Translation from Arabic

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate interim financial statements
For the financial period ended
31 March 2024
And review report

Translation from Arabic

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate interim financial statements

For the period ended 31 March 2024

Contents

KPMG

Hazem Hassan
Public Accountants & Consultants

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Translation from Arabic

Report on Review of Separate Interim Financial Statements
To the Board of Directors of Juhayna Food industries S.A.E

Introduction

We have performed a limited review for the accompanying separate interim statement of financial position of Juhayna Food Industries "An Egyptian Joint Stock Company", as at 31 March 2024 and the related separate interim statements of income, comprehensive income, changes in equity and cash flows for the three month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these separate interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these separate interim financial statements based on our limited review.

Scope of Limited Review

We conducted our review in accordance with the Egyptian Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A Limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company and applying analytical and other limited review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these separate interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not present fairly in all material respects, the separate financial position of the company as at 31 March 2024 and of its separate financial performance and its separate cash flows for the three month period then ended in accordance with Egyptian Accounting Standards.

Samy Abdelhafez Ahmed Ibrahim
Financial Regulatory Authority Register No. (377)
KPMG Hazem Hassan

Cairo, 2 June 2024

KPMG Hazem Hassan
Public Accountants and Consultants
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Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate statement of financial position as at

Translated from Arabic

L.E	**Note no.**	**31/3/2024**	**31/12/2023**
Assets			
Non-current assets			
Property, plant and equipment	(9)	151 596 079	152 546 246
Projects under construction	(11)	42 142 229	43 821 690
Investment in subsidiaries and under joint control	(10-1)-(10-2)	2 273 491 193	2 273 491 193
Total non-current assets		**2 467 229 501**	**2 469 859 129**
Current assets			
Debtors and other debit balances	(14)	6 419 352	5 638 653
Due from related parties	(22-2)	364 904 111	371 001 375
Cash and cash equivalent	(15)	1 923 298	3 133 471
Total current assets		**373 246 761**	**379 773 499**
Total assets		**2 840 476 262**	**2 849 632 628**
Equity			
Issued and paid up capital	(16)	941 405 082	941 405 082
Legal reserve		470 702 541	470 702 541
General reserve - share issuance premium	(16-1)	330 920 428	330 920 428
Retained earnings		991 503 077	993 099 770
Total equity		**2 734 531 128**	**2 736 127 821**
Non-current liabilities			
Lease contract liabilities-non current portion	(21-1)	18 394 272	22 948 392
Deferred tax liabilities	(12-2)	16 335 850	15 606 623
Total non-current liabilities		**34 730 122**	**38 555 015**
Current liabilities			
Provisions	(18)	201 330	201 330
Suppliers and other credit balances	(19)	32 213 577	34 817 513
Lease contract liabilities- current portion	(21-1)	19 263 114	18 745 443
Bank Credit facility	(23)	19 536 991	19 771 099
Due to related party	(22-3)	-	1 414 407
Total current liabilities		**71 215 012**	**74 949 792**
Total liabilities		**105 945 134**	**113 504 807**
Total equity and liabilities		**2 840 476 262**	**2 849 632 628**

The notes from no. (1) to no.(26) are an integral part of these separate financial statements and should be read there to.

Associate Chief Financial Officer	Finance Director	Chairman
Osama El-Taweel	Hany shaker	Ahmed El-Wakil

Limited review report "attached"

L.E	Note no.	2024	2023
Other operating revenues	(5)	673 209	939 920
General and administrative expenses	(6)	(1 263 546)	(1 528 543)
Other Operating expenses	(7)	(1 868)	(733 292)
(Loss) from operating activities		**(592 205)**	**(1 321 915)**
Net finance income / (expenses)	(8)	97 275	(183 301)
Net (loss) for the period before income tax		**(494 930)**	**(1 505 216)**
Income tax	(12)	(719 027)	182 380
Net (loss) for the period after tax		**(1 213 957)**	**(1 322 836)**
(loss) / Earning per share for the period (L.E /share)	(17)	**(0.001)**	**(0.001)**

The notes from no. (1) to no.(26) are an integral part of these separate financial statements and should be read there to.

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate statement of comprehensive income
For the financial period ended 31 March 2024

L.E.	**Note no.**	**2024**	**2023**
Net (loss) for the period		(1 213 957)	(1 322 836)
Foreign exchange gain/(Loss) net of related tax	(26)	(382 736)	-
Transferred to retained earnings		382 736	-
Total other comprehensive (Loss) for period (EAS 13- Appendix H)		**(1 213 957)**	**(1 322 836)**

The notes from No.(1) to No.(26) are an integral part of these consolidated financial statements and should be read there to.

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate statement of changes in equity
For the financial period ended 31 March 2024

Translated from Arabic

L.E	Issued & paid up capital	Legal Reserve	General reserve-issuance premium	Retained earnings	Total
Balance as of 1 January 2023	941 405 082	470 702 541	330 920 428	1179 620 047	2 922 648 098
Comprehensive income					
(Loss) for the period	-	-	-	(1 322 836)	(1 322 836)
Other comprehensive income items	-	-	-	-	-
Total comprehensive income	-	-	-	(1 322 836)	(1 322 836)
Balance as of 31 March 2023	941 405 082	470 702 541	330 920 428	1 178 297 211	2 921 325 262
Balance as of 1 January 2024	941 405 082	470 702 541	330 920 428	993 099 770	2 736 127 821
Comprehensive income					
Loss for the period	-	-	-	(1 213 957)	(1 213 957)
Other comprehensive income items	-	-	-	(382 736)	(382 736)
Total comprehensive loss	-	-	-	(1 596 693)	(1 596 693)
Balance as of 31 March 2024	941 405 082	470 702 541	330 920 428	991 503 077	2 734 531 128

The notes from no. (1) to no.(26) are an integral part of these separate financial statements and should be read there to.

