Originally issued in Arabic

Lecico Egypt
(S.A.E.)

Consolidated Financial Statements
for the Financial year Ended December 31, 2020
And Auditor's Report

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(S.A.E.)
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for the Financial Year Ended December 31, 2020
And Auditor's Report

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KPMG

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Public Accountants & Consultants

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Independent Auditor's Report on Consolidated Financial Statements

To\ The Board of Directors of Lecico Egypt Company

We have audited the consolidated financial statements of Lecico Egypt Company (S.A.E.) ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2020, the consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

These consolidated financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards and in the light of the prevailing Egyptian laws , management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Except for the effects of the matters described in the Basis for Qualified Opinion section of our report, we conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

1- As disclosed in note (3) to the consolidated financial statements, the Company's management have consolidated the financial information of the Lebanese Ceramics Company and Lecico UK for year ended December 31, 2020 in the Group's consolidated financial statements, based on unaudited financial information. We did not receive the auditors' reports on these financial information, and accordingly, we were not provided with sufficient and appropriate evidence regarding whether these financial information present fairly, in all material respects, the net assets, financial performance and cash flows associated with those financial information for the year ended on December 31, 2020.

   The total assets of both subsidiaries are amounted to approximately EGP 530 million which represent 16% of the Group's total assets , whereas the total liabilities of both subsidiaries are amounted to approximately EGP 347 million which represent 20% of the Group's total liabilities and total revenues of both subsidiaries are amounted to approximately EGP 446 million which represent 20% Group's total revenue.

2- The Company's management have not prepared the impairment study for goodwill attributable to Lecico for Ceramics which is amounted to approximately EGP 15 million as of December 31, 2020, in accordance with the requirements of International Accounting Standard No. (36) impairment of assets, consequently, we were not able to ensure about the valuation of goodwill as of December 31, 2020.

3- The Company's management have not provided us with the impairment study for the recoverable amounts for certain subsidiaries' non-current assets with book value amounted to approximately EGP 280 Million as of December 31, 2020, which represent 16% of the Groups total non-current assets, consequently, we were not able to ensure about valuation of certain subsidiaries' non-current as of December 31, 2020.

4- We have not received confirmations for accounts receivable amounted to approximately EGP 319 Million as of December 31, 2020, we were not able to perform any alternative procedures to ensure about existence and accuracy of these balances.

   Also, the Company's management have not provided with us expected credit losses study, in accordance with requirement of International Financial Reporting Standard No. (9), consequently, we were not able to ensure about valuation of accounts receivable as of December 31, 2020.

5- The Company's management have not provided us with the detailed basis of provisions calculation amounted to approximately EGP 65 Million as of December 31, 2020 , in accordance with the requirements of International Accounting Standard No. (37), consequently, we were not able to ensure about accuracy and completeness of the provisions as of December 31, 2020.

6- The Company's management have not provided us with letter from its external legal consultant as of December 31, 2020, to clarify the Company legal position as of the date, consequently we were not able to ensure about whether the Company needs to form any additional provisions against any legal liabilities which might be outstanding as of December 31, 2020.

Qualified Opinion

Expect for the effect of the probable adjustments that might be needed if we received information and studies stated in the basis of qualified opinion, in our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Lecico Egypt, as at December 31, 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards and in the light of the prevailing Egyptian laws to the preparation of these consolidated financial statements.

Other matters

Our report is prepared for the management internal use only and should not be used in other purpose.

KPMG Hazem Hassan
Public Accountants & Consultants
Fares Amer Imam Amer
Capital Market Register No. 230

Cairo on March 1, 2021

KPMG Hazem Hassan
Public Accountants and Consultants
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Lecico Egypt (S.A.E.)
Consolidated Financial Position as of December 31, 2020

	Note No.	December 31, 2020 LE	December 31, 2019 LE
Assets			
Non-Current Assets			
Property, plant & equipment	(12)	1 628 846 767	2 318 305 805
Projects in progress	(13)	5 354 579	3 990 491
Intangible assets	(14)	20 208 411	29 504 140
Investment in Associates and Other Investments	(15)	5 874 913	11 959 754
Long-term notes receivable	(16)	8 785 517	21 336 215
Total Non-Current Assets		**1 669 070 187**	**2 385 096 405**
Current Assets			
Inventories	(17)	833 652 572	944 985 555
Trade receivables and other debit balance	(18)	630 736 690	674 942 987
Cash and cash equivalents	(19)	119 446 611	128 991 066
Total Current Assets		**1 583 835 873**	**1 748 919 608**
Total Assets		**3 252 906 060**	**4 134 016 013**
Equity and liabilities			
Equity			
Share capital	(21)	400 000 000	400 000 000
Reserves	(22)	1 433 931 442	2 117 209 955
(Accumulated losses)/Retained Earnings	(23)	(77 234 087)	19 482 351
Net Loss for the year		(220 605 147)	(298 317 810)
Total equity attributable to holding company		**1 536 092 208**	**2 238 374 496**
Non-controlling interest		29 968 058	46 925 260
Total Equity		**1 566 060 266**	**2 285 299 756**
Non-Current Liabilities			
Long-term borrowings	(24)	34 910 579	52 932 000
Non-current liability arisen from leased contracts	(25)	2 335 456	3 783 582
Deferred income tax	(26)	14 861 487	22 968 652
Provisions	(27)	6 725 135	8 495 528
Total Non-Current Liabilities		**58 832 657**	**88 179 762**
Current Liabilities			
Banks overdrafts	(19)	717 179 376	1 186 180 017
Short-term borrowings and liabilities	(28)	86 067 195	22 133 239
Trade payables and other credit balance	(29)	824 386 570	551 638 157
Provisions	(27)	379 996	585 082
Total Current Liabilities		**1 628 013 137**	**1 760 536 495**
Total Liabilities		**1 686 845 794**	**1 848 716 257**
Total Equity and Liabilities		**3 252 906 060**	**4 134 016 013**

- Notes from no (1) to no (38) are an integral part of these consolidated financial statements.
- Audit report attached,
- Date: March 1, 2021.

Finance Director
Mohamed Hassan

Managing Director
Taher Gargour

Lecico Egypt (S.A.E.)

Consolidated Profit or loss Statement for the financial year Ended December 31, 2020

	Note No.	December 31, 2020 LE	December 31, 2019 LE
Net sales	(4)	2 055 185 983	2 349 814 322
Cost of sales	(5)	(1 826 019 026)	(2 098 075 597)
Gross Profit		**229 166 957**	**251 738 725**
Other Income	(6)	11 512 021	23 170 767
Distribution Expenses		(126 399 082)	(141 691 785)
Administrative Expenses		(150 238 711)	(184 234 365)
Other Expenses	(7)	(96 492 682)	(37 199 968)
Loss from operating activities		**(132 451 497)**	**(88 216 626)**
Share in the results of the investments in associates Companies		--	4 834 320
Finance income	(8)	29 894 001	4 037 437
Finance expenses	(9)	(95 394 880)	(199 026 504)
Loss before tax		**(197 952 376)**	**(278 371 373)**
Income tax for the year	(10)	(32 344 693)	(22 813 569)
Deferred income tax		7 895 167	201 983
Net loss for the year		**(222 401 902)**	**(300 982 959)**
Attributable to:			
Holding company's shareholders		(220 605 147)	(298 317 810)
Non-controlling interests		(1 796 755)	(2 665 149)
Net loss for the year		**(222 401 902)**	**(300 982 959)**
Loss per share (LE/Share)	**(11)**	**(2.76)**	**(3.73)**

- Notes from no (1) to no (38) are an integral part of these consolidated financial statements.

Lecico Egypt (S.A.E.)

