

Translation from Arabic

**Juhayna Food Industries**  
**(An Egyptian Joint Stock Company)**  
**Consolidated interim financial statements**  
**For the financial period ended**  
**30 September 2024**  
**And Review report**

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

**For the financial period ended 30 September 2024**

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# Hazem Hassan

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*Translation from Arabic*

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

### ***Introduction***

We have performed a review on the accompanying 30 September 2024 consolidated interim financial statements of Juhayna Food Industries “An Egyptian Joint Stock Company”, and its subsidiaries “the Group”, which comprises:

- The consolidated statement of financial position as of 30 September 2024.
- The consolidated statements of profit or loss for the three months and nine months periods ended 30 September 2024;
- The interim consolidated statements of comprehensive income for the three months and nine months periods ended 30 September 2024;
- The consolidated statements of changes in equity for nine months period ended 30 September 2024;
- The consolidated statements of cash flows for nine months period ended 30 September 2024;
- The notes to the interim consolidated financial statements.

Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Egyptian accounting standards including the requirement of the Egyptian accounting standard number (30) “Interim Financial Reporting”. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

### ***Scope of Review***

We conducted our review in accordance with the Egyptian Standard on Review Engagements number (2410), " Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A 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 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 interim consolidated financial statements.



Hazem Hassan

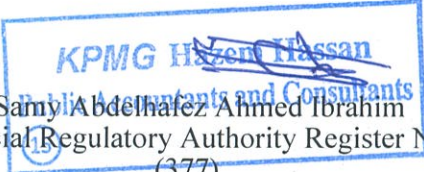
**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2024 consolidated interim financial statements do not present fairly in all material respects, the consolidated financial position of the Group and of its consolidated financial performance and its consolidated cash flows of the entity in accordance with Egyptian Accounting Standards including the requirements of the Egyptian accounting standard (30) “ interim financial reporting “.

**Emphasis of a matter**

Without qualifying our conclusion, we draw attention to Note [17] to the consolidated interim financial statements, which describes that a subsidiary of the Group is the plaintiff in a lawsuit regarding tax exemption for the years 2009 to 2018. The tax department appeal committee revoked the tax exemption for the period from 2009 till 2014.

The Group has made an assessment, following legal and tax advice that it is more likely than not that it will be successful in defending its right in the lawsuit brought against the tax department appeal committee decision. Therefore, the Group has concluded that it does not have a present obligation and has not recognized a provision in the consolidated interim financial statements. Instead, the group has concluded that a contingent liability exists on the base that the claim is indicative of a possible obligation, and this matter is disclosed in the consolidated interim financial statements.

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

Cairo, 14 November 2024



Juhayna Food Industries  
(An Egyptian Joint Stock Company)  
Consolidated statement of financial position  
As of 30 September 2024

Translated from Arabic

	Note No.	30/9/2024	31/12/2023
<b>L.E</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	(13)	3 361 971 668	3 077 685 183
Projects under construction	(14)	1 023 855 951	299 334 840
Biological assets	(15) - (16-1)	374 064 668	305 114 220
Equity accounted investees	(12)	16 106 655	15 670 070
Right of use assets	(29-2)	73 319 670	38 966 498
Goodwill	(33)	97 092 890	97 092 890
Other long term asset		701 125	707 329
<b>Non-current assets</b>		<b>4 947 112 627</b>	<b>3 834 571 030</b>
<b>Current assets</b>			
Inventories	(18)	3 960 676 169	2 783 515 178
Trade and other receivables	(19)	2 134 782 546	834 918 362
Cash and cash equivalents	(20)	1 812 605 629	1 093 526 328
Due from related party	(32 -1)	3 637 241	2 760 164
Other biological assets	(16-2)	55 619 989	29 465 780
PPE held for sale		1 560 290	1 610 291
<b>Current assets</b>		<b>7 968 881 864</b>	<b>4 745 796 103</b>
<b>Total assets</b>		<b>12 915 994 491</b>	<b>8 580 367 133</b>
<b>Equity</b>			
Issued and paid up capital	(21)	941 405 082	941 405 082
Legal reserve		742 112 963	742 112 963
General reserve - issuance premium	(21-1)	330 920 428	330 920 428
Retained earnings		4 026 887 770	2 233 885 644
<b>Total equity attributable to owners of the company</b>		<b>6 041 326 243</b>	<b>4 248 324 117</b>
Non-controlling interest		759 557	1 444 468
<b>Total equity</b>		<b>6 042 085 800</b>	<b>4 249 768 585</b>
<b>Non-current liabilities</b>			
Loans	(22-1)	325 338 639	90 395 408
Lease contract liabilities	(29-1)	77 568 491	53 847 845
Deferred tax liabilities	(26-1)	340 542 715	321 767 403
Deferred income	(35)	2 956 089	6 023 113
<b>Non-current liabilities</b>		<b>746 405 934</b>	<b>472 033 769</b>
<b>Current liabilities</b>			
Provisions	(24)	200 935 534	183 529 210
Bank credit facilities	(23)	3 301 207 435	1 096 229 656
Creditors and other credit balances	(25)	1 742 851 452	2 261 080 629
Due to related parties	(32 -2)	26 560 000	17 871 750
Income tax liabilities	(26-2)	630 254 008	177 047 207
Lease contracts liabilities	(29-1)	64 669 668	57 958 125
Loans	(22-1)	156 494 232	57 204 336
Deferred income	(35)	4 530 428	7 643 866
<b>Current liabilities</b>		<b>6 127 502 757</b>	<b>3 858 564 779</b>
<b>Total liabilities</b>		<b>6 873 908 691</b>	<b>4 330 598 548</b>
<b>Total equity and total liabilities</b>		<b>12 915 994 491</b>	<b>8 580 367 133</b>

The notes from No.(1) to No.(38) are an integral part of these consolidated financial statements and should be read there to.

Associate Chief Financial Officer  
Osama Eltaweel

CFO  
Tarek Elwan

Chairman  
Ahmed Elwakil

Limited Review Report "attached"

	Note No.	Financial period From 1/1/2024 To 30/9/2024 L.E.	Financial period From 1/1/2023 To 30/9/2023 L.E.	Financial period From 1/7/2024 To 30/9/2024 L.E.	Financial period From 1/7/2023 To 30/9/2023 L.E.
Net sales	(11 -1)	18 333 879 709	11 171 404 532	6 863 671 472	4 370 955 549
Cost of sales	(5)	(12 472 346 144)	(8 666 852 217)	(4 828 605 923)	(3 433 372 499)
<b>Gross profit</b>		<b>5 861 533 565</b>	<b>2 504 552 315</b>	<b>2 035 065 549</b>	<b>937 583 050</b>
Other operating income	(6)	379 520 894	121 595 782	153 231 563	53 074 137
Selling and Marketing expenses	(7)	(1 523 287 436)	(949 638 545)	(554 591 151)	(367 381 645)
General and administrative expenses	(8)	(401 408 364)	(251 041 389)	(131 450 226)	(78 906 699)
Net (Losses)income/ Reverse of Impairment of trade and other receivables		(3 887 085)	5 454 888	633 278	27 615
Other expenses	(9)	(137 106 255)	(110 982 779)	(45 748 832)	(50 767 885)
<b>Results from operating activities</b>		<b>4 175 365 319</b>	<b>1 319 940 272</b>	<b>1 457 140 181</b>	<b>493 628 573</b>
Share of net (Loss) /profit of Equity accounted investees		436 585	71 634	633 375	(259 822)
Net finance (cost)	(10)	(450 473 343)	(177 916 854)	(230 989 456)	(49 517 683)
Loss on sale of investment at FV through profit or loss	(36)	(522 059 902)	(14 237 684)	-	(14 237 684)
<b>Net profit for the period before income tax</b>		<b>3 203 268 659</b>	<b>1 127 857 368</b>	<b>1 226 784 100</b>	<b>429 613 384</b>
Current income tax	(26-4)	(765 423 484)	(248 921 023)	(269 193 128)	(107 107 329)
<b>Net profit for the period after tax</b>		<b>2 437 845 175</b>	<b>878 936 345</b>	<b>957 590 972</b>	<b>322 506 055</b>
<b>Distributed as follows</b>					
Owners of the company		2 437 723 959	878 623 107	958 455 298	322 502 998
Non-controlling interests		121 216	313 238	(864 326)	3 057
		<b>2 437 845 175</b>	<b>878 936 345</b>	<b>957 590 972</b>	<b>322 506 055</b>
<b>Earning per share for the period (L.E./share)</b>	(34)	<b>2.59</b>	<b>0.93</b>	<b>1.02</b>	<b>0.34</b>

The notes from No.(1) to No.(38) are an integral part of these consolidated financial statements and should be read there to.

**Juhayna Food Industries**  
**(An Egyptian Joint Stock Company)**  
**Consolidated statement of comprehensive income**  
**For the financial period ended in 30 September 2024**

	Note No.	Financial period From 1/1/2024 To 30/9/2024	Financial period From 1/1/2023 To 30/9/2023	Financial period From 1/7/2024 To 30/9/2024	Financial period From 1/7/2023 To 30/9/2023
		L.E.	L.E.	L.E.	L.E.
<b>Net profit for the period after tax</b>		2 437 845 175	878 936 345	957 590 972	322 506 055
Net losses of foreign currency evaluation after tax impact (EAS 13 - appendix H)	(38)	( 348 492 067)	-	-	-
<b>Total comprehensive income</b>		<u>2 089 353 108</u>	<u>878 936 345</u>	<u>957 590 972</u>	<u>322 506 055</u>
<b>Distributed as follows</b>					
Parent owners of the company		2 089 231 892	878 623 107	958 455 298	322 502 998
Non-controlling interests		121 216	313 238	( 864 326)	3 057
		<u>2 089 353 108</u>	<u>878 936 345</u>	<u>957 590 972</u>	<u>322 506 055</u>

The notes from No.(1) to No.(38) are an integral part of these consolidated financial statements and should be read there to.