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate statement of cash flows
For the financial period ended 31 March 2024

Translated from Arabic

L.E	Note no.	2024	2023
Cash flows from operating activities			
Net (loss) / for the period before income tax		(494 930)	(1 505 216)
Adjustments:			
PPE depreciation	(9)	3 161 358	2 911 271
Right of use interest	(21)	2 064 951	2 431 689
Gain from selling PPE		(3 500)	-
Financial income expenses		(97 275)	183 301
		4 630 604	**4 021 045**
Changes in:			
Debtors and other debit balances		(780 699)	(10 597)
Related parties		4 682 857	6 794 594
Suppliers and other credit balances		(2 603 936)	(1 051 250)
Net cash flows resulted from operating activities		**5 928 826**	**9 753 792**
Finance interests and expenses paid		97 275	(183 330)
Net cash flows resulted from operating activities		**6 026 101**	**9 570 462**
Cash flows from investing activities			
Acquisition of PPE and projects under construction		(531 730)	(2 315 152)
Collection from sold PPE		3 500	-
Net cash flows (used in) investing activities		**(528 230)**	**(2 315 152)**
Cash flows from financing activities			
lease liability paid		(6 101 400)	(6 145 905)
Proceeds from credit facility	(23)	(234 108)	-
Net cash flows (used in) financing activities		**(6 335 508)**	**(6 145 905)**
Net change in cash and cash equivalents during the period		(837 637)	1 109 435
Net Change in foreign currency		(372 536)	-
Cash and cash equivalents at 1 Jan		3 133 471	1 361 300
Cash and cash equivalents at 31 March 2024	(15)	**1 923 298**	**2 470 735**

The notes from no. (1) to no.(26) are an integral part of these separate financial statements and should be read there to.

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Notes to the separate financial statements
For the financial period ended 31 March 2024

1- Reporting the entity

The Company was established in 1995 according to the Investment Law No. (230) of 1989 as replaced by the investment incentives and guarantees law No. (8) of 1997 and the decree of the Minister of Economic and Foreign Trade No. 636 of 1994 approving the Company's establishment.

The Company was registered in the commercial registry under No. 100994 on 10/1/1995. The Company life is 50 years starting from the date of registration in the commercial registry.

The address of the Company's registered office is Building no.2- Polygon- Sodic West- Sheikh Zayed, Giza. Mr. Ahmed Elwakil is the Chairman of the Board of Directors.

The Company is considered a holding Company.

The Company's purpose.

The Company primarily is involved in producing, manufacturing, packaging and packing of all types of dairy, products, all its derivatives, all types of cheeses, fruit juices, drinks and frozen material, preparing, manufacturing, packaging and packing all types of food materials and in general manufacturing of agriculture products.

Registration in the Stock Exchange

The Company is listed in the Egyptian Stock Exchanges in the (A)list.

2- Basis of preparation

a. Statement of compliance

- The financial statements have been prepared in accordance with Egyptian Accounting Standards ("EAS"), and in the light of prevailing Egyptian laws.
- The financial statements were authorized for issuance by the Board of Directors on 30 May 2024

b. Basis of measurement

- The financial statements have been prepared on the historical cost basis except some financial instrument are measured subsequently by either F.V or amortized cost.
- The financial statements have been prepared on going concern basis.
- **Functional and presentation currency**

The financial statements are presented in Egyptian pound, which is the Company's functional currency.

c. Use of estimates and judgments

- The preparation of financial statements in conformity with Egyptian Accounting Standards requires from management to make judgments, estimates and assumptions that affect the implementation of policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.
- Estimates and underlying assumptions are reviewed continuously. Any modifications to accounting estimates are recognized in the year in which the estimate is revised and in any future years affected.
- Information about important estimates in applying accounting policies that have the most significant effect on the amounts which are recognised in the financial statements are presented in the following notes:

- Accounting policy no (3-6): lease contract.

Information about uncertain assumptions and estimations that have a significant risk resulting in a material adjustment within the future financial statements are included in the following notes:

- Note (14): Impairment of other debit balances.
- Note (18): Provisions
- Note (12): Deferred tax liabilities and assets.

3- Significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

3-1 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

3-2 Investments

3-2-1 Investments in subsidiary companies

Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Investments in subsidiaries are carried in the balance sheet at cost, less any impairment in the value of individual investments which is charged to the income statement.

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 if no impairment loss had been recognized.

3-2-2 Investment under joint control

The companies under joint control are companies which the company has joint control on the investee company, the investments under joint control are carried in the balance sheet at cost, less any impairment in the value of individual investments which is charged to the income statement.
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, if no impairment loss had been recognized.

3-3 Financial instruments

3-3-1 Financial assets

A. Classification:

The Company classified its financial assets into the following measurement categories:

- financial assets at fair value through profit or loss or through other comprehensive income, and
- financial assets measured at amortized cost.

The classification depends on the Company's business model for managing those financial assets and the contractual terms of the cash flows.

B. Recognition and derecognition:

The normal way of buying and selling financial assets, on the trade date, which is the date on which the Company has a commitment to buy or sell the financial asset. A financial asset is derecognized when the contractual rights to receive cash flows from the financial asset expire, or those rights are transferred in a transaction in which substantially all the risks and rewards of ownership of the financial asset have been transferred.

C. Measurement:

On initial recognition, the Company measures the financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss statement, transaction costs directly attributable to the acquisition of the financial asset. Transaction costs of financial assets at fair value through profit or loss are expensed in the statement of profit or loss.

Embedded financial assets are considered entirely embedded derivatives when determining whether their cash flows are solely payments of principal and interest.