Consolidated Statement of Comprehensive Income for the financial year Ended December 31, 2020

	December 31, 2020 LE	December 31, 2019 LE
Other Comprehensive Income		
Net loss for the year	(222 401 902)	(300 982 959)
Items that may be reclassified subsequently to consolidated statement of profit or loss		
Foreign currency translation differences for subsidiaries companies	(27 269 867)	(97 139 927)
Items that may not be reclassified subsequently to consolidated statement of profit or loss		
Revaluation of lands	(486 322 552)	1 687 792 447
Total other comprehensive income	**(735 994 321)**	**1 289 669 561**
Total comprehensive income attributable to:		
Holding company's shareholders	(722 258 195)	1 255 370 556
Non-controlling interests	(3 221 076)	34 299 005
Total other comprehensive income	**(735 994 321)**	**1 289 669 561**

- Notes from no (1) to no (38) are an integral part of these consolidated financial statements.

Lecico Egypt (S.A.E.)
Consolidated Statement of Changes in Equity for the financial year Ended December 31, 2020

	Issued & Paid up Capital LE	Reserves LE	(Accumulated losses)/Retained Earnings LE	Net Loss for the year LE	Equity of the holding company's shareholders LE	Non-controlling Interests LE	Total Equity LE
Balance as of January 1st, 2019	**400 000 000**	**573 385 524**	**21 302 879**	**(114 332 969)**	**880 355 434**	**22 752 335**	**903 107 769**
Other Comprehensive Income							
Foreign currency translation differences for subsidiaries companies	--	(103 165 995)	--	--	(103 165 995)	6 026 068	(97 139 927)
Revaluation surplus of group company's land	--	1 656 854 361	--	--	1 656 854 361	30 938 086	1 687 792 447
Net loss for the financial year ended December 31, 2019	--	--	--	(298 317 810)	(298 317 810)	(2 665 149)	(300 982 959)
Total of other comprehensive income	--	**1 553 688 366**	--	**(298 317 810)**	**1 255 370 556**	**34 299 005**	**1 289 669 561**
Transactions with Company's Equity shareholders							
Cumulative effect of applying IFRS (16) on lease contracts	--	--	(1 773 534)	--	(1 773 534)	--	(1 773 534)
Transferred to retained earnings	--	--	(114 332 969)	114 332 969	--	--	--
Adjustments Resulting from liquidating subsidiary	--	--	114 285 975	--	114 285 975	(10 126 080)	104 159 895
Closing the share of the land sold by the holding company in the revaluation surplus in the profit or loss statement	--	(9 863 935)	--	--	(9 863 935)	--	(9 863 935)
Total Transactions with Company's Equity shareholders	--	**(9 863 935)**	**(1 820 528)**	**114 332 969**	**102 648 506**	**(10 126 080)**	**92 522 426**
Balance as of December 31, 2019	**400 000 000**	**2 117 209 955**	**19 482 351**	**(298 317 810)**	**2 238 374 496**	**46 925 260**	**2 285 299 756**
Balance as of January 1st, 2020	**400 000 000**	**2 117 209 955**	**19 482 351**	**(298 317 810)**	**2 238 374 496**	**46 925 260**	**2 285 299 756**
Other Comprehensive Income							
Revaluation of lands	--	(478 079 117)	--	--	(478 079 117)	(8 243 435)	(486 322 552)
Translation adjustment of foreign subsidiaries	--	(23 573 931)	--	--	(23 573 931)	(3 695 936)	(27 269 867)
Net loss for the financial year ended December 31, 2020	--	--	--	(220 605 147)	(220 605 147)	(1 796 755)	(222 401 902)
Total of other comprehensive income	--	**(501 653 048)**	--	**(220 605 147)**	**(722 258 195)**	**(13 736 126)**	**(735 994 321)**
Transactions with company's Equity shareholders							
Transferred to accumulated losses	--	--	(298 317 810)	298 317 810	--	--	--
Transferred from reserves to accumulated losses	--	(181 625 465)	194 063 833	--	12 438 368	(12 438 368)	--
Adjustments resulting from gain on selling inventory from previous years	--	--	7 537 539	--	7 537 539	9 217 292	16 754 831
Total Transactions with Company's Equity shareholders	--	**(181 625 465)**	**(96 716 438)**	**298 317 810**	**19 975 907**	**(3 221 076)**	**16 754 831**
Balance as of December 31, 2020	**400 000 000**	**1 433 931 442**	**(77 234 087)**	**(220 605 147)**	**1 536 092 208**	**29 968 058**	**1 566 060 266**

- Notes from no (1) to no (38) are an integral part of these consolidated financial statements.

Lecico Egypt (S.A.E.)
Consolidated Statement of Cash Flows for the financial Year Ended December 31, 2020

Cash Flow from Operating Activities	Note No.	December 31, 2020 L.E	December 31, 2019 L.E
Net loss for the year before tax and non-controlling interest		(220 605 147)	(298 317 810)
Adjusted by the following:			
Property, Plant & equipment depreciation	(12)	102 610 286	115 546 035
Intangible assets amortization		1 033 837	1 902 726
Formed provisions	(27)	67 411 894	9 599 735
Employees share in profit		60 673 852	60 309 511
Capital gains		(217 699)	(837 914)
Noncash adjustment on revaluation reserve of land		--	(9 863 935)
Net loss of intangible assets		--	843 488
Income tax expense		32 344 693	22 813 569
Deferred income tax		(8 107 168)	(392 466)
Losses from sale of other investments	(7)	1 142 269	--
Impairment of intangible assets	(7)	9 332 380	--
Reversal of inventory write-off		(25 044)	(82 877)
Differences resulted from the present value of long-term notes receivables		(3 949 302)	1 456 108
Change in translation reserve		7 175 132	11 119 984
		48 819 983	**(85 903 846)**
Change in inventories		111 597 065	143 705 867
Change in trade receivables and other debtors		27 368 933	140 493 050
Change in trade payables and other creditors		229 489 994	35 832 088
Paid income tax		(25 415 298)	(38 896 676)
Utilized provisions		(39 206 423)	(39 348 740)
Net cash resulted from operating activities		**352 654 254**	**155 881 743**
Cash Flow from Investing Activities			
Payments for acquisition of property, plant & equipment		(57 978 637)	(61 127 980)
Payments for acquisition of intangible assets		(1 070 495)	(1 702 839)
Proceeds from sale of other investments		4 942 571	1 392 728
Proceeds from selling property, plant & equipment		214 788 628	3 229 326
Decrease/(Increase) in long-term notes receivable		16 500 000	(6 625 000)
Net cash resulted from/ (used in) investing activities		**177 182 067**	**(64 833 765)**
Cash Flow from Financing Activities			
(Payments) /Proceeds from long term loans		(18 021 421)	52 180 000
Payments of lease contracts liabilities		2 283 156	--
Dividends paid to employees		(37 684 668)	(48 471 024)
Change in non-controlling interest		(16 957 202)	(6 765 161)
Net cash used in financing activities		**(70 380 135)**	**(3 056 185)**
Net change in cash and cash equivalent during the year		**459 456 186**	**87 991 793**
Cash and cash equivalent at beginning of year	**(19)**	**(1 057 188 951)**	**(1 145 180 744)**
Cash and cash equivalent at the end of year	**(19)**	**(597 732 765)**	**(1 057 188 951)**

- The notes from no. (1) to no. (38) are an integral part of these consolidated financial statements.

1- Background for holding company and subsidiaries

The consolidated financial statements of the company for the financial year ended December 31, 2020 comprise of the holding company and its subsidiaries (together referred to as the "Group" and individually as "Group entities")

1-1 Lecico Egypt (The holding Company)

- Lecico Egypt (S.A.E.) was established on November 1st, 1975 according to the resolution of Ministry of Economics and Economic Co-operation number 142 of 1975. The company is subject to the investment law no. 72 of 2017 that superseded law no. 8 of 1997. The holding company's purpose is the production of all ceramic products including the production of sanitary ware and all kinds of tiles and entering capital lease transactions.