Juhayna Food Industries  
(An Egyptian Joint Stock Company)  
Consolidated statement of changes in equity  
For the financial period ended 30 September 2024

Translated from Arabic

	Issued & paid up capital L.E	Legal reserve L.E	General reserve- issuance premium L.E	Retained earnings L.E	Non-controlling interest L.E	Total L.E
Balance as at 1 January 2023	941 405 082	719 145 789	330 920 428	1 418 366 451	894 422	3 410 732 172
Total other comprehensive income for the period ended 30 September 2023	-	-	-	878 623 107	313 238	878 936 345
<b>Transaction with owners of the company</b>						
Dividends to shareholders	-	-	-	(141 210 762)	-	(141 210 762)
Dividends to employees and board of directors	-	-	-	(41 212 761)	-	(41 212 761)
Holding Company's share in reserves of subsidiaries	-	22 967 174	-	(22 967 174)	(321)	(321)
Balance as at 30 September 2023	941 405 082	742 112 963	330 920 428	2 091 598 861	1 207 339	4 107 244 673
Balance as at 1 January 2024	941 405 082	742 112 963	330 920 428	2 233 885 644	1 444 468	4 249 768 585
Total other comprehensive income for the period ended 30 September 2024	-	-	-	2 089 231 892	121 216	2 089 353 108
<b>Transaction with owners of the company</b>						
Dividends of shareholders	-	-	-	(188 281 016)	-	(188 281 016)
Dividends to employees and board of directors	-	-	-	(103 276 807)	-	(103 276 807)
Acquisition of minority	-	-	-	(4 671 943)	(806 127)	(5 478 070)
Balance as at 30 September 2024	941 405 082	742 112 963	330 920 428	4 026 887 770	759 557	6 042 085 800

The notes from No.(1) to No.(38) are an integral part of these consolidated financial statements and should be read there to.



**Juhayna Food Industries**  
**(An Egyptian Joint Stock Company)**  
**Consolidated statement of cash flows**  
**For the financial period ended 30 September 2024**

Translated from Arabic

	Note No.	Financial period From 1/1/2024 To 30/9/2024	Financial period From 1/1/2023 To 30/9/2023
		L.E.	L.E.
<b>Cash flows from operating activities</b>			
Net profit for the year before income tax		3 203 268 659	1 127 857 368
<b>Adjustments for:</b>			
PPE depreciation	(13)	244 037 321	215 107 974
Capital (gain)		( 56 046 397)	( 14 889 772)
Amortization of Biological Wealth	(15-1)	24 768 728	24 048 598
Amortization of plant wealth (productive)		1 463 686	1 015 235
Net profits in equity accounted investees	(12)	( 436 585)	( 71 635)
Impairment of Fixed assets (Reversal)		-	( 1 001 809)
Amortization of right of use	(29-2)	8 794 026	10 585 912
Lease liabilities interest	(29)	15 557 932	3 127 004
Biological wealth due to newborn		( 30 866 200)	( 8 172 000)
Costs of drying period and calves death		( 105 395 417)	( 49 083 428)
Gains from sale Biological Wealth & planet		( 20 518 608)	( 10 087 352)
Investment Loss		522 059 902	14 237 684
Foreign currencies exchange differences	(10)	50 695 235	40 140 049
Interest income	(10)	( 35 331 177)	( 13 002 053)
Finance interests & expenses	(10)	520 941 823	147 651 854
		<u>4 342 992 928</u>	<u>1 487 463 629</u>
<b>Changes in:</b>			
Inventories	(18)	( 1 177 160 991)	( 693 347 968)
Biological assets- Existing Agriculture		( 25 673 860)	( 16 499 755)
Trade and other receivables	(19)	( 1 299 864 184)	( 151 387 507)
Due from related parties	(31-2)	( 877 077)	-
Due to related parties	(32-2)	8 688 250	( 864 013)
Creditors & other credit balances	(25)	( 518 229 177)	664 494 080
Dividends paid to employees		( 103 276 807)	( 41 212 761)
paid from sales tax capitalization		-	( 186 314)
Provisions		17 406 324	14 766 144
<b>Net cash flows from operating activities</b>		<u>1 244 005 406</u>	<u>1263 225 536</u>
Income tax paid	(26-2)	( 297 119 050)	( 202 327 026)
		<u>946 886 356</u>	<u>1 060 898 510</u>
<b>Cash flows from investing activities</b>			
Acquisition of PPE & projects under construction	(13-14)	( 1 255 574 477)	( 391 057 512)
Proceeds from sale of PPE		58 775 954	45 312 896
Payment to plant wealth productive		( 916 650)	( 7 745 793)
Proceeds from plant wealth productive bashayer	(15-16)	3 332 837	-
Payment to plant wealth unproductive	(15-16)	( 16 378 125)	( 24 565 342)
change in other long term asset		6 204	6 204
Proceeds from death compensation		10 796 379	4 628 740
proceed from sale wealth productive & planet	(15-1)	64 282 576	14 100 100
Payments for the purchase of shares	(36)	(831 200 366)	(44 723 805)
Proceeds from sale of shares	(36)	309 140 464	30 486 121
<b>Net cash flows (used in) investing activities</b>		<u>(1657 735 204)</u>	<u>(373 558 391)</u>
<b>Cash flows from financing activities</b>			
Net proceeds from credit facilities & loans		2 585 168 322	( 13 182 888)
Assets held for sale		50 001	332 204
Paid of right of use		( 43 147 198)	-
Payment to non-controlling interests acquisition		( 5 478 070)	-
(Payments for) financial lease contract liabilities	(29)	14 874 257	( 17 983 102)
(Payments for) bank loans	(22)	( 52 137 878)	( 21 148 070)
Proceeds from credit interests		35 331 176	13 002 053
Finance interests & expenses paid		( 520 941 823)	( 147 651 854)
Dividends paid to shareholders		( 188 281 016)	( 141 210 761)
<b>Net cash flows from financing activities</b>		<u>1 825 437 771</u>	<u>(327 842 418)</u>
<b>Change in cash &amp; cash equivalents during the period</b>		<u>1114 588 923</u>	<u>359 497 700</u>
<b>The effect of foreign exchange difference</b>	(10)	(395 509 622)	(40 140 049)
<b>Cash &amp; cash equivalents at 1 January</b>		<u>1093 526 328</u>	<u>294 504 052</u>
<b>Cash &amp; cash equivalents at 30 September</b>	(20)	<u>1 812 605 629</u>	<u>613 861 703</u>

The notes from No.(1) to No.(38) are an integral part of these consolidated financial statements and should be read there to.

**Juhayna Food Industries**  
**(An Egyptian Joint Stock Company)**  
**Notes to the consolidated financial statements**  
**For the financial year ended 30 September 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) 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. Company's period 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 Sodiq West, Sheikh Zayed Giza.

The factory address: 6<sup>th</sup> Oct. city the industrial zone No. 1, plot No. 39, 40.

Mr. Ahmed El wakil 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 and all its derivatives, all types of cheese, 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 Schedule (A) the Egyptian Stock Exchanges.

**2 Basis of preparation**

**2-1 Statement of compliance with laws and regulation**

The consolidated financial statements have been prepared in accordance with the Egyptian Accounting Standards ("EAS"), and in the light of prevailing Egyptian laws.

The financial statements were authorized for issue by the Board of Directors on 14 November 2024

**2-2 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.

**2-3 Functional and presentation currency**

These consolidated financial statements are presented in Egyptian pound which represents the currency of the company.

**2-4 Use of estimates and judgments**

The preparation of consolidated financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

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

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Accounting policy no (3-10): lease classification.

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

- Note (19): impairment of trade and other debit balances .
- Note (24): provisions
- Note (26): deferred tax.
- Note (4-2): biological assets

### 3 Material accounting policies

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

#### 3-1 Basis of consolidation

##### Subsidiaries

The consolidated financial statements of the Group incorporate the financial statements of the Parent Company and entities (including special purpose entities) controlled by the Parent Company (its subsidiaries). Control is achieved when the Group (i) has power over the investee, (ii) is exposed, or has rights, to variable returns from its involvement with the investee, and (iii) has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary. Non-controlling interests (NCIs) in subsidiaries are identified separately from the Group's equity therein and are initially measured as described in accounting policy 4-3 of business combinations below.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a (deficit balance).

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

When necessary, adjustments are made to the financial statements of a group entity to bring its accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**Transactions eliminated on consolidation**

Intra-group balances, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

**3-2 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. In general currency gain or loss are recognized in the profit and loss statement except for the exceptional treatment in (note 38).

**3-3 Equity accounted investees**

Companies under joint control are companies over which the group exercises control jointly with another party. Joint control is in place when decisions on main activities require the unanimous consent of the controlling parties. Investments under joint control entities are presented in the consolidated financial statements using the equity method so that initial recognition is recognized at cost including costs associated with the acquisition and the subsequent measurement in the consolidated financial statements increases or decreases the carrying amount of the investment by the Group's share of profit or loss.

**3-4 Financial instruments**

**3-4-1 Financial assets**

**Classification:**

The Group 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.

**Recognition and derecognition:**

The normal way of buying and selling financial assets, on the trade date, which is the date on which the Group 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.

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**Measurement:**

On initial recognition, the Group 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 Group 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 Group 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.

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Notes to the consolidated financial statements for the financial period ended 30 September 2024

#### **Impairment:**

The Group 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 Group 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.

### **3-4-2 Financial liabilities and equity instruments issued by the Group**

#### **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 Group the right to the net assets of an entity after deducting all of its obligations.

Equity instruments issued by the Group 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 Group 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.

### **3-4-3 De-recognition of financial instruments**

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

#### **Debtors**

Debtors are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs.



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Generally, short-duration trade and other receivables with no stated interest rate are stated at their nominal value (original invoice amount) less an allowance for any doubtful debts.

Debtors comprise cash and cash equivalents, and trade and other receivables.

#### **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. After 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 and cash equivalents for the purpose of the statement of cash flows.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call 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

### **3-5 Goodwill**

#### **Recognition & Measurement**

##### **Goodwill**

Goodwill arises from acquisition of subsidiaries. Goodwill is initially measured at its cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities. After initial recognition, the group measures acquired goodwill at cost less impairment losses. Recognized goodwill impairment losses are not subsequently reversed. Goodwill is not amortized.

### **3-6 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 13).

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.

