,158	63,853
Finance lease liability	1,644	5,874	7,518	745	4,968	5,713
Other borrowings	819	885	1,704	1,045	881	1,926
Total	**34,035**	**25,542**	**59,577**	**47,485**	**24,007**	**71,492**

The following table illustrate the movements in the borrowings during the period

(In thousands of US$)	Nine-month period ended September 30,2020	Nine-month period ended September 30,2019
Current borrowings	47,485	111,322
Non-current borrowings	24,007	58,803
Balance at the beginning of the period	**71,492**	**170,125**
Payments of loans and interest	(28,098)	(97,817)
Proceeds from loans	11,349	2,687
Finance lease liabilities additions	3,078	1,227
Foreign exchange differences	1,756	4,098
Balance at the end of the period	**59,577**	**80,320**
Current borrowings	34,035	27,375
Non-current borrowings	25,542	52,945

Loans for Trans World associate

Borrowings include loans obtained from the shareholders of Trans World associate private by an amount of US$1.7 Million of which US$ 0.8 Million due within one year and US$ 0.9 Million due after more than one year with an interest rate of (Libor 3 months+1%).

Borrowings also include loans obtained from banks amounted to US$ 24.3 Million from which US$ 5.6 Million due within one year and US$ 18.7 Million due after more than one year these borrowings were obtained by Trans World Associate Private with interest rates ranges between (Libor 3months+1.45% to 1.9% and 6months+1.25% to 2.5%).

Orascom Investment Holding S.A.E. (In thousands of US dollars)

Loan for the purpose of financing the acquisition of Victoire Group:

On September 28, 2015 the company borrowed non-current loan from a foreign bank by a maximum amount of US$35 Million for the sole purpose of financing 50% of the purchase price of seven floors in the "Patio Malzoni Faria Lima Tower A" in Sao Paolo, Brazil through the direct or indirect acquisition of the shares of the following companies incorporated in Brazil: Victoire 2, Victoire 9, Victoire 11, Victoire 13, Victoire 17, Victoire 18, and Victoire 19.

- Finance cost US$100 Thousand, worth on the date of signing the contract.

Interest and interest period

Interest shall be set at a variable rate of US Dollar the subjected bank reference rate +1%, currently set at 7.82% per annum.

The interest shall be calculated on the basis of a year of three hundred sixty (360) days and the actual number of days elapsed.

Financial covenants

The loan shall be covered at 200% by the real estate value of the floors during the financing period, and valuation of the floors should occur every 6 months at the borrower's expenses.

In the event the coverage falls at or below 175%, and at the option of the borrower, the loan will either be reduced to maintain the ratio of 200%, or the borrower must grant an additional security acceptable to the lender in order to maintain the coverage ratio at 200%.

Securities

- In favour of the lender of the total acquired shares in the capital of the companies owning the floors, and the borrower shall deliver the certificates of the shares pledged.
- A chattel mortgage on all floors duly registered at the relevant real estate register in Sao Paolo Brazil.
- The borrower pledges to assign in favour of the lender of rental proceeds of the floors. The proceeds will be transferred to the borrower's account with the lender to cover interest and constitute a reserve account covering one interest payment.
- An irrevocable undertaking by the borrower to cover by the second anniversary of the first drawdown, the balance of the loan in principal and interest by a pledge account opened in his name.
- On 18 October 2017, OIH Company performed a reschedule agreement with bank through which the loan amounted USD 33.4 million will be paid as follows:

Date of payment	Amount (USD)
October 21, 2019	10,000
October 21, 2020	10,000
October 21, 2021	13,423
Total	**33,423**

In January 2020, the Group made an early settlement for the remaining amount of the loan granted for the acquisition of Victoire which had a nominal value of 23.4 million USD.

Other credit facilities:

The credit bank facilities granted to Beltone Financial Holding one of Group components for financing the settlement of guarantee against payment concerning brokerage sector and these facilities are unsecured and bearing average interest market rate.

