

Translated from Arabic

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

**Juhayna Food Industries**  
**(An Egyptian Joint Stock Company)**  
**Consolidated financial statements**  
**For the financial 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 consolidated statement of financial position of Juhayna Food Industries S.A.E as of 31 December 2024, and the related consolidated 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 consolidated financial statements are the responsibility of the company's management. Management is responsible for the preparation and fair presentation of these consolidated 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 the consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors judgment, including the assessment of the risk of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements.

***Opinion***

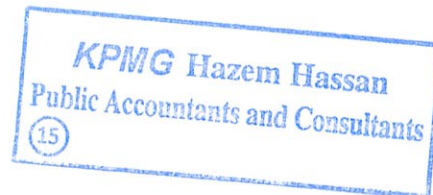
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Juhayna Food Industries S.A.E as of 31 December 2024, and of its consolidated financial performance and cash flows for the year then ended in accordance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

***Emphasis of the matter***

Without qualifying our opinion, we draw attention to note No. (17) 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 to 2014. The group has made an assessment, following the legal and tax advice, that it is more likely than not that it will be successful in defending the lawsuit brought against it. Therefore, it has concluded that it does not have a present obligation and has not recognized a provision in the consolidated financial statements. Instead, the group has concluded that contingent liability exists on the base that the claim is indicative of a possible obligation, and this matter is disclosed in the consolidated financial statements. Our opinion is not modified in respect of this matter.

Samy Abdelhafiz Ahmed Ibrahim  
KPMG Hazem Hassan  
Public Accountants & Consultants

Cairo, 25 March 2025



Juhayna Food Industries  
(An Egyptian Joint Stock Company)  
Consolidated statement of financial position  
As of 31 December

Translated from Arabic

	Note No.	2024	2023
<b>L.E</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	(13)	3 886 899 018	3 077 685 183
Projects under construction	(14)	1 511 945 561	299 334 840
Biological assets	(15) - (16-1)	445 704 631	305 114 220
Equity accounted investees	(12)	18 025 552	15 670 070
Right of use assets	(29-2)	93 038 704	38 966 498
Good will	(33)	97 092 890	97 092 890
Other long term asset		699 057	707 329
<b>Non-current assets</b>		<b>6 053 405 413</b>	<b>3 834 571 030</b>
<b>Current assets</b>			
Inventory	(18)	4 177 070 922	2 783 515 178
Trade and other receivables	(19)	1 501 832 833	834 918 362
Due from related party	(32 -1)	3 421 436	2 760 164
Other biological assets	(16-2)	43 487 421	29 465 780
Cash and cash equivalents	(20)	1 811 244 599	1 093 526 328
PPE held for sale		-	1 610 291
<b>Current assets</b>		<b>7 537 057 211</b>	<b>4 745 796 103</b>
<b>Total assets</b>		<b>13 590 462 624</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		4 324 257 529	2 233 885 644
<b>Total equity attributable to owners of the company</b>		<b>6 338 696 002</b>	<b>4 248 324 117</b>
Non-controlling interest		628 468	1 444 468
<b>Total equity</b>		<b>6 339 324 470</b>	<b>4 249 768 585</b>
<b>Non-current liabilities</b>			
Loans	(22-1)	578 066 880	90 395 408
Lease contract liabilities	(29-1)	84 041 450	53 847 845
Deferred tax liabilities	(26-1)	387 421 265	321 767 403
Deferred income	(35)	2 199 658	6 023 113
<b>Non-current liabilities</b>		<b>1 051 729 253</b>	<b>472 033 769</b>
<b>Current liabilities</b>			
Provisions	(24)	228 224 163	183 529 210
Bank credit facilities	(23)	2 909 495 624	1 096 229 656
Creditors and other credit balances	(25)	2 006 712 301	2 261 080 629
Due to related parties	(32 -2)	-	17 871 750
Income tax liabilities	(26-2)	712 162 570	177 047 207
Lease contracts liabilities	(29-1)	67 487 158	57 958 125
Loans	(22-1)	271 503 629	57 204 336
Deferred income	(35)	3 823 456	7 643 866
<b>Current liabilities</b>		<b>6 199 408 901</b>	<b>3 858 564 779</b>
<b>Total liabilities</b>		<b>7 251 138 154</b>	<b>4 330 598 548</b>
<b>Total equity and total liabilities</b>		<b>13 590 462 624</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 Eltawel

CFO  
Tarek Elwan

Chairman  
Ahmed Elwakil

Audit report "attached"



**Juhayna Food Industries**  
**(An Egyptian Joint Stock Company)**

Translated from Arabic

**Consolidated statement of profit or loss**  
**For the financial year ended in 31 December**

		<b>2024</b>	<b>2023</b>
		<b>L.E.</b>	<b>L.E.</b>
Net sales	(11 -3)	24 302 616 048	15 536 190 159
Cost of sales	(5)	<u>(16 912 916 624)</u>	<u>(11 926 060 448)</u>
<b>Gross profit</b>		<b>7 389 699 424</b>	<b>3 610 129 711</b>
Other operating income	(6)	332 938 371	159 994 633
Selling and Marketing expenses	(7)	(2 159 669 231)	(1 342 075 407)
General and administrative expenses	(8)	( 644 978 687)	( 388 147 620)
Net (Losses)income/ Reverse of Impairment of trade and other receivables		( 3 081 048)	5 971 372
Other expenses	(9)	<u>( 221 931 314)</u>	<u>( 243 943 082)</u>
<b>Results from operating activities</b>		<b>4 692 977 515</b>	<b>1 801 929 607</b>
Share of net (Loss) /profit of Equity accounted investees		2 355 482	( 1 256 023)
Net finance (cost)	(10)	( 596 428 158)	( 320 893 260)
Loss on sale of investment at FV through profit or loss	(36)	<u>( 522 059 933)</u>	<u>( 115 108 535)</u>
<b>Net profit for the year before income tax</b>		<b>3 576 844 906</b>	<b>1 364 671 789</b>
Current income tax	(26-4)	<u>( 841 450 390)</u>	<u>( 343 211 571)</u>
<b>Net profit for the year after tax</b>		<b><u>2 735 394 516</u></b>	<b><u>1 021 460 218</u></b>
<b>Distributed as follows</b>			
Owners of the company		2 735 294 169	1020 909 888
Non-controlling interests		100 347	550 330
		<u><b>2 735 394 516</b></u>	<u><b>1 021 460 218</b></u>
<b>Earning per share for the year (L.E /share )</b>	(34)	<u><b>2.91</b></u>	<u><b>0.98</b></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 comprehensive income**  
**For the financial year ended in 31 December**