Debt instruments:

The measurement of debt instruments depends on the company's business for managing the asset and characteristics of cash flow of the asset, there are three measurement categories by which the Company classifies debt instruments:

- **Amortized cost:** Assets held to maturity date to collect contractual cash flows, where those cash flows represent only payment of original amount and interest, are measured at amortized cost. Interest income from these financial assets is included in financing income using the interest rate method. Any gains or losses resulting from the disposal of investments are recognized directly in the statement of profit or loss, and they are classified under other income / (expenses). Impairment losses are presented as a separate item in the statement of profit or loss.
- **Fair value through other comprehensive income:** Assets held for the purpose of collecting contractual cash flows and also for the purpose of selling financial assets, where the cash flows of assets represent only payment of original amount and interest, are measured at fair value through other comprehensive income. Changes in carrying amount are taken into other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in the statement of profit or loss. When the financial asset is disposed of, the cumulative gain or loss previously recognized in other comprehensive income from equity is reclassified to profit or loss and recognized in other income/(expenses). Interest income from these financial assets is included in financing income using the interest rate method, and impairment expense is presented as a separate item in the statement of profit or loss.
- **Fair value through profit or loss:** Assets that do not meet the criteria for depreciated cost or fair value through other comprehensive income are measured at fair value through profit or loss. Gains or losses on investment in debt instruments that are subsequently measured at fair value through profit or loss are recognized in profit or loss and are presented as a separate item in the statement of profit or losses in the period in which they arise.

Equity instruments

The Company subsequently measures all investments in equity instruments at fair value. When the company's management chooses to present the fair value gains and losses on investments in equity instruments in the statement of other comprehensive income, it is not subsequently reclassified to the statement of profit or loss after disposal of the investment. Dividends from these investments continue to be recognized in the statement of profit or loss as other income when the Company's right to receive dividends is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other income/(expenses) in the statement of profit or loss. Impairment losses (and reversals of impairment losses) on investments in equity instruments that are measured at fair value through other comprehensive income are not recognized separately from other changes in fair value.

d- Impairment:

The Company assesses the expected credit losses associated with the investment in debt instruments, which are carried at amortized cost and fair value through other comprehensive income. Where the applied impairment methodology depends on whether there is a significant deterioration in the credit risk of customers, the Company applies the simplified approach allowed by Egyptian Accounting Standard no. 47, which requires recognizing expected losses over the life of the initial recognition of customers.

3-4 Financial instruments

Financial liabilities and equity instruments issued by the Company

Classification as debt or equity

Financial instruments are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangement at the date of issuance of these instruments.

Equity instruments

Equity instruments represent any contract that gives the Company the right to the net assets of an entity after deducting all of its obligations.

Equity instruments issued by the Company are recorded at the value of the proceeds received or the net value of the assets transferred, deduct the costs of issuance directly attributable to the transaction.

Financial liabilities

Financial liabilities are classified as either financial liabilities (at fair value through profit or loss) or other financial liabilities.

Other financial liabilities

The Company has classified its financial liabilities as trade payables, due to related parties borrowings and other credit balances, which are initially measured at fair value, net of transaction costs and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest rate is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

De-recognition of financial instruments

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks, on hands and deposits with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments.

Non-derivative financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated as at fair value through profit or loss) are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Company classifies non – derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at the fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. Generally, trade payables are recorded at their nominal value.

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash at banks and on hand for the purpose of the statement of cash flows.

3-5 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses (Note 10).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

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

The gain and loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognized net within other income/other expenses in profit or loss.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives for the current and comparative years are as follows:

Description	Estimated useful life
	(Years)
Buildings & Constructions	50
Transportation & Transport Vehicles	5
Office equipment & Furniture	10
Computers	3

Depreciation commences when the fixed asset is completed and made available for use.

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

3-6 Projects under construction

Expenditures incurred on purchasing and constructing fixed assets are initially recorded in projects under construction until the asset is completed and becomes ready for use. Upon the completion of the assets, all related costs are transferred to fixed assets. Projects under construction are measured at cost less accumulated impairment losses (Note 11). No depreciation is charged until the project is completed and transferred to fixed asset.

3-7 Lease contracts

Operating lease contracts:

The company assess whether a contract is or contains a lease at inception of the contract. The assessment involves the exercise of judgment about whether it depends on a specified asset, whether the Company obtains substantially all the economic benefits from the use of that asset, and whether the company has the right to direct the use of the asset.

The company recognize right of use (ROU) asset and a lease liability at the lease commencement date, except for short term leases of 12 months or less which are expensed in the income statement in a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the company uses an incremental borrowing rate specific to the country, term and currency of the contract. Lease payments can include fixed payments; variable payment that depend on an index or rate known at the commencement date; and extension option payments or purchase options, if the Company is reasonably certain to exercise. The lease liability is subsequently measured at amortized cost using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, change of an index or rate or in case of reassessment of options. At inception, the ROU asset comprises, the initial lease liability, initial direst costs, and the obligations to refurbish the asset, less any incentives granted by the lessors. The ROU asset is depreciated over the shorter of the lease term or useful life of the underlying asset. The ROU asset is subject to testing of impairment if there is an indicator for impairment, as for owned assets.

Finance lease contracts (sale and lease back):

- If the entity (the lessee) transfers the asset to the other entity (the lessor) and leased back the asset, the entity must determine whether the asset is being accounted for as sales transaction or not.

- **In case of the transfer of asset that is not sale transaction:**
  The entity (lessee) must continue to recognize the transferred asset and must recognize a financial liability equal to the proceeds of the transfer.

3-8 Impairment in value

Non –derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives, the recoverable amount is tested annually for impairment.