Credit Facility (Orascom Pyramids Entertainment (OPE)

On 30 September 2020, a long-term loan contract was signed between the Bank of the Arab International Banking Company and Orascom Pyramids for Entertainment Projects (LLC), 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.

Provided that the company is committed to disbursing in accordance with the above items only with the same values, except for the items of civil works. The company is allowed to increase it by 10% as a discount on the surpluses of other exchange items, provided that the use of all items does not exceed the total value of the loan.

17. Trade payables and other liabilities

(In thousands of US$)	As of September 30, 2020			As of December 31, 2019		
	Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Trade payables						
Capital expenditure payables	4,967	-	4,967	5,006	-	5,006
Trade payables due to suppliers	15,133	-	15,133	15,042	-	15,042
Customers credit balance finaicial sector	15,648	-	15,648	13,501	-	13,501
Other customer credit balance	507	-	507	1,004	-	1,004
Other trade payables	4,577	-	4,577	2,579	-	2,579
Total trade payables	40,832	-	40,832	37,132	-	37,132
Other liabilities						
Prepaid traffic and deferred income	933	7,537	8,470	806	7,642	8,448
Due to local authorities	5,330	-	5,330	3,181	-	3,181
Personnel payables	2,626	-	2,626	1,104	-	1,104
Subscriber deposits	36	-	36	48	-	48
Other credit balances	17,999	-	17,999	32,195	-	32,195
Total other liabilities	26,924	7,537	34,461	37,334	7,642	44,976
Total trade payables and other liabilities	67,756	7,537	75,293	74,466	7,642	82,108

18. Provisions

(In thousands of US$)	Nine-month period ended September 30, 2020	Nine-month period ended September 30,2019
Opening balance	29,862	23,041
Additions	1,439	2,739
No longer required	-	(415)
Foreign currency translation differences	597	2,684
Utilized	(1,151)	(2,030)
Ending balance	30,747	26,019

Provisions are made according to the best estimate of the value of the expected liabilities as of the financial statements date, arising from the Group's 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 expected claims.

19. (Losses) / earnings per share

Basic and diluted

Basic (losses) / earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. For the purposes of the (losses) / earnings per share calculation, it has been assumed that the number of issued shares at the date of incorporation (5,245,691 thousand) had been outstanding during the period.

Diluted (losses) /earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. During the period covered by the report, the Company did not have any dilutive potential ordinary shares and as such diluted and basic (losses) / earnings per share from continuing operations and from discontinued operations are equal.

(Losses) per share from continuing operations- basic and diluted (in US$):

	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019	Three-month period ended September 30, 2020	Three-month period ended September 30, 2019
(Losses) attributable to equity holders of the Company from continued operation *(in thousands of US$)*	(1,513)	(11,915)	(2,100)	(3,985)
Weighted average number of shares *(in thousands of shares)*	5,245,691	5,245,691	5,245,691	5,245,691
(losses) per share – basic and diluted (in US$)	**(0.0001)**	**(0.0026)**	**(0.0004)**	**(0.0008)**

(Loss) / earnings per share from discontinuing operations- basic and diluted (in US$):

	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019	Three-month period ended September 30, 2020	Three-month period ended September 30, 2019
(Losses) / earnings attributable to equity holders of the Company from discontinued operation *(in thousands of US$)*	(100)	6,444	1,405	7,459
Weighted average number of shares *(in thousands of shares)*	5,245,691	5,245,691	5,245,691	5,245,691
(Losses) / earnings per share – basic and diluted (in US$)	**(0.00002)**	**0.0012**	**0.0003**	**0.0014**

20. Business Combination

20-A Business combination

Auerbach Grayson company

On September 25, 2016, the BOD of Beltone Financial Holding approved the acquisition of 60 % of AGCO Company through one of subsidiaries (New Frontier securities –USA) by US$24 million. The acquisition agreement includes three call / put options as follows:

1- Within one year from the agreement date, the seller has the right to purchase 9% of AGCO shares which is owned by New Frontier Securities company against an agreed upon consideration and conditions.