**Translated from Arabic**

	Note No.	2024	2023
		L.E.	L.E.
<b>Net profit for the year after tax</b>		2 735 394 516	1 021 460 218
Losses of foreign currency evaluation (EAS 13 - appendix H)	(38)	( 344 814 387)	-
Tax impact (EAS 13 - appendix H)	(38)	( 3 677 680)	-
<b>Total comprehensive income</b>		<u><u>2 386 902 449</u></u>	<u><u>1 021 460 218</u></u>
<b>Distributed as follows</b>			
Parent owners of the company		2 386 802 102	1 020 909 888
Non-controlling interests		100 347	550 330
		<u><u>2 386 902 449</u></u>	<u><u>1 021 460 218</u></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 year ended 31 December 2024

Translated from Arabic

	Issued & paid up capital L.E.	Legal reserve L.E.	General reserve- insurance 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 year ended 31 December 2023	-	-	-	1 020 909 888	550 330	1021 460 218
<b>Transaction with owners of the company</b>						
Dividends to shareholders	-	-	-	(141 210 760)	(284)	(141 211 044)
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)	-	-
Balance as at 31 December 2023	941 405 082	742 112 963	330 920 428	2 233 885 644	1 444 468	4 249 768 585
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 year ended 31 December 2024	-	-	-	2 386 802 102	100 347	2 386 902 449
<b>Transaction with owners of the company</b>						
Dividends to shareholders	-	-	-	(188 281 016)	-	(188 281 016)
Dividends to employees and board of directors	-	-	-	(103 276 807)	-	(103 276 807)
Acquisition without change in control	-	-	-	(4 872 394)	(916 347)	(5 788 741)
Balance as at 31 December 2024	941 405 082	742 112 963	330 920 428	4 324 257 529	628 468	6 339 324 470

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 year ended 31 December**

Translated from Arabic

	Note No.	2024	2023
		L.E.	L.E.
<b>Cash flows from operating activities</b>			
Net profit for the year before income tax		3 576 844 906	1 364 671 789
<b>Adjustments for:</b>			
PPE depreciation	(13)	341 260 579	289 525 405
Capital (gain)	(6)	( 89 628 064)	( 15 532 315)
Amortization of right of use	(29-2)	13 222 032	7 835 388
Amortization of Biological Wealth	(15-1)	33 384 102	31 854 994
Amortization of plant wealth (productive)		1 947 617	1 406 004
Net profits in equity accounted investees	(12)	( 2 355 482)	1 256 023
Lease liabilities interest	(29)	20 918 645	3 342 389
Gain of sale of cows		( 30 325 947)	( 18 942 275)
Biological wealth due to newborn		( 29 497 760)	( 18 869 300)
Investment Loss		522 059 933	115 108 535
Foreign currencies exchange differences	(10)	( 160 336 393)	163 778 368
Interest income	(10)	( 45 198 872)	( 33 980 381)
Impairment of Fixed assets (Reversal)		( 10 679 293)	( 1 001 809)
Finance interests & expenses	(10)	781 044 779	187 752 884
		<u>4 922 660 782</u>	<u>2 078 205 699</u>
<b>Changes in:</b>			
Inventories	(18)	( 1 393 555 744)	( 1 058 001 809)
Assets held for sale		1 610 291	-
change in other long term asset		( 8 271)	( 8 271)
Biological assets- Existing Agriculture		( 13 122 081)	( 9 189 681)
Trade and other receivables	(19)	( 666 914 471)	( 225 709 449)
Due from related parties	(32-1)	( 661 272)	( 2 200 194)
Due to related parties	(32-2)	( 17 871 750)	17 871 750
Creditors & other credit balances	(25)	( 254 352 084)	989 940 740
Provisions		44 694 954	104 739 999
<b>Net cash flows from operating activities</b>		<u>2 622 480 354</u>	<u>1895 648 784</u>
Income tax paid	(26-2)	( 244 358 845)	( 202 889 739)
Dividends paid to employees		( 103 276 807)	( 41 212 761)
		<u>2 274 844 702</u>	<u>1 651 546 284</u>
<b>Cash flows from investing activities</b>			
Acquisition of PPE & projects under construction	(13-14)	( 2 356 922 136)	( 561 472 449)
Proceeds from sale of PPE		94 144 358	43 324 648
Payment to plant wealth productive		( 1 440 436)	( 25 169 717)
Proceeds from plant wealth productive bashayer	(15-16)	3 332 837	-
Payment to plant wealth unproductive		( 56 280 525)	( 5 369 652)
Proceeds from death compensation		15 443 882	8 372 550
proceed from sale wealth productive & planet	(15-1)	73 458 040	63 278 092
Costs of drying period and calves death		( 151 511 783)	( 146 457 028)
Payments for the purchase of shares	(36)	(831 200 397)	(253 309 040)
Proceeds from sale of shares	(36)	309 140 464	138 200 504
<b>Net cash flows (used in) investing activities</b>		<u>(2901 835 696)</u>	<u>(738 602 093)</u>
<b>Cash flows from financing activities</b>			
Net proceeds from credit facilities & loans		2 565 527 309	498 435 043
Paid of right of use		( 67 294 238)	-
Payment to non-controlling interests acquisition		( 5 788 741)	-
(Payments for) financial lease contract liabilities	(29)	18 803 993	( 2 338 367)
(Payments for) bank loans	(22)	( 57 934 141)	( 151 256 958)
Proceeds from credit interests		45 198 872	33 980 381
Finance interests & expenses paid		( 781 044 779)	( 187 752 884)
Dividends paid to shareholders		( 188 281 016)	( 141 210 761)
<b>Net cash flows from financing activities</b>		<u>1 529 187 259</u>	<u>49 856 453</u>
<b>Change in cash &amp; cash equivalents during the year</b>		<u>902 196 265</u>	<u>962 800 644</u>
<b>The effect of foreign exchange difference</b>	(10)	(184 477 994)	(163 778 368)
<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 31 December</b>	(20)	<u>1 811 244 599</u>	<u>1 093 526 328</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 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) 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 Sodic 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 25 March 2025

