

Translation from Arabic

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

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

**For the period ended 30 June 2024**

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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 30 June 2024 and the related separate interim statements of income, comprehensive income, changes in equity and cash flows for the six 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**

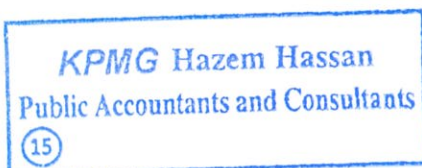
We conducted our review in accordance with the Egyptian Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A Limited review of interim financial statements consists of making inquiries, primarily of persons responsible for 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 30 June 2024 and of its separate financial performance and its separate cash flows for the six month period then ended in accordance with Egyptian Accounting Standards.

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

Cairo, 12 August 2024



**Juhayna Food Industries**  
**(An Egyptian Joint Stock Company)**  
**Separate statement of financial position as at**

**Translated from Arabic**

<u>L.E</u>	Note no.	30/6/2024	31/12/2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	(9)	155 216 687	152 546 246
Projects under construction	(11)	49 340 954	43 821 690
Investment in subsidiaries and under joint control	(10-1)-(10-2)	2 273 491 193	2 273 491 193
<b>Total non-current assets</b>		<b>2 478 048 834</b>	<b>2 469 859 129</b>
<b>Current assets</b>			
Debtors and other debit balances	(14)	9 885 854	5 638 653
Due from related parties	(22-2)	353 630 114	371 001 375
Cash and cash equivalent	(15)	25 547 904	3 133 471
<b>Total current assets</b>		<b>389 063 872</b>	<b>379 773 499</b>
<b>Total assets</b>		<b>2 867 112 706</b>	<b>2 849 632 628</b>
<b>Equity</b>			
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		792 200 874	993 099 770
<b>Total equity</b>		<b>2 535 228 925</b>	<b>2 736 127 821</b>
<b>Non-current liabilities</b>			
Lease contract liabilities-non current portion	(21-1)	12 683 170	22 948 392
Deferred tax liabilities	(12-2)	17 218 850	15 606 623
<b>Total non-current liabilities</b>		<b>29 902 020</b>	<b>38 555 015</b>
<b>Current liabilities</b>			
Provisions	(18)	201 330	201 330
Suppliers and other credit balances	(19)	52 290 468	34 817 513
Lease contract liabilities- current portion	(21-1)	20 647 650	18 745 443
Bank Credit facility	(23)	19 053 119	19 771 099
Due to related party	(22-3)	209 789 194	1 414 407
<b>Total current liabilities</b>		<b>301 981 761</b>	<b>74 949 792</b>
<b>Total liabilities</b>		<b>331 883 781</b>	<b>113 504 807</b>
<b>Total equity and liabilities</b>		<b>2 867 112 706</b>	<b>2 849 632 628</b>

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  
Osama El-Taweel



Limited review report "attached"

CFO  
Tarek Elwan



Chairman  
Ahmed El-Wakil



**Juhayna Food Industries**  
**(An Egyptian Joint Stock Company)**  
**Separate statement of profit or loss**  
**For the financial period ended**

Translated from Arabic

	Note	From 1/1/2024	From 1/1/2023	From 1/4/2024	From 1/4/2023
	no.	To 30/6/2024	To 30/6/2023	To 30/6/2024	To 30/6/2023
<u>L.E</u>		<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Other operating revenues	(5)	1 323 500	1 605 100	660 000	676 000
General and administrative expenses	(6)	( 2 092 762)	( 2 249 305)	( 829 216)	( 720 762)
Allowance for intercompany balances		27 664	308 989	17 955	298 169
Other Operating expenses	(7)	( 6 276)	( 736 323)	( 4 408)	( 3 030)
<b>(Loss) profit from operating activities</b>		<b>( 747 874)</b>	<b>( 1 071 539)</b>	<b>( 155 669)</b>	<b>250 377</b>
Net finance (expenses) / income	(8)	( 1 885 243)	315 761	( 1 982 518)	499 061
<b>Net (loss) profit for the period before income tax</b>		<b>( 2 633 117)</b>	<b>( 755 778)</b>	<b>( 2 138 187)</b>	<b>749 438</b>
Income tax	(12)	( 1 602 027)	( 1 654 815)	( 883 000)	( 545 554)
<b>Net (loss) profit for the period after tax</b>		<b>( 4 235 144)</b>	<b>( 2 410 593)</b>	<b>( 3 021 187)</b>	<b>203 884</b>
<b>(loss) / Earning per share for the period (L.E)</b>	(17)	<b>(0.004)</b>	<b>(0.003)</b>	<b>(0.003)</b>	<b>0.000</b>

