Detailed analysis of accumulated losses

Date:	11-6-2020
Listed Company Name:	NAEEM Holding
Define the period of the financial statements	Q1 2020
Accumulated losses:	USD 55,516,584
Accumulated losses to capital ratio:	20.99%
The main reasons leading to these accumulated losses and their history:	Capital markets were negatively affected byCovid-19, its full implications are still unknown. Low liquidity in equity markets have decresead revenues from commissions in both securities brokerage and asset management business lines as well as revenues from dividends distribution. As for the real estate cycle, revenues are recognized in financials upon delivery, which delayed revenues recognition to the last quarter in 2020. As for historical losses, they are due to: - Change in accounting standards, namely leasing - Floating the EGP and FX volatility, affecting loans and investments in foreign currency - General fluctuations in financial investment field and the financial sector
Measures to be taken to address accumulated losses:	- Restructuring some subsidiaries and investments - Rescheduling debts and decreasing interest expenses - Accessing new sectors for investments - Investing outside of Egypt

Authorized to signatory

Talal Akeil

Deputy Chairman Finance and Administration

قسم علاقات المستثمرين

NAEEM

INVESTOR RELATION DEPT.