**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 year ended 31 December 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 year ended 31 December 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 year ended 31 December 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.

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

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.

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#### **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.

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.



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### 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	5- 8
Tools	3 – 10
Empty plastic containers & pallets	5
Display refg.'s	5 years
Wells	25 or Wells useful 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.

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.

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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 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

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

- **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 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

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

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 recognizes 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.

### **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

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

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.

The group has (3) 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

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#### 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)

- The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from third parties to support the conclusion that such valuations meet the requirement of EAS, including the level in the fair value hierarchy in which such valuations should be classified. Thus, in estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available.
- Transfers between levels of the fair value hierarchy are recognized at the end of the reporting year during which the change has occurred.
- The company's financial instruments recognized at amortized cost is close to its fair value.
- As of 31 December 2024, and 2023, the Group has no financial assets or financial liabilities measured at fair value, and they are measured at amortized cost, Group's assets and liabilities represented in balances of cash and cash equivalents, Trade and other receivables and payables, loans and credit facilities, investments in debt instruments, in addition to related parties' balances. The carrying amounts of the Group's assets and liabilities is a reasonable approximation of their fair value.

#### 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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Notes to the consolidated financial statements for the financial year ended 31 December 2024

**5 Cost of sales**

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
Operating expenses and wages	16 500 683 681	11 399 558 148
Changes in inventory	183 905 840	313 879 771
Depreciation	228 327 103	212 622 529
	<u><b>16 912 916 624</b></u>	<u><b>11 926 060 448</b></u>

**6 Other operating income**

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
Export subsidy revenue	157 842 618	96 028 906
Capital gain	89 628 064	15 532 315
Reversal of Impairment on Fixed Assets	10 679 293	1 001 809
Gain from sale calves	30 325 947	18 942 275
Income from the sale of scrap and waste	33 637 500	14 375 367
Government grant income	7 643 865	5 060 740
Other income	3 181 084	9 053 221
	<u><b>332 938 371</b></u>	<u><b>159 994 633</b></u>



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

**7 Selling and marketing expenses**

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
Advertising expenses	569 877 532	264 127 603
Salaries and wages	648 421 815	446 055 220
Cost of replaced items	200 357 822	171 103 733
Depreciation	87 943 216	59 331 435
Vehicles expenses	205 091 099	153 798 581
Shipping & export expenses	202 273 089	91 054 578
Rent*	20 508 529	12 017 388
Temporary labor contractors	67 832 756	51 248 249
Others	157 363 373	93 338 620
	<u><b>2 159 669 231</b></u>	<u><b>1 342 075 407</b></u>

\* 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**

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
Salaries and wages	288 446 218	171 159 581
Depreciation expense	24 990 260	17 571 441
Rent expense*	24 298 160	17 735 912
Computer software subscription fees	105 389 423	53 549 023
Car insurance	32 451 861	2 536 568
Repair and maintenance expenses	17 616 736	13 140 534
End of service Expenses	50 204 033	32 771 447
BOD bonus (32-2)	907 750	10 130 000
Consulting fees	15 507 972	6 154 290
Other administrative expenses	85 166 274	63 398 824
	<u><b>644 978 687</b></u>	<u><b>388 147 620</b></u>

\* 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.

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

**9 Other expenses**

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
Donations	14 222 470	12 635 083
Real estate tax	1 868 609	2 323 297
Provision for Claims	50 640 294	126 107 915
Health insurance contribution	114 399 237	77 194 167
Impairment of Assets	933 583	892 587
Write off of Inventory	8 129 318	4 725 463
Impairment of Cash	5 849 366	-
Others	25 888 437	20 064 570
	<u><b>221 931 314</b></u>	<u><b>243 943 082</b></u>

**10 Net finance cost**

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
Interest expense	(801 963 424)	(191 095 273)
Interest income	45 198 872	33 980 381
Net Gain / (Loss) from foreign currency exchange	160 336 394	(163 778 368)
	<u><b>(596 428 158)</b></u>	<u><b>(320 893 260)</b></u>

**Juhayna Food Industries**

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

Translated from Arabic

**11 Segmentation reports**

**11-1 Segmentation reports for the financial year ended 31 December 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 chart of the Company and 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 31/12/2024
	Dairy sector L.E 31/12/2024	Concentrates & Juices sector L.E 31/12/2024	Undistributed Items L.E 31/12/2024	
Total sales	31 580 529 773	12 333 634 878	1 302 076 912	45 216 241 563
Sales between segments	(15 114 651 738)	(4 815 060 061)	( 983 913 715)	(20 913 625 515)
Net Sales	16 465 878 035	7 518 574 817	318 163 197	24 302 616 048
COGS, SG&A	(14 334 930 019)	(5 334 894 777)	( 272 752 109)	(19 942 576 904)
Other operating income	142 651 393	177 753 161	12 533 817	332 938 371
Finance and investment expenses	(813 172 564)	(302 706 916)	( 253 129)	(1 116 132 609)
Net profit before tax	1 460 426 845	2 058 726 285	57 691 776	3 576 844 906
Taxes	(337 360 260)	(485 036 295)	(19 053 834)	(841 450 390)
	1 123 066 585	1 573 689 990	38 637 942	2 735 394 516
<b>Other Information</b>				
Depreciation	232 048 537	79 169 754	30 042 289	341 260 580
Assets	7 516 476 151	5 282 830 252	791 156 220	13 590 462 624
Liabilities	4 913 643 306	2 272 977 089	64 517 759	7 251 138 154