An impairment loss is recognized if the carrying amount of an asset or cash – generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are 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. For the purpose of impairment testing, assets are grouped together into the smallest company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognized in profit or loss. 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 amortization, if no impairment loss had been recognized.

3-9 Advantages of Pensions

The company pays contributions to the General Authority for Social Insurance for the employees of the company, according to the Social Insurance Law No. (79) of 1975. According to this law, the employees and the company paid fixed subscriptions rate from the salary. The company is under no obligation to pay any further amounts for previous other than the value of the previous mentioned subscriptions.

3-10 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3-11 Revenue

Dividends revenue from subsidiaries

Dividends revenue from subsidiaries is recognized when the holders of shares have the right to collect dividends. Dividends income received from investments is recognized in profit or loss on the date of collection.

Rental income

Rental income from other assets is recognized in other income.

3-12 Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, fair value losses on financial assets at fair value through profit or loss, impairment losses recognized on financial assets.

Borrowing costs that are not directly attributable to the acquisition, construction, or production of a qualifying asset are recognized in profit or loss using the effective interest method.
Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3-13 Income tax

Income tax on profit or loss for the year includes both current income tax and deferred tax.

Current income tax:

Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax:

Deferred tax is recognized 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 measured based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.
A deferred tax asset is recognized for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3-14 Legal reserve

According to the Companies Law requirements and the statutes of the Company, 5% of the annual net profit shall be transferred to a legal reserve until the accumulated reserve reaches 50% of the issued share capital. The reserve is un-distributable; however, it can be used to increase the share capital or to offset losses. If the reserve falls below the defined level (50% of the issued share capital), then the Company is required to resume setting aside 5% of the annual profit until it reaches 50% of the issued share capital. The legal reserve is unable to distribute.

3-15 End of service benefits

End of service benefits are recognized as an expense when the company is committed clearly-without having the possibility of cancellation – to a formal detailed plan to either terminate the employment contract before the normal retirement date or to provide end of service benefits as a result of resignations (voluntary leave) according to law (12) of 2003 and related Egyptian Laws and policies approved and declared by the company.
If the benefit is payable for a year of more than 12 months after the date of preparation of the financial statements, it is reduced to its present value.

3-16 Transactions with related parties:

The company records all transactions with the related parties in the context of their regular accounting and as per the conditions established by the board of directors.

4 Determination of fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non- financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Financial asset values are determined at the current purchase prices of those assets, while the value of financial liabilities are determined at the current rates at which such liabilities can be settled.
In the absence of an active market to determine the fair value of financial instruments, fair value is estimated using the various valuation techniques, taking into consideration recent transaction prices, and guidance on the current fair value of other instruments that are substantially similar - discounted cash flow method or other valuation method which results in reliable values.

When using deductible cash flow method as a revaluation method, the future cash flows are estimated on the base of the best estimates for the management. The used discount rate is determined according to the price at reporting date for the same financial instruments of its nature and activities.

Wherever possible, additional disclosures about the assumptions used in determining fair value are disclosed in the notes to these assets and liabilities.
The book value for the financial instrument measured by amortized cost are approximately equivalent to the market value

4-1 The Company classifies non – derivative financial liabilities into the other financial liabilities' category. Such financial liabilities are recognised initially at the fair value plus any directly attributable transaction costs. After initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

5- Other operating revenues

	Financial Period from 1/1/2024 To 31/3/2024 L.E	Financial Period from 1/1/2023 To 31/3/2023 L.E
Income from rental of assets to subsidiaries	660 000	660 000
Gain from sale of fixed assets	3 500	–
Allowance for intercompany balances	97 09	10 820
Other	–	269 100
	673 209	**939 920**

6- General and administrative expenses

	Financial Period from 1/1/2024 To 31/3/2024 L.E	Financial Period from 1/1/2023 To 31/3/2023 L.E
Personnel expenses	30 172 785	19 723 937
Depreciation expenses	3 161 358	2 911 271
Termination of service	2 214 099	105 960
Subscription and licenses	491 067	307 698
Other administrative expenses	11 273 990	7 022 656
Board of Directors remunerations	150 000	–
Expenses charged to subsidiaries*	(46 199 753)	(28 542 979)
	1 263 546	**1 528 543**

* The amount of L.E 46 199 753 of general and administrative expenses was deducted and charged to subsidiaries (note 24).

7- Other operating expenses

	Financial Period from 1/1/2024 To 31/3/2024 L.E	Financial Period from 1/1/2023 To 31/3/2023 L.E
Health insurance contribution	1 868	2 412
Property tax	-	730 880
	1 868	**733 292**

8- Net finance income/ (expenses)

	Financial Period from 1/1/2024 To 31/3/2024 L.E	Financial Period from 1/1/2023 To 31/3/2023 L.E
Interest expense and income	(3 235 434)	(2 451 835)
Credit interest	83 666	45 660
Loss from foreign currency exchange	–	(228 961)
Expenses Charged to subsidiaries *	3 249 043	2 451 835
	97 275	**(183 301)**

* The amount of L.E 3 249 043 of finance expenses was deducted and charged to subsidiaries (note 24)