2- Commencing three years from the agreement date. The buyer has the option to buy part or all of Non-Controlling Interest (NCI) against an agreed upon consideration and conditions.

3- Commencing five years from the agreement date, the seller has the option to exercise a right to sell all of its shares against an agreed upon consideration and conditions.

On 30 January 2017 the company had the USA regulatory approval to practice brokerage activity in USA and to acquire a share in Auerbach Grayson & Company –USA (AGCO) and the rest of procedures were followed till February 1, 2017 which is considered as the "acquisition date".

The company determined the primary accounting for business combination for acquiring AGCO temporarily on February 1, 2017. and to continue the study of the fair value of determined identifiable assets and liabilities including the intangible assets in the acquisition date (if exists).

According to the agreement, an amount of US$2 million were escrowed as the group has the right of deducting any unrecorded liabilities could arise (For example but not limited to: Law suits or any events result in Financial damage, customer troubles, Vendors).

It was subsequently agreed that this value amounted to US$ 676,500

The Group has prepared the Purchase Price Allocations (PPA) and relevant fair value adjustments of assets, liabilities and related adjustments in the last quarter of 2018. The comparative figures for 2017 have been restated to reflect the final figures (note no 33) which results in a final value of goodwill of US$ 3,300,385 as follows:

(In thousands of US$*)*	As of February 1, 2017
Intangible assets	3,013
Net owned assets	16,975
	19,988
Acquisition percentage	60%
	11,993
Derivatives	8,070
Deferred tax liability	(687)
Holding Company's share of net assets acquired	19,376
Consideration	
Cash	(22,000)
Deferred consideration	(676)
Total considerations	(22,676)
Goodwill	(3,300)

20-B Discontinued Operations

Discontinued operations represent as following:

(In thousands of US$*)*		Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019
Discontinued operation from Riza capital disposal	20-B-1	-	5,215
Discontinued operation from Auerbach Grayson held for sale	20-B-2	(100)	(4,244)
Discontinued operation from Orascom Telecom Lebanon	20-B-3	(26)	2,222
(Loss) from discontinued operation (net of income tax)		**(126)**	**3,193**

20-B-1 Riza Capital

On September 10, 2019, OTMT Brazil Holding sold its entire shares in Riza Capital, with an ownership of 57.5%, to Mr. Marko Auriello for a consideration amounting to US$13,323,850 paid on six semi-annual installments, each amounting to US$2,220,642, where the last installment will be received on February 28, 2022.

Profit from discontinued operations is calculated as the following for the period ended September 30, 2019:

(In thousand US$*)*	Nine-month ended September 30, 2019
Proceeds from sale	13,243
(Less):	
Net assets	(5,445)
Foreign currency translation differences excluded	186
Net assets (NCI)	(912)
Losses of Riza Capital for the period	(1,857)
Group's profits from disposal	**5,215**

Riza Capital's losses for the period presented as following:

(In thousands of US$*)*	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019
Operating revenues	-	2,896
Operating expenses	-	(1,590)
Operating income	-	**1,306**
Other expenses	-	(3,163)
Net loss for the period	-	**(1,857)**
(Loss) for the period attributable to:		
Company's share	-	**(1,068)**
Non-controlling interest's share	-	**(789)**

20-B-2 Auerbach Grayson

During the 2019, a board of directors of Beltone company decided to authorize the chairman and managing director to take the necessary decisions and negotiate for selling of Beltone Financial Holding's stake in Auerbach Grayson, which is wholly owned by NEW FRONTIER (one of Beltone's subsidiaries) and the company started activity to determine The buyer, Accordingly Auerbach Grayson assets and liabilities presented as held for Sale in accordance with IFRS Standard No. (5).