\* 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 31 December 2024

Translated from Arabic

11 Segmentation reports

11-2 Segmentation reports for the financial year ended 31 December 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 of the Company and its Activity segmentations results include a direct participation unit in each sector activity:

The primary report for activity segmentations:

Revenues and expenses according to activity segmentar as follows:

	Activity Segments			Total L.E 31/12/2023
	Dairy sector L.E 31/12/2023	Concentrates & Juices sector L.E 31/12/2023	Undistributed Items L.E 31/12/2023	
Total sales	22 157 778 831	6 314 189 836	1 203 649 515	29 675 618 182
Sales between segments	(10 655 391 597)	(2 603 457 451)	(880 578 974)	(14 139 428 022)
Net Sales	11 502 387 234	3 710 732 384	323 070 541	15 536 190 159
COGS, SG&A	(10 521 751 576)	(3 118 566 371)	(259 908 610)	(13 900 226 557)
Other operating income	64 666 091	118 991 019	(17 691 106)	165 966 005
Finance and investment expences	(386 706 015)	(41 234 623)	(9 317 180)	(437 257 818)
Net profit before tax	658 595 735	669 922 410	36 153 645	1 364 671 789
Taxes	(159 096 722)	(174 442 831)	(9 672 018)	(343 211 571)
	499 499 012	495 479 579	26 481 627	1 021 460 218
<u>Other Information</u>				
Depreciation	192 807 525	67 066 737	29 651 143	289 525 405
Assets	5 286 138 436	2 927 992 203	366 236 493	8 580 367 133
Liabilities	2 822 260 109	1 484 448 087	23 890 352	4 330 598 548

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

## 11 Segmentation reports

## 11-3 Revenues from Segmentation reports for the financial year ended 31 December 2024

## Revenues according to activity segmentat as follows:

## Activity Segments

	31/12/2024	31/12/2023
	L.E	L.E
Dairy sector	11 644 214 726	8 441 381 723
Refrigeration sector	4 821 663 309	3 061 005 511
Juices sector	4 526 237 856	2 714 846 200
Concentrates	2 992 336 960	995 886 184
Distribution to others	318 163 197	323 070 541
<b>Total</b>	<b><u>24 302 616 048</u></b>	<b><u>15 536 190 159</u></b>

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

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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	2 054 014	2 054 014	18 025 552
<b>Balance as of 31 December 2024</b>		<b>20 079 566</b>	<b>20 079 566</b>	<b>2 054 014</b>	<b>2 054 014</b>	<b>18 025 552</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 Arla 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. The Parties agreed that the sale and distribution of products between Arla and Tiba(distributing company) will be continued under new distribution agreement. Juhayna Food Industries haven't obtained the shares in Arju transferred to its name yet. The current agreement to sell Arla share in Arju do not include voting arrangement or proxy arrangement hence Juhayna Food Industries assess that it cannot exercise control without the shares transferred in it.

Equity accounting investees movement

<i>Opening balance</i>	15 670 070
<i>Group share in year profits</i>	2 355 482
<b><i>Ending balance</i></b>	<b>18 025 552</b>

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13. Property, plant and equipment

