

Translated from Arabic

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate financial statements
For the financial year ended
31 December 2024
And Audit report

Translated from Arabic

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(An Egyptian Joint Stock Company)
Separate financial statements

For the year ended 31 December 2024

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Hazem Hassan

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Translation from Arabic

Auditor's report

To: The shareholders' of Juhayna Food Industries S.A.E

Introduction

We have audited the separate financial position of Juhayna Food Industries S.A.E as of 31 December 2024, and the related separate statements of income, comprehensive income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and in the light of provisions of applicable Egyptian laws. Those standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.



Hazem Hassan

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

Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the separate financial position of Juhayna Food Industries S.A.E as of 31 December 2024, and of its separate financial performance and its cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these separate financial statements.

Emphasis of a matter

Without qualifying our opinion, we draw attention to Note [26] to the separate financial statements, which states that the Company's Board of Directors has issued a resolution to merge the manufacturing sector companies. The Extraordinary General Assembly of the company approved this decision on 26 December 2024, and the legal procedures and approval has been obtained from the GAFI and the Financial Regulatory Authority, and legal actions have been taken for this merger. It has been registered in the commercial register on 27 February 2025.

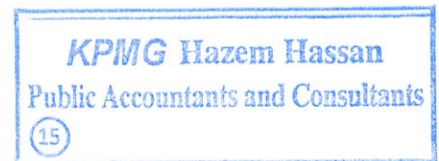
Report on Other Legal and Regulatory Requirements

The company maintains proper books of accounts, which include all that is required by law and the status of the company, and the separate financial statements agree thereto.

The financial information included in the Board of Directors', prepared in accordance with by law No. 159 of 1981 and its executive regulation, is in agreement with the Company's books of account.

Samy Abdelhafiz Ahmed Ibrahim
KPMG Hazem Hassan
Public Accountants & Consultants

Cairo, 25 March 2025



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

Translated from Arabic

<u>L.E</u>	<u>Note</u> <u>no.</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Assets			
Non-current assets			
Property, plant and equipment	(9)	202 428 183	152 546 246
Projects under construction	(11)	51 546 033	43 821 690
Investment in subsidiaries and under joint control	(10-1)-(10-2)	2 508 491 193	2 273 491 193
Total non-current assets		2 762 465 409	2 469 859 129
Current assets			
Debtors and other debit balances	(14)	8 016 305	5 638 653
Due from related parties	(22-2)	361 048 333	371 001 375
Cash and cash equivalent	(15)	11 654 741	3 133 471
Total current assets		380 719 379	379 773 499
Total assets		3 143 184 788	2 849 632 628
Equity			
Issued and paid up capital	(16)	941 405 082	941 405 082
Legal reserve		470 702 541	470 702 541
General reserve - share issuance premium	(16-1)	330 920 428	330 920 428
Retained earnings		817 963 643	993 099 770
Total equity		2 560 991 694	2 736 127 821
Non-current liabilities			
Lease contract liabilities	(21-1)	-	22 948 392
Deferred tax liabilities	(12-2)	23 490 814	15 606 623
Total non-current liabilities		23 490 814	38 555 015
Current liabilities			
Provisions	(18)	150 176	201 330
Suppliers and other credit balances	(19)	47 003 671	34 817 513
Lease contract liabilities	(21-1)	23 722 416	18 745 443
Bank credit facility	(23)	2 307 878	19 771 099
Due to related party	(22-3)	484 021 602	1 414 407
Income tax liabilities		1 496 537	-
Total current liabilities		558 702 280	74 949 792
Total liabilities		582 193 094	113 504 807
Total equity and liabilities		3 143 184 788	2 849 632 628

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

Associate Chief Financial Officer
Osama El-Taweel

Audit report "attached"

CFO
Tarek Elwan

Chairman
Ahmed El-Wakil

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

Translated from Arabic

	Note no.	31 December 2024	31 December 2023
<u>L.E</u>			
Other operating revenues	(5)	2 640 000	2 925 100
General and administrative expenses	(6)	(4 143 815)	(3 081 704)
Allowance for intercompany balances		15 850	309 247
Other operating expenses	(7)	(833 737)	(2 310 504)
(Loss) from operating activities		(2 321 702)	(2 157 861)
Gain sale fixed assets		34 234 647	-
Net finance (expenses) / income	(8)	(1 014 792)	1 204 514
Net profit /(loss) for the year before income tax		30 898 153	(953 347)
Income tax	(12)	(9 370 528)	(3 143 408)
Net profit /(loss) for the year after tax		21 527 625	(4 096 755)
Earning profit / (loss) per share for the year (L.E /share)	(17)	0.023	(0.004)

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

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate statement of comprehensive income
For the financial year ended in

Translated from Arabic

L.E.	Note no.	31 December 2024	31 December 2023
Net Profit / (loss) for the year		21 527 625	(4 096 755)
Foreign exchange of related tax (EAS 13- Appendix H) after tax	(26)	<u>(382 736)</u>	<u>-</u>
Total other comprehensive profit / (Loss) for year		<u><u>21 144 889</u></u>	<u><u>(4 096 755)</u></u>