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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 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 are as follows:

Description	Estimated useful life (Years)
Buildings & Constructions	13.3- 50
Machinery & Equipment	More than 1 year -13
Transportation & Transport Vehicles	1.5- 8
Tools	3 – 10
Empty plastic containers & pallets	5
Display refg.'s	5 years
Wells	25 or Wells use full life
Office equipment & Furniture	More than 1 year -10
Computers	3.33-5

Depreciation commences when the fixed asset is completed and made available for use. The depreciation method, useful life and residual value are reviewed at each reporting date and adjusted as appropriate.

**3-7 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 no. 14). No depreciation is charged until the project is completed and transferred to fixed assets.

**Non-financial assets**

The carrying amounts of the Company's non-financial assets, other than biological assets, investment property, inventories and 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.

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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 group of assets that generate 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 Government grants**

The company government grant is in the form of a loan at below prevailing market interest rate. The differences of the interest rates is initially recognized as deferred income and then recorded in the profit or loss in other income according to a regular systematic base over the loan period.

### **3-9 Plant wealth**

This item represents the amounts spent for cultivation of fruit trees which were recognized as noncurrent assets in the balance sheet in plant wealth unproductive and when it reaches the planned marginal productivity it will be classified as noncurrent assets (plant wealth) and will be depreciated over (25-50) years respectively according to the nature of those assets.

### **3-10 ROU**

Items of ROU are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives or the lease term which ever is less

### **3-11 Lease Contracts**

#### **Operating lease contracts**

The group 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 Group obtains substantially all the economic benefits from the use of that asset, and whether the group has the right to direct the use of the asset.

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.

The group 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 group uses an incremental borrowing rate specific to the country, term, and currency of the contract. Lease payments can include fixed payments; variable payment that depends on an index or rate known at the commencement date; and extension option payments or purchase options, if the Group is

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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.

- **Extension options**

The Group assesses at the lease commencement date whether it is reasonable certain to exercise the extension options. The Group reassess whether it is reasonably certain to exercise the options if there is significant event or significant changes in circumstances within its control

- **Finance leases contracts (sale and lease back):**

If an entity (the lessee) transfers an asset to another entity (the lessor) and re-leases the asset, the entity must determine whether the asset is being accounted for as a sale transaction on that asset or not.

- **In case the transfer of the asset is not a sale transaction**

The lessee must continue to recognize the transferred asset and must recognize a financial liability equal to the proceeds of the transfer.

**3-12 Inventories**

Inventories of raw materials, supplies, packing materials and spare parts are measured at the lower cost or net realizable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of the completion and selling expenses.

The inventory is measured at the lower of cost, which is determined based on the cost of last process reached, or net realizable value.

Finished production is measured at the lower manufacturing cost or net realizable value. The manufacturing cost comprises raw materials, direct labor, and cost includes an appropriate share of overheads based on normal operating capacity.

**3-13 Impairment of Non derivative financial assets**

The Group applies the expected credit loss model (ECL) to measure impairment loss on its financial assets. A loss allowance is recognized for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI. The Group uses the simplified approach and always recognizes lifetime expected credit losses (ECL)

**Non-financial assets**

The carrying amounts of the Company's non-financial assets, other than biological assets, investment property, inventories and 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

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Notes to the consolidated financial statements for the financial period ended 30 September 2024

group of assets that generate 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.

### **3-14 Defined contribution plans**

The Company contributes to the government social insurance system for the benefits of its personnel in accordance with the social insurance Law No. 79 of 1975 and its amendments. Under this Law the employees and the employers contribute into the system on a fixed percentage – of- salaries basis. The Company's contributions are recognized in the income statement using the accrual basis of accounting. The company's obligation in respect of employees' pensions is confined to the amount of contributions.

### **3-15 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.

### **3-16 Revenue**

#### **Sales of goods**

Revenue for sale of goods is recognized based on the transaction price of the received or receivable payment. The transaction price is determined considering returns, trade discounts and volume rebates. Revenue is recognized in the income statement when pervasive evidence exists of the settlement of contractual performance obligation by transfer of goods to the customer. Pervasive evidence usually exists in the form of an executed sales agreement. Settlement of the performance obligation has pervasively occurred when control over the goods has been transferred to the customer, associated costs and possible return of goods can then be estimated reliably and there is no continuing control or involvement with the goods.

Discounts are recognized as a reduction of revenues when they will probably be granted, and the discounts amount can be measured reliably. When discounts are granted over past performance obligations, a provision is recognized in the balance sheet. In case a discount will be granted over future performance obligations, a contract liability will be recognized.

Revenue is measured based on the consideration specified in the contract with a customer. The group recognize any amounts of variables in its contract with customer due to rebates, or significant financing component or non- cash component.

#### **Export subsidy revenue**

Government subsidies on export sales are recognized as a percentage of the value of exported goods when there is appropriate assurance that the company will deserve support and all the necessary conditions for obtaining support are met.

### **3-17 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.

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### **3-18 Income tax**

#### **Current tax**

Current tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the period, 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, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be 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 at the next years.

### **3-19 Assets held for sale**

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Immediately before classification as held-for-sale, the assets, or components of a disposal group, are premeasured in accordance with the Company's other accounting policies. Thereafter, generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets & biological assets, which continue to be measured in accordance with the Company's other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on re-measurement are recognized in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

### **3-20 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.

### **3-21 Termination benefits**

When the company is committed clearly-without having the possibility of cancellation – a formal detailed plan to either finish the work before the normal retirement date or to provide end of service benefits as a result of resignations (voluntary) / left the work voluntary according to law (12) of 2003 and related Egyptian Laws.

### **3-22 Segmentation reporting**

A segment is a group of associated assets and processes that are characterized by risks and rewards that differ from those of other segments or within a same economic environment with risks and rewards that are related to other segments operating in a different economic environment. All the operating results of the operating segments are reviewed regularly by the Group's business leaders, where the Group makes decisions about the resources allocated to the segments and assesses their performance, which provides detailed financial information.



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Notes to the consolidated financial statements for the financial period ended 30 September 2024

The group has (5) operational segments, which represent segments for which financial reporting is provided to high management. These reports present different products and services and are managed separately because they require different technology and marketing strategies. The operation of each sector is reported below:

<b>Segmentation reports</b>	<b>Operations</b>
Dairy sectors	Manufacture and sell dairy products & its derivatives
Juice & concentrate sector	Manufacture and sell various products of juice & fruit concentrates
Other sectors	Produce agriculture crops in- addition to livestock farm that produce dairy product and sell to dairy sector

#### 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.

Thus, the Group categorizes the fair values into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

#### 4-1 Biological assets

Biological assets are measured by fair value less cost to sell unless the fair value cannot be measured reliably. If the fair value cannot be measured reliably, the biological assets acquired during the Financial Year are presented according to their cost at the date of acquisition. Also biological assets which are internally grown are presented at cost of breeding or growth until commercial production (called the increase in the value of the biological assets), less accumulated depreciation and accumulated impairment loss, if any. The cost of small bio-assets is determined by the cost of breeding or growth according to the age group. These young ones are also not consumed. The biological assets are depreciated on a straight-line basis to their estimated residual values over periods, as summarized below.

Cows	4 years
Orange trees	35 Years

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**5 Cost of sales**

	<b>Financial period From 1/1/2024 To 30/09/2024 L.E</b>	<b>Financial period From 1/1/2023 To 30/09/2023 L.E</b>	<b>Financial period From 1/7/2024 To 30/09/2024 L.E</b>	<b>Financial period From 1/7/2023 To 30/09/2023 L.E</b>
Changes in inventory	(166 991 827)	252 016 954	(452 726 538)	34 574 356
Operating expenses and wages	12 469 729 719	8 257 428 444	5 225 123 955	3 346 677 275
Depreciation	169 608 252	157 406 819	56 208 506	52 120 868
	<b><u>12 472 346 144</u></b>	<b><u>8 666 852 217</u></b>	<b><u>4 828 605 923</u></b>	<b><u>3 433 372 499</u></b>

**6 Other operating income**

	<b>Financial period From 1/1/2024 To 30/09/2024 L.E</b>	<b>Financial period From 1/1/2023 To 30/09/2023 L.E</b>	<b>Financial period From 1/7/2024 To 30/09/2024 L.E</b>	<b>Financial period From 1/7/2023 To 30/09/2023 L.E</b>
Export subsidy revenue	270 722 072	72 561 335	84 688 761	22 817 772
Capital gain	560 046 397	14 889 772	54 078 952	12 103 460
Gain from sale calves	20 518 608	10 087 352	3 299 725	2 700 948
Income from the sale of scrap and waste	18 450 711	10 313 378	7 270 975	4 330 973
Government grant income	6 180 462	2 701 676	2 143 232	2 701 676
Other income	7 602 644	11 042 269	1 749 918	8 419 308
	<b><u>379 520 894</u></b>	<b><u>121 595 782</u></b>	<b><u>153 231 563</u></b>	<b><u>53 074 137</u></b>

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**7 Selling and marketing expenses**

	Financial period From 1/1/2024 To 30/09/2024 L.E	Financial period From 1/1/2023 To 30/09/2023 L.E	Financial period From 1/7/2024 To 30/09/2024 L.E	Financial period From 1/7/2023 To 30/09/2023 L.E
Advertising expenses	401 140 780	175 544 538	143 327 935	95 420 047
Salaries and wages	448 949 063	322 023 435	155 420 308	103 446 536
Cost of replaced items	163 594 790	118 741 809	55 923 321	44 549 687
Depreciation	55 845 742	44 781 573	22 506 652	14 657 515
Vehicles expenses	147 703 910	110 513 336	54 881 895	40 076 522
Shipping & export expenses	138 592 586	68 742 904	61 953 248	28 226 296
Rent*	12 796 828	8 067 242	5 550 981	2 288 173
Temporary labor contractors	49 365 080	35 894 216	20 153 448	14 190 617
Others	105 298 657	65 329 492	34 873 363	24 526 252
	<b>1 523 287 436</b>	<b>949 638 545</b>	<b>554 591 151</b>	<b>367 381 645</b>

\* This expense is represented in the rental value of short-term leases, which are exempted from processing as a right of use asset in accordance with the requirements of Egyptian Accounting Standard No. (49) Lease Contracts.