Description	Land		Buildings & Constructions		Machinery & Equipment		Transportation & vehicles		Tools		Empty plastic containers & pallets		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																						
Cost as at 1/1/2023	183 500 802	-	1 655 889 537	-	2 755 993 080	-	360 426 176	180 721 288	83 758 973	96 360 059	39 789 600	57 412 394	157 124 675	5 570 676 584								
Additions of the year	-	-	12 932 123	-	249 372 639	-	72 541 448	23 128 828	17 058 520	-	(50 616)	1 232 930	13 251 669	389 518 176								
Disposals of the year	(1 566 632)	-	(1 566 632)	-	(61 176 632)	-	(292 000)	(9 626 084)	(13 224 253)	(816 994)	-	(2 045 633)	(91 743)	(87 880 587)								
Cost as of 31/12/2023	183 500 802	-	1 668 365 028	-	2 944 189 087	-	432 675 624	194 224 032	87 593 240	95 543 065	39 738 984	56 599 691	170 284 601	5 972 714 173								
Additions during the year*	120 000 000	-	32 507 869	-	331 421 483	-	272 137 516	56 213 875	40 503 660	260 932 444	-	6 474 679	24 120 088	1 144 311 414								
Disposals during the year	(190 350)	-	(5 516 855)	-	(6 573 382)	-	(18 462 270)	(169 405)	(15 448 380)	(1 932 555)	-	(49 278)	(56 306)	(48 398 381)								
Cost as of 31/12/2024	303 310 452	-	1 695 356 042	-	3 269 037 207	-	686 350 870	250 268 502	112 648 520	354 542 954	39 738 984	63 025 092	194 308 383	6 906 626 806								
Accumulated depreciation as at 1/1/2023	-	-	318 102 137	-	1 560 766 114	-	216 733 348	113 734 090	55 828 268	82 971 482	14 257 269	28 006 191	141 629 327	2 532 028 226								
Depreciation of the year	-	-	41 269 379	-	170 618 579	-	29 159 282	14 077 105	13 984 473	4 202 704	1 489 634	4 634 112	10 090 137	289 525 405								
Accumulated depreciation of disposals of the year	-	-	(1 074 059)	-	(32 692 003)	-	(292 000)	(9 626 084)	(13 089 905)	(816 994)	(33 835)	(2 038 076)	(91 743)	(58 787 699)								
Accumulated depreciation as of 31/12/2023	-	-	359 264 457	-	1 698 992 690	-	184 139 067	118 185 111	56 722 836	86 357 192	15 713 088	30 602 227	151 627 721	2 762 765 932								
Depreciation of the year	-	-	39 113 588	-	184 139 067	-	40 225 497	17 035 735	19 233 687	21 404 563	1 489 634	4 468 129	14 150 680	341 260 380								
Accumulated depreciation of disposals of the year	-	-	(3 191 486)	-	(6 335 670)	-	(18 188 006)	(169 405)	(13 944 843)	(1 927 494)	-	(49 278)	(56 306)	(43 882 488)								
Accumulated depreciation as of 31/12/2024	-	-	395 186 559	-	1876 476 087	-	267 638 121	135 051 441	62 011 680	105 834 261	17 202 702	35 021 078	165 722 095	3 060 144 024								
Fixed assets impairment as of 31/12/2024	10 354 591	-	4 407 390	-	6 591 855	-	418 712 749	115 217 061	50 636 640	248 708 693	22 306 353	28 004 014	28 626 288	3 886 899 018								
Net book value as of 31/12/2024	292 958 861	-	1 295 762 094	-	1 385 969 265	-	17 271 148	129 016 961	62 011 680	105 834 261	22 929	35 021 078	165 722 095	3 886 899 018								
Impairment of fixed assets 31/12/2023	10 354 591	-	4 407 390	-	6 591 855	-	418 712 749	115 217 061	50 636 640	248 708 693	22 306 353	28 004 014	28 626 288	3 886 899 018								
Net book value as of 31/12/2023	173 146 211	-	1 304 693 181	-	1 278 225 268	-	187 074 994	76 038 921	30 870 404	9 185 873	23 795 987	25 997 464	18 656 880	3 077 685 183								

\*The additions include new transportation flite and display refrigerators.

Fully depreciated assets is amount to L.E 1 112 693 303 L.E in 31 December 2023 amount to L.E 1 019 012 239 ).

The depreciation expense for the year distributed as follow:-

	31/12/2024	31/12/2023
Cost of sales	228 327 104	212 622 529
Selling and Marketing expenses	87 943 216	59 331 435
General and administrative	24 990 260	17 571 441
	<u>341 260 580</u>	<u>289 525 405</u>



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

**14 Projects under construction**

	Nature	% of completion	Timeline	2024 L.E	2023 L.E
Buildings and constructions in progress	Building	50%-70%	Within one year	530 862 152	61 988 849
Machineries under installation	Machinery	70%-80%	Within one year	815 479 494	63 598 768
Computer software	Software Programs	70%-80%	Within one year	44 819 304	40 383 015
Transport vehicles under preparation	Cars	80%	Within one year	1 075 020	16 328 323
Advance payments*	Advances	-	Within one year	119 709 591	117 035 885
				<b>1 511 945 561</b>	<b>299 334 840</b>

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

	Opening Balance	Additions	Capitalized	Ending Balance
Building	61 988 849	499 263 853	(30 390 550)	530 862 152
Machinery	63 598 768	1 057 236 537	(305 355 811)	815 479 494
Computer Software	40 383 015	4 845 097	(408 808)	44 819 304
Transportation	16 328 323	187 392 328	(202 645 631)	1 075 020
Advance payments*	117 035 885	2 673 706	-	119 709 591
	<b>299 334 840</b>	<b>1 751 411 521</b>	<b>(538 800 800)</b>	<b>1 511 945 561</b>

\*The amount represent advance payments for vehicles, tools and palettes.

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

	2024 L.E	2023 L.E
Cost at the beginning of the year	72 215 496	47 045 779
Additions during the year	1 440 436	25 169 717
Disposal during the year	(3 332 837)	-
Cost at end of the year	<b>70 323 095</b>	<b>72 215 496</b>
<b>Less:</b>		
Accumulated depreciation at beginning of the year	(4 461 406)	(3 055 402)
Depreciation during the year	(1 947 617)	(1 406 004)
<b>Accumulated depreciation at end of the year</b>	<b>(6 409 023)</b>	<b>(4 461 406)</b>
<b>Net</b>	<b>63 914 072</b>	<b>67 754 090</b>

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

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

**15-2 Plant wealth – unproductive**

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
<b>Balance at the beginning of year</b>	<b>512 395</b>	<b>460 211</b>
Additions	56 280 523	52 184
<b>Balance at end of the year</b>	<b>56 792 918</b>	<b>512 395</b>

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

16-1 Biological assets - Livestock

	Biological assets (Flock of dairy livestock - productive) L.E		Biological assets (Flock of dairy livestock - unproductive) L.E		Total	
	31/12/2024	L.E	31/12/2023	L.E	31/12/2024	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
<b>Adding:</b>						
Transferred from biological assets (Flock of dairy livestock - unproductive)		41 335 827	(41 335 827)		-	-
Births of flock		-	28 598 200		28 598 200	11 826 100
Female		5 052 555	146 459 228		151 511 783	107 414 881
Capital cost during drying -off		<u>249 492 985</u>	<u>237 843 642</u>		<u>487 336 627</u>	<u>380 429 594</u>
Biological assets sales		43 500 546	21 260 553		64 761 099	62 117 520
The death of live stock losses		9 801 077	10 025 741		19 826 818	11 085 430
Cost of flock of livestock as of 31 December 2024		<u>53 301 623</u>	<u>31 286 294</u>		<u>84 587 917</u>	<u>73 202 950</u>
		<u>196 191 362</u>	<u>206 557 348</u>		<u>402 748 710</u>	<u>307 226 644</u>
Accumulated depreciation at the Beginning of the year		70 378 909	-		70 378 909	63 716 528
Depreciation of the year		33 384 102	-		33 384 102	31 854 994
Accumulated depreciation of disposals of sales case		(21 629 006)	-		(21 629 006)	(22 479 733)
Accumulated depreciation of disposals of death case		(4 382 936)	-		(4 382 936)	(2 712 880)
Accumulated depreciation us of end year 31 December 2024		<u>77 751 069</u>	-		<u>77 751 069</u>	<u>70 378 909</u>
Net amount of Flock of livestock as of year end 31 December 2024		<u>118 440 293</u>	<u>206 557 348</u>		<u>324 997 641</u>	<u>236 847 735</u>