9- Property, plant, and equipment

Description	Lands	Buildings & constructions	Buildings and constructions result from lease contract	Transportation & transport vehicles	Office furnitures & equipments	Computers	Total
	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.
Cost as of 1/1/2023	11 870 738	111 706 795	44 387 809	5 172 843	11 512 776	95 592 576	280 243 537
Additions during the year	-	-	-		13 800	5 932 486	5 946 286
Disposals during the year	-	-	-	(292 000)	-	-	(292 000)
Cost as of 31/12/2023	11 870 738	111 706 795	44 387 809	4 880 843	11 526 576	101 525 062	285 897 823
Additions during the period	-	-	-	-	5 949	2 205 242	2 211 191
Disposals during the period	-	-	-	-	-	(5 500)	(5 500)
Cost as of 31/3/2024	11 870 738	111 706 795	44 387 809	4 880 843	11 532 525	103 724 804	288 103 514
Accumlated depreciation as of 1/1/2023	-	12 374 411	12 428 586	4 247 023	9 731 095	83 030 383	121 811 498
Depreciation for the year	-	2 234 136	887 756	322 741	365 277	8 022 169	11 832 079
Depreciation of disposals	-	-	-	(292 000)	-	-	(292 000)
Accumlated depericiaion as of 31/12/2023	-	14 608 547	13 316 342	4 277 764	10 096 372	91 052 552	133 351 577
Depreciation for the period	-	558 534	221 939	80 686	88 253	2 211 946	3 161 358
Disposals Depreciation during the period	-	-	-	-	-	(5 500)	(5 500)
Accumulated depreciation as of 31/3/2024	-	15 167 081	13 538 281	4 358 450	10 184 625	93 264 498	136 507 435
Net book value as of 31/3/2024	11 870 738	96 539 714	30 849 528	522 393	1 347 900	10 460 306	151 596 079
Net book value as of 31/12/2023	11 870 738	97 098 248	31 071 467	603 079	1 430 204	10 472 510	152 546 246

• Land includes an amount of L.E 11 680 388 from finance lease contracts.

10- Investments

	Name of the investee company	Legal entity	Number of purchased shares	Participation percentage	Nominal value per share	Total Nominal value	Percentage paid	Total investment cost	Impairment in the value of investment as at	Net Investment	
								31/03/2024	31/03/2024	31/03/2024	31/12/2023
				%	L.E.	L.E.	%	L.E.	L.E.	L.E.	L.E.
(10-1)	**Investment in subsidiary companies**										
	Egyptian Company for Dairy Products	SAE	2 999 700	99.99	100	299 970 000	100	359 911 533	-	359 911 533	359 911 533
	International Company For Modern Food Industries	SAE	4 999 500	99.99	100	499 950 000	100	499 950 000	-	499 950 000	499 950 000
	The Egyptian Company For Food Industries "Egyfood"	SAE	499 908	99.98	1 000	499 908 000	80	386 893 852	-	386 893 852	386 893 852
	Tiba for Trading and Distribution	SAE	1 998 000	99.90	100	199 800 000	100	199 800 000	-	199 800 000	199 800 000
	Al-Marwa for Food industries	SAE	12 256 279	99.91	10	122 562 790	100	196 815 808	-	196 815 808	196 815 808
	Enmaa for Agriculture Development Co. and biological wealth	SAE	6 499 700	99.995	100	649 970 000	100	599 970 000	-	599 970 000	599 970 000
	Paid on account of investment										
	Tiba for Trading and Distribution	SAE	2 000 000	100	100	200 000 000	10	20 000 000	-	20 000 000	20 000 000
(10-2)	**Investment in under joint companies**										
	Arju For Food Industries*	SAE	1 015 000	50.75	10	10 150 000	100	10 150 000	-	10 150 000	10 150 000
	Balance as at 31 March 2024					2 482 310 790		2 273 491 193	-	2 273 491 193	2 273 491 193
(10-3)	**Investments at fair value through profit and loss**										
	Egyptian for Trading and Marketing	SAE	1 000	0.54	100	100 000	100	100 000	(100 000)	-	-
	Balance as at 31 March 2024					100 000		100 000	(100 000)	-	-

- On November 30, 2021 the decision of the Juhayna Board of Directors, based on the request of Arla, to liquidate Argu and cancel the partnership withother companies.

11- Projects under construction

	31/3/2024	31/12/2023	Completion %	Implementation schedule
	L.E	L.E		
Software programs (SAP Update)	40 816 904	40 383 015	%80 -%70	Within the year
Advance for fixed assets	1 325 325	3 438 675	%80-%70	Within the year
	42 142 229	**43 821 690**		

12- Income tax expense for period

	2024/3/31	2023/3/31
	L.E	L.E
Current period tax	-	-
Deferred tax expense	719 027	182 380
	719 027	**182 380**

12-1 Reconciliation of effective tax rate

	2024	2023
Net (Loss) / Profit for the period before income tax	(953 347)	(1 505 216)
Tax adjustment	214 503	338 674
Income Tax		
Effective tax rate	-	-
	-	-

12-2 Deferred tax liabilities

A- Deferred tax assets and liability arising from lease contract.

	31/3/2024	31/12/2023
	L.E	L.E
Lease contract	(10 613 567)	(9 805 240)
Fixed Assets	(5 712 083)	(5 801 383)
Forex (loss) (EAS13 – Appendix H)	(10 200)	-
Total deferred tax liability	**(16 335 850)**	**(15 606 623)**

Deferred tax movement

	Balance as of 1/1/2024	Deferred tax (expense) for the financial period ended 31/12/2024	Balance as of 31/3/2024
	L.E	L.E	L.E
Total Deferred tax liability	15 606 623	729 227	16 335 850

13- Tax status.

13-1 Corporation tax

The corporate tax due from the Company is an annual tax according to income tax law No. 91 for the year 2005 and the tax paid according to the result of the company performance yearly.

The period from the beginning of operation till year 2018

The Company has been inspected and all tax inspection differences were paid.

Year 2019 till 2023

The Company submitted the annual tax return in the due date and did not request for inspection.

13-2 Payroll tax

The period from the beginning of operation till year 2022

The tax inspection is performed, and all tax inspection were paid.

Year 2023

The Company remitted monthly tax in the due date and was not requested for inspection.

13-3 Stamp tax

The period from the beginning of operation till 2020

The tax inspection performed, and differences settled.

Year 2021 till 2023

The Company submitted the monthly tax return in the due date and was not requested for inspection yet.