Auerbach Grayson's Losses for the year presented as following:

(In thousands of US$*)*	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019
Revenues	13,943	12,467
Total revenues	**13,943**	**12,467**
Other expense	(14,043)	(16,748)
Deferred tax	-	37
Net (loss) for the period	**(100)**	**(4,244)**
(Loss) for the period attributable to:		
Owners of the company	(75)	(1,782)
Non-controlling interests	(25)	(2,462)

20-B-3 Orascom Telecom Lebanon

In December 2019, the Company's board of directors received from the Lebanese Ministry of telecommunication a letter regarding the non-renewal of the management contract signed between Orascom Investment Holding Company and the Lebanese Ministry of telecommunications regarding the management of the Mobile Intrim Company (MIC) which is commercially known as the Alfa Company and managed by Orascom Telecom Lebanon, and during September 2020, the process of transferring the management of Alfa company from Orascom Telecom Lebanon to the Ministry of telecommunications was completed, in implementation of the Cabinet Resolution issued on May 5, 2020 and after fulfilling all the requirements of the management contract.

(In thousands of US$*)*	Nine-month period ended September 30, 2020	Nine-month period ended September 30, 2019
Revenues	-	5,368
Other income	4,583	428
Total revenues	**4,583**	**5,796**
Purchases and services	(164)	(301)
Personnel cost	(2,565)	(1,623)
(Loss) of fixed assets disposal	(127)	-
Other operational cost	(1,229)	(51)
Net financing cost	(314)	(382)
Profit of the period before tax	**184**	**3,439**
Taxes	(210)	(1,217)
Net (losses) / profit for the period	**(26)**	**2,222**

21. Commitments

The commitments as of September 30, 2020 and December 31, 2019 are provided in the table below:

(In thousands of US$)	As of September 30, 2020	As of December 31, 2019
Purchase of property and equipment	2,193	915
Others	3,249	9,129
Total	**5,442**	**10,044**

The main capital commitments are related to property and equipment arising from the Group commitments of the installation of property and equipment related to the supply of marine communication cable, equipment, and technical equipment related to the contract of Trans World associates (subsidiary).

22. Contingent assets and liabilities

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

<u>Transworld Associates (Subsidiary)</u>

- The amount equivalent to USD 35 thousand, held by the bank for the sake of the Higher Education Commission (HEC) until December 31, 2020.
- There is a restricted balance at the bank of USD 327 in favor of Inbox valid until May 9, 2021.
- There is a restricted balance at the bank of USD 60 thousand in favor of Infinity Link company valid until January 7, 2021.
- There is a letter of credit amounting to USD 256 thousand in favor of EZY Infotech ME FZE company for purchase of equipment.

23. Assets and liabilities held for sale

During the 2019, a board of directors of Beltone decided to authorize the chairman and managing director to take the necessary decisions and negotiate for selling of Beltone Financial Holding's stake in Auerbach Grayson, which is wholly owned by NEW FRONTIER (one of Beltone's subsidiaries) and the company started activity to determine The buyer , Accordingly Auerbach Grayson assets and liabilities presented as held for Sale in accordance with IFRS Standard No. (5).

<u>Assets held for sales</u>	As of September 30, 2020	As of December 31, 2019
(In thousands of US$)		
Fixed assets	4,009	4,202
Intangible assets	1,558	1,560
Goodwill	3,305	3,309
Due from brokerage company	332	294
Accounts receivables	1,279	1,241
Debtors and other debit balances *	127	1,957
Cash on hand and on banks	3,533	1,287
Total Assets held for sales	**14,143**	**13,850**
<u>Liabilities associated to assets held for sale</u>		
Deferred tax	592	593
Creditors and other credit balance	2,922	1,797
Lease liabilities	3,855	4,884
Total Liabilities associated to assets held for sale	**7,369**	**7,274**

* The debtors and other debit balances include the margin of the letters of credit and letters of guarantees related to Auerbach Grayson company building rent (USA).