**8 General and administrative expenses**

	Financial period From 1/1/2024 To 30/09/2024 L.E	Financial period From 1/1/2023 To 30/09/2023 L.E	Financial period From 1/7/2024 To 30/09/2024 L.E	Financial period From 1/7/2023 To 30/09/2023 L.E
Salaries and wages	203 707 410	136 332 972	66 701 103	39 646 402
Depreciation expense	18 583 327	12 919 582	6 689 870	4 504 321
Rent expense*	17 284 026	12 888 175	6 600 302	4 624 151
Computer software subscription fees	61 500 880	28 337 495	12 294 077	10 486 834
Repair and maintenance expenses	10 961 265	9 420 791	4 294 569	3 307 749
Car insurance	23 125 614	7 069 418	15 764 171	2 556 439
BOD bonus (32-2)	630 000	1 760 000	-	555 000
Temporary labor Contractors	7 386 711	5 709 746	2 636 859	1 952 590
Consulting fees	8 589 014	5 505 477	3 835 833	2 100 519
Other administrative expenses	49 640 117	31 097 733	12 633 442	9 172 694
	<b>401 408 364</b>	<b>251 041 389</b>	<b>131 450 226</b>	<b>78 906 699</b>

\* This expense is represented in the rental value of short-term leases, which are exempted from processing as a right of use asset in accordance with the requirements of Egyptian Accounting Standard No. (49) Lease Contracts.

**9 Other expenses**

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Notes to the consolidated financial statements for the financial period ended 30 September 2024

	<b>Financial period From 1/1/2024 To 30/09/2024 L.E</b>	<b>Financial period From 1/1/2023 To 30/09/2023 L.E</b>	<b>Financial period From 1/7/2024 To 30/09/2024 L.E</b>	<b>Financial period From 1/7/2023 To 30/09/2023 L.E</b>
Donations	10 365 089	8 654 595	3 195 778	2 960 010
Real estate tax	1 486 020	3 717 702	1 055 502	2 745 809
Provision for Claims	24 154 358	26 970 613	4 801 449	14 917 604
Health insurance	85 453 990	55 925 384	29 203 255	22 139 334
Others	15 646 798	15 714 485	7 492 848	8 005 128
	<b>137 106 255</b>	<b>110 982 779</b>	<b>45 748 832</b>	<b>50 767 885</b>

**10 Net finance cost**

	<b>Financial period From 1/1/2024 To 30/09/2024 L.E</b>	<b>Financial period From 1/1/2023 To 30/09/2023 L.E</b>	<b>Financial period From 1/7/2024 To 30/09/2024 L.E</b>	<b>Financial period From 1/7/2023 To 30/09/2023 L.E</b>
Interest expense	(536 499 755)	(150 778 858)	(250 252 821)	(50 075 603)
Interest income	35 331 177	13 002 053	8 618 231	5 007 887
Net (Loss) from foreign currency exchange	50 695 235	(40 140 049)	10 645 134	(4 449 967)
	<b>(450 473 343)</b>	<b>(177 916 854)</b>	<b>(230 989 456)</b>	<b>(49 517 683)</b>

**Juhayna Food Industries**

**Notes to the consolidated financial statements for the financial year ended 30 September 2024**

**Translation from Arabic**

**11 Segmentation reports**

**11-1 Segmentation reports for the financial year ended 30 September 2024**

The segmentation reports was prepared on an activity segments basis, the primary report for the activity segments was prepared in accordance with the organizational and managerial Activity segmentations results include a direct participation unit in each sector activity.  
**The primary report for activity segmentations:**  
**Revenues and expenses according to activity segmentat as follows:**

	Activity Segments			Total L.E 30/9/2024
	Dairy sector L.E 30/9/2024	Concentrates & Juices sector L.E 30/9/2024	Undistributed Items L.E 30/9/2024	
Total sales	22 943 813 940	9 793 955 643	1 021 768 749	33 759 538 332
Sales between segments	(10 980 638 711)	(3 686 729 656)	( 758 290 256)	(15 425 658 623)
Net Sales	11 963 175 229	6 107 225 987	263 478 493	18 333 879 709
COGS, SG&A	(10 223 001 212)	(4 116 481 567)	( 198 552 505)	(14 538 035 284)
Other operating income	90 941 891	279 861 489	8 717 513	379 520 893
Finance and investment expenses				(972 096 660)
Net profit before tax				3 203 268 659
Taxes				( 765 423 484)
				2 437 845 175

**Other Information**

Depreciation	164 237 714	57 146 773	22 652 834	244 037 321
Assets	7 644 512 881	4 607 267 080	664 214 530	12 915 994 491
Liabilities	4 488 517 197	2 329 260 294	56 131 200	6 873 908 691

\* The Group operates in one geographical sector - Arab Republic of Egypt - Operating revenues primarily result from activities related to the foodstuffs which are recorded at a point in time when control is transferred to the client.

Juhayna Food Industries  
Notes to the consolidated financial statements for the financial year ended 30 September 2024

Translation from Arabic

11 Segmentation reports

11-2 Segmentation reports for the financial year ended 30 September 2023

The segmentation reports was prepared on an activity segments basis, the primary report for the activity segments was prepared in accordance with the organizational and managerial chart. Activity segmentations results include a direct participation unit in each sector activity.

The primary report for activity segmentations:

Revenues and expenses according to activity segmentat as follows:

	Activity Segments			Total L.E 30/06/2023
	Dairy sector L.E 30/9/2023	Concentrates & Juices sector L.E 30/9/2023	Undistributed items L.E 30/9/2023	
Total sales	16 019 664 737	4 659 358 023	900 398 626	21 579 421 386
Sales between segments	(7 813 260 716)	(1 945 208 983)	(649 547 155)	(10 408 016 854)
Net Sales	8 206 404 021	2 714 149 040	250 851 471	11 171 404 532
COGS, SG&A	(7 569 412 143)	(2 181 345 642)	(222 302 257)	(9 973 060 042)
Other operating income	44 085 752	77 149 526	360 504	121 595 782
Finance and investment expenses				(192 082 904)
Net profit before tax				1 127 857 368
Taxes				(248 921 023)
				878 936 345
<b>Other Information</b>				
Depreciation	139 737 030	52 645 709	22 725 235	215 107 974
Assets	4 878 504 736	2 476 086 890	369 728 029	7 724 319 655
Liabilities	2 358 992 572	1 237 310 570	20 771 840	3 617 074 982

\* The Group operates in one geographical sector - Arab Republic of Egypt - Operating revenues primarily result from activities related to the foodstuffs.



Juhayna Food Industries

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Notes to the consolidated interim financial statements for the financial period ended 30 September 2024

12 Equity accounted investees

Name of the investee company	Share percentage %	Current assets	Total assets	Current liabilities	Total liabilities	Carrying amount of investment L.E
		L.E	L.E	L.E	L.E	
Arju Company For food Industrial*	50.75%*	20 079 566	20 079 566	3 972 911	3 972 911	16 106 655
<b>Balance as of 30 September 2024</b>		<b>20 079 566</b>	<b>20 079 566</b>	<b>3 972 911</b>	<b>3 972 911</b>	<b>16 106 655</b>
Arju Company For food Industrial*	50.75%	18 907 370	18 907 370	3 237 300	3 237 300	15 670 070
<b>Balance as at 31 December 2023</b>		<b>18 907 370</b>	<b>18 907 370</b>	<b>3 237 300</b>	<b>3 237 300</b>	<b>15 670 070</b>

\* On 30 November 2021, the Board of Directors of Juhayna Company, at the request of Arja Company, decided to cancel the partnership contracts concluded between Arju Company and other companies, as well as approved the liquidation of the company, but no extraordinary general assembly was called to approve this resolution. 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 yet his participation shares to Juhayna Food Industries Company on Arju Company free of charge. The legal procedures for transferring these shares to the company have not been completed yet.

<i>Equity accounting investees movement</i>	
<i>Opening balance</i>	15 670 070
<i>Group share in period profits</i>	436 585
<b><i>Ending balance</i></b>	<b>16 106 655</b>

Juhayna Food Industries  
Notes to the consolidated financial statements for the financial period ended 30 September 2024

Translation from Arabic

13 Property, plant and equipment

Description	Land		Buildings & Constructions		Machinery & Equipment		Transportation & transport vehicles		Tools		Empty plastic containers & Palettes		Display refrigerators		Wells		Office furniture & equipment		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.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.
Cost as at 1/1/2023	191 153 105	1 663 191 810	2 745 737 814	354 802 454	172 813 002	83 758 965	96 360 062	39 394 395	57 715 642	157 292 988	5 562 220 236											
Additions of the year	-	12 932 123	249 372 639	72 541 448	23 128 828	17 058 520	-	-	1 232 930	13 251 669	389 518 177											
Disposals of the year	-	(359 132)	(62 072 135)	(292 000)	(9 676 700)	(13 224 253)	(816 994)	-	(2 045 633)	(91 743)	(88 578 590)											
Cost as of 31/12/2023	191 153 105	1 675 764 801	2 933 038 337	427 051 902	186 265 130	87 593 232	95 543 068	39 394 395	56 902 939	170 452 914	5 863 159 823											
Additions during the period	-	18 598 099	97 002 660	98 628 263	24 251 948	34 860 460	238 157 325	-	1 254 896	18 299 715	531 053 366											
Disposals during the period	(190 350)	(5 516 855)	(5 679 033)	(4 663 379)	(42 850)	(9 889 491)	(65 382)	-	-	-	(26 105 666)											
Cost as of 30/9/2024	190 962 755	1 688 846 046	3 024 361 944	521 016 786	210 474 228	112 564 202	339 635 011	39 394 395	58 157 835	188 696 323	6 368 109 523											
Accumulated depreciation as at 1/1/2023	-	324 695 341	1 561 156 463	211 515 433	112 037 839	52 853 007	82 971 482	14 314 036	37 462 914	141 836 635	2 538 843 150											
Depreciation of the year	-	41 092 976	171 068 087	29 159 282	14 077 106	13 984 474	4 202 705	1 489 634	4 634 112	10 090 137	289 798 313											
Accumulated depreciation of disposals of the year	-	(107 060)	(32 965 107)	(292 000)	(9 659 919)	(13 089 906)	(816 994)	-	(2 038 076)	(91 743)	(59 060 805)											
Depreciation of the year	-	365 681 257	1 699 259 443	240 382 715	116 455 036	53 747 575	86 357 193	15 803 670	40 058 950	151 835 079	2 769 580 858											
Accumulated depreciation of disposals of the year	-	(3 191 486)	(5 625 358)	(4 508 605)	(42 850)	(9 884 118)	(65 383)	-	3 246 191	10 702 247	244 037 321											
Accumulated depreciation as of 30/9/2024	-	392 056 105	1 830 316 912	264 074 089	128 587 152	58 607 063	93 895 747	16 920 895	43 305 140	162 480 270	2 990 244 073											
Fixed assets impairment as of 30/9/2024	10 354 591	4 204 889	1 104 373	-	-	-	-	229 929	-	-	15 893 782											
Net book value as of 30/9/2024	180 608 164	1 292 585 052	1 192 940 659	256 942 697	81 887 076	53 957 139	239 739 264	22 243 571	14 852 694	26 215 353	3 361 971 668											
Impairment of fixed assets 31/12/2023	10 354 591	4 204 889	1 104 373	-	-	-	-	229 929	-	-	15 893 782											
Net book value as of 31/12/2023	180 798 514	1 305 878 655	1 232 674 521	186 669 187	69 810 104	33 845 657	9 185 875	23 360 796	16 843 989	18 617 885	3 077 685 183											

Depreciation of assets is amount L.E 1 094 555 765 LE in 30 September 2024 ( 31 December 2023 amount L.E 1 019 012 239).