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial year ended 31 December 2024

### 16-2 Other Biological wealth

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
Agriculture	42 460 256	29 338 175
Births of male	1 027 165	127 605
	<u>43 487 421</u>	<u>29 465 780</u>

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

Notes to the consolidated financial statements for the financial year ended 31 December 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 year from the beginning of operation till year 2018**

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

#### **Year 2019 - 2024**

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

#### **Payroll tax**

#### **The year 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 year 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 year ended 31 December 2024

## 17-2 Subsidiaries

### First: Corporate tax

#### The Company that benefits from 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 auditor 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 year ended 31 December 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 year ended 31 December 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.

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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	
Former: Modern concentrates Industrial Company	-The inspection was performed from the beginning of activity till 2013, preparing for tax inspection from 2014 till 2022.
International Company for Modern Food Industries	-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.
Tiba for Trading and Distribution	-The company submits the sales tax return on monthly basis, inspected and differences settled till 2020 years 2021/2023 not inspected yet.
Inmaa for Agriculture Development and biological wealth.	- The tax inspection performed till 2019 Years 2020/2023 not inspected yet.
Inmaa for livestock	-The tax inspection was performed from 15/3/2012 till 31/8/2016 Years 1/09/2016 till /2023 not inspected yet.
Inmaa for agricultural reclamation	-Inspected and difference is settled from beginning of activity till August 2016 Years 1/09/2016 till /2023 not inspected yet.
The Egyptian Company for Food Industries "Egyfood"	-The tax inspection performed till 2022 -The year2023 the company the submit the tax return in the due date

## 18 Inventories

	2024	2023
	L.E	L.E
Raw materials	1 166 500 302	869 035 593
Packaging and packing materials	1 019 131 873	505 755 185
Finished goods	1 059 272 064	875 366 224
Consumables and miscellaneous supplies	623 396 191	150 608 669
Goods in transit - L/C's for goods purchase	308 770 492	382 749 507
	<b>4 177 070 922</b>	<b>2 783 515 178</b>

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial year ended 31 December 2024

## 19 Trade and other receivables

	2024	2023
	L.E	L.E
Trade receivables*	927 260 513	488 776 350
Less: Expected credit losses*	(33 846 853)	(35 186 866)
	<b>893 413 660</b>	<b>453 589 484</b>
Note receivables	-	5 850 036
Suppliers – advance payments	113 891 401	182 402 951
Prepaid expenses	2 456 769	2 959 754
Export subsidy**	227 857 068	135 953 809
Tax Authority	167 267 530	13 098 018
Customs Authority	42 536 078	17 410 276
Deposits with others	36 484 028	19 644 893
Debtors- payment for PP&E (under recollection)	10 214 181	10 664 181
Other debit balances	28 400 664	9 612 445
	<b>1 522 521 379</b>	<b>851 185 847</b>
Less: Impairment in other debit balances	(20 688 546)	(16 267 485)
	<b>1 501 832 833</b>	<b>834 918 362</b>

\* The old aged amounts in trade receivable were collected in 2024

\*\* The collections from export subsidy during the year amounted L.E 66 million after tax deductions against to amount L.E 95 801 230 million in the corresponding year last year 2023.

## 20 Cash and cash equivalent

	2024	2023
	L.E	L.E
Banks – current accounts	1 455 298 494	273 012 000
Cash on hand	5 540 650	2 930 902
Banks - Treasury Bills	-	817 583 426
Time deposits	356 254 822	-
	<b>1 817 093 966</b>	<b>1 093 526 328</b>
Less: impairment on cash	(5 849 367)	-
	<b>1 811 244 599</b>	<b>1 093 526 328</b>

Juhayna Food Industries Company (S.A.E.)  
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## 21 Share capital

	<b>2024</b>	<b>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 31 December 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 year ended 31 December 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)	248 328 969	
Attijari wafa Bank	23 174 660	11 607 621	34 782 281
<b>Balance at 31/12/2024</b>	<b>271 503 629</b>	<b>578 066 880</b>	<b>849 570 509</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 financing activities.

	2024 EGP	2023 EGP
Balance of borrowing at 1 January	147 599 744	202 395 962
Withdrawals from Loans	752 261 341	91 400 000
Paid from loans	(57 934 141)	(151 256 958)
Depreciation of deferred income (note 35)	7 643 565	5 060 740
<b>Balance of loans and financial liabilities as of December 31</b>	<b>849 570 509</b>	<b>147 599 744</b>

## 23 Bank credit facilities

This balance amounted to L.E 2 909 495 624 on 31 December 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  $\pm$  0.25%) guaranteed by promissory notes also, banks get different guarantees obtained by the banks that provided these facilities to the group companies.

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

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

**24 Provisions****A- Provision for claims**

Description	Balance at	Formed	No longer	Used during	Balance at
	01/01/2024	during the	require for	the year	31/12/2024
	L.E	year	the year	L.E	L.E
		L.E	L.E	L.E	L.E
Provision for claims	183 529 210	50 640 294	-	(5 945 341)	228 224 163

- 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 yearly and adjusts the amount of the provision according to the latest coordination of developments, discussions and agreements.
- The information usually disclosed regarding provisions according to Egyptian accounting standards has not been disclosed because the company management believes that doing so may significantly affect the final settlements of those potential claims.