- The accompanying financial statement were authorized for issuance by the board of director on March 1, 2021.

1-2 Subsidiaries

The following is a list of the subsidiaries comprising the consolidated financial statements together with the respective percentage owned by the holding company:-

			Ownership Interest	
		Country of Incorporation	**31/12/2020**	**31/12/2019**
			%	**%**
1-	Lecico for Ceramics Industries (S.A.E.)	Egypt	99.99	99.99
2-	TGF for Consulting and Trading (S.A.E.)	Egypt	99.83	99.83
3-	Lecico for Financial Investments (S.A.E.)	Egypt	99.33	99.33
4-	The Lebanese Ceramics Industries (S.A.L.)	Lebanon	94.77	94.77
5-	International Ceramics (S.A.E.)	Egypt	99.97	99.97
6-	Lecico for Trading and Distribution of Ceramics (S.A.E.)	Egypt	70	70
7-	European Ceramics (S.A.E)	Egypt	99.97	99.97
8-	Sarrguemines (S.A.E) (previously named "Lecico Plus for Trading")	Egypt	99.85	99.85
9-	Burg Armaturen Fabrik Sarrdesign (S.A.E.)	Egypt	69.85	69.85
10-	Lecico UK (Ltd)	United Kingdom	100	100
10-1	Lecico PLC	United Kingdom	100	100
10-2	Lecico S. A	South Africa	51	51
10-3	Lecico Poland	Poland	51	51
10-4	Lecico France	France	80	80

The subsidiaries companies' purpose is the production of all Ceramic products including the production of Sanitary ware and all kind of tiles.

2- Basis of Preparation of consolidated financial statements

2-1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and international financial reports and its interpretations adopted by the International Accounting Standards Board (IASB).

2-2 Functional and presentation currency

The consolidated financial statements are presented in Egyptian Pounds (LE) which is the company's functional currency.

2-3 Use of Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

The following are the significant areas where the management has used estimates, assumptions and make judgments:

- Impairment of slow-moving inventory – Note 17
- Impairment of debtors – Note 18
- Impairment of goodwill – Note 14
- Fair value of plant, property and equipment – Note 12
- Useful life plant, property and equipment – Note 12
- Deferred tax calculation – Note 26.

2-4 Basis of Measurement

- The consolidated financial statements have been prepared on the historical cost basis except for the following:
- Property, plant and equipment are measured at fair value.
- Financial instruments at fair value through profit or loss are measured at fair value.
- Available-for-sale financial assets are measured at fair value.

3- The financial statements of Lecico Lebanon and Lecico UK (LTD) (Subsidiaries Companies) for the financial year ended December 31, 2020

During 2019, and till now Lebanon faced unstable Political conditions, which had the greatest impact on its economy and the banking sector and resulting in general decline in the economic activity during the period.

These may have significant influence on the valuation of the Lebanese subsidiary's assets and liabilities resulting from carrying out its activity in the future.

In the light of the previously mentioned conditions and their consequences on commercial activity in Lebanon generally, the Lebanese subsidiary's auditor didn't quantify the effect of such conditions on its assets and liabilities included in its separate financial statement as at December 31, 2020.

On preparing the accompanying consolidated financial statements on December 31, 2020 the group management depends on unaudited financial statements for both the separate Lecico Lebanon and Lecico UK consolidated financial statement prepared by the management of the subsidiaries.

The following is a summary of the financial statements of the subsidiaries, which were included in the consolidated financial statements on December 31 ,2020 after translation to the Egyptian pound.

Financial position statement as of December 31, 2020	**Lecico Lebanon**	**Lecico UK**	**Total**
	LE	**LE**	**LE**
Assets			
Non-current assets	41 640 823	110 610 762	152 251 585
Current assets	218 555 022	159 335 977	377 890 999
Total assets	**260 195 845**	**269 946 739**	**530 142 584**
Equity			
Issued & paid up capital	10 974 654	244 228 607	255 203 261
Reserves	3 658 218	--	3 658 218
Retained earnings/ (Accumulated losses)	121 098 787	(255 113 496)	(134 014 709)
Foreign currency translation differences	(399 344)	33 343 257	32 943 913
Equity of subsidiaries companies	**135 332 315**	**22 458 368**	**157 790 683**
Non-controlling interest	--	(1 587 696)	(1 587 696)
Total Equity	**135 332 315**	**20 870 672**	**156 202 987**
Liabilities			
Non-current liabilities	5 896 387	1 877 594	7 773 981
Current liabilities	118 967 143	247 198 473	366 165 616
Total liabilities	**124 863 530**	**249 076 067**	**373 939 597**
Equity and liabilities	**260 195 845**	**269 946 739**	**530 142 584**
Profit or loss statement for the financial year ended December 31, 2020			
Sales	89 026 879	356 720 629	445 747 508
Cost of sales	(90 183 921)	(243 241 450)	(333 425 371)
Gross profit/(loss)	**(1 157 042)**	**113 479 179**	**112 322 137**
Operating revenues	--	5 255 686	5 255 686
Operating expenses	(52 707 596)	(122 575 197)	(175 282 793)
Net finance income/(expense)	13 288 196	(677 442)	12 610 754
Current Income tax expense	--	(2 570 883)	(2 570 883)
Net loss for the year	**(40 576 442)**	**(7 088 657)**	**(47 665 099)**

4- Segmental Information

Segment information of the Company and its subsidiaries are presented as the basis for the preparation of their own financial information.

The assets, liabilities and the results of operations of the segments include items related directly to a certain segment and items which could be distributed on the segments on a consistent basis.

The Company and its subsidiaries consist of the following business segments:

1. Sanitary Ware Segment.
2. Tile Segment.
3. Brassware Segment.

The Group's assets, liabilities and results of operations as of and for the years ended December 31, 2020 and 2019 by Sanitary Ware, Tile, Brassware segments are detailed below:

2020	**Sanitary Ware Segment**	**Tile Segment**	**Brass ware Segment**	**Total**
Assets	1 266 504 555	1 978 588 167	7 813 338	3 252 906 060
Liabilities	646 544 131	1 008 941 337	31 360 326	1 686 845 794
Revenues	1 198 710 270	782 273 513	74 202 200	2 055 185 983
Net (loss)/profit attributable to shareholders of the holding Company	(137 369 170)	(89 646 569)	6 410 592	(220 605 147)
2019				
Assets	1 834 769 242	2 289 366 337	9 880 444	4 134 016 013
Liabilities	876 477 210	930 843 566	41 395 481	1 848 716 257
Revenues	1 416 144 880	856 420 557	77 248 888	2 349 814 325
Net (loss)/Profit attributable to equity holders of the holding Company	(190 805 116)	(115 390 172)	7 877 576	(298 317 712)

The Group operates in the principal geographical areas of the Egypt, Lebanon, and others

The Group's assets, liabilities and results of operations as of and for the years ended December 31, 2020 and 2019 by geographical areas are detailed below:

2020	**Egypt**	**Lebanon**	**Others**	**Eliminations**	**Total**
Assets	2 810 047 606	301 573 236	268 726 195	(127 440 977)	3 252 906 060
Liabilities	1 750 571 614	125 421 686	158 772 923	(347 920 429)	1 686 845 794
Revenues	1 997 715 926	89 026 876	356 282 329	(387 839 148)	2 055 185 983
Net loss attributable to equity holders of the holding Company	(91 393 123)	(37 501 779)	(4 017 970)	(87 692 275)	(220 605 147)

2019					
Assets	3 007 420 813	410 230 526	197 977 473	518 387 201	4 134 016 013
Liabilities	1 035 484 478	398 806 137	143 316 138	271 109 504	1 848 716 257
Revenues	2 134 516 975	107 929 492	456 680 563	(349 312 705)	2 349 814 325
Net loss attributable to equity holders of the holding Company	(123 770 815)	(95 665 290)	(7 152 871)	(71 728 736)	(298 317 712)