The depreciation expense for the year distributed as follow:-

Cost of sales	169 608 252
Selling and Marketing expenses	55 845 742
General and administrative	18 583 327
	<u>244 037 321</u>

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**14 Projects under construction**

	Nature	% of completion	Timeline	30/9/2024 L.E	31/12/2023 L.E
Buildings and constructions in progress	Building	50% to 70%	Within one year	102 111 325	70 704 021
Machineries under installation	Machinery	70% to 80%	Within one year	134 449 261	62 679 328
Advance payments for purchase of building and machinery	Advances	70% to 80%	Within one year	650 658 438	109 240 153
Computer software	Software Programs	70% to 80%	Within one year	43 803 851	40 383 015
Transport vehicles under preparation	Cars	80%	Within one year	92 833 076	16 328 323
				<b>1 023 855 951</b>	<b>299 334 840</b>

**14-1 Movement of projects under construction**

	Opening Balance	Additions	Capitalized	Ending Balance
Building	70 704 021	54 401 075	(22 993 771)	102 111 325
Machinery	62 679 328	140 055 801	(68 285 868)	134 449 261
Computer Software	40 383 015	3 420 836	-	43 803 851
Transportation	16 328 323	148 358 660	(71 853 907)	92 833 076
Downpayment	109 240 153	541 418 285	-	650 658 438
	<b>299 334 840</b>	<b>887 654 657</b>	<b>(163 133 546)</b>	<b>1 023 855 951</b>

**15 Biological assets- Plant wealth****15-1 Plant wealth - productive**

	30/9/2024 L.E	31/12/2023 L.E
Cost at the beginning of the period	72 215 496	47 045 779
Additions during the period	1 440 436	25 169 717
Disposal during the period	(3 332 837)	-
Cost at end of the period	<b>70 323 095</b>	<b>72 215 496</b>
<b>Less:</b>		
Accumulated depreciation at beginning of the year/period	(4 461 406)	(3 055 402)
Depreciation during the year/ period	(1 463 685)	(1 406 004)
<b>Accumulated depreciation at end of the year /period</b>	<b>(5 925 091)</b>	<b>(4 461 406)</b>
<b>Net</b>	<b>64 398 004</b>	<b>67 754 090</b>

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**15-2 Plant wealth – unproductive**

	<b>30/9/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>
<b>Balance at the beginning of period</b>	<b>512 395</b>	<b>460 211</b>
Additions	16 378 125	52 184
Transferred productive plant wealth	(523 785)	-
	<hr/>	<hr/>
<b>Balance at end of the period</b>	<b>16 366 735</b>	<b>512 395</b>
	<hr/>	<hr/>

Juhayna Food Industries  
Notes to the consolidated financial statements for the financial year ended 30 September 2024

Translated from Arabic

16-1 Biological assets - Livestock

	Biological assets (Flock of dairy livestock - productive)		Biological assets (Flock of dairy livestock - unproductive)		Total	
	L.E		L.E		L.E	L.E
Amount of flock of livestock at the beginning of the year	203 104 603		104 122 041		307 226 644	261 188 613
<u>Addition:</u>						
Transferred from biological assets (Flock of dairy livestock - unproductive)	41 335 827		(41 335 827)		-	-
Births of flock						
Female	-		19 574 200		19 574 200	11 826 100
Capital cost during drying -off	3 217 660		103 088 709		106 306 369	107 414 881
	<u>247 658 090</u>		<u>185 449 123</u>		<u>433 107 213</u>	<u>380 429 594</u>
Biological assets sales	31 701 668		16 568 857		48 270 525	62 117 520
The death of live stock losses	7 356 434		8 070 937		15 427 371	11 085 430
Cost of flock of livestock as of 30 September 2024	<u>39 058 102</u>		<u>24 639 794</u>		<u>63 697 896</u>	<u>73 202 950</u>
	<u>208 599 988</u>		<u>160 809 329</u>		<u>369 409 317</u>	<u>307 226 644</u>
Accumulated depreciation at the Beginning of the period	70 378 909		-		70 378 909	63 716 528
Depreciation of the period	24 768 728		-		24 768 728	31 854 994
Accumulated depreciation of disposals of sales case	(15 477 354)		-		(15 477 354)	(22 479 733)
Accumulated depreciation of disposals of death case	(3 560 895)		-		(3 560 895)	(2 712 880)
Accumulated depreciation as of end period 30 September 2024	<u>76 109 388</u>		<u>-</u>		<u>76 109 388</u>	<u>70 378 909</u>
Net amount of flock of livestock as of period end 30 September 2024	<u>132 490 600</u>		<u>160 809 329</u>		<u>293 299 929</u>	<u>236 847 735</u>

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**16-2 Other Biological wealth**

	<b>30/9/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>
Agriculture	55 012 036	29 338 175
Births of male	607 953	127 605
	<u>55 619 989</u>	<u>29 465 780</u>

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

## **17 Tax status**

### **17-1 Holding Company**

#### **Corporate tax**

The corporate tax due from the Company is an annual tax according to income tax law No. 91 for the year 2005 and payments due over annual taxable profits.

#### **The period from the beginning of operation till year 2018**

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

#### **Year 2019 - 2022**

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

#### **Payroll tax**

#### **The period from the beginning of operation till year 2022**

The tax inspection performed, and differences settled.

#### **Year 2023-2024**

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

#### **Stamp tax**

#### **The period from the beginning of operation till 2020**

The tax inspection performed, and differences settled.

#### **Year 2021/2024**

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

#### **Sales tax/ Value added tax.**

The tax inspection 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 applied as of the day following its issuance date on 7 September 2016.

#### **Years 2016 till 2020**

The tax inspection is performed and and differences settled.

#### **Year 2021/2024**

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

#### **Withholding tax**

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

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial period ended 30 September 2024

## Subsidiaries

### First: Corporate tax

#### The Company that benefits form the corporate tax exemption

Inmaa for Livestock.

#### Tax exemption ending date

02/11/2029

#### The Companies that are not exempted.

#### Egyptian Companies for Food Industries: -

Inspected from beginning of its activity to 2012. (Tax years 2013-2019 form 19 has been notified and the objection was made in legal time frame and the dispute is being resolved in the internal committee.)

Years 2020-2022 was not requested for inspection yet

#### Modern Company for Concentrates (Former): -

Inspected from beginning of its activity to 2009 the company objected the inspection result before the Council of State. Years 2010-2012 the objection was made in legal date.

2013 -2014 notified the company of Form 19, and it was objected to within the legal deadlines.

Years 2015–2018 requested for inspection. Years 2019 – 2022 not requested for inspection and the Company submitted the annual tax return in the due date

#### International Company for Food industries: -

The tax departments inspected the subsidiary books of accounts for the year 2009 to 2014 in accordance with the reinspection memo dated 20/11/2019. The tax department revoked the tax exemption certificate issued by the General Authority for Investment (GAFI) to this subsidiary.

The tax department notified the subsidiary by the tax base (Form 19) for the tax years 2009 to 2014.

The Group challenged the tax assessment before the tax department higher appeal committee in its dispute No. 850 /2022. The committee decided on the appeal on 30/8/2022 to revoke the aforementioned exemption and to claim corporate tax from the subsidiary for the tax years 2009 up to 2014 for an amount of L.E 61.5 million and additional tax of L.E 4.2 million. These amounts of taxes are due for payment to the tax Authority after the decision of the appeal committee.

On 13 December 2022, the company submitted a request the tax department dispute resolution committee, for their foresight. The dispute is currently under discussion with the committee.

The management has made an assessment, following legal and tax advice, that it is more likely than not that it will be successful in defending the lawsuit it brought against the tax department based on GAFI tax exemption certificates dated 23/12/2008 and 10/11/2009, in-addition to the certificate issued on 25/3/2021. The management challenges the tax department decision which disagree with article No 64 of the Investment law No. 8 for the year 1997 and the tax instructions by the tax department No 27 for the year 2007 and No 21 for the year 2015. These instructions stipulate the tax department commitment to the exemption decisions issued by GAFI as these exemptions are irrevocable with no requirement of further approvals. The company submitted its appeal to the primary court as of 3/11/2022 and the court decided to assign a consulting aubitrator for the case. The management concluded that there is no present obligation and has not recognized a provision in the financial statements.

Years 2015–2018 Estimated form no 19 was received and the objection was made in legal date and a decision was issued to re-examine the actual and ongoing inspection.,



Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial period ended 30 September 2024

### Year 2019/2022

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

#### **Egyptian Company for Dairy Products**

The years from the beginning of its activity till 2005 was not requested for inspection. Years from 2006-2012 was inspected and settled years. 2013-2019 under inspection in the internal committee Years 2020-2022 not requested for inspection and the Company submitted the annual tax returns in the due dates.

