

## 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, 2022 the statement of income for the period from January 1, 2022 to December 31, 2022 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, 2022 and the results of its operations for the period then ended in conformity with Egyptian Accounting Standards as for 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 and we confirmed that below items list with no significant issues in the audit:

- Availability of Information
- Revenue Recognition
- Purchase Commitments
- Contingent Liabilities
- Any other accounting estimate for which specific representations are considered necessary
- Litigation
- Related Party Transactions (including transactions with directors
- Events After the Balance Sheet Date
- Going Concern
- Compliance with Laws and Regulations

- Subsequent Events
- Fraud and Error

Also; 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**

**Mostafa A. Youssef**  
Authorized Public Accountant  
Financial Advisor  
Established 6575



**Ecu Worldwide Egypt (LTD)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE**  
**PERIOD FROM 01/01/2022 – 31/12/2022**

**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 31/12/2022**

	NOTE	<u>2022</u> L.E
<b><u>LONG TERM ASSETS</u></b>		
Net Fixed Assets	3	217,316
Financial Fixed Assets	4	1,020,217
<b>Total long term- assets</b>		<b>1,237,533</b>
<b><u>CURRENT ASSETS</u></b>		
Debtors	5	7,882,292
Cash in hand and bank	6	24,491,450
<b>Total current assets</b>		<b>32,373,742</b>
<b>Total asset</b>		<b>33,611,275</b>
<b><u>CURRENT LIABILITES</u></b>		
Accounts Payables		4,993,681
Creditors	7	16,912,950
<b>Total current liabilities</b>		<b>21,906,631</b>
<b>Working capital</b>		<b>10,467,111</b>
<b>Total investment</b>		<b>11,704,645</b>
<b><u>QUOTAHOLDERS' EQUITY</u></b>		
Paid up capital	8	100,000
profit for the period		16,851,866
Dividends paid in advance to share holders	9	-5247221.57
<b>Total quota holders' equity</b>		<b>11,704,645</b>

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**Ecu Worldwide Egypt ( LTD)**  
**Income statement for the period from**  
**1/1/2022- 31/12/2022**

	<u>2022</u> <u>L.E</u>
Net revenue	78,400,074
Cost of revenue	40,281,737
<b>Gross profit</b>	<b>38,118,337</b>
General and administrative expenses	-16,632,988
Depreciation	-72,393
<b>Operating Result</b>	<b>21,412,956</b>
Bank chargers	-191,341
Interest	0
Transaction differences	1,247,536
Profit before Tax	22,469,151
income tax 25%	5,617,285
<b>Profit after Tax</b>	<b>16,851,866</b>

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**3- FIXED ASSETS, NET****2022**

Office Equipment	513183
Computers & Software	1387227
Office Furniture	498289
Communication Equipment	8649
Total Fixed Assets ( Cost )	2407348
Less Accumulated Depreciation	2190032
Total Fixed Assets ( Net )	<u>217316</u>

**4- Financial Fixed Assets**

Letter of Guarantee	839000
Deposits	181217
Total Financial Fixed Assets	<u>1020217</u>

**5- Debtors**

Account Receivable	11280894
Provision - Doubtful Debt	-4348133
Prepaid Expenses	877601
Other Receivable	71930
	<u>7882292</u>

**6-Cash in hand and bank**

Cash	36746
Bank	23626978
Cheques In Transit	827726

24491450



**7-Creditors**

Accruals Exp

Sales Tax

Income Tax

Other Creditor

**2022**

2054074

369473

5617285

8872118

16912950

**8-CAPITAL**

Ecu hold

Ecu International Far East Hongkong

1

55000

0

45000

100000

**9-Dividends paid in advance to share holders**

Ecu hold

Ecu International Far East Hongkong

2885972

2361250

5247222