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**

L.E.	Note no.	From 1/1/2024	From 1/1/2023	From 1/4/2024	From 1/4/2023
		To 30/6/2024	To 30/6/2023	To 30/6/2024	To 30/6/2023
		L.E	L.E	L.E	L.E
Net (loss)/ Profit for the period		(4 235 144)	(2 410 593)	(3 021 187)	203 884
Foreign exchange gain/(Loss) net of related tax (EAS 13- Appendix H)	(26)	( 382 736)	-	-	-
<b>Total other comprehensive (Loss)/ profit for period</b>		<b>(4 617 880)</b>	<b>(2 410 593)</b>	<b>(3 021 187)</b>	<b>203 884</b>

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

Jubayna Food Industries  
(An Egyptian Joint Stock Company)  
Separate statement of changes in equity  
For the financial ended 30 June 2024

Translated from Arabic

	Issued & paid up capital	Legal Reserve	General reserve- issuance premium	Retained earnings	Total
<b>L.E</b>					
Balance as of 1 January 2023	941 405 082	470 702 541	330 920 428	1179 620 047	2 922 648 098
Comprehensive income	-	-	-	(2 410 593)	(2 410 593)
(Loss) for the period	-	-	-	-	-
Other comprehensive income items	-	-	-	(2 410 593)	(2 410 593)
<b>Total comprehensive income</b>					
Transactions with company owners	-	-	-	(141 210 761)	(141 210 761)
Dividends to shareholders	-	-	-	(41 212 761)	(41 212 761)
Dividends to employees and board of directors	-	-	-	(182 423 522)	(182 423 522)
<b>Total Transactions with company owners</b>					
Balance as of 30 June 2023	<u>941 405 082</u>	<u>470 702 541</u>	<u>330 920 428</u>	<u>994 785 932</u>	<u>2 737 813 983</u>
Balance as of 1 January 2024	941 405 082	470 702 541	330 920 428	993 099 770	2 736 127 821
Comprehensive income	-	-	-	(4 235 144)	( 4 235 144)
(Loss) for the period	-	-	-	( 382 736)	( 382 736)
Other comprehensive income items	-	-	-	(4 617 880)	( 4 617 880)
<b>Total comprehensive income</b>					
Transactions with company owners	-	-	-	( 188 281 016)	( 188 281 016)
Dividends to shareholders	-	-	-	( 8 000 000)	( 8 000 000)
Dividends to board of directors	-	-	-	(196 281 016)	( 196 281 016)
<b>Total Transactions with company owners</b>					
Balance as of 30 June 2024	<u>941 405 082</u>	<u>470 702 541</u>	<u>330 920 428</u>	<u>792 200 874</u>	<u>2 535 228 925</u>