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

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

Translated from Arabic

	Issued & paid up capital	Legal Reserve	General reserve- issuance premium	Retained earnings	Total
L.E					
Balance as of 1 January 2023	941 405 082	470 702 541	330 920 428	1 179 620 047	2 922 648 098
Comprehensive income					
Net (loss) for the year	-	-	-	(4 096 755)	(4 096 755)
Other comprehensive income items	-	-	-	-	-
Total comprehensive income	-	-	-	(4 096 755)	(4 096 755)
Transactions with company owners and other					
Dividends to shareholders	-	-	-	(141 210 761)	(141 210 761)
Dividends to employees and board of directors	-	-	-	(41 212 761)	(41 212 761)
Total Transactions with company owners and other	-	-	-	(182 423 522)	(182 423 522)
Balance as of 31 December 2023	<u>941 405 082</u>	<u>470 702 541</u>	<u>330 920 428</u>	<u>993 099 770</u>	<u>2 736 127 821</u>
Balance as of 1 January 2024	941 405 082	470 702 541	330 920 428	993 099 770	2 736 127 821
Comprehensive income					
Profit for the year	-	-	-	21 527 625	21 527 625
Other comprehensive income items	-	-	-	(382 736)	(382 736)
Total comprehensive income	-	-	-	21 144 889	21 144 889
Transactions with company owners and other					
Dividends to shareholders	-	-	-	(188 281 016)	(188 281 016)
Dividends to board of directors	-	-	-	(8 000 000)	(8 000 000)
Total Transactions with company owners and other	-	-	-	(196 281 016)	(196 281 016)
Balance as of 31 December 2024	<u>941 405 082</u>	<u>470 702 541</u>	<u>330 920 428</u>	<u>817 963 643</u>	<u>2 560 991 694</u>

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

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate statement of cash flows
For the financial year ended in

Translated from Arabic

	Note no.	31 December 2024	31 December 2023
L.E			
Cash flows from operating activities			
Net profit /(loss) for the year before income tax		30 898 153	(953 347)
Adjustments:			
PPE depreciation	(9)	13 392 732	11 832 079
Right of use interest	(21)	8 274 897	9 305 314
Credit Interest	(8)	(4 168 611)	(845 405)
Gain from selling PPE		(34 234 647)	-
Finance expenses		3 653 636	1 555 283
		<u>17 816 160</u>	<u>20 893 924</u>
Changes in:			
Debtors and other debit balances	(14)	(2 377 652)	84 222
Related parties	(22)	492 560 237	195 600 223
Suppliers and other credit balances	(19)	9 544 627	18 609 621
Provisions	(18)	(51 154)	(325 016)
Net cash flows resulted from operating activities		<u>517 492 218</u>	<u>234 862 974</u>
Deposit interest earned		4 168 611	845 405
Finance expenses		(3 653 636)	(1 555 283)
Income taxes paid		-	(4 931 439)
Dividends paid to employees and board of directors		(8 000 000)	(41 212 761)
Net cash flows resulted from operating activities		<u>510 007 193</u>	<u>188 008 896</u>
Cash flows from investing activities			
Acquisition of PPE and projects under construction	(9-10)	(71 767 864)	(39 955 277)
Collection from sold PPE		35 003 499	-
Paid investment in subsidiaries		(235 000 000)	-
Net cash flows result from (used in) investing activities		<u>(271 764 365)</u>	<u>(39 955 277)</u>
Cash flows from financing activities			
lease liability (paid)		(26 246 316)	(24 841 786)
Net (Paid)/collected Proceeds from credit facility	(23)	(17 463 221)	19 771 099
Dividends paid to shareholders		(185 639 485)	(141 210 761)
Net cash flows (used in) financing activities		<u>(229 349 022)</u>	<u>(146 281 448)</u>
Net change in cash and cash equivalents during the year		8 893 806	1 502 697
Net Change in foreign currency		(372 536)	269 474
Cash and cash equivalents at 1 Jan		3 133 471	1 361 300
Cash and cash equivalents at 31 December	(15)	<u>11 654 741</u>	<u>3 133 471</u>

*Shareholders' dividends include EGP 2.6 million in credits.

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

Juhayna Food Industries
An Egyptian Joint Stock Company
Notes to the separate financial statements
For the financial year ended 31 December 2024

1- Reporting the entity

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

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

The address of the Company's registered office is Building no.2- Polygon- Sodic West- Sheikh Zayed, Giza.

Mr. Ahmed Elwakil is the Chairman of the Board of Directors.

The Company is considered a holding Company.

The Company's purpose.