24. Representation of comparative figures.

The following schedule summarize the representation of comparative figures of the condensed interim consolidated statement of profit or loss for the period ended September 30, 2019 to match current period's presentations as follows:

(In thousands of US$)

Continued operations	September 30, 2019 As issued	Representation	September 30, 2019 Represented
Revenues	64,001	(17,842)	46,159
Other income	772	(412)	360
Purchases and services	(25,108)	7,662	(17,446)
Other expenses	(6,132)	3,566	(2,566)
Provisions formed	(2,324)	-	(2,324)
Personnel cost	(21,610)	6,012	(15,598)
Depreciation and amortization	(6,440)	1,001	(5,439)
Gains from disposal of non-current assets	40	(1)	39
Operating income	**3,199**	**(14)**	**3,185**
Finance income	471	(5)	466
Finance expense	(9,258)	751	(8,507)
Net foreign currencies translation differences	(7,103)	110	(6,993)
Share of profits of equity accounted investees	173,032	-	173,032
Net impairment of equity accounted investees	(168,100)	-	(168,100)
(Loss) before income tax	**(7,759)**	**842**	**(6,917)**
Income tax expense	(3,822)	**1,180**	(2,642)
(Losses) for the period from continued operations	**(11,581)**	**2,022**	**(9,559)**
Discontinued operations			
Profit from discontinued operation (net of income tax)	5,215	(2,022)	3,193
(Losses) for the period	**(6,366)**	**-**	**(6,366)**

25. Significant events during the period

The impact of the recent outbreak of the virus (Covid-19) on the global economy and markets continues. And its negative impact on several aspects, including supplies, manpower, operations, demand for our products and liquidity available to the Group. Accordingly, the Group's management has formed a working group to develop and implement contingency plans to meet these exceptional circumstances, management are currently closely monitoring and evaluating all the developments related to the spread of the emerging virus. Also, the Group's management believes that there is no significant impact on the Group's operations from the outbreak of the virus taking into consideration that economic indicators have been improved during the subsequent period which had a positive impact on the Group's activities.

26. Subsequent events

- On October 2020, the extraordinary general assembly meeting decided with a majority voting to demerge the company into two entities, Orascom Investment Holding "OIH" (demerging company) and Orascom Financial Holding "OFH" (demerged company) which was established on December 2020. The demerging entity "OIH" kept all of its assets and liabilities except for the assets and liabilities associated with Beltone investment Holding (subsidiary company) and Contact Financial Holding (formerly Sarwa Capital) (associate company) which were transferred to OFH, the demerged entity.
- During December 2020, Beltone Financial Holding, received the approval of the Financial Sector Regulatory Authority (FINRA) in the United States of America to sell to sell its subsidiary, Aurabach Grayson, for an amount of US$ 2.8 million.
- During June 2021, OIH signed a 15-year agreement with Misr Company for Sound, Light and Tourism Development affiliated to the Ministry of Public Business Sector in the Arab Republic of Egypt, to develop the sound and light area in the Pyramids area at a cost of approximately, US$ 15 million to be pumped into the project within 16 months from the date of receiving the site, provided that the Misr Company for Sound and Light will be entitled for 17% of the project's revenues, with a minimum of EGP 36 million annually, with a annually cumulative increase of 7% .
- On September 12, 2021, the Company's board of directors discussed the sale and transfer of the total shares owned by the company in its subsidiary Trans World Association (Private) Limited, as previously approved in the meeting held on April 27, 2021, to Orastar Limited for a total enterprise value of approximately USD 96 million noting that the Company's shareholding in Trans World Association (Private) Limited is 51%. The transaction is still subject to fulfillment of the conditions precedent as detailed in the sale and purchase agreement.
- On September 12, 2021, the Company's board of directors discussed the sale and purchase agreement signed on August 18,2021 and is related to the sale of the 7 floors owned by the Company's subsidiaries located in Brazil with a total consideration of approximately 426 million Brazilian Real, noting that the transaction is still subject to fulfillment of the conditions precedent as detailed in the sale and purchase agreement. Furthermore, the Company is acting as a guarantor to the fulfilment of the seller's obligations as specified in the sale and purchase agreement.