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 30 June 2024**

**Translated from Arabic**

	Note no.	2024	2023
<b>L.E</b>			
<b>Cash flows from operating activities</b>			
Net (loss) / for the period before income tax		(2 633 117)	( 755 778)
<b>Adjustments:</b>			
PPE depreciation	(9)	6 603 923	5 788 437
Right of use interest	(21)	4 760 142	4 705 562
Credit Interest	(8)	(1 087 148)	( 581 810)
Gain from selling PPE	(5)	( 3 500)	-
Debit interests and financial expenses		2 453 811	276 115
		<u>10 094 111</u>	<u>9 432 526</u>
<b>Changes in:</b>			
Debtors and other debit balances		(4 247 201)	(2 123 728)
Related parties		225 746 048	197 196 029
Suppliers and other credit balances		9 472 955	12 500 425
Provisions		-	( 35 338)
<b>Net cash flows resulted from operating activities</b>		<u>241 065 913</u>	<u>216 969 914</u>
Deposit interest earned		1 087 148	581 810
Finance interests and expenses paid		(2 453 811)	( 276 115)
Income taxes paid		-	(4 931 439)
Dividends paid to employees and board of directors		-	(41 212 761)
<b>Net cash flows resulted from operating activities</b>		<u>239 699 250</u>	<u>171 131 409</u>
<b>Cash flows from investing activities</b>			
Acquisition of PPE and projects under construction		(14 793 628)	(17 751 652)
Collection from sold PPE		3 500	-
<b>Net cash flows (used in) investing activities</b>		<u>(14 790 128)</u>	<u>(17 751 652)</u>
<b>Cash flows from financing activities</b>			
lease liability paid		(13 123 157)	(12 199 033)
Proceeds from credit facility	(23)	( 717 980)	-
Dividends paid to shareholders		(188 281 016)	(141 210 761)
<b>Net cash flows (used in) financing activities</b>		<u>(202 122 153)</u>	<u>(153 409 794)</u>
<b>Net change in cash and cash equivalents during the period</b>		<u>22 786 969</u>	<u>( 30 037)</u>
Net Change in foreign currency		( 372 536)	-
Cash and cash equivalents at 1 Jan		3 133 471	1 361 300
<b>Cash and cash equivalents at 30 June 2024</b>	(15)	<u>25 547 904</u>	<u>1 331 263</u>

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 30 June 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 11 August 2024.

**b. Basis of measurement**

- The financial statements have been prepared on the historical cost basis except some financial instruments 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.

**Notes to the separate financial position for the financial period ended 30 June 2024**

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): Assets and deferred tax liabilities.

**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.

**Notes to the separate financial position for the financial period ended 30 June 2024**

Financial asset shall be measured at fair value and profit, or loss will be recorded through profits or losses statement or other comprehensive income statement. For investments in non-retained equity instruments for trading, this will depend on whether the group made an irrevocable choice at the time of initial recognition of the -accounting for equitable value equity investment through other universal income.

The Group reclassifies its investments when and only when its business model changes to manage those assets.

**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.

**3-3-2 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

**Notes to the separate financial position for the financial period ended 30 June 2024**

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.

**3-3-3 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.

**3-3-4 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.

**Notes to the separate financial position for the financial period ended 30 June 2024****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.

**3-4 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 9).

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

**Notes to the separate financial position for the financial period ended 30 June 2024**

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.

**3-5 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.

**3-6 Lease contracts****Operating lease contracts:**

The company assesses 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 direct 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.

**3-7 Impairment in value****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.

**Notes to the separate financial position for the financial period ended 30 June 2024**

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.

**3-8 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.

**3-9 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.

**3-10 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.

**3-11 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.

**3-12 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.

**Notes to the separate financial position for the financial period ended 30 June 2024**

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.

**3-13 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.

**3-14 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.

**3-15 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.



**Notes to the separate financial position for the financial period ended 30 June 2024****5- Other operating revenues**

	Financial period from 1/1/2024 To 30/6/2024	Financial period from 1/1/2023 To 30/6/2023	Financial period from 1/4/2024 To 30/6/2024	Financial period from 1/4/2023 To 30/6/2023
	L.E	L.E	L.E	L.E
Income from rental assets to subsidiaries	1 320 000	1 320 000	660 000	660 000
Gain from sale of fixed assets	3 500	-	-	-
judicial refund	-	275 272	-	6 172
Other	-	9 828	-	9 828
	<b>1 323 500</b>	<b>1 605 100</b>	<b>660 000</b>	<b>676 000</b>

**6- General and administrative expenses**

	Financial period from 1/1/2024 To 30/6/2024	Financial period from 1/1/2023 To 30/6/2023	Financial period from 1/4/2024 To 30/6/2024	Financial period from 1/4/2023 To 30/6/2023
	L.E	L.E	L.E	L.E
Personnel expenses	63 479 993	43 117 934	33 307 208	23 393 997
Depreciation expenses	6 603 923	5 788 437	3 442 566	2 877 166
Subscription and licenses fees	1 441 478	3 523 217	950 411	3 215 519
Other administrative expenses	16 268 637	8 420 933	4 994 646	1 321 876
Termination service	2 232 616	188 689	18 517	82 729
Board of Directors remunerations	150 000	-	-	-
Expense charged to subsidiaries*	(88 083 885)	(58 789 905)	(41 884 132)	(30 170 525)
	<b>2 092 762</b>	<b>2 249 305</b>	<b>829 216</b>	<b>720 762</b>

\* The amount of L.E 88 083 885 of general and administrative expenses was deducted and charged to subsidiaries (note 24).