**B- Movement of Impairment**

Description	Balance at 01/01/2024	Formed during the year	Balance at 31/12/2024
Impairment of Trade and other receivable	16 267 485	4 421 061	20 688 546
Impairment of Cash and cash equivalent	-	5 894 367	5 894 367
<b>Total</b>	<b>16 267 485</b>	<b>10 315 428</b>	<b>26 582 913</b>

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial year ended 31 December 2024

## 25 Creditors and other credit balances

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
Suppliers	1 351 832 430	1 883 852 520
Notes Payables	500 000	500 000
Dividends payable*	2 655 015	13 736 384
Accrued expenses	332 240 128	154 611 302
Tax authority	78 647 688	67 820 821
Deposits for others	12 444 517	4 601 908
Social Insurance Authority	9 574 030	7 174 200
Due to health insurance	149 195 642	76 971 901
Advances from customers	49 409 706	20 040 498
Other credit balances	20 213 145	31 771 095
	<u><b>2 006 712 301</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 378 421 265 at 31/12/2024, with LE 321 767 403 at 31/12/2023.

### 26.1 Deferred Tax liabilities

	<b>2024</b>	<b>2023</b>
	<b>L.E</b>	<b>L.E</b>
Deferred tax liability (Lease Contracts)	14 858 116	9 805 240
Deferred tax liability from fixed assets	373 938 345	311 962 163
Deferred tax assets from unrealized foreign exchange	(1 375 196)	-
<b>Total deferred tax liability</b>	<u><b>387 421 265</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 year ended 31 December 2024

## 26.2 Income tax – current

	2024 L.E	2023 L.E
<b>Income tax liability at the beginning of the year</b>	<b>353 400 759</b>	<b>213 078 927</b>
Income tax expense (26-4)	779 474 208	343 211 571
Taxes paid during the year	(298 000 725)	(202 889 739)
<b>Income tax liability at the end of the year</b>	<b>834 874 242</b>	<b>353 400 759</b>
Withholding Tax Receivable	(122 711 672)	(176 353 552)
<b>Income tax liability at the end of the year</b>	<b>712 162 570</b>	<b>177 047 207</b>

## 26-3 Effective Tax Rate

	2024 L.E	2023 L.E
Consolidated net profit before tax	3 576 844 906	1 364 671 789
Tax rate	22.5%	22.5%
Income tax calculated according to the tax rate (22.5%)	804 790 104	307 051 152
<b>Tax settlements:</b>		
Tax exemption	(35 571 598)	(34 333 675)
Non-deductible expenses	72 231 884	70 494 094
<b>Income tax according to the tax return</b>	<b>841 450 390</b>	<b>343 211 571</b>
<b>Effective tax rate</b>	<b>23.52%</b>	<b>25.15%</b>

## 26-4 Income tax for year

	2024 L.E	2023 L.E
Current income tax	779 474 208	326 046 357
Deferred tax expense	61 976 182	17 165 214
	<b>841 450 390</b>	<b>343 211 571</b>

## 26-5 Unrecognized deferred tax asset

	2024	2023
Tax losses	7 062 415	11 168 795

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



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

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

## 27 Group companies

The following sets out the subsidiaries of Juhayna Food Industries Company controlled by the Company as at 31/12/2024 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 % 31/12/2024	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 year ended 31 December 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 has dealt with a major client (related party), who in turn distributes credit risks to a number of clients with strong and stable financial positions. The company also deals with its clients through contracts and agreements signed with them. Additionally, the company (related party) reviews the credit limits granted to its clients periodically and obtains adequate collateral from its clients. A client is considered in default if the payment is delayed for 120 days.

### 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	
		2024 L.E	2023 L.E
Trade and other receivables	(19)	1 061 715 388	665 496 871
Cash	(20)	1 811 244 599	1 093 526 328
Related Parties	(32-1)	3 421 436	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 year 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 year ended 31 December 2024

**31/12/2024**

	<b>Total book value</b>	<b>Contractual cash flows</b>	<b>6-12 months</b>	<b>1-5 years</b>
Trade payables	1 351 832 430	(532 020 090)	1 351 832 430	-
Loans	849 570 509	694 327 200	271 503 629	578 066 880
Credit facilities	2 909 495 624	1 813 265 968	2 909 495 624	-
Lease liabilities	151 528 608	18 803 993	67 487 158	84 041 450
Due to Related parties	-	(17 871 750)	-	-

**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 Related parties	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	5 098 001	-
Cash and cash equivalents	25 117 355	26 916
Creditors and other credit balances	(3 579 372)	(1 543 361)
<b>31 December 2024</b>	<b>26 635 984</b>	<b>(1 516 445)</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 year ended 31 December 2024

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

	Average rate		Closing Rate	
	2024	2023	2024	2023
USD	45.6	30.86	50.91	30.95
Euro	49.3	33.47	53	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	31 December 2024
	10% Effect
USD	135 604 022
Euro	(8 037 160)

**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 reasonable possible change of 1% 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	Profit or Loss	
	1% increase	1% decrease
Financial instruments that carry a variable interest rate	٣٧ ٥٩, ٦٦١	(٣٧ ٥٩, ٦٦١)

**31 December 2023**

Financial instruments that carry a variable interest rate	12 438 294	(12 438 294)
-----------------------------------------------------------	------------	--------------

**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.

	31/12/2024	31/12/2023
	L.E	L.E
Total liabilities	7 251 138 154	4 330 598 548
Less: cash and cash equivalent	(1 811 244 599)	(1 093 526 328)
<b>Net debt</b>	<b>5 439 893 555</b>	<b>3 237 072 220</b>
Total equity	6 339 324 470	4 249 768 585
<b>Net debt to equity ratio</b>	<b>86%</b>	<b>%76</b>

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

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

Notes to the consolidated financial statements for the financial year ended 31 December 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			
	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 year 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

	31/12/2024	31/12/2023
	L.E	L.E
Liabilities from lease contracts current portion	23 722 416	18 745 443
Liability from lease contracts non-current portion	-	22 948 392
	<u>23 722 416</u>	<u>41 693 835</u>

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial year ended 31 December 2024

**Lease contracts liabilities payment are as follows**

	Payment of liability principal		Payment of 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

**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 year 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 year ended 31 December 2024 the group has been charged by L.E 20 918 645 as interest from leasing contracts.

