Translated from Arabic

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate Financial Statements
(Merging Company)
For the financial period ended
30 June 2025
And Limited Review Report

Juhayna Food Industries

(An Egyptian Joint Stock Company)

Separate Financial Statements (Merging Company) for the Financial Period Ended 30 June 2025

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KPMG

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Translation from Arabic

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

Introduction

We have reviewed the accompanying 30 June 2025 separate interim financial statements of Juhayna Food Industries "An Egyptian Joint Stock Company", "the Company", which comprises:

- The separate statement of financial position as of 30 June 2025.
- The separate statement of profit or loss for the three months and six months period ended 30 June 2025;
- The separate statement of comprehensive income for the three months and six months period ended 30 June 2025;
- The separate statement of changes in equity for six months period ended 30 June 2025;
- The separate statement of cashflows for six months period ended 30 June 2025;
- The notes to the interim separate financial statements.

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2025 Separate interim financial statements do not present fairly in all material respects, the unconsolidated financial position of the Company and of its unconsolidated financial performance and its unconsolidated cash flows in accordance with Egyptian Accounting Standards including the requirements of the Egyptian accounting standard (30) " interim financial reporting" .

Emphasis of a matter

Without qualifying our conclusion, we draw attention to the following: -

- As mentioned in detail in note. (17) of the accompanying notes to the separate interim financial statements, which describes that one of the merged subsidiaries has a dispute regarding its tax exemption for a period of ten years from 2009 to 2018. A decision was issued by the Appeal Committee not to recognize the tax exemption for this merged subsidiary and to subject it to tax for the years 2009 to 2014. The merged subsidiary has filed a lawsuit to contest the decision of the Appeal Committee regarding the cancellation of the tax exemption granted by the decision of the Chairman of the General Investment Authority. The merged subsidiary, along with its legal and tax advisors, has studied the subsidiary's entitlement to this exemption, and the opinion concluded that the merged subsidiary is likely to receive a ruling in its favor. Therefore, no provision has been made for any obligation related to this matter, and it is considered a possible obligation for the merged subsidiary.

- As mentioned in detail in note (38) from the accompanying notes to the separate interim financial statements, which describes that the Company's Extra Ordinary General Assembly meeting has agreed the merge for manufacturing sector companies and the process was registered in the commercial registry on 27 February 2025.

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

Cairo, 13 August 2025

KPMG Hazem Hassan
Public Accountants and Consultants
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Juhayna Food Industries

(An Egyptian Joint Stock Company)

Standalone Statement of Financial Position (Merging Company) as of

Translated from Arabic

	Note No.	30/6/2025	31/12/2024
L.E			
Assets			
Non-Current Assets			
Fixed Assets	(15)	2 484 721 368	202 428 183
Projects Under Construction	(16)	1 705 848 096	51 546 033
Investments in Subsidiaries and Joint Ventures	(14)	1 064 920 000	2 508 491 193
Right-of-Use Assets	(29-2)	41 616 546	--
Goodwill	(37)	97 092 890	--
Non-Current Assets		**5 394 198 900**	**2 762 465 409**
Current Assets			
Inventory	(18)	4 824 353 178	-
Trade Receivables and Other Debtors	(19)	1 893 074 200	8 016 305
Due from Related Parties	(33 -1)	1 858 577 949	361 048 333
Cash and Cash Equivalents	(20)	1 554 957 134	11 654 741
Current Assets		**10 130 962 461**	**380 719 379**
Total Assets		**15 525 161 361**	**3 143 184 788**
Equity			
Issued and Paid-up Capital	(21)	941 405 082	941 405 082
Legal Reserve		-	470 702 541
General Reserve – Share Premium	(22-1)	-	330 920 428
Merger Reserve	(22-2)	2 573 404 723	-
Other Reserves	(22-3)	259 470 145	-
Retained Earnings		3 069 491 393	817 963 643
Total Equity		**6 843 771 343**	**2 560 991 694**
Non-Current Liabilities			
Loans	(23-1)	603 996 904	-
Lease Liabilities	(29-1)	32 069 012	-
Deferred Tax Liabilities	(27-1)	323 525 727	23 490 814
Deferred Revenues – Government Grants	(23-3)	1 082 315	-
Non-Current Liabilities		**960 673 958**	**23 490 814**
Current Liabilities			
Provisions	(25)	155 279 204	150 176
Credit Facilities	(24)	4 475 276 385	2 307 878
Trade and Other Payables	(26)	2 700 878 820	47 003 671
Due to Related Parties	(33-2)	12 157 863	484 021 602
Income Taxes	(27-2)	84 964 504	1 496 537
Lease Liabilities	(29-1)	33 140 453	23 722 416
Loans	(23-1)	256 284 317	-
Deferred Revenues -- Government Grants	(23-3)	2 734 514	-
Current Liabilities		**7 720 716 060**	**558 702 280**
Total Liabilities		**8 681 390 018**	**582 193 094**
Total Equity and Liabilities		**15 525 161 361**	**3 143 184 788**

The accompanying notes from No. (1) to (42) form an integral part of these interim standalone financial statements and should be read therewith.