13-4 Sales tax / Value added tax

From 2013 to 2015

The tax inspection is performed, and the company settled differences till 31/12/2015.

The sales tax was replaced by value added tax by the issuance of the law no. 67 for year 2016 to be applied as of the day following its issuance date on 7 September 2016. The company supplies the tax and submits the returns on legal dates.

From 2016 to 2020

The tax inspection is performed, and all tax inspection were paid.

Year 2021 to 2023

The Company submitted the monthly tax return in the due date and was not requested for inspection yet.

13-5 Withholding tax

The Company remitted the amount that was deducted to tax authority on due dates.

14- Debtors and Other debit balances

	31/3/2024	31/12/2023
	L.E	L.E
Suppliers – advance payments	404 550	574 781
Prepaid expenses	3 804 036	3 283 503
Letter of guarantees margin	25 398	25 398
Deposits with others	432 125	432 125
Advance for land purchase with the government (under refund)	1 367 244	1 367 244
Other debit balances	583 869	153 472
	6 617 222	**5 836 523**
Less: Impairment in other debit balances	(197 870)	(197 870)
	6 419 352	**5 638 653**

15- Cash at banks and on hand

	31/3/2024	31/12/2023
	L.E	L.E
Banks – current accounts	1 780 937	2 915 446
Cash on hand	142 361	218 025
	1 923 298	**3 133 471**

16-Capital

Authorized capital

The Company's authorized capital amounts to L.E 5 billion.

Issued and paid-up capital

The Company's issued and fully paid-up capital was amounted to L.E 941 405 082 (Nine hundred forty-one million and four hundred five thousand and eighty-two) divided into 941 405 082 (Nine hundred forty-one million and four hundred five thousand and eighty-two) shares at par value L.E 1 each.

	31/3/2024	31/12/2023
	L.E	L.E
Authorized capital	5 000 000 000	5 000 000 000
Issued & paid-up capital (divided into 941 405 082 shares with nominal value L.E 1 each)	941 405 082	941 405 082

The shareholder's structure on 31 March 2024 is as follows:

Shareholder	No. of shares	Owner percentage
PHARON INVESTMENT LIMITED	471 331 200	50.07%
Bladna	154 247 362	16.38%
RIMCO E G T INVESTMENT LLC	102 497 429	10.89%
Other Shareholders	213 329 091	22.66%
	941 405 082	**100%**

16-1 General reserve - issuance premium

The balance of general reserve – issuance premium as follows: -

Collected from issuance premium of 205 972 632 shares during the year 2010	999 379 210
Less:	
i.Nominal value of issued shares with a premium	205 972 632
ii.Issuance fees	38 507 164
iii.Legal reserve formed to reach 50 % of paid up capital	350 398 732
iv.Difference between the nominal value and the cost of own shares cancelled on 5/2/2012.	73 580 254
General reserve balance	**330 920 428**

17- Basic/ Diluted (Loss) Earnings per share

The Company presents basic / diluted earnings per share (EPS) data for its ordinary shares. Basic/diluted EPS is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period after reducing dividends to employees and BOD as follows :

	2024 L.E	2023 L.E
Net (Loss) /profit for the period according to profit or loss statement	(1 213 957)	(1 322 836)
Less:		
Employees share (Estimated/Actual)	-	-
Board of directors (Estimated/Actual)	-	-
Net payable to shareholders	(1 213 957)	(1 322 836)
Weighted average to number of shares	941 405 082	941 405 082
Earning Per Share (net) / (Loss) for period (L.E/Share)	(0.001)	(0.001)
Earning Per Share (OCI) for period (L.E/Share)	(0.001)	(0.001)

18-Provision

Description	Balance on 1/1/2024	Provision formed	Provision used	Balance on 31/3/2024
	L.E	L.E	L.E	L.E
*Provision for claims	201 330	-	-	201 330

* The provisions represent the value of claims that can be estimated reliably related to the Company's activities. The management reviews these provisions periodically and adjusts the amount of the provision according to the latest coordination of developments, discussions and agreements.

19- Suppliers and other credit balances

	31/12/2023	31/12/2023
	L.E	L.E
Suppliers	9 836 928	12 055 805
Accrued expenses	15 868 267	17 459 033
Taxes- Tax authority	5 494 177	4 369 980
Dividends payable	13 984	13 984
Accrued health insurance	11 943	10 075
Social Insurance Authority	399 525	328 788
Other credit balances	588 753	579 848
	32 213 577	**34 817 513**

20- Financial instruments

Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk.

Risk management framework.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and Monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's Board is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the B.O.D.

Credit risk

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer including the default risk of the industry in which customers operate, as these factors may have an influence on credit risk

Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	31/3/2024	31/12/2023
	L.E	L.E
Debtors and other debit balances	6 419 352	5 638 653
Due from related parties	364 904 111	371 001 375
Cash	1 923 298	3 133 471

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company is keeping the following credit process:

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements

	Carrying amount	
	31/3/2024	31/12/2023
	L.E	L.E
Suppliers and other credit balances	32 213 577	34 817 513
lease contract liabilities	45 931 052	52 492 631
Facilities	19 536 991	19 771 099

The contractual lease value and its life payments information refer to note. 21. The payments during this period amounted approx.to L.E 6.6 million and the leas interest amounted approx. to L.E 2.5 million.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The Company incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the management.