**Operating lease contract liability**

	31/12/2024	31/12/2023
	L.E	L.E
Liabilities from lease contracts-current portion	43 764 742	39 212 682
Liability from lease contracts non-current portion	84 041 450	30 899 453
<b>Total</b>	<b>127 806 192</b>	<b>70 112 135</b>

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

	Payment of liability 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	62 209 590	39 212 682	18 444 848	4 150 276
Liabilities between 2-5 years	116 623 988	30 405 231	35 075 059	6 992 157
Liabilities more than 5 years	2 976 222	494 222	483 701	12 737

**29-2 Right of use assets**

	2024	2023
	L.E	L.E
Buildings, warehouses, and stores	152 032 704	84 738 466
Accumulated amortization during the year	(58 994 000)	(45 771 968)
<b>Net book value</b>	<b>93 038 704</b>	<b>38 966 498</b>

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

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

### 30 Contingent Liabilities

The Contingent Liabilities are represented in IDC'S during the year ended 31 December 2024 and due after the that date amounting to L.E 575 805 231

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 918 082 832 on 31/12/2024.

### 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	
		31/12/2024	31/12/2023	31/12/2024	31/12/2023
		L.E	L.E	L.E	L.E
Arju Company for Food Industries (Equity accounted investees)	Current account	661 272	2 200 194	3 421 436	2 760 164
				<u>3 421 436</u>	<u>2 760 164</u>

#### 32-2 Due to related parties

Company's name	Nature of transaction	Total value of transactions		Balance as at	
		31/12/2024	31/12/2023	31/12/2024	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	-	17 871 750
	Payments	(480 401 000)	(174 759 565)		
				<u>-</u>	<u>17 871 750</u>

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

- The total allowances and bonus received by the board of directors during the year amounted to LE 907 750 against LE 10 130 000 during the year ended 31 December 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 year.

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial year ended 31 December 2024

### 33 Goodwill

	2024	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 :

	2024	2023
	L.E	L.E
<b>Net profit/Loss for the year according to profit or loss statement</b>	2 735 294 169	1 020 909 888
<b>Less:</b>		
Employees and board of directors shares	-	103 276 807
<b>Net payable to shareholders</b>	<u>2 735 294 169</u>	<u>917 633 081</u>
Weighted average to number of shares	941 405 082	941 405 082
<b>EPS (L.E/Share)</b>	<u>2.91</u>	<u>0.98</u>

- The foreign currency valuation differences for the current financial year 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 year after applying the accounting treatment: -

	2024	2023
<b>Net profit/Loss for the year</b>	2 735 294 169	917 633 081
<b>Foreign exchange / (Loss) of the tax</b>	(348 492 067)	-
<b>Net payable to shareholders</b>	<u>2 386 802 102</u>	<u>917 633 081</u>
Weighted average to number of shares	941 405 082	941 405 082
<b>EPS (L.E/Share)</b>	<u>2.54</u>	<u>0.98</u>



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

Notes to the consolidated financial statements for the financial year ended 31 December 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 18 727 719 as follows:

- a) Deferred income – non-current Liabilities L.E 2 199 658
- b) Deferred income - current liabilities L.E 3 823 456
- c) Other income – income statement L.E 7 643 865 As of 31/12/2024 no income was recorded during the corresponding year (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	<u>(3 823 456)</u>	<u>(2 199 658)</u>	<u>(6 023 114)</u>
<b>Balance at 31/12/2024</b>	<b><u>19 026 544</u></b>	<b><u>43 500 342</u></b>	<b><u>62 526 886</u></b>

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

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

	No. of shares	L.E
Shares	Buy 9 353 000	(831 200 397)
	Sell 9 353 000	<u>309 140 464</u>
		<b><u>(522 059 933)</u></b>

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

Notes to the consolidated financial statements for the financial year ended 31 December 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:

#### A-Current impact on the financial statements

New or reissued standards that have been applied	Summary of the most significant amendments	Current impact on the financial statements	Effective date
<b>Egyptian Accounting Standard No. (17) amended 2024 "Separate Financial Statements"</b>	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.
<b>Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"</b>	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) (Disclosure no. 26).	

Juhayna Food Industries Company (S.A.E.)  
Notes to the consolidated financial statements for the financial year ended 31 December 2024

**B-Potential impact on the financial statements**

The standards under study for application	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
<p><b>Accounting Interpretation No. (2) "Carbon Reduction Certificates"</b> <b>The Prime Minister's decision No. 636 of 2024, issued on 3 March 2024</b></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 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>	<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>
<p><b>Egyptian Accounting Standard No. (50) "Insurance Contracts"</b>.</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 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: - Egyptian Accounting Standard No. (10) "Fixed Assets".</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>

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	- Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment property ".		
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<p><b>The new Egyptian Accounting Standard No. (51) "Financial Statements in Hyperinflationary Economies."</b> <b>The Prime Minister's decision No. 3527 of 2024, issued on 23 October 2024.</b></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 year(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 year 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 of Egyptian Accounting 39 , personal 1 Standard No. 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>
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			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
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### 38 Significant events

- 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 6 March 2024 , 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 344 814 387.
- 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.