

Ecu Worldwide Egypt (LTD)
NOTES TO THE FINANCIAL STATEMENTS FOR THE
PERIOD FROM 01/01/2020 – 31/12/2020

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.

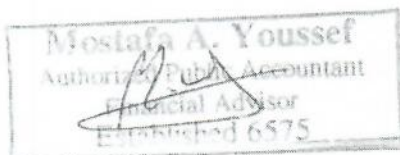
Ecu Worldwide Egypt (LTD)
Balance Sheet As Of 31/12/2020

	NOTE	<u>2020</u>
		L.E
<u>LONG TERM ASSETS</u>		
Net Fixed Assets	3	73,980.65
Financial Fixed Assets	4	1,496,727.00
Total long term- assets		<u>1,570,707.65</u>
 <u>CURRENT ASSETS</u>		
Debtors	5	6,160,649.73
Cash in hand and bank	6	7,654,940.20
Total current assets		<u>13,815,589.93</u>
Total asset		<u>15,386,297.58</u>
 <u>CURRENT LIABILITES</u>		
Accounts Payables		3,255,169.09
Creditors	7	<u>9,386,360.07</u>
Total current liabilities		<u>12,641,529.16</u>
Working capital		<u>1,174,060.77</u>
Total investment		<u>2,744,768.42</u>
 <u>QUOTAHOLDERS' EQUITY</u>		
Paid up capital	8	100,000.00
profit for the period		14,164,843.42
Dividends paid in advance to share holders	9	<u>-11,520,076.50</u>
Total quota holders' equity		<u>2,744,766.93</u>

Mostafa A. Youssef
 Authorized Public Accountant
 Financial Advisor
 Established 1975

Ecu Worldwide Egypt (LTD)
Income statement for the period from
1/1/2020- 31/12/2020

	<u>2020</u> <u>L.E</u>
Net revenue	72,837,502.18
Cost of revenue	34,793,155.50
Gross profit	38,044,346.68
General and administrative expenses	-18,985,488.31
Transaction differences	-84,266.06
Bank chargers	-136,042.64
Interest	144,486.35
Depreciation	-96,730.09
Profit before taxes	18,886,305.93
income tax 25%	4,721,576.48
Profit after Tax	14,164,843.42



3- FIXED ASSETS, NET**2020**

Office Equipment	445,270.85
Computers & Software	1,124,737.70
Office Furniture	498,289.31
Communication Equipment	8,649.00
Total Fixed Assets (Cost)	2,076,946.86
Less Accumulated Depreciation	2,002,966.21
Total Fixed Assets (Net)	<u>73,980.65</u>

4- Financial Fixed Assets

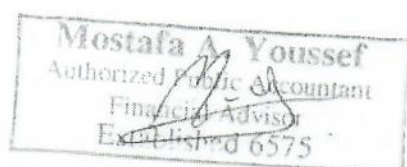
Letter of Guarantee	839,000.00
Deposits	657,727.00
Total Financial Fixed Assets	<u>1,496,727.00</u>

5- Debtors

Account Receivable	8,733,807.65
Provision - Doubtful Debt	-4,381,715.00
Deferred	822,829.04
Prepaid Expenses	947,991.88
Other Receivable	37,736.16
	<u>6,160,649.73</u>

6- Cash in hand and bank

Cash	63,750.55
Bank	7,523,978.00
Cheques In Transit	67,211.65

7,654,940.20

7-Creditors		2020
Accruals Exp		1,085,954.91
Sales Tax		617,041.37
Income Tax		4,721,576.47
Other Creditor		2,961,787.32

9,386,360.07

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	6,336,042.08
Ecu International Far East Hongkong	5,184,034.42

11,520,076.50