5- Cost of sales

	December 31, 2020 LE	December 31, 2019 LE
Cost of sales	1 765 345 174	2 039 578 958
Add:		
Employees' share in profit	60 673 852	58 496 639
	1 826 019 026	**2 098 075 597**

6- Other Income

	December 31, 2020 LE	December 31, 2019 LE
Capital Gain	217 699	10 701 849
Scrap Sales	3 424 699	5 511 198
Other Revenues	3 920 321	6 957 720
Discounting long term notes receivables to its present value	3 949 302	--
	11 512 021	**23 170 767**

7- Other Expenses

	December 31, 2020 LE	December 31, 2019 LE
Provided claims provision	37 348 393	21 295 902
Miscellaneous expenses	23 061 501	9 927 688
Remuneration of the holding company's board of directors	4 082 788	4 520 270
discounting the long-term notes receivables to its present value	--	1 456 108
Impairment of trade receivables	32 000 000	--
	96 492 682	**37 199 968**

8- Finance Income

	December 31, 2020 LE	December 31, 2019 LE
Interest revenues	2 781 632	4 037 437
Foreign currency exchange differences	27 112 369	--
	29 894 001	**4 037 437**

9- Finance Expenses

	December 31, 2020 LE	December 31, 2019 LE
Foreign currency exchange differences	--	183 380 816
Interest expenses	95 394 880	15 645 688
	95 394 880	**199 026 504**

10- Income tax

	December 31, 2020 LE	December 31, 2019 LE
Income tax for the year	27 492 843	19 209 844
Dividends' Tax	4 851 850	3 603 725
	32 344 693	**22 813 569**

11- Loss per share

The loss per share for the financial year ended December 31, 2020 was computed as follows:

	December 31, 2020 LE	December 31, 2019 LE
Net loss for the year (LE) for holding company's shareholders	(220 605 147)	(298 317 810)
The number of outstanding shares during the year	80 000 000	80 000 000
Loss per share (LE / share)	**(2.76)**	**(3.73)**

12- Property, plant and equipment

	Land	Buildings	Leasehold Improvements	Machinery & Equipment	Vehicles	Tools	Furniture, Office Equipment & Computers	Rights Of use	Total
Cost	**LE**	**LE**	**LE**	**LE**	**LE**	**LE**	**LE**	**LE**	**LE**
As of 01/01/2020	**1 849 124 621**	**405 465 343**	**18 383 367**	**1 223 566 585**	**72 783 628**	**160 402 252**	**38 828 930**	**13 683 253**	**3 782 237 979**
Translation differences	338 498	2 290 350	141 253	(3 594 760)	(417 311)	(102 574)	(116 948)	3 536 991	2 075 499
Additions for the year	--	428 989	1 316 353	21 907 559	523 959	25 742 917	1 532 429	62 592 556	114 044 762
Disposals for the year	(213 048 796)	(3 435 775)	--	(34 397 500)	(642 821)	--	--	--	(251 524 892)
Revaluation of group company's land	(486 322 552)	--	--	--	--	--	--	--	(486 322 552)
As of 31/12/2020	**1 150 091 771**	**404 748 907**	**19 840 973**	**1 207 481 884**	**72 247 455**	**186 042 595**	**40 244 411**	**79 812 800**	**3 160 510 796**
Accumulated Depreciation									
As of 01/01/2020	**--**	**222 036 306**	**13 917 280**	**989 298 701**	**68 379 861**	**126 674 173**	**34 907 499**	**8 718 354**	**1 463 932 174**
Translation differences	--	959 528	57 457	(3 376 148)	(386 959)	(5 109)	(108 268)	--	(2 859 499)
Depreciation of the year	--	15 428 178	1 070 862	72 821 994	1 898 308	13 762 594	1 103 850	1 459 532	107 545 318
Disposals' accumulated depreciation	--	(1 915 444)	--	(34 397 500)	(641 020)	--	--	--	(36 953 964)
As of 31/12/2020	**--**	**236 508 568**	**15 045 599**	**1 024 347 047**	**69 250 190**	**140 431 658**	**35 903 081**	**10 177 886**	**1 531 664 029**
Net Book Value at									
As of 31/12/2020	**1 150 091 771**	**168 240 339**	**4 795 374**	**183 134 837**	**2 997 265**	**45 610 937**	**4 341 330**	**69 634 914**	**1 628 846 767**
As of 31/12/2019	**1 849 124 621**	**183 429 037**	**4 466 087**	**234 267 884**	**4 403 767**	**33 728 079**	**3 921 431**	**4 964 899**	**2 318 305 805**

- The Land and Buildings include properties at a cost of EGP 1.8 million and EGP 6.5 million respectively which were purchased by the holding company with an unregistered initial contract.

- The right of use represents the present value of right of use arisen from lease contracts of a number of outlets in different governments in Egypt. These contracts were signed by lecico for trading and distribution of ceramics "one of the subsidiaries showroom" and lease contracts in the United Kingdom.

12- Property, plant and equipment (Continued)

	Land	Buildings	Leasehold Improvements	Machinery & Equipment	Vehicles	Tools	Furniture, Office Equipment & Computers	Rights Of use	Total
Cost	**LE**	**LE**	**LE**	**LE**	**LE**	**LE**	**LE**	**LE**	**LE**
As of 01/01/2019	**165 163 420**	**415 857 233**	**15 210 821**	**1 221 491 343**	**74 760 986**	**150 526 040**	**38 800 668**	**--**	**2 081 810 511**
Translation differences	(3 377 246)	(9 591 439)	(289 219)	(22 109 914)	(2 223 631)	--	(701 694)	--	(38 293 143)
Additions for the year	--	1 417 554	3 938 987	46 465 119	902 755	9 876 212	729 956	13 683 253	77 013 836
Disposals for the year	(454 000)	(2 218 005)	(477 222)	(22 279 963)	(656 482)	--	--	--	(26 085 672)
Revaluation surplus of group company's land	1 687 792 447	--	--	--	--	--	--	--	1 687 792 447
As of 31/12/2019	**1 849 124 621**	**405 465 343**	**18 383 367**	**1 223 566 585**	**72 783 628**	**160 402 252**	**38 828 930**	**13 683 253**	**3 782 237 979**
Accumulated Depreciation									
As of 01/01/2019	**--**	**211 287 535**	**13 194 314**	**964 050 648**	**68 665 064**	**113 397 878**	**34 375 902**	**--**	**1 404 971 341**
Translation differences	--	(4 464 187)	(188 350)	(20 375 950)	(2 179 477)	--	(636 391)	--	(27 844 355)
Cumulative effect of applying IFRS (16) on lease contracts	--	--	--	--	--	--	--	6 667 439	6 667 439
Depreciation of the year	--	17 011 906	1 252 802	67 786 590	2 550 751	13 276 295	1 167 988	2 050 915	105 097 247
Disposals' accumulated depreciation	--	(1 798 948)	(341 486)	(22 162 587)	(656 477)	--	--	--	(24 959 498)
As of 31/12/2019	**--**	**222 036 306**	**13 917 280**	**989 298 701**	**68 379 861**	**126 674 173**	**34 907 499**	**8 718 354**	**1 463 932 174**
Net Book Value at									
As of 31/12/2019	**1 849 124 621**	**183 429 037**	**4 466 087**	**234 267 884**	**4 403 767**	**33 728 079**	**3 921 431**	**4 964 899**	**2 318 305 805**

12- Property, plant and equipment(continued)

The Group company's management decided to adopt the revaluation model as per International Accounting Standard No. 16 "Property, Plant & Equipment" in respect to the land owned by the holding company and its subsidiaries, which states that:

"After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Some items of property, plant and equipment experience significant and volatile changes in fair value, thus necessitating annual revaluation. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three or five years.