#### **Tiba for Trading and Distribution**

The company was not requested for inspection from beginning of its activity until 2008.

Year 2009-2012 was inspected and settled. Tax years 2013-2019 form 19 has been notified and the objection was made in legal date and the dispute is being resolved in the internal committee.

Years 2020-2022 the declarations were submitted on the legal date and not requested for inspection and the Company submitted the annual tax return in the due date.

#### **Al Marwa for Food Industries**

The company was inspected from the beginning of its operations and settled till 2013. Years 2014-2019 were inspected and objected on certain disputed items and the internal committee's decision was approved. Years 2020/2022 not requested for inspections.

#### **Inmaa for Agriculture Development and Reclamation**

The company not inspected yet.

#### **Inmaa for Livestock**

The company not inspected yet.

### Second: Salaries tax

#### **Subsidiaries**

#### **Tax inspection ending date**

Egyptian Company for Dairy Products	- Inspection was performed from starting of activity till 2019 and tax settled. Years 2020-2023 the Company submitted the quarter tax return in the due date.
Al-Marwa for Food industries	- Inspection was performed from starting activity till 2020. Years 2021/2023 not inspected yet.
Former: Modern Concentrates Industrial Company	- Tax inspection was performed from start of activity till 2018. Years 2019/2023 the Company submitted tax return quarterly in the due date.
Tiba for Trading and Distribution	- Inspection was performed from starting of activity till 2019 and differences settled. Years 2020/2023 not inspected yet.
International Company for Modern Food Industries	- Tax inspection was performed from start of activity till 2020 and tax settled Years 2021/2023 the Company submitted tax return quarterly in the due date.
The Egyptian Company for Food Industries "Egyfood"	- Tax inspection was performed from start of activity till 2020 and tax settled.

## Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

	Years 2021/2023 the Company submitted tax return quarterly in the due date.
Inmaa for Agriculture Development Co. and Biological Wealth	- Tax inspection was performed and settled till 2015 was inspected and settled. Years 2016/2023 the Company submitted tax return in the due dates
Inmaa for Livestock	From the beginning of activity till 2021 inspected and settled. Year 2022/ 2023 the Company submitted tax returns in the due dates
Inmaa for Agriculture	-From the beginning of activity till 2019 was inspected and settled Years 2020/2023 the Company submitted the quarterly tax returns in the due date
<b>Third: Stamp tax</b>	
Egyptian Company for Dairy Products	-Inspection has been performed and difference settled till 2020. Years 2021/2023 not inspected yet
Al-Marwa for Food Industries	-Inspection has been performed and difference settled till 2020. Years 2021/2023 the Company submitted tax return in the due date
Former: Modern Concentrates Industrial Company	-Inspection has been performed and difference settled till 2022. The company inspected till 2022.
Tiba for Trading and Distribution	-Inspection has been performed and difference settled till 2019. Years 2020/2023 not inspected yet.
International Company for Modern Food Industries	-Inspection has been performed and difference settled till 2020. Year 2021/2023 not inspected yet.
The Egyptian Company for Food Industries "Egyfood"	From the beginning of activity till 2020 was inspected and settled -Years 2021 – 2023 not inspected yet.
Inmaa for agricultural development and biological wealth	-Inspection has been performed and difference settled till 2017. Years 2018-2020 inspected and objected. Years 2021/2023 not inspected yet.
Inmaa for agriculture	Years till 2019 was inspected and settled. Years 2020/2023 not inspected yet.

## Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

Inmaa for livestock	Inspection has been performed and difference settled till 2017. Years 2018/2023 not inspected yet.
<b>Fourth: Value added tax (Sales tax)</b>	
Egyptian Company for Dairy Products	- The company products are exempted from sales tax and entity submitted monthly sales tax return. the company was inspected, and difference settled till 2022 - 2023 The company the submit the tax return in the due date Inspected and settled till 2019. Years 2020/2023 not inspected yet.
Al-Marwa for Food Industries	-The inspection was performed from the beginning of activity till 2013, preparing for tax inspection from 2014 till 2022.
Former: Modern concentrates Industrial Company	-The company submitted sales tax return on monthly basis from starting of activity, inspected and difference settled. till 2020 Years 2021/2023 not inspected yet.
International Company for Modern Food Industries	-The company submits the sales tax return on monthly basis, inspected and differences settled till 2020 years 2021/2023 not inspected yet.
Tiba for Trading and Distribution	- The tax inspection performed till 2019 Years 2020/2023 not inspected yet.
Inmaa for Agriculture Development and biological wealth.	-The tax inspection was performed from 15/3/2012 till 31/8/2016 Years 1/09/2016 till /2023 not inspected yet.
Inmaa for livestock	-Inspected and difference is settled from beginning of activity till August 2016 Years 1/09/2016 till /2023 not inspected yet.
Inmaa for agricultural reclamation	-The tax inspection performed till 2022 -The year2023 the company the submit the tax return in the due date
The Egyptian Company for Food Industries "Egyfood"	

**18 Inventories**

	<b>30/9/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>
Raw materials	1 321 906 241	869 035 593
Packaging and packing materials	971 903 098	505 755 185
Finished goods	708 374 397	875 366 224
Consumables and miscellaneous supplies	547 837 980	150 608 669
Goods in transit - L/C's for goods purchase	410 654 453	382 749 507
	<b><u>3 960 676 169</u></b>	<b><u>2 783 515 178</u></b>

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**19 Trade and other receivables**

	<b>30/9/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>
Trade receivables	1 177 078 850	488 776 350
Less: Expected credit losses	(40 042 719)	(35 186 866)
	<b>1 137 036 131</b>	<b>453 589 484</b>
Note receivables	–	5 850 036
Suppliers – advance payments	518 570 316	182 402 951
Prepaid expenses	7 665 571	2 959 754
Export subsidy*	340 736 523	135 953 809
Tax Authority	16 809 721	13 098 018
Customs Authority	44 092 492	17 410 276
Deposits with others	49 254 843	19 644 893
Debtors- payment for PP&E (under recollection)	10 464 181	10 664 181
Other debit balances	25 451 485	9 612 445
	<b>2 150 081 263</b>	<b>851 185 847</b>
<u>Less: Impairment in other debit balances</u>	(15 298 717)	(16 267 485)
	<b>2 134 782 546</b>	<b>834 918 362</b>

\* The collections from export subsidy during the period amounted L.E 66 million after tax deductions against to amount L.E 95.8 million in the corresponding period last year 2023 .

**20 Cash and cash equivalent**

	<b>30/9/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>
Banks – current accounts	1 807 338 041	273 012 000
Cash on hand	5 267 588	2 930 902
Banks - Treasury Bills	–	817 583 426
	<b>1 812 605 629</b>	<b>1 093 526 328</b>

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial period ended 30 September 2024

## 21 Share capital

	<b>30/9/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>
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 30 September 2024 is as follows:

<b>Shareholder</b>	<b>No. of shares</b>	<b>Owner percentage</b>
PHARON INVESTMENT LIMITED	471 331 200	50.07%
Baladna company	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>

### 21-1 General reserve

The balance of general reserve is as follows: -

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

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**22 Loans****22-1** The long-term loans and short-term that are granted to the group companies are as follow:

	Long term loans		Total L.E
	Current portion L.E	Non-current portion L.E	
	Commercial International Bank (CIB)	133 319 572	
Attijari wafa Bank	23 174 660	17 404 184	40 578 844
<b>Balance at 30/9/2024</b>	<b>156 494 232</b>	<b>325 338 639</b>	<b>481 832 871</b>
<b>Balance at 31/12/2023</b>	<b>57 204 336</b>	<b>90 395 408</b>	<b>147 599 744</b>

These loans are subject to variable interest rates and guaranteed by promissory notes by the group companies and the interest rate is corridor rate from CBE + variable interest rate according to each loan. Loan matures from 4 to 5 years.

**22-2 Adjustments on the movement of borrowing to access the net cash (used in) financing activities.**

	30/9/2024 <u>EGP</u>	31/12/2023 <u>EGP</u>
Balance of borrowing at 1 January	147 599 744	202 395 962
Withdrawals from Loans	380 190 543	77 733 022
Paid from loans	(52 137 878)	(118 862 262)
Depreciation of deferred income (note 36)	6 180 462	(13 666 978)
<b>Balance of loans and financial liabilities as of September 30</b>	<b>481 832 871</b>	<b>147 599 744</b>

**23 Bank credit facilities**

This balance amounted to L.E 3 301 207 435 on 30 September 2024 (against L.E 1 096 229 656 as on 31 December 2023), represents the drawn down portion of about 4.5 billion Egyptian pounds of the group bank facilities. Interest is charged on such drawn amounts at a variable interest rate. These lending banks were provided with different collaterals from the group by variable interest rate (corridor price + 0,25%) guaranteed by promissory notes also, banks get different guarantees obtained by the banks that provided these facilities to the group companies.

**24 Provision for claims**

Description	Balance at 01/01/2024 L.E	Formed during the year L.E	No longer require for the year L.E	Used during the year L.E	Balance at 30/9/2024 L.E
Provision for claims	183 529 210	24 154 358	-	(6 748 034)	200 935 534

\* The provisions represent the value of claims for legal, tax and other 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.

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**25 Creditors and other credit balances**

	<b>30/9/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>
Suppliers	1 249 308 015	1 883 852 520
Notes Payables	500 000	500 000
Dividends payable*	2 655 015	13 736 384
Accrued expenses	258 981 664	154 611 302
Tax authority	45 054 201	67 820 821
Deposits for others	9 321 017	4 601 908
Social Insurance Authority	13 751 705	7 174 200
Due to health insurance	116 357 888	76 971 901
Advances from customers	31 290 323	20 040 498
Other credit balances	15 631 624	31 771 095
	<u><b>1 742 851 452</b></u>	<u><b>2 261 080 629</b></u>

\*The amount is dividends to BOD and employees, dividends tax withheld till the dividends is remitted to MCDR

**26 Deferred tax liabilities**

- Deferred tax liability amounted to L.E 340 542 715 at 30/9/2024, with LE 321 767 403 at 31/12/2023.