**7- Other operating expenses**

	Financial period from 1/1/2024 To 30/6/2024	Financial period from 1/1/2023 To 30/6/2023	Financial period from 1/4/2024 To 30/6/2024	Financial period from 1/4/2023 To 30/6/2023
	L.E	L.E	L.E	L.E
Property Tax expense	-	730 880	-	-
Health insurance contribution	6 276	5 443	4 408	3 030
	<b>6 276</b>	<b>736 323</b>	<b>4 408</b>	<b>3 030</b>

**Notes to the separate financial position for the financial period ended 30 June 2024****8- Net finance (expenses) / income**

	<b>Financial period from 1/1/2024 To 30/6/2024</b>	<b>Financial period from 1/1/2023 To 30/6/2023</b>	<b>Financial period from 1/4/2024 To 30/6/2024</b>	<b>Financial period from 1/4/2023 To 30/6/2023</b>
	<b>L.E</b>	<b>L.E</b>	<b>L.E</b>	<b>L.E</b>
Interest expense and income	(7 213 953)	(4 981 677)	(3 978 519)	(2 529 841)
Credit interest	1 087 148	581 810	1 003 482	536 150
Loss from Foreign currency exchange	(2 967 387)	(265 687)	(2 967 387)	(36 727)
Expenses Charged to subsidiaries *	7 208 949	4 981 315	3 959 906	2 529 479
	<b><u>(1 885 243)</u></b>	<b><u>315 761</u></b>	<b><u>(1 982 518)</u></b>	<b><u>499 061</u></b>

\* The amount of L.E 7 208 949 of finance expenses was deducted and charged to subsidiaries (note 24)

**Juhayna Food Industries**

Notes to the separate financial statements for the financial period ended 30 June 2024

Translated from Arabic

**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.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.
<b>Cost as of 1/1/2023</b>	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)	-	-	-	-	-	-	-
<b>Cost as of 31/12/2023</b>	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	-	-	-	2 000 000	5 949	7 268 415	9 274 364	-	-	-	-	-	-	-
Disposals during the period	-	-	-	-	-	( 5 500)	( 5 500)	-	-	-	-	-	-	-
<b>Cost as of 30/6/2024</b>	11 870 738	111 706 795	44 387 809	6 880 843	11 532 525	108 787 977	295 166 687	-	-	-	-	-	-	-
<b>Accumulated depreciation as of 1/1/2023</b>	-	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)	-	-	-	-	-	-	-
<b>Accumulated depreciation as of 31/12/2023</b>	-	14 608 547	13 316 342	4 277 764	10 096 372	91 052 552	133 351 577	-	-	-	-	-	-	-
Depreciation for the period	-	1 117 068	443 878	161 370	176 051	4 705 556	6 603 923	-	-	-	-	-	-	-
Disposals Depreciation during the period	-	-	-	-	-	( 5 500)	( 5 500)	-	-	-	-	-	-	-
<b>Accumulated depreciation as of 30/6/2024</b>	-	15 725 615	13 760 220	4 439 134	10 272 423	95 758 108	139 950 000	-	-	-	-	-	-	-
Net book value as of 30/6/2024	11 870 738	95 981 180	30 627 589	2 441 709	1 260 102	13 029 869	155 216 687	-	-	-	-	-	-	-
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.