Currency risk

The Company is exposed to currency risk other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances

Foreign currency risk

Exposure to currency risk

The Group's exposure to foreign currency risk was as follows based on notional amounts:

	USD	EURO
Creditors	1 486	1 427
Debtors	28 226	-
Cash at banks and on hand	28 226	(9 875)
31 March 2024	**29 712**	**8 448**
31 December 2023	**3 686**	**1 427**

The following significant exchange rates applied during the period: The following significant exchange rates applied during the period:

	Average rate		**Actual closing Rate**	
	31/3/2024	**31/12/2023**	**31/3/2024**	**31/12/2023**
USD	36.39	30.06	47.28	30.95
Euro	39.38	32.98	51.05	34.17

Sensitivity analysis

Any reasonably possible strengthening (weakness) of the EUR, USD or GBP/EGP 31 March 2024 by 10% would affect the measurement of financial instruments denominated in a foreign currency and affect equity and profit or loss in the amounts set out below. This analysis assumes that all other variables particularly interest rates remain constant and ignore any influence of expected sales and purchases.

	31 March 2024 10% Effect
USD	140 478
Euro	43 127

Interest rate risk

The Company adopts a policy of ensuring that its exposure to changes in interest rates on borrowings is on a fixed-rate basis, considering assets with exposure to changes in interest rates.

A reasonably possible change of 100 basis points in interest rates at the reporting date could increase (decrease) equity and profit or loss by the amounts described below. This analysis assumes that all other variables particularly foreign exchange rates remain constant.

The effect is in Egyptian pounds	**Profit or Loss**	
31 March 2024	100 points increase	100 points decrease
Financial instruments that carry a variable interest rate	48 842	(48 842)
31 December 2023		
Financial instruments that carry a variable interest rate	197 711	(197 711)

Capital management.

Total liabilities

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Total equity consists of paid-up capital and retained earnings and reserves. The Board of Directors monitors the return on capital, as well as the level of dividends to shareholders.

	31/3/2024	31/12/2023
	L.E	L.E
Total liabilities	105 945 134	113 504 807
Less: cash at banks and on hand	(1 923 298)	(3 133 471)
Net debt	**104 021 836**	**110 371 336**
Total equity	2 734 531 128	2 736 127 821
Net debt to equity ratio	**% 3.8**	**% 4.3**

-There were no changes in the company's approach to capital management during the period.

21- Financial lease contracts

Lease contracts (Sale and lease back)

On 23/3/2016 the Company signed a contract with regard to a sale & lease back for a land (including the building built thereon), for land located on plot no. 21 of the Crazy Water's Corridor in Zayed City with a total area of 15 374.47 m². The contract terms became effective starting 24/3/2016. The following is a summary of the above-mentioned contract:

Description	Lease value		Lease period	Purchase value at end of contract	Quarterly lease value rounded
	Contractual value	Accrued interest			
	L.E	L.E	Months	L.E	L.E
Contract from 24/3/2016 to 25/12/2025	125 000 000	122 870 843	120	1	6 561 579

- The company made an agreement with Tiba For Trading and Distribution Company -Subsidiary company- with a percentage of 99,9% for leasing the administrative building of the subsidiary company with a monthly rental value with a total amount of L.E 660 000 during the financial period ended 31 March 2024 (An amount of L.E 660 000 during the period ended 31 March 2024).
- The finance interests of the lease contract amounted to L.E 9 305 314 during the financial period ended 31 March 2024.

21-1 Loan (arising from lease contract)

	31/3/2024	31/12/2023
	L.E	L.E
Liabilities from lease contract (current portion)	19 263 114	18 745 443
Long-term liability from lease contract (non-current portion)	18 394 272	22 948 392
Total	**37 657 386**	**41 693 835**

Payment of lease contracts liabilities are as follows:

	Loan principal		Accrued interest	
	31/3/2024	**31/12/2023**	**31/3/2024**	**31/12/2023**
	L.E	**L.E**	**L.E**	**L.E**
Liabilities for one year	19 263 114	18 745 433	6 983 202	5 972 051
Liabilities more than 1 year	18 394 272	22 948 392	1 290 464	1 769 103

22- Related party transactions

The related parties are represented in the Company's shareholders, key management and companies in which they own directly or indirectly shares giving them significant influence or control.

The following is a summary of significant transactions concluded, during the current period, between the Company and its related parties.

22-1 Board of directors allowances

	31/3/2024	**31/12/2023**
	L.E	**L.E**
Board of directors' allowances	240 000	90 000

*Classified with general and administrative expenses (Note 6).

22-2 Due from related parties

	Nature of transaction	**Total value of transactions**		**Balance as of**	
		31/3/2024	**31/12/2023**	**31/3/2024**	**31/12/2023**
		L.E	**L.E**	**L.E**	**L.E**
Tiba For Trading and Distribution	Collections	(80 316 211)	44 319 594	48 553 854	120 460 837
	Dividends Exp.	7 749 228	26 938 401		
	Right of use assets	660 000	2 640 000		
International Company for Modern Food Industries	Current account	1 113 623	(16 575 350)	6 235 528	-
	Dividends	-	-		
	Dividend Collection	-	(55 344 465)		
	Expense distribution	5 752 044	19 382 560		
El Marwa for Food Industries	Current/collection	211 927	(39 820 949)	6 808 948	-
	Dividends	-	(56 169 484)		
	Expense distribution	7 381 290	13 821 255		

Notes to the separate financial position for the financial period ended 31 March 2024

EGY Food	Dividend's	-	(103 480 956)	12 332 183	905 237
	Collection	(256 227)	(29 190 413)		
	Collections/current		30 599 509		
	Expense distribution	11 683 173			
Enmaa For Agricultural Reclamation	Current account	139	(26 531)	30 780	30 641
Enmaa For Agriculture Development and Biological Wealth	Current account	10 557 301	17 250 641	254 667 310	244 110 009
Egyptian Company for Dairy Products	Collections	9 361 615	(82 484 653)	33 916 800	3 673 183
	Dividends	-	-		
	Dividends collections	-	(38 246 175)		
	Expense distribution	20 882 003	78 347 988		
Enmaa For Livestock	Current account	162 941	(9 772 574)	172 032	9 09 1
Arju for food industries	Current account	364 590	1 902 133	2 767 798	2 403 208
Total				**365 485 233**	**371 592 206**
ECL from related parties				**(581 122)**	**(900 078)**
Net				**364 904 111**	**371 001 375**