CFO
Mr/Tarek Elwan

Chairman
Mr/Ahmed Elwakil

Juhayna Food Industries

(An Egyptian Joint Stock Company)

Separate Statement of Profit or Loss (Merging Company)

For the Financial Period Ended 30 June

Translated from Arabic

		From 1/1/2025 To 30/6/2025 L.E.	From 1/1/2024 To 30/6/2024 L.E.	From 1/4/2025 To 30/6/2025 L.E.	From 1/4/2024 To 30/6/2024 L.E.
Net sales	(13)	9 056 627 640	-	6 793 844 997	-
Cost of sales	(6)	(7 528 169 355)	-	(5 686 039 439)	-
Gross profit		**1 528 458 285**	-	**1 107 805 558**	-
Other Operating Revenues	(7)	40 480 419	1 323 500	23 738 727	660 000
Selling and Distribution Expenses	(8)	(148 770 680)	-	(116 947 262)	-
General and Administrative Expenses	(10)	(198 757 614)	(2 092 762)	(156 095 170)	(829 216)
Net Reversal of Impairment on Trade Receivables and Other Debtors	(25-2)	(3 101 797)	27 664	(3 630 067)	17 955
Other Expenses	(9)	(22 769 083)	(6 276)	(17 081 597)	(4 408)
Operating Activities Results		**1 195 539 530**	**(747 874)**	**837 790 189**	**(155 669)**
Net Finance (Expenses)/Income	(11)	(396 802 846)	(1 885 243)	(306 361 419)	(1 982 518)
Net Profit/(Loss) for the Period Before Income Tax		**798 736 684**	**(2 633 117)**	**531 428 770**	**(2 138 187)**
Income Tax	(27-4)	(169 444 130)	(1 602 027)	(107 117 356)	(883 000)
Net Profit/(Loss) for the Period		**629 292 554**	**(4 235 144)**	**424 311 414**	**(3 021 187)**
Earnings per Share in Net Profit/(Loss) for the Period (L.E/Share)	(34)	**0.67**	**(0.004)**	**0.45**	**(0.003)**

The accompanying notes from No. (1) to (42) form an integral part of these interim separate financial statements and should be read therewith.

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate Statement of Comprehensive Income (Merging Company)
For the Financial Period Ended 30 June

	From 1/1/2025 To 30/6/2025 L.E.	From 1/1/2024 To 30/6/2024 L.E.	From 1/4/2025 To 30/6/2025 L.E.	From 1/4/2024 To 30/6/2024 L.E.
Net Profit / (Loss) for the Period	629 292 554	(4 235 144)	424 311 414	(3 021 187)
Foreign Currency Translation Differences (EAS 13 – Appendix H), Net of Tax	–	(382 736)	–	–
Transferred to Retained Earnings	–	382 736	–	–
Total Comprehensive Income / (Comprehensive Loss) for the Period	**629 292 554**	**(4 235 144)**	**424 311 414**	**(3 021 187)**

The accompanying notes from No. (1) to (42) form an integral part of these interim separate financial statements and should be read therewith.

	Issued and Paid-up Capital	Legal Reserve	General Reserve Share Premium	Merger Reserve	Other Reserves	Retained Earnings	Total
	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.
Balance at 1 January 2024	941 405 082	470 702 541	330 920 428	-	-	993 099 770	2736 127 821
Total Comprehensive Income							
(Loss) for the Period	-	-	-	-	-	(4 235 144)	(4 235 144)
Other Comprehensive Income Items	-	-	-	-	-	(382 736)	(382 736)
Total Other Comprehensive Income	-	-	-	-	-	(4 617 880)	(4 617 880)
Transactions with company owners	-	-	-	-	-	(188 281 016)	(188 281 016)
Dividends to shareholders	-	-	-	-	-	(8 000 000)	(8 000 000)
Dividends to board of directors	-	-	-	-	-	(196 281 016)	(196 281 016)
Total Transactions with company owners	941 405 082	470 702 541	330 920 428	-	-	792 200 874	2 535 228 925
Balance as of 30 June 2024							
Balance at 1 January 2025 (1)	941 405 082	470 702 541	330 920 428	-	-	817 963 643	2 560 991 694
Comprehensive Income for the Period from 27 February 2025 to 30 June 2025 (2)	-	-	-	-	-	629 292 554	629 292 554
Adjustments Arising from the Merger Transaction							
Closure of Net Equity of Merged Companies as of 31 December 2023 (Merger Date)	-	-	-	2519 100 058	257 088 063	-	2 776 188 121
Dividends Distributed During 2024 by the Merged Companies	-	-	-	(94 774 825)	-	-	(94 774 825)
Investment Cost in the Merged Companies	-	-	-	(1449 362 233)	-	-	(1 449 362 233)
Closure of Legal Reserve to Merger Surplus	-	(470 702 541)	-	470 702 541	-	-	-
Closure of Retained Earnings of the Merging Company	-	-	-	796 818 754	-	(796 818 754)	-
Net Profit and Loss of the Merged Companies During 2024	-	-	-	-	-	2443 546 003	2 443 546 003
Effects of Foreign Exchange Differences from Translation of Foreign Currency Balances (Appendix H Application)	-	-	-	-	-	(365 502 409)	(365 502 409)
Impact of Land Revaluation in Al Marwa Food Industries Company					2 382 082		2 382 082
Closure of Share Premium	-	-	(330 920 428)	330 920 428	-	-	-
Comprehensive Income of Merged Companies for the Period from 1 January 2025 to 27 February 2025	-	-	-	-	-	341 010 356	341 010 356
Total Adjustments Arising from the Merger Transaction (3)	-	(470 702 541)	(330 920 428)	2573 404 723	259 470 145	2 251 527 750	4 282 779 649
Balance at 30 June 2025 (1)+(2)+(3)	941 405 082	-	-	2 573 404 723	259 470 145	3 069 491 393	6 843 771 343