**26.1 Deferred Tax liabilities**

	<b>Balance</b>	<b>Balance</b>
	<b>30/9/2024</b>	<b>31/12/2023</b>
	<b>L.E</b>	<b>L.E</b>
Deferred tax liability (Lease Contracts)	13 697 807	9 805 240
Deferred tax liability from fixed assets	327 059 796	311 962 163
Deferred tax liability from unrealized foreign exchange	(214 888)	-
Total deferred tax liability	<u><b>340 542 715</b></u>	<u><b>321 767 403</b></u>

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial period ended 30 September 2024

## 26.2 Income tax – current

	30/9/2024	31/12/2023
	L.E	L.E
<b>Income tax liability at the beginning of the period</b>	353 400 759	213 078 927
Income tax expense (26-4)	750 325 851	343 211 571
Taxes paid during the period	(394 779 656)	(202 889 739)
<b>Income tax liability at the end of the period</b>	<u>708 946 954</u>	<u>353 400 759</u>
Withholding Tax Receivable	(78 692 946)	(176 353 552)
<b>Income tax liability at the end of the period/year</b>	<u>630 254 008</u>	<u>177 047 207</u>

## 26-3 Effective Tax Rate

	30/9/2024	30/9/2023
	L.E	L.E
Consolidated net profit before tax	3 203 268 659	1 127 857 368
Tax rate	22.5%	22.5%
Income tax calculated according to the tax rate (22.5%)	<u>720 735 448</u>	<u>253 767 907</u>
<b>Tax settlements:</b>		
Tax exemption	(29 900 285)	(22 128 297)
Provisions movement	5 767 592	301 123
Non-deductible expenses	68 820 729	16 980 290
<b>Income tax according to the tax return</b>	<u>765 423 484</u>	<u>248 921 023</u>
<b>Effective tax rate</b>	<u>23.90%</u>	<u>22.07%</u>

## 26-4 Income tax for period

	30/9/2024	30/9/2023
	L.E	L.E
Current income tax	750 325 851	240 979 157
Deferred tax expense	15 097 633	7 941 866
	<u>765 423 484</u>	<u>248 921 023</u>

## 26-5 Unrecognized deferred tax asset

	30/9/2024	31/12/2023
Provisions	3 366 573	3 370 105
Tax losses	8 534 358	11 168 795

- The company has not formed DTA for these losses and provisions due to the lack of appropriate assurance to benefit from these losses and future tax deductions.



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Notes to the consolidated financial statements for the financial period ended 30 September 2024

## 27 Group companies

The following sets out the subsidiaries of Juhayna Food Industries Company controlled by the Company as at 30/9/2024 and the investment under joint control which are shown together with their respective contribution percentage held as at the financial position date.

Subsidiary Name	Contribution % 30/9/2024	Contribution % 31/12/2023	Country
Egyptian Co. for Dairy Products	99.99 %	99.99 %	Egypt
International Co. for Modern Food Industries	99.99 %	99.99 %	Egypt
The Egyptian Company for Food Industries "Egyfood"	99.98 %	99.98 %	Egypt
Tiba For Trading & Distributing	99.90 %	99.90 %	Egypt
Al-Marwa for Food Industries	99.91 %	99.91 %	Egypt
Inmaa for Agriculture Development Co. and Livestock	99.994 %	99.994 %	Egypt
Inmaa for Livestock	Indirect 99.862 %	Indirect 99.862 %	Egypt
Inmaa for Agriculture and improvement	Indirect 99.964 %	Indirect 99.964 %	Egypt
<b><u>Under joint control</u></b>			
Arju Company for Food Industries	50.75 % under joint control	50.75 % under joint control	Egypt

## 28 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.

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

#### 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

#### Trade and other receivables

The Company distributes the credit risk on several customers who have strong and stable financial positions. Also, it deals with its customers through signed contracts and agreements, in addition the Company review the credit limits granted to customers on a regular basis as it gets sufficient guarantees from its customers.

#### 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:

	Note	Carrying amount	
		30/9/2024	31/12/2023
		L.E	L.E
Trade and other receivables	(19)	1 725 478 239	668 992 609
Cash	(20)	1 812 605 629	1 093 526 328
Related Party	(32-1)	3 637 241	2 760 164

#### 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 enough 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 uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically, the company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company maintains the following lines of credit.

Banks - credit facilities in a principal amount of L.E 2 621 255 145 on which the interest is charged at a variable interest rate for facilities in Egyptian pound.

#### Liquidity risk

The liabilities due to the Company's suppliers and bank at reporting date of the consolidated statement of financial position are as follows:

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**30/9/2024**

	<b>Total book value</b>	<b>Contractual cash flows</b>	<b>6-12 months</b>	<b>1-5 years</b>
Trade payables	1 249 308 015	(518 229 177)	1 249 308 015	-
Loans	481 832 871	328 052 665	156 494 232	325 338 639
Credit facilities	3 301 207 435	2 204 977 779	3 301 204 435	-
Lease liabilities	142 238 159	14 874 257	64 669 668	77 568 491
Due to R.P	26 560 000	7 811 173	26 560 000	-

**31/12/2023**

	<b>Total book value</b>	<b>Contractual cash flows</b>	<b>6-12 months</b>	<b>1-5 years</b>
Trade payables	1 883 852 520	989 940 736	1 883 852 520	-
Loans	147 599 744	(41 129 240)	57 204 336	90 395 408
Credit facilities	1 096 229 656	388 307 325	1 096 229 656	-
Lease liabilities	111 805 970	(2 338 367)	57 958 125	53 847 845
Due to R.P	17 871 750	15 671 556	17 871 750	-

**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 holdings of 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 on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Company, primarily the L.E The currencies in which these transactions primarily are denominated are Euro, USD, and Swiss Francs (CHF).

In respect of 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:

	<b>USD</b>	<b>Euro</b>
Trade and other receivables	11 279 409	-
Cash and cash equivalents	26 599 450	64 170
Creditors and other credit balances	(3 324 069)	(1 156 745)
<b>30 September 2024</b>	<b>34 554 790</b>	<b>(1 092 575)</b>
<b>31 December 2023</b>	<b>22 169 312</b>	<b>3 603 798</b>

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

**The following significant exchange rates applied during the year:**

	Average rate		Closing Rate	
	30/9/2024	31/12/2023	30/9/2024	31/12/2023
USD	44.18	30.86	48.35	30.95
Euro	48.10	33.47	54.13	34.17

**sensitivity analysis**

Any reasonably possible strengthening (weakness) of the EUR, USD or GBP/EGP 31 December by 10% would affect the measurement of financial instruments denominated in a foreign currency and affect 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.

EGP	30 September 2024
	10% Effect
USD	167 072 410
Euro	(5 914 112)

**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 September 2024	Profit or Loss	
	100 points increase	100 points decrease
Financial instruments that carry a variable interest rate	9 328 721	(9 328 721)
<b>31 December 2023</b>		
Financial instruments that carry a variable interest rate	12 351 021	(12 351 021)

**Capital management**

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

	30/9/2024	31/12/2023
	L.E	L.E
Total liabilities	6 873 908 691	4 330 598 548
Less: cash and cash equivalent	(1 812 605 629)	(1 093 526 328)
<b>Net debt</b>	<b>5 061 303 062</b>	<b>3 237 072 220</b>
Total equity	6 042 085 800	4 249 768 585
<b>Net debt to equity ratio</b>	<b>84%</b>	<b>%76</b>

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

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Notes to the consolidated financial statements for the financial period ended 30 September 2024

**29 Lease contracts.****29-1 Liabilities arising from lease contracts.****- Lease contracts (Sale and lease back)**

On 23/3/2016 the Company signed a contract regarding a land lease (including the building built there on), of 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	Contract value		Contract year	Purchase value at end of contract	Quarterly Installment value
	Contractual value	Accrued interest	Months	L.E	L.E
	L.E	L.E			
Contract from 24/3/2016 to 25/12/2025	125 000 000	122 870 843	120	1	6 561 579

In accordance with the provisions of the transitional rules of the Egyptian Accounting Standard No. 49 of 2019 on leasing contracts, the initial application date of this standard is the beginning of the annual reporting period in which the Finance Leasing Law No. 95 of 1995 was amended and the Financial Leasing and Factoring Law No. 176 For the year 2018, in respect of leasing contracts which were subject to Law 95 of 1995 and were accounted for in accordance with IAS 20 (Accounting Standards and Standards for Financial Leasing Transactions).

**Lease contract liabilities**

	30/9/2024	31/12/2023
	L.E	L.E
Liabilities from lease contracts current portion	22 131 700	18 745 443
Liability from lease contracts non-current portion	6 561 579	22 948 392
	<b>28 693 279</b>	<b>41 693 835</b>

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Notes to the consolidated financial statements for the financial period ended 30 September 2024

**Lease contracts liabilities payment are as follows**

	Payment of liability principal		Payment of accrued interest	
	30/9/2024	31/12/2023	30/9/2024	31/12/2023
	L.E	L.E	L.E	L.E
Liabilities for one year	22 131 700	18 745 443	4 114 615	5 972 051
Liabilities more than 1 year	6 561 579	22 948 392	-	1 769 103

**Operating Lease contracts liabilities**

The group is renting buildings and stores, and this rent is performed individually, and each contract has its special terms, the contracts period ranges from 1.5 to 10 years and some of these contracts has a term for extending the lease which provide more flexibility for the group. During the period ended 30 September 2024 the group has been charged by L.E 15 557 932 as interest from leasing contracts.

**Operating lease contract liability**

	30/9/2024	31/12/2023
	L.E	L.E
Liabilities from lease contracts-current portion	42 537 968	39 212 682
Liability from lease contracts non-current portion	71 006 912	30 899 453
<b>Total</b>	<b>113 544 880</b>	<b>70 112 135</b>

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

	Payment of liability principal		Accrued interest	
	30/9/2024	31/12/2023	30/9/2024	31/12/2023
	L.E	L.E	L.E	L.E
Liabilities for one year	56 263 041	39 212 682	13 725 073	4 150 276
Liabilities between 2-5 years	90 237 501	30 405 231	19 922 780	6 992 157
Liabilities more than 5 years	744 052	494 222	51 861	12 737

**29-2 Right of use assets**

	30/9/2024	31/12/2023
	L.E	L.E
Buildings, warehouses, and stores	127 885 664	84 738 466
Accumulated amortization during the year/period	(54 565 994)	(45 771 968)
<b>Net book value</b>	<b>73 319 670</b>	<b>38 966 498</b>

Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

### 30 Contingent Liabilities

The Contingent Liabilities are represented in IDC'S during the period ended 30 September 2024 and due after the that date amounting to L.E 668 000 804

The contingent tax liabilities related to group subsidiaries are disclosed in Note (17).