Depreciated assets as at 30 June 2024 amount L.E 87,889,307 (31 December 2023 amount L.E 86,251,992)

Juhayna Food Industries  
Notes to the separate financial statements for the year ended 30 June 2024

Translated from Arabic

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	
						L.E.	L.E.		L.E.	L.E.	30/06/2024	31/12/2023	L.E.	L.E.
(10-1)	<u>Investment in subsidiary companies</u>													
	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	-	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	-	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	-	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	-	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	-	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	-	599 970 000	
	<u>Paid on account of investment</u>													
	Tiba for Trading and Distribution	SAE	2 000 000	100	100	200 000 000	10	20 000 000	20 000 000	-	20 000 000	-	20 000 000	
(10-2)	<u>Investment in under joint companies</u>													
	Aju For Food Industries*	SAE	1 015 000	50.75	10	10 150 000	100	10 150 000	10 150 000	-	10 150 000	-	10 150 000	
	Balance as at 30 June 2024					<u>2 482 310 790</u>		<u>2 273 491 193</u>	<u>2 273 491 193</u>		<u>2 273 491 193</u>		<u>2 273 491 193</u>	
(10-3)	<u>Investments at fair value through profit and loss</u>													
	Egyptian for Trading and Marketing	SAE	1 080	0.54	100	100 000	100	100 000	100 000	(100 000)	(100 000)	-	-	
	Balance as at 30 June 2024					<u>100 000</u>		<u>100 000</u>	<u>(100 000)</u>		<u>(100 000)</u>			

\* On 30 November 2021, the Board of Directors of Juhayna Company, at the request of Acta Company, decided to liquidate Argo Company and cancel the partnership contracts concluded between Argo Company and other companies, as well as approved the liquidation of the company, but the extraordinary general assembly was not called to approve this resolution, as the Board of Directors of Juhayna Company on 18 February 2024 approved the contract concluded with the foreign shareholder, according to which the foreign shareholder assigns his shares to Juhayna Food Industries, provided that Argo Company is fully owned by the company and free of charge, and the legal procedures for transferring these shares to the company have not been completed.

**Notes to the separate financial position for the financial period ended 30 June 2024****11- Projects under construction**

	30/6/2024	31/12/2023	Completion%	Implementation schedule
	<u>L.E</u>	<u>L.E</u>		
Software programs (SAP Update)	41 272 492	40 383 015	%70 -%80	Within the year
Advance for fixed assets	8 068 462	3 438 675	%70-%80	Within the year
	<u>49 340 954</u>	<u>43 821 690</u>		

**12- Income tax expense for period**

	Financial period from 1/1/2024 To 30/6/2024	Financial period from 1/1/2023 To 30/6/2023
	<u>L.E</u>	<u>L.E</u>
Current period tax	-	-
Deferred tax expense	1 602 027	1 654 815
	<u>1 602 027</u>	<u>1 654 815</u>

**12-1 Reconciliation of effective tax rate**

	Financial period from 1/1/2023 To 30/6/2023	Financial period from 1/1/2023 To 30/6/2023
	<u>L.E</u>	<u>L.E</u>
Net (Loss) / Profit for the period before income tax	(2 633 117)	(755 778)
Tax price	22.5%	22.5%
Income tax according to tax price (22.5%)	<u>(592 451)</u>	<u>(170 050)</u>
Tax adjustments		
Depreciation tax and rent contract differences	(1 630 436)	509 730
Non-deductible expenses	2 166 069	(339 680)
Deferred tax adjustments	1 630 436	1 654 815
Deferred tax adjustments - OCI	28 409	-
Income Tax	<u>1 602 027</u>	<u>1 654 815</u>
Effective tax rate	<u>-</u>	<u>-</u>

**Notes to the separate financial position for the financial period ended 30 June 2024****12-2 Deferred tax liabilities****A- Deferred tax assets and liability arising from lease contract.**

	<u>30/6/2024</u>	<u>31/12/2023</u>
	<u>L.E</u>	<u>L.E</u>
Lease contract	(11 337 365)	(9 805 240)
Fixed Assets	(5 899 695)	(5 801 383)
Other	18 210	-
<b>Total deferred tax liability</b>	<u><u>(17 218 850)</u></u>	<u><u>(15 606 623)</u></u>