If an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

The revaluation surplus included in equity in respect of an item of property, plant and equipment may be transferred directly to retained earnings when the asset is derecognized. This may involve transferring the whole of the surplus when the asset is retired or disposed of. However, some of the surplus may be transferred as the asset is used by an entity. In such a case, the amount of the surplus transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Transfers from revaluation surplus to retained earnings are not made through profit or loss."

If an item of property, plant and equipment is revalued, the entire class of asset to which that asset belong should be revalued.

The result of such change resulted in an excess amount of EGP 1 687 792 447 which is recognized into the Other Comprehensive Income Statement in 2019 and in the equity under "Reserves" and "non – controlling interest".

During February 2020 the lands of Lebanese for Ceramics (Lecico -Lebanon) have been revaluated because of the decrease of their fair value and this resulted in decrease in land values by an amount of EGP 125 287 297 which is recognized in comprehensive income statement and consolidated equity reserves and non-controlling interest.

During June 2020 the lands of the group of companies have been revaluated because of the decrease of their fair value and this resulted in decrease in land values by an amounted of EGP 478 079 117 which recognized in comprehensive income statement and consolidated equity reserves and non-controlling interest.

The group uses valuation reports from the independent valuation expert appointed by management to assess the Fair Value of the group lands.
The valuation expert relied on the "Sales comparison method" which depends on recent sales transactions for similar lands.

13- Projects in Progress

	December 31, 2020 LE	December 31, 2019 LE
Machinery under installation	3 130 058	1 051 884
Buildings under construction	--	714 086
Advance payments for acquisition of fixed assets	70 733	70 733
Letter of credit for purchase fixed assets	2 153 788	2 153 788
	5 354 579	**3 990 491**

14- Intangible Assets

Cost	Goodwill LE	Development Costs LE	Total LE
Balance as of 01/01/2020	**25 196 553**	**15 818 516**	**41 015 069**
Translation differences	137 770	284 655	422 425
Additions of the year	--	1 070 495	1 070 495
Balance as of 31/12/2020	**25 334 323**	**17 173 666**	**42 507 989**
Amortisation & Impairment Losses			
Balance as of 01/01/2020	**--**	**11 510 929**	**11 510 929**
Translation differences	527 353	204 086	731 439
Amortisation of the year	--	724 830	724 830
Impairment loss on goodwill	9 332 380	--	9 332 380
Balance as of 31/12/2020	**9 859 733**	**12 439 845**	**22 299 578**
Carrying Amount as of 31/12/2020	**15 474 590**	**4 733 821**	**20 208 411**
Carrying Amount as of 31/12/2019	**25 196 553**	**4 307 587**	**29 504 140**

15- Investments in Associates and other investment

	Ownership %	December 31, 2020 LE	December 31, 2019 LE
Murex Industries and Trading (S.A.L.)	20	5 854 101	11 938 942
El-Khaleeg for Trading and Investment		99 900	99 900
Other Investments		20 812	20 812
		5 974 813	**12 059 654**
(Less):-			
Impairment of investment in "El-Khaleeg for Trading and Investment"		(99 900)	(99 900)
		5 874 913	**11 959 754**

The Lebanese Ceramic Industries (S.A.L) – a subsidiary company sold 50% of its investment in Murex Industries and trading company (S.A.L) in 2019.

16- Long term notes receivables

	December 31, 2020 LE	December 31, 2019 LE
Nominal value of long-term notes receivables	10 175 000	26 675 000
Discounting notes receivables to its present value*	(1 389 483)	(5 338 785)
Present value of long term notes receivables	**8 785 517**	**21 336 215**

* The discounting of long term notes receivables is computed according to the effective interest rate of the holding company.

17- Inventories

	December 31, 2020 LE	December 31, 2019 LE
Raw materials, consumables and spare parts	265 721 161	294 376 439
Work in progress	63 151 943	65 737 057
Finished goods	509 283 913	600 535 345
	838 157 017	**960 648 841**
Less:		
Write-off in inventories	(31 798 560)	(32 062 619)
	806 358 457	**928 586 222**
Letters of credit for purchasing inventories	27 294 115	16 399 333
	833 652 572	**944 985 555**

The movement of the write-off in of inventory through the year is as follows:

	Balance in 1/1/2020 LE	Translation Differences LE	Write – off Reversal LE	Balance in 31/12/2020 LE
Write-off in inventories	32 062 619	(239 015)	(25 044)	31 798 560
	32 062 619	**(239 015)**	**(25 044)**	**31 798 560**

18- Trade receivables and other receivables

	Note No.	December 31, 2020 LE	December 31, 2019 LE
Trade Receivables		456 569 777	467 600 501
Notes Receivable		72 801 554	52 778 895
Sundry Debtors		56 160 751	58 339 904
Suppliers – Debit Balances		1 157 747	1 631 809
Due from related parties - net	(30)	3 956 767	19 403 335
Tax authority – withholding tax		19 383	19 383
Tax authority – Advance payment		16 302 411	9 958 110
Tax authority – Sales tax		39 180 230	25 489 802
Other Debit Balances		105 067 784	130 284 256
prepaid expenses		6 196 920	5 652 755
Accrued Revenues		18 491	59 392
		757 431 815	**771 218 142**
Less:			
Impairment of Receivables		(126 695 125)	(96 275 155)
		630 736 690	**674 942 987**

The movement of the impairment of receivables through the year is as follows:

	Balance in 1/1/2020 LE	Translation Differences LE	Formed Provisions LE	Balance in 31/12/2020 LE
Impairment of receivables	96 275 155	(1 580 030)	32 000 000	126 695 125
	96 275 155	**(1 580 030)**	**32 000 000**	**126 695 125**

Transactions with board of directors of holding company

- The Board of Directors of the holding Company control 0.04% of the shares of the holding company.
- Salaries for the Board of Directors of the holding company, for the year ended December 31, 2020 charged to the other expenses in the consolidated profit or loss statement amounted to EGP 4,082,788 (December 31, 2019 an amount of EGP 4,520,270).

19- Cash and cash equivalent

	December 31, 2020 LE	December 31, 2019 LE
Banks – Time Deposits	--	6 100 000
Banks - Current Accounts *	107 037 371	115 295 647
Cash on hand	12 409 240	7 595 419
	119 446 611	**128 991 066**
Less:		
Bank Overdrafts	(717 179 376)	(1 186 180 017)
Cash and cash equivalent for the purpose of cash flows statement	**(597 732 765)**	**(1 057 188 951)**

* Banks – current accounts include an amount of Euro 1.28 million equivalent to EGP 23.6 million represent a cash cover to a letter of guarantee issued in favor of one of the clients amounting Euro 4 million equivalent to EGP 73.8 million.

20- Bank overdrafts

Bank overdrafts represent credit facilities secured by certain notes receivables and inventories. The authorized facilities limit in respect of all overdrafts EGP 1.5 billion and the unused amount is EGP 894 million.

21- Share capital

21-1 Authorized capital
The authorized capital was determined to be EGP 500 million distributed over 100 million shares with nominal value of EGP 5 per share.

21-2 Issued and paid up capital
The issued and paid up capital was determined by an amount of EGP 400 million, distributed over 80 million nominal shares. The nominal value of each share of EGP 5 is fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the holding company. All shares rank equally with regards to the holding Company’s residual assets.