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

Registration in the Stock Exchange

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

2- Basis of preparation

a. Statement of compliance

- The financial statements have been prepared in accordance with Egyptian Accounting Standards ("EAS"), and in the light of prevailing Egyptian laws.
- The financial statements were authorized for issuance by the Board of Directors on 25 March 2025

b. Basis of measurement

- The financial statements have been prepared on the historical cost basis except some financial instruments are measured subsequently by either F.V or amortized cost.
- The financial statements have been prepared on going concern basis.
- **Functional and presentation currency**
The financial statements are presented in Egyptian pound, which is the Company's functional currency.

c. Use of estimates and judgments

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

Notes to the separate financial position for the financial year ended 31 December 2024

- Accounting policy No. (3-6): lease contract.
Information about uncertain assumptions and estimations that have a significant risk resulting in a material adjustment within the future financial statements are included in the following notes:
- Note (14): Impairment of other debit balances.
- Note (18): Provisions
- Note (12): Assets and deferred tax liabilities.

3- Significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements, except for the application of the optional non-realized currency differences accounting treatment to foreign currency balances at the end of March 6, 2024, which were included in the other universal income list instead of the list of profits or losses, the year's separate financial lists were prepared following the same accounting policies, which are continuously followed when preparing the financial lists.

3-1 Foreign currency**Foreign currency transactions**

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

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

3-2 Investments**3-2-1 Investments in subsidiary companies**

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

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized.

3-2-2 Investment under joint control

The companies under joint control are companies which the company has joint control on the investee company, the investments under joint control are carried in the balance sheet at cost, less any impairment in the value of individual investments which is charged to the income statement.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognized.

Notes to the separate financial position for the financial year ended 31 December 2024**3-3 Financial instruments****3-3-1 Financial assets****A. Classification:**

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

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

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

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

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

B. Recognition and derecognition:

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

C. Measurement:

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

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

Debt instruments:

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

- **Amortized cost:** Assets held to maturity date to collect contractual cash flows, where those cash flows represent only payment of original amount and interest, are measured at amortized cost. Interest income from these financial assets is included in financing income using the interest rate method. Any gains or losses resulting from the disposal of investments are recognized directly in the statement of profit or loss, and they are classified under other income / (expenses). Impairment losses are presented as a separate item in the statement of profit or loss.
- **Fair value through other comprehensive income:** Assets held for the purpose of collecting contractual cash flows and also for the purpose of selling financial assets, where the cash flows of assets represent only payment of original amount and interest, are measured at fair value through other comprehensive income. Changes in carrying amount are taken into other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in the statement of profit or loss. When the financial asset is disposed of, the cumulative gain or loss previously recognized in other comprehensive income from equity is reclassified to profit or loss and recognized in other income/(expenses). Interest income

Notes to the separate financial position for the financial year ended 31 December 2024

from these financial assets is included in financing income using the interest rate method, and impairment expense is presented as a separate item in the statement of profit or loss.

- **Fair value through profit or loss:** Assets that do not meet the criteria for depreciated cost or fair value through other comprehensive income are measured at fair value through profit or loss. Gains or losses on investment in debt instruments that are subsequently measured at fair value through profit or loss are recognized in profit or loss and are presented as a separate item in the statement of profit or losses in the period in which they arise.

3-3-2 Equity instruments

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

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

d- Impairment:

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

3-3-3 Cash and cash equivalents

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

3-3-4 Financial instruments**Financial liabilities and equity instruments issued by the Company****Classification as debt or equity**

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

Equity instruments

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

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

Financial liabilities

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

Notes to the separate financial position for the financial year ended 31 December 2024**Other financial liabilities**

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

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

De-recognition of financial instruments

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

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

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

Non-derivative financial liabilities

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

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

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

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

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

3-4 Property, plant and equipment**Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses (Note 9).

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

Notes to the separate financial position for the financial year ended 31 December 2024

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

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

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

Subsequent costs

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

Depreciation

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

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

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

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

3-5 Projects under construction

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

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

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

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

Notes to the separate financial position for the financial year ended 31 December 2024

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the company uses an incremental borrowing rate specific to the country, term and currency of the contract. Lease payments can include fixed payments; variable payment that depend on an index or rate known at the commencement date; and extension option payments or purchase options, if the Company is reasonably certain to exercise. The lease liability is subsequently measured at amortized cost using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, change of an index or rate or in case of reassessment of options.

At inception, the ROU asset comprises, the initial lease liability, initial direct costs, and the obligations to refurbish the asset, less any incentives granted by the lessors. The ROU asset is depreciated over the shorter of the lease term or useful life of the underlying asset. The ROU asset is subject to testing of impairment if there is an indicator for impairment, as for owned assets.

Finance lease contracts (sale and lease back):

- If the entity (the lessee) transfers the asset to the other entity (the lessor) and leased back the asset, the entity must determine whether the asset is being accounted for as sales transaction or not.
- **In case of the transfer of asset that is not sale transaction:**
The entity (lessee) must continue to recognize the transferred asset and must recognize a financial liability equal to the proceeds of the transfer.

3-7 Impairment in value**Non-financial assets**

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

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

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets are grouped together into the smallest company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognized in profit or loss. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3-8 Advantages of Pensions

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

Notes to the separate financial position for the financial year ended 31 December 2024**3-9 Provisions**

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

3-10 Revenue**Dividends revenue from subsidiaries**

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

Rental income

Rental income from other assets is recognized in other income.

