

AUDITORS' REPORT

TO THE QUOTA HOLDERS OF Ecu Worldwide Egypt LTD

We have audited the balance sheet of Ecu Worldwide Egypt LTD, which comprise the balance sheet of March 31, 2017 the statement of income for the period from January 1, 2017 to March 31, 2017 These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the international standards on auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the balance sheet referred to above presents fairly, in all material respects, the financial position Ecu Worldwide Egypt LTD as March 31, 2017 and the results of its operations for the period then ended in conformity with Egyptian Accounting Standards as far as they confirm with International Accounting Standards, and in light of governing laws.

We obtained all data and explanations which we deemed necessary for our audit; our audit provides us with reasonable assurance that during the year, the company's accounting records were maintained as required by law and the status of the company and are in agreement with the accompanying financial statement; and that the financial information included in the General Manager's report, prepared according to the requirements of law No.159 for 1981, and its executive regulations, is in agreement with the company's records to extent such information is normally recorded.

Ecu Worldwide Egypt (LTD)
NOTES TO THE FINANCIAL STATEMENTS FOR THE
PERIOD FROM 01/01/2017 – 31/3/2017

1- THE COMPANY

Ecu Worldwide Egypt Ltd is a Shipping consolidator services company, that was incorporated in Egypt in April 1998 under law 159 for the year 1981, to provide ocean and transportation services, international transportation and customs clearance services. The provided services do not include air freight, warehousing, ships services, ships' owners' representation and liner/ shipping representation activities.

2- Significant accounting policies

A summary of the followed accounting principles policies:

a. Basis of accounting

The accounts have been prepared under the historical cost convention in accordance with the Egyptian accounting standards.

b. Foreign currency

The company's functional and reporting currency is the Egyptian pound. The transactions in foreign currencies conducted during the year are translated to Egyptian pounds at a rate fixed by the company. At year-end, monetary assets and liabilities denominated in foreign currencies are translated to Egyptian pounds at rates ruling at that date, translation differences are included the in statement of income.

c. Fixed assets

Fixed assets are stated at the historical cost and depreciated by the straight - line method based on their estimated useful lives using the following ratios:

Buildings	5%
Vehicles	25%
Office equipment	33%
Computers & software	20%
Office Furniture	33%
Foundation exp. /leasehold Improvement	10%

d. Revenue recognition

That revenue represents amounts receivable for services provided in the normal course of business, less trade discount.

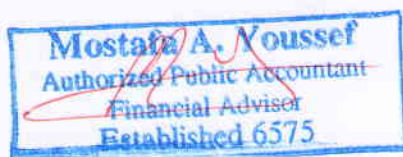
Ecu Worldwide Egypt (LTD)
Balance Sheet As Of 31/3/2017

	NOTE	<u>Mar-17</u>
<u>LONG TERM ASSETS</u>		L.E
Net Fixed Assets	3	324,170.17
Financial Fixed Assets	4	721,712.00
Total long term- assets		1,045,882.17
 <u>CURRENT ASSETS</u>		
Debtors	5	4,507,274.18
Cash in hand and bank	6	7,369,977.94
Total current assets		11,877,252.12
Total asset		12,923,134.29
 <u>CURRENT LIABILITIES</u>		
Accounts Payables		1,445,577.20
Creditors	7	5,021,304.51
Total current liabilities		6,466,881.71
Working capital		5,410,370.41
Total investment		6,456,252.58
 <u>QUOTAHOLDERS' EQUITY</u>		
Paid up capital		100,000.00
profit for the period		2,226,910.43
Accumulated Result per 31/12/2016		4,129,342.15
Total quota holders' equity		6,456,252.58

Mostafa A. Youssef
 Authorized Public Accountant
 Financial Advisor
 Established 6575

Ecu Worldwide Egypt (LTD)
Income statement for the period from
1/1/2017- 31/3/2017

	<u>Mar-17</u>
	<u>L.E</u>
Net revenue	13,394,376.67
Cost of revenue	7,748,887.12
Gross profit	5,645,489.55
General and administrative expenses	2,609,043.35
Transaction differences	31,657.99
Bank chargers	35,574.32
Profit before taxes	2,969,213.89
Provision income tax	742,303.46
Profit after Tax	2,226,910.43



3- FIXED ASSETS, NET**Mar-17**

Office Equipment	401,134.41
Computers & Software	1,058,363.04
Office Furniture	453,099.31
Communication Equipment	7,749.00
Total Fixed Assets (Cost)	1,920,345.76
Less Accumulated Depreciation	1,596,175.58
Total Fixed Assets (Net)	324,170.18

4- Financial Fixed Assets

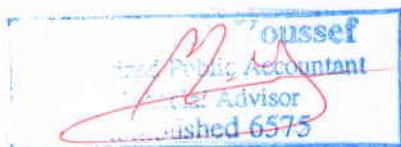
Letter of Guarantee	350,000.00
Deposits	371,712.00
Total Financial Fixed Assets	721,712.00

5- Debtors

Account Receivable	2,597,475.23
Deffered	139,309.11
Prepaid Expenses	1,710,753.90
other amount recevable	54,854.46
Local Tax input	18,708.80
Provision - Doubtful Debt	-13,827.32
	4,507,274.18

6-Cash in hand and bank

Cash	57,782.00
Bank	7,017,939.00
Cheques In Transit	294,256.94

7,369,977.94

7-Creditors

Accruals Exp
Sales Tax
Other Creditor

Mar-17

1,357,299.36

593,013.89

3,070,991.26

5,021,304.51

8-CAPITAL

Ecu hold

55%

55,000.00

Ecu International Far East Hongkong

45%

45,000.00

100,000.00