**Deferred tax movement**

	<b>Balance as of 1/1/2024</b>	<b>Deferred tax (expense) for the financial period ended 30/6/2024</b>	<b>Deferred tax for foreign exchange related tax (EAS 13- Appendix H)</b>	<b>Balance as of 30/6/2024</b>
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
<b>Total Deferred tax liability</b>	<u>15 606 623</u>	<u>1 602 027</u>	<u>10 200</u>	<u>17 218 850</u>

**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.

**Notes to the separate financial position for the financial period ended 30 June 2024****13-5 Withholding tax**

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

**14- Debtors and Other debit balances**

	30/6/2024	31/12/2023
	L.E	L.E
Suppliers – advance payments	2 513 305	574 781
Prepaid expenses	4 416 237	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	1 329 415	153 472
	<u>10 083 724</u>	<u>5 836 523</u>
Less: Impairment in other debit balances	(197 870)	(197 870)
	<u>9 885 854</u>	<u>5 638 653</u>

**15- Cash at banks and on hand**

	30/6/2024	31/12/2023
	L.E	L.E
Banks – current accounts	25 328 216	2 915 446
Cash on hand	219 688	218 025
	<u>25 547 904</u>	<u>3 133 471</u>

**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.

	30/6/2024	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)	<u>941 405 082</u>	<u>941 405 082</u>

**Notes to the separate financial position for the financial period ended 30 June 2024**

The shareholder's structure on 30 June 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%
	<b>941 405 082</b>	<b>100%</b>

**16-I 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 :

	Financial period from 1/1/2024 To 30/6/2024 L.E	Financial period from 1/1/2023 To 30/6/2023 L.E	Financial period from 1/4/2024 To 30/6/2024 L.E	Financial period from 1/4/2023 To 30/6/2023 L.E
<b>Net (Loss) /profit for the period according to profit or loss statement</b>	<b>(4 235 144)</b>	<b>(2 410 593)</b>	<b>(3 021 187)</b>	<b>203 884</b>
<b>Less:</b>				
Employees share (Estimated/Actual)	-	-	-	-
Board of directors (Estimated/Actual)	-	-	-	-
<b>Net payable to shareholders</b>	<b>(4 235 144)</b>	<b>(2 410 593)</b>	<b>(3 021 187)</b>	<b>203 884</b>
Weighted average to number of shares	941 405 082	941 405 082	941 405 082	941 405 082
<b>Earning Per Share (net) (Loss)/earning for period (L.E/Share)</b>	<b>(0.004)</b>	<b>(0.003)</b>	<b>(0.003)</b>	<b>0.000</b>



**Notes to the separate financial position for the financial period ended 30 June 2024**

The company has recognized within other comprehensive income the net foreign exchange differences (debit and credit) resulting from the retranslation of the balances of monetary items existing at the end of the financial statements' closing date, considering that these differences arose primarily due to the exchange rate adjustment decision as follows

	Financial period from 1/1/2024 To 30/6/2024 L.E	Financial period from 1/1/2023 To 30/6/2023 L.E	Financial period from 1/4/2024 To 30/6/2024 L.E	Financial period from 1/4/2023 To 30/6/2023 L.E
<b>Net (Loss) /profit for the period according to profit or loss statement</b>	(4 235 144)	(2 410 593)	(3 021 187)	203 884
Translation differences	(382 736)	-	-	-
<b>Net payable to shareholders</b>	<b>(4 617 880)</b>	<b>(2 410 593)</b>	<b>(3 021 187)</b>	<b>203 884</b>
Weighted average to number of shares	941 405 082	941 405 082	941 405 082	941 405 082
<b>Earning Per Share (OCI) (Loss)/earning for period (L.E/Share)</b>	<b>(0.004)</b>	<b>(0.003)</b>	<b>(0.003)</b>	<b>0.000</b>

**18-Provision**

Description	Balance on 1/1/2024 L.E	Provision formed L.E	Provision used L.E	Balance on 30/6/2024 L.E
*Provision for legal 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**

	30/6/2024 L.E	31/12/2023 L.E
Suppliers	25 729 799	12 055 805
Accrued expenses	9 862 976	17 459 033
Taxes- Tax authority	4 483 693	4 369 980
Dividends payable	8 000 000	13 984
Accrued health insurance	16 351	10 075
Social Insurance Authority	417 583	328 788
Other credit balances	3 780 066	579 848
	<b>52 290 468</b>	<b>34 817 513</b>