3-11 Finance incomes and finance costs

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

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

Borrowing costs that are not directly attributable to the acquisition, construction, or production of a qualifying asset are recognized in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3-12 Income tax

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

Current income tax:

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

Deferred tax:

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3-13 Legal reserve

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

Notes to the separate financial position for the financial year ended 31 December 2024**3-14 End of service benefits**

End of service benefits are recognized as an expense when the company is committed clearly-without having the possibility of cancellation – to a formal detailed plan to either terminate the employment contract before the normal retirement date or to provide end of service benefits as a result of resignations (voluntary leave) according to law (12) of 2003 and related Egyptian Laws and policies approved and declared by the company.

If the benefit is payable for a year of more than 12 months after the date of preparation of the financial statements, it is reduced to its present value.

3-15 Transactions with related parties:

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

4- Determination of fair value

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

Financial asset values are determined at the current purchase prices of those assets, while the value of Financial liabilities are determined at the current rates at which such liabilities can be settled.

In the absence of an active market to determine the fair value of financial instruments, fair value is estimated using the various valuation techniques, taking into consideration recent transaction prices, and guidance on the current fair value of other instruments that are substantially similar - discounted cash flow method or other valuation method which results in reliable values.

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

Wherever possible, additional disclosures about the assumptions used in determining fair value are disclosed in the notes to these assets and liabilities.

The book value for the financial instrument measured by amortized cost are approximately equivalent to the market value

4-1 non-derivative financial liabilities

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

5- Other operating revenues

	31/12/2024	31/12/2023
	L.E	L.E
Income from rental assets to subsidiaries	2 640 000	2 640 000
Judicial refund	-	275 272
Other	-	9 828
	<u>2 640 000</u>	<u>2 925 100</u>

Notes to the separate financial position for the financial year ended 31 December 2024**6- General and administrative expenses**

	31/12/2024	31/12/2023
	L.E	L.E
Personnel expenses	159 634 455	91 542 092
Depreciation expenses	13 392 732	11 832 079
End of service	3 334 300	15 079 833
Subscription and licenses	4 219 896	3 625 963
Other administrative expenses	45 738 038	25 159 721
Board of Directors remunerations	515 000	90 000
Expenses charged to subsidiaries*	(222 690 606)	(144 247 984)
	<u>4 143 815</u>	<u>3 081 704</u>

* The amount of L.E 222 690 606 of general and administrative expenses was deducted and charged to subsidiaries (note 24).

7- Other operating expenses

	31/12/2024	31/12/2023
	L.E	L.E
Provisions for claims	-	838 669
Property tax	730 880	1 461 760
Health insurance contribution	102 857	10 075
	<u>833 737</u>	<u>2 310 504</u>

8- Net finance (expenses) / income

	31/12/2024	31/12/2023
	L.E	L.E
Right of use interest	(8 274 897)	(9 305 314)
Interest expenses	(3 653 636)	(1 555 283)
Credit interest	4 168 611	845 405
Loss from foreign currency exchange	(5 183 403)	359 109
Expenses Charged to subsidiaries *	11 928 533	10 860 597
	<u>(1 014 792)</u>	<u>1 204 514</u>

* The amount of L.E 11 928 533 of finance expenses was deducted and charged to subsidiaries (note 24)

Juhayna Food Industries

Notes to the separate financial statements for the financial year ended 31 December 2024

Translated from Arabic

9- Property, plant, and equipment

Description	Lands*	Buildings & constructions	Buildings and constructions result from lease contract	Transportation & transport vehicles	Office furnitures & equipments	Computers	Total
	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.
Cost as of 1/1/2023	11 870 738	111 706 795	44 387 809	5 172 843	11 512 776	95 592 576	280 243 537
Additions	-	-	-	-	13 800	5 932 486	5 946 286
Disposals	-	-	-	(292.000)	-	-	(292 000)
Cost as of 31/12/2023	11 870 738	111 706 795	44 387 809	4 880 843	11 526 576	101 525 062	285 897 823
Cost as of 1/1/2024	11 870 738	111 706 795	44 387 809	4 880 843	11 526 576	101 525 062	285 897 823
Additions	-	-	-	52 290 000	646 938	10 697 775	63 634 713
Addition from PUC	-	-	-	-	-	408 808	408 808
Disposals	(190 350)	(1 035 500)	-	-	-	(5 500)	(1 231 350)
Cost as of 31/12/2024	11 680 388	110 671 295	44 387 809	57 170 843	12 173 514	112 626 145	348 709 994
Accumulated depreciation as of 1/1/2023	-	12 374 411	12 428 586	4 247 023	9 731 095	83 030 383	121 811 498
Depreciation for the year	-	2 234 136	887 756	322 741	365 277	8 022 169	11 832 079
Depreciation of disposals	-	-	-	(292.000)	-	-	(292 000)
Accumulated depreciation as of 31/12/2023	-	14 608 547	13 316 342	4 277 764	10 096 372	91 052 552	133 351 577
Depreciation for the year	-	2 228 958	887 756	1 048 837	364 888	8 862 293	13 392 732
Disposals Depreciation during the year	-	(456 998)	-	-	-	(5 500)	(462 498)
Accumulated depreciation as of 31/12/2024	-	16 380 507	14 204 098	5 326 601	10 461 260	99 909 345	146 281 811
Net book value as of 31/12/2024	11 680 388	94 290 788	30 183 711	51 844 242	1 712 254	12 716 800	202 428 183
Net book value as of 31/12/2023	11 870 738	97 098 248	31 071 467	603 079	1 430 204	10 472 510	152 546 246