22-3 Due to related parties

Nature of transaction		Total value of transactions 31/3/2024 L.E	Total value of transactions 3202/12/31 L.E	Balance as of 31/3/2024 L.E	Balance as of 31/12/2023 L.E
El Marwa for Food Industries	Current/collection Dividends Expense distribution	-	784 268	-	784 268
International Company for Modern Food Industries	Collections/Current	-	630 139		630 139
Net				-	**1 414 407**

23- Overdraft facility

The outstanding balance amounted to 19 536 991 EGP represents the outstanding balance for the overdraft facility from HSBC for working capital requirement including overheads, taxes and utilities expenses amounted to EGP 20 million with interest rate equal 20% (the corridor rate +0.75%) for promissory note.

24- Distribution of the holding companies' expenses

According to the Board of Director meeting No. 291 held on 18 February 2024, the Company will distribute its expenses to the following companies (The Egyptian Dairy Products, the Egyptian Food Industries "Egy food", the International Food Industries, Tiba, Al-Marwa Food Industries) according to the percentage of each Company's contribution in the consolidated revenues.

25 New Editions and Amendments to Egyptian Accounting Standards

on 3 March 2024, another decision was issued by the Prime Minister No. (636) of 2024 amending some other provisions of the Egyptian accounting standards, and the following is a summary of the most important of those amendments:

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (50) "Insurance Contracts".	1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the Company provides appropriate information that truthfully reflects those contracts. This information provides users of financial statements with the basis for assessing the impact of insurance contracts on the Company's financial position, financial performance, and cash flows.	The Company is currently assessing the impact of applying this new standard on its financial statements.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting **on or after July 1, 2024**, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the

Notes to the separate financial position for the financial period ended 31 March 2024

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 3-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows: - Egyptian Accounting Standard No. (10) "Fixed Assets ". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment property ".		Company should disclose that fact.
Egyptian Accounting Standard No. (17) amended 2024 "Separate Financial Statements"	Egyptian Accounting Standard No. (17) "Separate Financial Statements" was reissued in 2024, adding the option to use the equity method as described in Egyptian Accounting Standard No. (18) "Investments in Sister Companies" when accounting for investments in associates, sister companies and jointly controlled companies.	The company uses the cost method in accounting for investments in subsidiaries and through equity in accounting for investments in companies under joint control.	The amendments shall apply to financial periods commencing on or after **January 1, 2024** with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the equity method by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this method for the first time.

Notes to the separate financial position for the financial period ended 31 March 2024

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"	This standard was reissued in 2024, to add how to determine the spot exchange rate when exchange between two currencies is difficult and what are the conditions that must be met for determining the spot exchange rate at the measurement date. An appendix to the application guidelines has been added, which includes guidelines for assessing whether a currency is exchangeable for another currency, and guidelines for applying the required treatments in case of non-exchangeability.	The company has applied the alternative treatment of the standard in accordance with Appendix (H)	Amendments regarding the determination of spot exchange rate when it is difficult to exchange between two currencies is applicable to financial periods commencing on or after **January 1, 2024** with early adaption allowed. If the entity made an early application, this has to be disclosed. Entity shall not be modifying comparative information and instead should: • When the entity reports foreign currency transactions to its functional currency, any effect of the initial application is recognized as an adjustment to the opening balance retained earnings/losses on the date of initial application. • When an entity uses presentation currency different than its functional currency or translates the results and balances of foreign operation, the resulting differences and financial position of a

Notes to the separate financial position for the financial period ended 31 March 2024

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			foreign transaction, any effect of the initial application is recognized as an adjustment to the cumulative translation adjustment reserve - accumulated in equity section on the date of initial application.

26 Significant events

- In light of the global and local economic conditions and geopolitical risks facing the country, the government, represented mainly in the Central Bank of Egypt, has taken a number of financial measures during 2022 and 2023 to contain the impact of these crises as well as the resulting inflationary impact over the Egyptian economy, including the devaluation of the Egyptian pound against foreign currencies, raising the interest rate on overnight deposits and lending rates, and setting maximum limits on cash withdrawals and deposits in banks. This resulted in a decrease in exchange rates and availability of foreign currencies through the official channels which had limited impact on the company.

- On March 6, 2024, the Central Bank of Egypt decided to raise the overnight deposit and lending rates by 600 basis points to reach 27.25% and 28.25%, respectively. Also, the credit and discount rate was raised by also 600 points to reach 27.75 with allowing the use of a flexible exchange rate driven by market mechanisms, which led to an increase in the average official exchange rate of US $ during the first week of the Central Bank's decision date, to reach between 49 to 50 EGP/USD. The at 31 March 2024 is 47.28

- Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates" Appendix (E) issued on May 23, 2024 as an exception to the requirements of paragraph (28) Effects of changes in foreign exchange rates Adjusted 2024 for the recognition of currency differences - The entity whose results are affected by net profit or loss of currency differences as a result of adjustment of the foreign exchange rate - The company recognized among other comprehensive income items the net debit and credit currency differences resulting from the retranslation of the balances of items of the monetary nature of the cash at the end of the closing date of the financial statements in accordance with paragraph (e), as these differences resulted mainly from the decision to adjust the exchange rate.

- The Ordinary General Assembly of the Company was held on 9 May 2024, and approved the company's financial statements for the fiscal year ending on 31 December 2023, and the General Assembly approved the distribution of dividends to shareholders from the carry-over profits at the rate of 20 piasters per share.