22- Reserves

	Legal Reserve	Other* Reserves	Share premium Reserve	Land Revaluation Surplus Reserve **	Translation Reserve	Total
	LE	LE	LE	LE	LE	LE
Balance at December 31, 2018	**50 915 481**	**15 571 032**	**181 164 374**	**52 765 085**	**272 969 552**	**573 385 524**
Translation adjustment for foreign subsidiaries	--	--	--	--	(103 165 995)	(103 165 995)
Closing the share of the land sold by the holding company in the revaluation surplus in the profit or loss statement	--	--	--	(9 863 935)	--	(9 863 935)
Revaluation surplus of group company's land	--	--	--	1 656 854 361	--	1 656 854 361
Balance at December 31, 2019	**50 915 481**	**15 571 032**	**181 164 374**	**1 699 755 511**	**169 803 557**	**2 117 209 955**
Translation adjustment for foreign subsidiaries	--	--	--	--	(23 573 931)	(23 573 931)
Closing the share of the land sold by the holding company in the revaluation surplus in the profit or loss statement	--	--	--	(181 625 465)	--	(181 625 465)
Revaluation of group company's land	--	--	--	(478 079 117)	--	(478 079 117)
Balance at December 30, 2020	**50 915 481**	**15 571 032**	**181 164 374**	**1 040 050 929**	**146 229 626**	**1 432 931 442**

* Other reserves include the holding Company's share of the premium (LE 9.9 Million) received by Lecico for Ceramics Industries (subsidiary) for admitting a new shareholder through an increase in capital, such amount is not distributable according to local laws and regulations.

** Land revaluation surplus is represented in the adjusted value of the holding Company's land in Khorshid and Abou-Quir that was revalued to reflect its fair value at the date of revaluation in the year 1997. The revaluation result was included in the revaluation surplus in the shareholders 'equity and is not distributable or transferable to capital.

- During the year 2019 the holding company revaluated the lands for the group by independent experts to reflect their fair-value, and the share of holding company was amounted to EGP 1 656 854 361.
- During February 2020 the lands of Lebanese for ceramics have been revaluated because of the decrease of their fair value, and this resulted in decrease of the revaluation surplus by an amount of EGP 118 734 771.
- During June 2020 the lands for the holding have been revaluated because of the decrease of their fair value, and this result in decrease of the land value by an amount of EGP 478 079 117.

23- (Accumulated losses) / retained earnings consolidated financial statements

As of December 31, 2020, the accumulated losses / retained earnings represent the accumulated losses for the consolidated financial statement of the holding company's management expects to reinvest the retained earnings in subsidiaries and its share of the accumulated losses / retained earnings of the consolidated subsidiaries.

24- Loans and borrowings

	December 31, 2020 LE	December 31, 2019 LE
- The outstanding value of loan granted from the CIB to the holding company amounted to USD 5.4 million. The loan will be repaid over 18 consecutive installments each amounting USD 300 000 starting from June 2019 till September 2023. The variable interest rate is variable equal 6.7%.	44 044 000	72 180 000
Outstanding value of loan granted from HSBC Bank for Lecico - UK (Lecico plc) with an amount of 100 K sterling pound and will be paid over 60 installments each installment with an amount of 1 786.92 sterling pound the variable interest rate is equal 2.52%.	1 877 579	--
	45 921 579	**72 180 000**
Less:		
Installments due within one year which are classified as current liabilities (note 28).	(11 011 000)	(19 248 000)
	34 910 579	**52 932 000**

All the available balances under these loans were used from the banks.

25- Long-Term Liabilities resulting from leases contracts

	December 31, 2020 LE	December 31, 2019 LE
Liability arisen from the present value of the rights of use	5 166 980	6 659 640
Less :		
Installments due within one year.	(2 831 524)	(2 876 058)
Total non–current installments arisen from lease contracts Liabilities	**2 335 456**	**3 783 582**

26- Deferred Income Tax

Deferred income tax are attributable to the following:

	31/12/2020		31/12/2019	
	Assets LE	Liabilities LE	Assets LE	Liabilities LE
Accumulated losses carried forward	1 648 161	--	1 031 916	--
Property, plant and equipment	--	20 722 744	--	28 173 385
Inventories	4 213 096	--	4 172 817	--
Total Deferred Income tax (assets)/ iabilities	**5 861 257**	**20 722 744**	**5 204 733**	**28 173 385**
Net Deferred Income Tax Liabilities	**--**	**14 861 487**	**--**	**22 968 652**

27- Provisions

	Balance as of 1/1/2020 LE	Translation Differences LE	Formed Provisions LE	Used Provisions LE	Balance as of 31/12/2020 LE
Provisions Disclosed in the Non-Current Liabilities					
End of Service Indemnity Provision	6 508 760	(79 051)	--	(1 652 944)	4 776 765
Claims provision	1 986 768	(38 398)	--	--	1 948 370
	8 495 528	**(117 449)**	**--**	**(1 652 944)**	**6 725 135**
Provision Disclosed in the Current Liabilities					
Probable Losses and Claims Provision	585 082	--	37 348 393	(37 553 479)	379 996
	585 082	**--**	**37 348 393**	**(37 553 479)**	**379 996**
Total	**9 080 610**	**(117 449)**	**37 348 393**	**(39 206 423)**	**7 105 131**

28- Loans and short term liabilities

	December 31, 2020 LE	December 31, 2019 LE
Long-term loan installments during the year	11 011 000	19 248 000
Sales tax installments during the year	9 181	9 181
Lease contracts installments during the year	2 831 523	2 876 058
Lease contracts installments during the year	72 215 491	--
	86 067 195	**22 133 239**

29- Trade payables and other payables

	Note No.	December 31, 2020 LE	December 31, 2019 LE
Trade payable		347 628 320	140 637 692
Notes payable		62 529 349	34 235 748
Due to related parties	(30)	842 747	2 713 723
Social insurance authority and tax authority		10 269 640	13 207 443
Income tax payable		20 087 705	13 158 310
Accrued expenses		117 132 889	133 096 450
Deposits due to others		65 412	24 701
Sundry creditors		153 275 769	135 133 645
Sales Tax authority - Current account		6 055 567	7 779 173
Dividends payable		389 929	389 929
Creditors for acquisition of PP&E		8 250	41 250
Employees' share of Profit from of certain group companies		106 100 993	71 220 093
		824 386 570	**551 638 157**

30- Related Parties

Related parties consist of shareholders, key management personnel, directors and companies that are directly or indirectly controlled or affected by shareholders, directors or key management personnel.
In the ordinary course of business the group deals with different related parties.
Transactions are entered with related parties in accordance to the terms and conditions approved by group's management or its board of directors.

Transactions with related parties: -

	Nature of Transaction	Transaction Amount LE	December 31, 2020 LE	December 31, 2019 LE
Due from Related Parties				
Murex Industries and	Sales	62 722 894	3 956 767	16 195 335
Trading (S.A.L)			--	3 208 000
			3 956 767	**19 403 335**
El-Khaleeg for Trading and Investment	Current		300 100	300 100
Total due from related parties			**4 256 867**	**19 703 435**
Less:				
Impairment for balance of "El-Khaleeg for Trading and Investment"			(300 100)	(300 100)
Net due from related parties			**3 956 767**	**19 403 335**
Due to Related Parties				
Murex Industries and Trading (S.A.L)	Purchases	5 980 962	758 505	347 219
LIFCO	Rent		--	1 276 816
Ceramics Management Services Ltd. (CMS)	Technical Assistance Fees	(1 005 446)	84 242	1 089 688
Total due to related parties			**842 747**	**2 713 723**

31- Contingent Liabilities

31-1 Letters of Guarantee issued from banks in favor of others are as follows:

Currency	December 31, 2020	December 31, 2019
LE	19 435 800	18 606 693
(the uncovered portion of the letter of guarantee issued in favor of one of the clients in EURO (equivalent to LE 50.2 million)	2 598 861	2 720 000

31-2 Letters of Credit

Currency	December 31, 2020	December 31, 2019
LE	22 145 984	6 863 758

32- Litigation

The public authority of electricity in Lebanon has charged The Lebanese Ceramic Industries S.A.L. (a subsidiary) about LBP 855 million (equivalent to LE 9 million) as unpaid electricity charges for the period from March 1996 until August 2003. This Subsidiary has objected to these charges, and raised a legal case requesting the cancellation of such charges. This matter is still pending in the court and its outcome is not known as at the date of issuing the consolidated financial statements so the results of this case can't be determined at this date. No provisions have been taken by the subsidiary against this claim.