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

- Fully depreciated assets as at 31 December 2024 amount L.E 99 725 927 (31 December 2023 amount L.E 86 251 992)

Juhayna Food Industries
Notes to the separate financial statements for the year ended 31 December 2024

Translated from Arabic

10- Investments	Name of the investee company	Legal entity	Number of purchased shares	Participation percentage	Nominal value per share	Total Nominal value	Percentage paid	Total investment cost	Impairment in the value of investment as at	Net Investment	
										31/12/2024	31/12/2023
				%	L.E.	L.E.	%	L.E.	L.E.	L.E.	L.E.
(10-1)	Investment in subsidiary companies										
	Egyptian Company for Dairy Products	SAE	2 999 700	99.99	100	299 970 000	100	359 911 533	-	359 911 533	359 911 533
	International Company For Modern Food Industries	SAE	4 999 500	99.99	100	499 950 000	100	499 950 000	-	499 950 000	499 950 000
	The Egyptian Company For Food Industries "Egyfood"	SAE	499 908	99.98	1 000	499 908 000	80	386 893 852	-	386 893 852	386 893 852
	Tiba for Trading and Distribution	SAE	1 998 000	99.90	100	199 800 000	100	199 800 000	-	199 800 000	199 800 000
	Al-Marwa for Food industries	SAE	12 236 279	99.91	10	122 362 790	100	196 815 808	-	196 815 808	196 815 808
	Enmaa for Agriculture Development Co. and biological wealth*	SAE	8 549 700	99.995	100	854 970 000	100	854 970 000	-	854 970 000	599 970 000
	Paid on account of investment										
	Tiba for Trading and Distribution**	SAE	-	-	-	-	-	-	-	-	20 000 000
(10-2)	Investment in under joint companies										
	Ajju For Food Industries***	SAE	1 015 000	50.75	10	10 150 000	100	10 150 000	-	10 150 000	10 150 000
	Balance as at 31 December					<u>2 487 310 790</u>		<u>2 508 491 193</u>		<u>2 508 491 193</u>	<u>2 273 491 193</u>
(10-3)	Investments at fair value through profit and loss										
	Egyptian for Trading and Marketing	SAE	1 000	0.54	100	100 000	100	100 000	(100 000)	-	-
	Balance as at 31 December					<u>100 000</u>		<u>100 000</u>	<u>(100 000)</u>		

* On 18 September 2024, the Board of Directors of Enmaa for Agriculture Development Co. and biological wealth decided to complete the amount of 50 million Egyptian pounds in cash from the issued capital to become 650 million Egyptian pounds in cash paid in full, and the commercial register was registered on 26 September 2024.

On 19 September 2024, the Board of Directors of Ajma Company for Agricultural Development and Livestock decided to increase the issued capital of the company by 205 million Egyptian pounds cash paid in full, and the commercial register was noted in the subsequent period on 7 October 2024.

** On 26 June 2024, the Extraordinary General Assembly of the Company decided to reverse the capital increase that was offered at the Extraordinary General Assembly dated 26 December 2019.

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

Notes to the separate financial position for the financial year ended 31 December 2024**11- Projects under construction**

	31/12/2024	31/12/2023	Completion %	Implementation schedule
	<u>L.E</u>	<u>L.E</u>		
Software programs (SAP Update)	44 819 304	40 383 015	% 95-%90	Within the year
Advance for fixed assets	6 726 729	3 438 675	%70-%80	Within the year
	<u>51 546 033</u>	<u>43 821 690</u>		

Movement of projects under construction

	Beginning Balance	Additions	Capitalized	Ending Balance
Software programs (SAP Update)	40 383 015	4 845 097	(408 808)	44 819 304
Advance for fixed assets	3 438 675	3 288 054	-	6 726 729
	<u>43 821 690</u>	<u>8 133 151</u>	<u>(408 808)</u>	<u>51 546 033</u>

12- Income tax expense for year

	31/12/2024	31/12/2023
	<u>L.E</u>	<u>L.E</u>
Current year tax	(1 486 337)	-
Deferred tax expense	(7 884 191)	(3 143 408)
	<u>(9 370 528)</u>	<u>(3 143 408)</u>

12-1 Reconciliation of effective tax rate

	31/12/2024	31/12/2023
	<u>L.E</u>	<u>L.E</u>
Net Profit / (Loss) for the year before income tax	30 898 153	(953 347)
Tax price	22.5%	22.5%
Income tax according to tax price (22.5%).	<u>6 952 084</u>	<u>(214 503)</u>
Tax adjustments:		
Tax depreciation and rent contract differences	(4 448 946)	25 802
Non-deductible expenses	230 174	188 701
Deferred tax adjustments	7 757 500	3 143 408
post-harvest losses	(1 120 284)	-
Income Tax	<u>9 370 528</u>	<u>3 143 408</u>
Effective tax rate	<u>30.33%</u>	<u>(329.72%)</u>