### 31 Capital commitments

The capital commitments related to setting up and acquiring fixed assets amounted to L.E 265 746 125 30/9/2024.

### 32 Related party transactions

The related parties are represented in the Group shareholders and companies in which they own directly or indirectly shares giving them significant influence or control over these companies.

The following is a summary of significant transactions concluded, during the year, between the Group and its related parties.

#### 32 -1 Due from related parties

Company's name	Nature of transaction	Total value of transactions		Balance as at	
		30/9/2024	31/12/2023	30/9/2024	31/12/2023
		L.E	L.E	L.E	L.E
Arju Company for Food Industries (Equity accounted investees)	Current account	877 077	2 200 194	3 637 241	2 760 164
				<b>3 637 241</b>	<b>2 760 164</b>

#### 32-2 Due to related parties

Company's name	Nature of transaction	Total value of transactions		Balance as at	
		30/9/2024	31/12/2023	30/9/2024	31/12/2023
		L.E	L.E	L.E	L.E
Wakalex Company (Company owned by one of the members of the Board of Directors)	Purchases	462 529 250	192 631 315	26 560 000	17 871 750
	Payments	(453 841 000)	(174 759 565)		
				<b>26 560 000</b>	<b>17 871 750</b>

#### 32-3 Board of Director's remuneration

- The total allowances and bonus received by the board of directors during the year amounted to LE 630 000 against LE 1 760 000 during the year ended 30 September 2023.
- Board of Director's remuneration in the amount of L.E 8 million, which was approved by the General Assembly on 9 May 2024 against L.E 5 million for the corresponding period.

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**33 Goodwill**

	30/9/2024	31/12/2023
	L.E	L.E
Goodwill resulting from acquiring the Egyptian Company for Dairy Products	46 433 934	46 433 934
Goodwill resulting from acquiring Al-Marwa for Food Industries Company	50 658 956	50 658 956
	<u>97 092 890</u>	<u>97 092 890</u>

**34 Earnings per share**

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

	From 1/1/2024 To 30/9/2024 L.E	From 1/1/2023 To 30/9/2023 L.E	From 1/7/2024 To 30/9/2024 L.E	From 1/7/2023 To 30/9/2023 L.E
Net profit/Loss for the period according to profit or loss statement	2 437 723 959	878 623 107	958 455 298	322 502 998
Net payable to shareholders	2 437 723 959	878 623 107	958 455 298	322 502 998
Weighted average to number of shares	941 405 082	941 405 082	941 405 082	941 405 082
EPS (L.E/Share)	<u>2.59</u>	<u>0.93</u>	<u>1.02</u>	<u>0.34</u>

- The foreign currency valuation differences for the current financial period were included in the other comprehensive income items in accordance with the amended Egyptian Accounting Standard No. (13) 2024 and the effects of changes in foreign exchange rates Appendix "H" issued on 23 May 2024 and the comparative figures were not modified.

The following table represent the EPS for the period after applying the accounting treatment: -

	From 1/1/2024 To 30/9/2024	From 1/1/2023 To 30/9/2023	From 1/7/2024 To 30/9/2024	From 1/7/2023 To 30/9/2024
Net profit/Loss for the period	2 437 723 959	878 623 107	958 455 298	322 502 998
Foreign exchange / (Loss) of the tax	(348 492 067)	-	-	-
Net payable to shareholders	2 089 231 892	878 623 107	958 455 298	322 502 998
Weighted average to number of shares	941 405 082	941 405 082	941 405 082	941 405 082
EPS (L.E/Share)	<u>2.22</u>	<u>0.93</u>	<u>1.02</u>	<u>0.34</u>



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Notes to the consolidated financial statements for the financial period ended 30 September 2024

### 35 Deferred government grants

The subsidiary of the group obtained a loan L.E 91.4 million loan from the Commercial International Bank (CIB) in August 2022 as part of 91.4 million the Central Bank of Egypt's initiative to support industrial companies, at an interest rate of 8%, which is lower than the prevailing market rate for a similar loan which equal average 19.25%. The difference between the two interest is recognized amounted to L.E 7 486 517 as follows:

- a) Deferred income – non-current Liabilities L.E 2 956 089
- b) Deferred income - current liabilities L.E 4 530 428
- c) Other income – income statement L.E 6 180 462 As of 30/9/2024 no income was recorded during the corresponding period (Note 6)

The following is a statement of the loan balances and deferred income of government grants:

	Less than one year <u>L.E</u>	More than one year <u>L.E</u>	Total <u>L.E</u>
Loan	22 850 000	45 700 000	68 550 000
Discount: Deferred (grant) obligations	(4 530 428)	(2 956 089)	(7 486 517)
<b>Balance at 30/9/2024</b>	<b><u>18 319 572</u></b>	<b><u>42 743 911</u></b>	<b><u>61 063 483</u></b>

### 36 Loss from FV Investment through P.L

During the period the group invested in listed shares as follows:

	No. of shares	L.E
Shares	Buy 9 353 000	(831 200 366)
	Sell 9 353 000	309 140 464
		<b><u>(522 059 902)</u></b>

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Notes to the consolidated financial statements for the financial period ended 30 September 2024

**37 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
<b>Egyptian Accounting Standard No. (50) "Insurance Contracts".</b>	<p>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.</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>The Company is currently assessing the impact of applying this new standard on its financial statements.</p>	<p>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 Company should disclose that fact.</p>
<b>Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes</b>	<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>The company has applied the alternative treatment of the standard in accordance with Appendix (H) (Disclosure no. 26).</p>	<p>Amendments regarding the determination of spot exchange rate when it is difficult to exchange between two currencies is applicable</p>

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial period ended 30 September 2024

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
in foreign exchange rates"	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>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:</p> <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</li> </ul>

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New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			adjustment to the cumulative translation adjustment reserve - accumulated in equity section on the date of initial application.
<b>Accounting Interpretation No. (2) "Carbon Reduction Certificates"</b>	Carbon Credits Certificates: Are financial instruments subject to trading that represent units for reducing greenhouse gas emissions. Each unit represents one ton of equivalent carbon dioxide emissions and are issued in favor of the reduction project developer (owner/non-owner), after approval and verification in accordance with internationally recognized standards and methodologies for reducing carbon emissions, carried out by verification and certification bodies, whether local or international, registered in the list prepared by the Financial Regulatory Authority "FRA" for this purpose. Companies can use Carbon Credits Certificates to meet voluntary emissions reduction targets to achieve carbon trading or other targets, which are traded on the Voluntary Carbon Market "VCM".	The management is currently studying the financial implications of applying the accounting interpretation to the Company's financial statements.	The application starts on or after the first of January 2025, early adaptation is allowed.
<b>The new Egyptian Accounting Standard No. (51) "Financial Statements in Hyperinflationary Economies."</b>	The impact on the financial statements has not yet been determined until the application date is specified.	<p>This standard must be applied to financial statements, including consolidated financial statements for any entity whose functional currency is in an economy classified as hyperinflationary.</p> <p>This standard applies to financial statements, including independent and individual financial statements for any entity whose functional currency is in an economy classified as hyperinflationary. It also applies to any group that has foreign operations, including branches, subsidiaries, sister companies, joint ventures, or others in an economy classified as hyperinflationary.</p> <p>This standard requires the adjustment of financial statements prepared in the currency of a hyperinflationary economy, aiming to provide useful</p>	<p>A decision will be issued by the Prime Minister or an authorized representative to specify the start and end dates for the financial period(s) during which this standard must be applied when the functional currency is the local currency, taking into account the following:</p> <p>(a) This standard must be applied to the financial statements of the entity starting from the beginning of the financial period in which the economy is classified as hyperinflationary. Comparative figures presented in the financial statements must be adjusted in accordance with the</p>

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		<p>information about the financial position of the entity, its performance, and changes in its financial position for a wide range of users to make economic decisions based on a fair presentation of the financial statements.</p>	<p>requirements of this standard.</p> <p>(b) As an exception to the requirements of paragraph 39 of Egyptian Accounting Standard No. 1, personal estimates may be used when applying this standard for accounting for foreign operations, such as branches, subsidiaries, sister companies, or joint ventures, to determine whether the economy is hyperinflationary.</p> <p>(c) This standard must be applied to all entities whose functional currency is the currency in which the economy has been classified as hyperinflationary.</p> <p>The impact on financial statements has not yet been determined until the application date is specified.</p> <p>This standard must be applied to the financial statements, including consolidated financial statements for any entity whose functional currency is in an economy classified as hyperinflationary.</p>
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Juhayna Food Industries Company (S.A.E.)

Notes to the consolidated financial statements for the financial period ended 30 September 2024

### 38 Significant events

- 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 dollars during the first week of the Central Bank's decision date, to reach between 49 to 50 EGP/USD and USD closing rate was 48.35 EGP on 30 September 2024.
- Egyptian Accounting Standard No. (13) revised 2024 "The Effects of Changes in Foreign Exchange Rates," Appendix (E) issued on May 23, 2024 Exception from the requirements of paragraph No. "28" regarding the recognition of foreign exchange differences, which states that (an entity whose results have been affected by net gains or losses on foreign exchange differences due to the adjustment of the exchange rate of foreign currencies) 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 The value of currency differences on the statement of comprehensive income by amount L.E 348 492 067.
- During the second quarter of 2024, Juhayna Group of Companies began implementing the decision of the Board of Directors of Juhayna Company dated 1 November 2023, the parent company to approve the merger of companies (Egyptian Dairy Products - Egyptian Food Industries (Egyfood) - Marwa Company for Food Industries - International Company for Modern Food Industries) as merged companies into Juhayna Food Industries Company - the merging company according to the book value of each of the merging and merged companies on the basis of balances on 31 December 2023 in order to improve operational processes, which contributes In reducing the operational cost and raising the level of performance of the group.