33- Capital Commitment

There were no are capital commitments as at December 31, 2020 (There were no capital commitments as at December 31, 2019).

34- Financial Instruments

The financial instruments are represented in cash balances, bank overdrafts, debtors and creditors. The book value of these instruments represents a reasonable estimate of their fair value.

The following are the summaries of the major methods and assumptions used in estimating their fair values of financial instruments:

- Fair value is based on quoted market prices at the balance sheet date without any deduction for transaction costs.
- Trade receivables and payables (trade and others) with a remaining life of less than one year, the nominal amount is deemed to reflect the fair value.

35- Financial Instruments Risk Management

35-1 Interest Risk

The interest risk is represented in changes in interest rates which adversely affect the results of operations and cash flows. In financing its working capital the holding depends on bank overdrafts at variable interest rates. In financing its assets and expansion projects, the holding Company depends on equity and long-term loans at the best offered rates and conditions right of prevailing.

35-2 Credit Risk

Represented in the ability of the clients who have been granted credit to pay their debts and the probability that the holding Company may lose all or part of these debts. To address this risk the holding Company established selling policies so that credit would only be granted to well-known clients and where appropriate, obtaining adequate guarantees.

35-3 Foreign Currency Exchange Rates Fluctuations Risk

Foreign currency exchange rate fluctuation risk is represented in exchange rate changes that affect payments in foreign currencies in addition to the revaluation of monetary assets and liabilities denominated in foreign currencies. Due to the volatility of foreign currency exchange rates, the foreign currency exchange rate fluctuations risk is considered high.

36- Tax Status

Type of tax	Years	Status
Corporate tax	From inception Till 2007	Tax dispute was finalized, and all tax obligation was paid.
	2008/2012	The Holding company's records were examined and informed by the related tax forms which was objected within the legal dates.
	2013/2019	The Holding company's records were not examined yet.
Salary tax	Till 2008	The Holding company has obtained a final settlement and paid all the tax obligations for these years.
	2009 till now	The Holding company's records were not examined yet.
Stamp duty	From inception Till 2012	Tax dispute was finalized and all tax obligation arisen was paid.
	From 1/1/2013 till now	The Holding company's records were not examined yet.
Sales tax / VAT	Till 2014	The tax examination occurred and were paid all the tax obligations.
	From 2015 till now	The Holding company's records were not examined yet.

37- Significant Events

Most countries of the world, including Egypt, were exposed during 2020 to a state of economic slowdown and downswing as a result of the outbreak of the novel Coronavirus disease (COVID-19). The governments of the world, including the Egyptian government, made packages of precautionary measures to prevent the outbreak of the pandemic, and these measures led to a state of economic slowdown on the global and local levels, the matter which showed its impact on all activities in various forms of practicing and on the industrial activities particularly in Egypt.

With respect to the company's activity, the impact is represented in the decrease of the company's operational distribution capabilities and the operating capacity of individuals.
Preliminary data indicate that the decline in export sales while local sales are not affected to some extent by the virus due to the Egyptian government's decision of partially lockdown or not implementing the complete lockdown for citizens.

38- Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these consolidated financial statements in addition to implementing the same accounting policies on all group companies consistently.

38-1 Basis of preparing consolidated financial statements

a. *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

b. *Non-controlling interests (NCI)*

NCI are measured at their proportionate share of the acquiree's identifiable net assets. Changes in the Group's interest in its subsidiaries that do not result in a loss of control are accounted for as equity transactions.

c. *Loss of control*

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities, and any related NCI and related other comprehensive income with recognition of any gains or loss resulted from loss of control in statement of profit or loss.
Any remaining investment in subsidiaries is recognized with fair value when control is lost.

d. *Investments accounted for using the equity method*

Investments that are accounted for using the equity method consists of shares in associates and joint ventures. These investments have no rights to the assets and obligations for the assets and liabilities associated with the arrangements.
Associates companies are the companies over which the group has significant influence to participate in the financial and operating policies decisions but not control or joint arrangement.

A joint venture is a joint arrangement whereby the group has joint control and rights to the net assets associated with the arrangement.

- Investments in associates and joint ventures are accounted for using the equity method, whereby the initial recognition is recognized at cost including the costs of transaction related to the acquisition. The subsequent measurement in the consolidated financial statement to increase or decrease the book value of the investment by the group shares in profit or losses and other comprehensive income of the investee.

e. Elimination from consolidation financial statements

Intra-group balances and transactions, and any unrealized gains and losses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity-accounted investments are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, expect if the transaction have an indicator for impairment in the transferred asset.

38-2 Foreign currency translation and financial statement for foreign subsidiaries

38-2-1 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss.

Except, currency differences arising from translation are recognized in the other comprehensive income items:

- Available for sale in equity instruments (except for impairment in which currency differences are reclassified as other comprehensive income items into profit or losses)

- Financial liabilities that is classified as hedging instrument to hedge net investment in foreign operation risk if hedging coverage is effective

- Hedging instruments used to risk cash flow as long as hedging is effective

38-2-2 Financial statement for foreign operations

The assets and liabilities as well as goodwill and fair value adjustments arising on acquisition, are translated into functional currency (EGP) at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into functional currency (EGP) at the exchange rates at the dates of the transactions.

Foreign currency differences are recognized in other comprehensive income "OCI" and accumulated in the translation reserve, except to the extent that the translation difference is allocated to non-controlling interest "NCI".

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

38-3 Revenues

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer and recovery of the future economic benefits is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Revenue is measured net of returns, trade discounts and volume rebates.

38-4 Employee benefits

38-4-1 Employees' pension

The holding company and two subsidiary companies (Lecico Ceramic Industries and European Ceramics) contribute 3% of the annual remuneration of employees in addition to 0.5% to 1% of the net profit for the year which is recognized during the year until approval by the General Assembly of Shareholders for annual distributions.

38-4-2 Profitability of the employee's share of profit is recognized in the respective year.

38-5 Finance income and finance costs

The Company's finance income and finance costs include:

- Interest income;
- Interest expense;
- Dividend's
- Impairment losses for financial assets expect trade receivables

Interest income or expense is recognised using the effective interest method, dividends are recognized in profit or loss on the date of the right to receive the dividends.

38-6 Income tax

current and deferred tax are recognized as revenue or expense in the profit or loss for the year except for the cases in which the tax arises from a process or events that is recognized in the same period or in a different period outside the profit or loss whether in the other comprehensive income or directly in equity or business combination.

38-6-1 Current tax

The current and prior periods is recognized as a liability to the extent that it has not yet been settled and as an asset to the extent that the amount already paid exceed the amount due.

Current tax assets and liabilities are measured at the amount expected to be paid to taxation authorities using the rate / laws that have been enacted or substantively enacted by the balance sheet date. Dividends are taxed as part of the current tax

Deferred tax assets and deferred tax liabilities cannot be offset unless certain conditions are met

38-6-2 Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Taxable temporary differences arising on the initial recognition of goodwill.

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Company.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities

Deferred tax assets and liabilities are offset only if certain criteria are met.

38-7 Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is based on the moving average method. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

38-8 Property, plant & equipment

38-8-1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.
The company management decided to adopt the revaluation model per international accounting standards No.16 “Property, Plant and Equipment” in respect to the land owned by the company and its subsidiaries Note no.12.

38-8-2 Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

38-8-3 Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated.
The estimated useful lives of property, plant and equipment for current and comparative year.

Assets	**Useful life /Years**	
Buildings	20-40	years
Lease hold improvements	3	years
Machinery and equipment	3-16.67	years
Vehicles	3-10	years
Tools and Supplies	5	years
Furniture, office equipment & computers	4-12.5	years

- Leasehold improvements are depreciated over the period of the contract or useful life of the lease whichever is less.

- Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

38-9 Projects In Progress

This item represents the amounts spent for constructing or acquiring of Property , Plant and equipment. Whenever it is completed and ready for its intended use in operations, then, it is transferred to Property , plant and equipment. Projects in progress are recorded at cost, and not depreciated until transferred to Property , plant and equipment.

38-10 Intangible assets

38-10-1 *Goodwill*

All business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on acquisition of subsidiaries.
Goodwill is stated at cost less any accumulated impairment losses if any. Goodwill is allocated to cash-generating units and is tested annually for impairment

In respect of acquisitions that have occurred, goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Positive goodwill is stated at cost or deemed cost less accumulated impairment losses.

38-10-2 *other Intangible Assets*

Intangible assets which include the Trademark of Lecico UK and development costs are valued at cost, and amortized over ten years. Lecico Lebanon (a subsidiary) recognizes a payment to enter a lease agreement as an intangible assets this asset has an indefinite legal life, accordingly it is not amortized but is subjected to an annual impairment test.

38-10-3 *Amortization*

Amortization is charged to cost of intangible assets less their estimated residual value using straight line method over estimated useful lives of those assets and the amortization charge is recognized as an expense in profit and loss. Good will is not amortized.

38-11 Leased contracts

The standard sets out principles related to the recognition, measurement, presentation and disclosure of lease contracts, the aim is to ensure that the lessee and lessor provide relevant information in a way that present fairly the transactions this information provides a basis for users of financial statements to assess the impact of lease contracts on the financial position, financial performance and cash flows of the entity.

- At the inception of the contract, it is assessed whether the contract is a lease or involves a lease if the contract conveys the right of use specified asset for a period in exchange for consideration.
- Lease contract period is determined as the non-cancellable period in the lease agreement along with each of: -
  a. The periods covered by an extension option of the lease contract if the lessee is reasonably certain of exercising this option.
  b. The periods covered by a termination option of the lease contract if the lessee is reasonably certain not to exercise that option.

- The company as a lessee studies classifying each lease contract either as an operating lease or as a finance lease contract.
  Lease contract is classified as a finance lease if it transfers substantially nearly all the risks and benefits attributable to the owner ship of the underlying assets, otherwise the contract is classified as an operating lease
  Whether a lease is considered a finance lease or operating lease depends on the substance of transaction not on the form of the contract.

Initial measurement of the right of use asset:

The cost of the right of use asset is:

A- The initial measurement amount of the lease obligation, at the present value of the unpaid lease payments at that date. Lease payments are discounted using the interest rate implicit in the lease, if that rate can be easily determined. If this rate cannot be determined, the lessee must use the interest rate on the additional lessee's borrowing.

B- Any lease *payments* made on or before the lease commencement date less any lease incentives received;

C- Any initial direct costs incurred by the lessee.

D- An estimate of the costs to be incurred by the lessee in disassembling and removing the asset subject to the contract, returning the location where the asset is to the original state or returning the same asset to the required condition in accordance with the terms and conditions of the lease, unless those costs are incurred to produce the inventory. On the date of commencement of the lease or because of the use of the underlying asset within a certain period.

Subsequent measurement of the right of use assets:
After the start date of the lease contract, "the right of use" asset is measured using the cost model, under the cost model right of use asset is measured at cost less following are:

1- Minus any accumulated depreciation and any accumulated impairment losses;
2- Amended by any re-measurement of the lease obligation.

- Initial measurement of lease obligation:

At the inception of the lease, the lease liability is measured at the present value of the unpaid lease payments at that date. Lease payments are discounted using the interest rate implicit in the lease if that rate can be easily determined. If this rate cannot be easily determined, the lessee must use the company's additional borrowing rate as a lessee.

- **Subsequent measurement of the lease obligation:**

  After the start date of the lease, the following are:

1- Increase the book amount of the obligation to reflect the interest on the lease obligation;
2- Reducing the book amount of the obligation to reflect rental payments.
3- Re-measure the book amount of the obligation to reflect any reassessment or adjustment of the lease contract or to reflect the fixed lease payments in its adjusted core.

The principal of the right of use and the obligations of leases are displayed in the financial position list separately from other assets and liabilities.

Leases contracts include the lessee's maintenance and insurance of the leased asset and the lease does not involve any arrangements for the transfer of ownership at the end of the lease period.

For a contract with a rental component with one or more rental components, (if any), the compensation in the contract is allocated to each rental component on the basis of the independent proportional price of the rental component and the total independent price of non-rental components. As a practical means, and within the scope of what the standard allows, the company as a lessee may choose by the category of the asset in place of the contract not to separate non-rental components from the rental components, and thus account for each rental component and any associated non-rental components as a single rental component.

Operating *leases:*

Recognition and measurement
Lease payments from operating leases are recognized as an expense either in a fixed-rate manner or on another regular basis. The lessor must apply another regular basis if that basis is more an expression of the pattern in which the benefit of using the contract-in-the-contract asset is diminishing.

38-12 Financial instruments

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

The Company classifies non-derivative financial liabilities into the following categories: financial liabilities at fair value through profit or loss and other financial liabilities category.

38-12-1 *Non-derivative financial assets and financial liabilities – Recognition and derecognition*

The Company initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date when the entity becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

38-12-2 *Non-derivative financial assets – Measurement*

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognised in profit or loss.

38-12-3 *Held-to-maturity financial assets*

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

38-12-4 ***Loans and receivables***

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

38-12-5 ***Available-for-sale financial assets***

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments, are recognised in OCI and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

38-12-6 ***Non-derivative financial liabilities – Measurement***

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

38-13 Share capital

38-13-1 ***Ordinary shares***

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with IAS 12.

38-13-2 ***Repurchase*** **of share capital (treasury stock)**

When issued capital share (treasury shares) is repurchased, the amount of consideration paid, including directly attributable costs, is recognized as a change in equity. Repurchased shares are classified as treasury shares and presented as deduction from total equity when selling or reissuing treasury shares, proceeds are recognized as increase in equity, excess and deficit that results from this transaction are presented as premium shares.

38-14 Impairment

38-14-1 ***Non-derivative financial assets***

Financial assets not classified as at fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- Indications that a debtor or issuer will enter bankruptcy;
- Adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost.

38-14-2 *Financial assets measured at amortized cost*

The Company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

38-14-3 *Non-financial assets*

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed in a subsequent period. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in the prior years.

38-15 Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

38-15-1 End of Services Benefit Fund (Defined contribution plan)

The holding company and two of its subsidiaries (Lecico for Ceramic Industries and European Ceramics) contributed to an employees End of Services Benefit fund. This contribution represents 3 % of the annual salaries. In addition, 0.5% to 1% of the annual net profit is recognized in the current year but pending the approval by the General Assembly Meeting along with annual dividends.

38-15-2 The group policy is to record accrual for Employees' share of Profit in the year to which it relates.

38-16 Cash and Cash Equivalents

Cash and cash equivalent comprises cash balances and call deposits. For the purpose of preparing the cash flow statement, cash and cash equivalents are defined as balances of cash on hand, bank current accounts, notes receivable and time deposits with maturity of less than three months. The Bank overdrafts which are repayable on demand form an integral part of the company's cash management. Accordingly, bank overdrafts are included as a component of cash and cash equivalents for the purpose of preparing the cash flow statement.

38-17 Borrowing Cost

The borrowing cost, represented in interest expenses, is recognized in the income statement under the "Financing Expenses" account in the year in which it occurs.
Those borrowing costs to be considered as parts of a qualified fixed asset that take a substantial year to be prepared for its intended use are capitalized. This accounting treatment is applied consistently to all borrowing costs and all qualified fixed assets.

38-18 Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

38-19 Consolidated Cash Flows Statement

The cash flows statement is prepared according to the indirect method.