Notes to the separate financial position for the financial year ended 31 December 2024**12-2 Deferred tax liabilities****A- Deferred tax assets and liability arising from lease contract**

	31/12/2024	31/12/2023
	<u>L.E</u>	<u>L.E</u>
Lease contract (liabilities)	(14 858 116)	(9 805 240)
Fixed Assets	(8 632 698)	(5 801 383)
Total deferred tax liability	(23 490 814)	(15 606 623)
Deferred tax movement		

	Balance as of 1/1/2024	Deferred tax (expense) for the financial year ended 31/12/2024	Balance as of 31/12/2024
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Total Deferred tax liability	15 606 623	7 884 191	23 490 814

13- Tax status**13-1 Corporation tax**

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

The year from the beginning of operation till year 2018

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

Year 2019 till 2023

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

13-2 Payroll tax**The year from the beginning of operation till year 2022**

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

Year 2023-2024

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

13-3 Stamp tax**The years from the beginning of operation till 2020**

The tax inspection performed, and differences settled.

Year 2021 till 2024

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

13-4 Sales tax / Value added tax**From 2013 to 2015**

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

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

From 2016 to 2020

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

Year 2021 to 2024

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

13-5 Withholding tax

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

Notes to the separate financial position for the financial year ended 31 December 2024**14- Debtors and Other debit balances**

	31/12/2024	31/12/2023
	L.E	L.E
Suppliers – advance payments	1 508 004	574 781
Prepaid expenses	3 054 374	3 283 503
Letter of guarantees margin	25 398	25 398
Deposits with others	432 125	432 125
Advance for land purchase with the government (under refund)	1 367 244	1 367 244
Employee custodies	508 184	124 789
Credit interest	1 253 992	25 430
Other debit balances	64 854	3 253
	8 214 175	5 836 523
Less: Impairment in other debit balances	(197 870)	(197 870)
	8 016 305	5 638 653

15- Cash at banks and on hand

	31/12/2024	31/12/2023
	L.E	L.E
Banks – current accounts	11 455 600	2 915 446
Cash on hand	199 141	218 025
	11 654 741	3 133 471

16- Capital**Authorized capital**

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

Issued and paid-up capital

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

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

Notes to the separate financial position for the financial year ended 31 December 2024

The shareholder's structure on 30 September 2024 is as follows:

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

16-1 General reserve - issuance premium

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

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

17- Basic/ Diluted Earnings (Loss) per share

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

	31/12/2024 L.E	31/12/2023 L.E
Net profit /(Loss) for the year according to profit or loss statement	21 527 625	(4 096 755)
Net payable to shareholders	21 527 625	(4 096 755)
Weighted average to number of shares	941 405 082	941 405 082
Earnings per share (net) earning / (Loss) for year (L.E/Share)	0.023	(0.004)

Notes to the separate financial position for the financial year ended 31 December 2024

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

	31/12/2024	31/12/2023
	L.E	L.E
Net profit / (Loss) for the year	21 527 625	(4 096 755)
Translation differences	(382 736)	-
Net payable to shareholders	21 144 889	(4 096 755)
Weighted average to number of shares	941 405 082	941 405 082
Earnings per share (OCI) earning/(Loss) for year (L.E/Share)	0.022	(0.004)

18- Provision

Description	Balance on 1/1/2024	Provision formed	Provision used	Balance on 31/12/2024
	L.E	L.E	L.E	L.E
Provision for legal claims *	201 330	-	(51 154)	150 176

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

19 - Suppliers and other credit balances

	31/12/2024	31/12/2023
	L.E	L.E
Suppliers	16 485 236	12 055 805
Accrued expenses	10 822 285	17 459 033
Taxes- Tax authority	13 148 705	4 369 980
Dividends payable	2 655 515	13 984
Accrued health insurance	112 933	10 075
Social Insurance Authority	455 347	328 788
Other credit balances	3 323 650	579 848
	47 003 671	34 817 513

Notes to the separate financial position for the financial year ended 31 December 2024**20- Financial instruments****Financial risk management****Overview**

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

- Credit risk
- Liquidity risk
- Market risk.

Risk management framework.

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

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

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

Credit risk

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

Credit risk**Exposure to credit risk**

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

	Carrying amount	
	<u>31/12/2024</u>	<u>31/12/2023</u>
	<u>L.E</u>	<u>L.E</u>
Debtors and other debit balances	4 961 931	2 355 150
Due from related parties	361 048 333	371 001 375
Cash	11 654 741	3 133 471

Notes to the separate financial position for the financial year ended 31 December 2024**Liquidity risk**

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

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

	Total book value	Contractual cash flow	6-12 months	1-5 years
31 December 2024	EGP	EGP	EGP	EGP
Suppliers and other credit	47 003 671	47 003 671	47 003 671	-
lease contract liabilities	23 722 416	26 246 316	23 722 416	-
Facilities	2 307 878	2 307 878	2 307 878	-
Due to Related party	484 021 602	484 021 602	484 021 602	-

The contractual lease value and its life payments information refer to note. 21. The payments during this year amounted approx. to L.E 17 million included the lease interest amounted approx. to L.E 9 million.