**Notes to the separate financial position for the financial period ended 30 June 2024****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:

	<b>Carrying amount</b>	
	<b><u>30/6/2024</u></b>	<b><u>31/12/2023</u></b>
	<b><u>L.E</u></b>	<b><u>L.E</u></b>
Debtors and other debit balances	9 885 854	5 638 653
Due from related parties	353 630 114	371 001 375
Cash	25 547 904	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:

**Notes to the separate financial position for the financial period ended 30 June 2024**

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

	Total book value	Contractual cash flows		
		6–12 months	1–5 years	
Suppliers and other credit balances	52 290 468	52 290 468	52 290 468	–
lease contract liabilities	33 330 820	39 369 474	20 647 650	12 683 170
Facilities	19 053 119	19 053 119	19 053 119	–

The contractual lease value and its life payments information refer to note. 21. The payments during this period amounted approx.to L.E 13.1 million and the lease interest amounted approx. to L.E 4.7 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
Cash at banks and on hand	1 819 520	2 664
<b>30 June 2024</b>	<b>1 819 520</b>	<b>2 664</b>
<b>31 December 2023</b>	<b>3 686</b>	<b>1 427</b>

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

	Average rate		Actual closing Rate	
	<u>30/6/2024</u>	<u>31/12/2023</u>	<u>30/6/2024</u>	<u>31/12/2023</u>
USD	41.99	30.86	48.1	30.95
Euro	45.34	33.47	51.49	34.17

**Sensitivity analysis**

An increase or decrease of 10% in exchange rates on June 30, 2024, would have impacted the measurement of financial assets in EGP as follows:

	<b>30 June 2024</b>	<b>31 December 2023</b>
	10% Effect	10% Effect
USD	8 751 891	11 408
Euro	13 717	4 876

**Notes to the separate financial position for the financial period ended 30 June 2024****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****30 June 2024**

Financial instruments that carry a variable interest rate

	<b>Profit or Loss</b>	
	100 points increase	100 points decrease
	31 755	(31 755)

**31 December 2023**

Financial instruments that carry a variable interest rate

	197 711	(197 711)
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**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.

	<b>30/6/2024</b>	<b>31/12/2023</b>
	<u>L.E</u>	<u>L.E</u>
Total liabilities	331 883 781	113 504 807
Less: cash at banks and on hand	(25 547 904)	(3 133 471)
<b>Net debt</b>	<b>306 335 877</b>	<b>110 371 336</b>
Total equity	2 535 228 925	2 736 127 821
<b>Net debt to equity ratio</b>	<b>% 12</b>	<b>% 4.03</b>

-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 m<sup>2</sup>. The contract terms became effective starting 24/3/2016. The following is a summary of the above-mentioned contract:

Description	Lease value		Lease period  <u>Months</u>	Purchase value at end of contract  <u>L.E</u>	Quarterly lease value rounded  <u>L.E</u>
	Contractual value <u>L.E</u>	Accrued interest <u>L.E</u>			
	Contract from 24/3/2016 to 25/12/2025	125 000 000			

- 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 1 320 000 during the financial period ended 30 June 2024 (An amount of L.E 1 320 000 during the period ended 30 June 2023).

**Notes to the separate financial position for the financial period ended 30 June 2024**

- The finance interests of the lease contract amounted to L.E 4 760 142 during the financial period ended 30 June 2024.

**21-1 Loan (arising from lease contract)**

	<b>30/6/2024</b>	<b>31/12/2023</b>
	<u>L.E</u>	<u>L.E</u>
Liabilities from lease contract (current portion)	20 647 650	18 745 443
Long-term liability from lease contract (non-current portion)	12 683 170	22 948 392
<b>Total</b>	<u><b>33 330 820</b></u>	<u><b>41 693 835</b></u>

**Payment of lease contracts liabilities are as follows:**

	<b>Loan principal</b>		<b>Accrued interest</b>	
	<b>30/6/2024</b>	<b>31/12/2023</b>	<b>30/6/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>	<b>L.E</b>	<b>L.E</b>
Liabilities for one year	20 647 650	18 745 433	5 598 665	5 972 051
Liabilities more than 1 year	12 683 170	22 948 392	439 989	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**

