



Mostafa Yousef
Accounting & Auditing

المكتب المصري للمحاسبة والمراجعة

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 December 31, 2018 the statement of income for the period from January 1, 2018 to December 31, 2018. 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 December 31, 2018 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.

Auditor



Ecu Worldwide Egypt (LTD)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 01/01/2018 – 31/12/2018

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 in the 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:

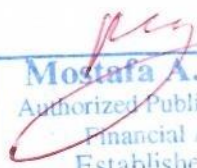
Buildings	5%
Vehicles	25%
Office equipment	33%
Computers & software	20%
Office Furniture	33%
Foundation exp. /leasehold Improvement	10%

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 31/12/2018

	NOTE	2018
<u>LONG TERM ASSETS</u>		L.E
Net Fixed Assets	3	276,231.06
Financial Fixed Assets	4	1,302,712.00
Total long term- assets		1,578,943.06
<u>CURRENT ASSETS</u>		
Debtors	5	7,982,185.89
Cash in hand and bank	6	5,292,981.21
Total current assets		13,275,167.10
Total asset		14,854,110.16
<u>CURRENT LIABILITIES</u>		
Accounts Payables		1,930,922.67
Creditors	7	9,238,914.34
Total current liabilities		11,169,837.00
Working capital		2,105,330.10
Total investment		3,684,273.16
<u>QUOTAHOLDERS' EQUITY</u>		
Paid up capital	8	100,000.00
profit for the period		11,872,808.77
Dividends paid in advance to share holders	9	-8,288,535.60
Total quota holders' equity		3,684,273.17


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 Authorized Public Accountant
 Financial Advisor
 Established 6575

Ecu Worldwide Egypt (LTD)
Income statement for the period from
1/1/2018- 31/12/2018

	<u>2018</u> <u>L.E</u>
Net revenue	71,187,792.39
Cost of revenue	42,740,574.65
Gross profit	28,447,217.75
General and administrative expenses	-12,303,001.70
Transaction differences	-173,142.16
Bank chargers	-186,399.44
Interest	164,601.28
Depreciation	-118,864.09
Profit before taxes	15,830,411.64
Provision income tax	3,957,602.87
Profit after Tax	11,872,808.77


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3- FIXED ASSETS, NET**2018**

Office Equipment	445,270.85
Computers & Software	1,114,487.70
Office Furniture	498,289.31
Communication Equipment	8,649.00
Total Fixed Assets (Cost)	2,066,696.86
Less Accumulated Depreciation	1,790,465.80
Total Fixed Assets (Net)	276,231.06

4- Financial Fixed Assets

Letter of Guarantee	904,000.00
Deposits	398,712.00
Total Financial Fixed Assets	1,302,712.00

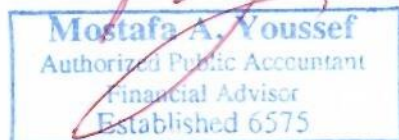
5- Debtors

Account Receivable	6,478,221.33
Provision - Doubtful Debt	-12,593.46
Deffered	362,070.50
Prepaid Expenses	1,131,040.13
Other Receivable	23,447.39
	7,982,185.89

6-Cash in hand and bank

Cash	49,024.62
Bank	4,703,405.78
Cheques In Transit	540,550.81

5,292,981.21



7-Creditors		2018
Accruals Exp		1,760,655.91
Sales Tax		823,070.06
Income Tax		3,957,602.87
Other Creditor		2,697,585.50

9,238,914.34

8-CAPITAL

Ecu hold	55%	55,000.00
Ecu International Far East Hongkong	45%	45,000.00

100,000.00

9-Dividends paid in advance to share holders

Ecu hold	4,558,694.58
Ecu International Far East Hongkong	3,729,841.02

8,288,535.60