Market risk

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

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

Currency risk

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

Foreign currency risk**Exposure to currency risk**

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

	USD	EURO
Cash at banks and on hand	3 612	1 427
Credits balance	(4 488)	-
31 December 2024	(876)	1 427
31 December 2023	3 686	1 427

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

	Average rate		Actual closing Rate	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
USD	45.6	30.86	50.91	30.95
Euro	49.2	33.47	53	34.17

Notes to the separate financial position for the financial year ended 31 December 2024**Sensitivity analysis**

An increase or decrease of 10% in exchange rates on 31 December 2024, would have impacted the measurement of financial assets in EGP as follows:

	31 December 2024	31 December 2023
	<u>10% Effect</u>	<u>10% Effect</u>
USD	(4 460)	11 408
Euro	<u>7 563</u>	<u>4 876</u>

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**31 December 2024**

Financial instruments that carry a variable interest rate

	Profit or Loss	
	100 points increase	100 points decrease
	1 923	(1 923)

31 December 2023

Financial instruments that carry a variable interest rate

	197 711	(197 711)
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Capital management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business.

Total equity consists of paid-up capital and retained earnings and reserves. The board of directors maintain the capital return and return received by the share holders

	31/12/2024	31/12/2023
	<u>L.E</u>	<u>L.E</u>
Total liabilities	582 193 094	113 504 807
Less: Cash and cash equivalent	<u>(11 654 741)</u>	<u>(3 133 471)</u>
Net debt	570 538 353	110 371 336
Total equity	<u>2 560 991 694</u>	<u>2 736 127 821</u>
Net debt to equity ratio	% 22.28	% 4.03

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

Notes to the separate financial position for the financial year ended 31 December 2024**21- Financial lease contracts****Lease contracts (Sale and lease back)**

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

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

The company made an agreement with Tiba for Trading and Distribution Company -Subsidiary company- with a percentage of 99,9% for leasing the administrative building of the subsidiary company with a quarterly rental value with a total amount of L.E 2 640 000 during the financial year ended 31 December 2024 (An amount of L.E 2 640 000 during the year ended 31 December 2024).

The finance interests of the lease contract amounted to L.E 8 274 897 during the financial year ended 31 December 2024.

21-1 Loan (arising from lease contract)

	31/12/2024 L.E	31/12/2023 L.E
Liabilities from lease contract (current portion)	23 722 416	18 745 443
Long-term liability from lease contract (non-current portion)	-	22 948 392
Total	23 722 416	41 693 835

Payment of lease contracts liabilities are as follows:

	Loan principal		Accrued interest	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	L.E	L.E	L.E	L.E
Liabilities for one year	23 722 416	18 745 443	2 523 899	5 972 051
Liabilities more than 1 year	-	22 948 392	-	1 769 103

22- Related party transactions

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

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

Notes to the separate financial position for the financial year ended 31 December 2024**22-1 Board of directors' allowances**

	31/12/2024	31/12/2023
	<u>L.E</u>	<u>L.E</u>
Board of directors 'allowances	515 000	90 000

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

22-2 Due from related parties

Company Name	Nature of transaction	Volume of	Volume of	Balance as of	Balance as of
		transactions	transactions	31/12/2024	31/12/2023
		31/12/2024	31/12/2023	31/12/2024	31/12/2023
		L.E	L.E	L.E	L.E
	Right of use assets	-	2 640 000		
Tiba For Trading and Distribution	Expense allocation	-	26 938 401	-	120 460 837
			-		
El Marwa for Food Industries	Dividend's Collection	-	(56 169 484)		
	Funding	(24 717 408)	(39 820 949)	9 599 883	-
	Expense allocation	35 101 561	13 821 255		
The international for modern food industries	Funding	(15 452 253)	-		
	Dividend's distribution	-	-	18 957 445	-
	Expense allocation	35 039 837	-		
EGY Food	Dividend's Collection	-	(103 480 956)		
	Funding	(26 570 444)	(29 190 413)	21 326 180	905 237
	Expense allocation	46 991 386	30 599 509		
Enmaa For Agricultural Reclamation	Funding	-	(26 531)	-	30 641
Enmaa For Agriculture Development and Biological Wealth	Funding	9 009 321	17 250 641	253 119 331	244 110 009
Egyptian Company for Dairy Products	Funding	(58 013 417)	(82 484 653)	55 213 804	3 673 183
	Dividend's distribution				
Enmaa For Livestock	Dividend's Collection	-	(38 246 175)		
	Expense allocation	109 554 038	78 347 988	358 046	9 091
	Funding	348 955	(9 772 574)		
Arju for food industries	Funding	645 417	1 902 133	3 048 625	2 403 208
				361 623 315	371 592 206
ECL from related parties				(574 982)	(590 831)
				361 048 333	371 001 375