	<b>30/6/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>
Board of directors' allowances	150 000	90 000

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

**Notes to the separate financial position for the financial period ended 30 June 2024****22-2 Due from related parties**

	Nature of transaction	Total value of transactions 30/6/2024 L.E	Balance as of		
			31/12/2023	30/6/2024	31/12/2023
			L.E	L.E	L.E
Tiba For Trading and Distribution	Collections	(202 740 854)	44 319 594	-	120 460 837
	Dividends Exp.	13 884 734	26 938 401		
	Right of use assets	1 320 000	2 640 000		
	Dividend's Collection	(122 277 600)	-		
El Marwa for Food Industries	Current/collection	37 685 669	(39 820 949)	53 811 972	-
	Dividends	-	(56 169 484)		
	Expense distribution	16 910 572	13 821 255		
	Dividend's Collection	-	(103 480 956)	-	905 237
EGY Food	Collections/current	(38 136 290)	(29 190 413)		
	Expense distribution	19 661 894	30 599 509		
Enmaa For Agricultural Reclamation	Current account	(30 546)	(26 531)	95	30 641
Enmaa For Agriculture Development and Biological Wealth	Current account	10 846 245	17 250 641	254 956 254	244 110 009
Egyptian Company for Dairy Products	Collections	(1 143 050)	(82 484 653)	41 802 353	3 673 183
	collections	-	(38 246 175)		
	Expense distribution	39 272 220	78 347 988	-	-
Enmaa For Livestock	Current account	740 891	(9 772 574)	749 982	9 091
Arju for food industries	Current account	469 417	1 902 133	2 872 625	2 403 208
<b>Total</b>				<b>354 193 281</b>	<b>371 592 206</b>
ECL from related parties				<b>(563 167)</b>	<b>(590 831)</b>
<b>Net</b>				<b>353 630 114</b>	<b>371 001 375</b>

**Notes to the separate financial position for the financial period ended 30 June 2024****22-3 Due to related parties**

Nature of transaction		Total value of transactions	Total value of transactions	Balance as of	Balance as of
		30/6/2024	31/12/2023	30/6/2024	31/12/2023
		L.E	L.E	L.E	L.E
International Company for Modern Food Industries	Current account	(14 777 148)	(16 575 350)	2 867 153	630 139
	Dividend Collection	-	(55 344 465)		
	Expense distribution	12 540 134	19 382 560		
El Marwa for Food Industries	Current/collection				
	Dividends	-	784 268	-	784 268
	Expense distribution				
Tiba For Trading and Distribution	Collections	189 352 883	-	189 352 883	-
EGY Food	Dividend's Collection				
	Collections/current	17 569 158	-	17 569 158	-
	Expense distribution				
<b>Net</b>				<b>209 789 194</b>	<b>1 414 407</b>

**23- Bank Credit facility**

The outstanding balance amounted in 30 June to 19 053 119 EGP represents the outstanding balance for the overdraft facility from HSBC for working capital requirement including overheads, taxes and utility expenses amounted to EGP 20 million with interest rate equal 28.25% (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	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 <u>on or after July 1, 2024</u> , and if the

**Notes to the separate financial position for the financial period ended 30 June 2024**

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	<p>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.</p> <p>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).</p> <p>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:</p> <ul style="list-style-type: none"> <li>- Egyptian Accounting Standard No. (10) "Fixed Assets".</li> <li>- Egyptian Accounting Standard No. (23) "Intangible Assets".</li> <li>- Egyptian Accounting Standard No. (34) "Investment property".</li> </ul>		<p>Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the Company should disclose that fact.</p>
<p>Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"</p>	<p>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.</p> <p>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.</p>	<p>The company has applied the alternative treatment of the standard in accordance with Appendix (H)</p>	<p>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 <b>January 1, 2024</b> 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:</p>



Notes to the separate financial position for the financial period ended 30 June 2024

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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 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.</li> </ul>

**Notes to the separate financial position for the financial period ended 30 June 2024****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 30 June 2024 is 48.10
- 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.