Notes to the separate financial position for the financial year ended 31 December 2024**22-3 Due to related parties**

Company Name	Nature of transaction	Volume of transactions	Volume of transactions	Balance as of	Balance as of
		31/12/2024	31/12/2023	31/12/2024	31/12/2023
		L.E	L.E	L.E	L.E
International Company for Modern Food Industries	Funding	-	(630 139)	-	630 139
El Marwa for Food Industries	Funding	-	784 268	-	784 268
Enmaa For Agricultural Reclamation	Funding	(30 764)	-	123	-
Tiba For Trading and Distribution	Right of use assets Expense allocation Dividend's Collection	2 640 000 25 743 308 (122 277 600)	-	484 021 479	-
				484 021 602	1 414 407

23- Bank Credit facility

The outstanding balance amounted on 31 December 2024 to 2 307 878 EGP represents the outstanding balance for the overdraft facility from HSBC for working capital requirement including overheads, taxes and utility expenses amounted to EGP 20 million with interest rate equal 28% (the corridor rate $\pm 0.25\%$) for promissory note.

24- Distribution of the holding companies' expenses

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

Notes to the separate financial position for the financial year ended 31 December 2024**25- New Editions and Amendments to Egyptian Accounting Standards**

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

A-Current impact on the financial statements

New or reissued standards that have been applied	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (17) amended 2024 "Separate Financial Statements"	Egyptian Accounting Standard No. (17) "Separate Financial Statements" was reissued in 2024, adding the option to use the equity method as described in Egyptian Accounting Standard No. (18) "Investments in Sister Companies" when accounting for investments in associates, sister companies and jointly controlled companies.	There is no impact on the company's financial statements	The amendments shall apply to financial periods commencing on or after January 1, 2024 with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the equity method by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this method for the first time.
Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"	This standard was reissued in 2024, to add how to determine the spot exchange rate when exchange between two currencies is difficult and what are the conditions that must be met for determining the spot exchange rate at the measurement date. An appendix to the application guidelines has been added, which includes guidelines for assessing whether a currency is exchangeable for another currency, and guidelines for applying the required treatments in case of non-exchangeability.	The company has applied the alternative treatment of the standard in accordance with Appendix (H)	Amendments regarding the determination of spot exchange rate when it is difficult to exchange between two currencies is applicable to financial periods commencing on or after January 1, 2024 with early adaption allowed. If the entity made an early application, this has to be disclosed. Entity shall not be modifying comparative information and instead should: <ul style="list-style-type: none"> • When the entity reports foreign currency transactions to its functional currency, any effect of the initial application is recognized

Notes to the separate financial position for the financial year ended 31 December 2024

New or reissued standards that have been applied	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			<p>as an adjustment to the opening balance retained earnings/losses on the date of initial application.</p> <ul style="list-style-type: none"> • When an entity uses presentation currency different than its functional currency or translates the results and balances of foreign operation, the resulting differences and financial position of a foreign transaction, any effect of the initial application is recognized as an adjustment to the cumulative translation adjustment reserve - accumulated in equity section on the date of initial application.

Notes to the separate financial position for the financial year ended 31 December 2024**B-Potential impact on the financial statements**

The standards under study application	Summary of the most significant amendments	Potential impact on financial statements	Effective date
<p>The new Egyptian Accounting Standard No. (51) "Financial Statements in Hyperinflationary Economies."</p> <p>The Prime Minister's Decree No. 3527 of 2024, issued on October 23, 2024.</p>	<p>The impact on the financial statements has not yet been determined until the application date is specified.</p>	<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 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>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 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>
<p>Egyptian Accounting Standard No. (50) "Insurance Contracts"</p>	<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</p>	<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 years starting on or after July 1, 2024, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier year, the Company should disclose that fact.</p>

Notes to the separate financial position for the financial year ended 31 December 2024

	<p>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"> - Egyptian Accounting Standard No. (10) "Fixed Assets". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) "Investment property". 		
<p>Accounting Interpretation No. (2) "Carbon Reduction Certificates"</p> <p>The Prime Minister's decision No. 636 of 2024, issued on 3 March 2024</p>	<p>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</p>	<p>The management is currently studying the financial implications of applying the accounting interpretation to the Company's financial statements.</p>	<p>The application starts on or after the first of January 2025, early adaption is allowed.</p>

Notes to the separate financial position for the financial year ended 31 December 2024

	<p>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".</p>		
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26- Significant events

- Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates" Appendix (E) issued on May 23, 2024 as an exception to the requirements of paragraph (28) Effects of changes in foreign exchange rates Adjusted 2024 for the recognition of currency differences - The entity whose results are affected by net profit or loss of currency differences as a result of adjustment of the foreign exchange rate - The company recognized among other comprehensive income items the net debit and credit currency differences resulting from the retranslation of the balances of items of the monetary nature of the cash at the end of 6 March 2024, as these differences resulted mainly from the decision to adjust the exchange rate.
- 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, The approval of the Investment Authority and the Financial Supervision Authority was obtained and legal procedures have been taken , and it has been recorded in the commercial register on 27 February 2025.