The accompanying notes from No. (1) to (42) form an integral part of these interim separate financial statements and should be read therewith.

	Note No.	30/6/2025	30/6/2024
		L.E.	L.E.
Cash Flows from Operating Activities			
Net Profit for the Period Before Income Tax		798 736 684	(2 633 117)
Adjustments			
Depreciation of Fixed Assets	(15)	87 925 037	6 603 923
Capital Gains		-	(3 500)
Inventory-written down		10 159 496	
Amortization of Right-of-Use Assets	(2-29)	2 572 412	-
Finance Costs and Interest Expenses		396 802 846	2 453 811
Interest on Right-of-Use Assets	(1-29)	4 808 745	4 760 142
Credit interest		(31 257 818)	(1 087 148)
Impairment / (Reversal of Impairment) of Assets	(2-25)	(2 010 779)	-
		1 267 736 623	**10 094 111**
Changes in:			
Inventory	(18)	(1 195 948 556)	-
Trade Receivables and Other Debtors	(19)	(634 406 270)	(4 247 201)
Due from Related Parties	(1 -33)	(904 619 014)	225 746 048
Due to Related Parties	(2 -33)	246 468 165	-
Trade and Other Payables	(26)	2 121 082 690	9 472 955
Provisions		5 112 576	-
Net Cash Flows from Operating Activities		**905 426 213**	**241 065 913**
Interest Income Collected / Finance Costs Paid	(11)	(396 802 846)	(2 453 811)
Credit Interest		31 257 818	1 087 148
Income Tax Paid	(2-27)	(934 583 381)	-
Net Cash Generated from Operating Activities		**(394 702 196)**	**239 699 250**
Cash Flows from Investing Activities			
Acquisition of Fixed Assets and Projects Under Construction	(16-15)	(584 036 361)	(14 793 628)
Proceeds from Sale of Fixed Assets		-	3 500
Net Cash Flows (Used in) Investing Activities		**(584 036 361)**	**(14 790 128)**
Cash Flows from Financing Activities			
Net Proceeds from Bank Credit Facilities and Loans	(23)	1 652 089 029	(717 980)
Payments for Right-of-Use Assets		388 509	-
Payments of Lease Liabilities	(29)	(24 279 720)	(13 123 157)
Dividends paid to shareholders		(187 972 269)	(188 281 016)
Net Cash Flows from / (Used in) Financing Activities		**1 440 225 550**	**(202 122 153)**
Change in Cash and Cash Equivalents During the Period		**461 486 993**	**22 786 969**
Foreign Currency Translation Differences (EAS 13 – Appendix E), Net of Tax		-	(372 536)
Proceeds from Merged Companies as a Result of the Merger	(38)	1 081 815 400	-
Cash and Cash Equivalents at 1 January		11 654 741	3 133 471
Cash and Cash Equivalents at 30 June	(20)	**1 554 957 134**	**25 547 904**

The accompanying notes from No. (1) to (42) form an integral part of these interim separate financial statements and should be read therewith.

Juhayna Food Industries (The Merging Company)
(An Egyptian Joint Stock Company)
Notes to the Interim Separate financial statements
For the financial period ended 30 June 2025

1 Background

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: 6th Oct. city 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.

Merger of the group of industrial subsidiaries into the company.

The Extraordinary General Assembly of Juhayna Food Industries Company, held on December 26, 2024, decided to approve the merger of International Company for Modern Food Industries, the Egyptian Dairy Products Company ,the Egyptian Food Industries Company Egyfood ,and Al-Marwa Food Industries Company in the company.
This is based on the book value of the merging company and the merging companies according to the companies' financial statements on December 31, 2023, which is the date taken as the basis for the merger (Note 39)

2 The Company's purpose.

The company's purpose is to produce, manufacture, package and package all types of dairy products, all their derivatives, all kinds of cheeses, various fruit juices, drinks and iced materials, and to prepare, manufacture, package and package all types of foodstuffs and in general the manufacture of agricultural products.
The Extraordinary General Assembly held on December 26, 2024 approved amending Article No.3 of the company's bylaws so that the company's purpose is:

- Production manufacturing packaging and wrapping of all types of dairy products and their derivatives including all types of cheese and their derivatives.
- Production manufacturing packaging and wrapping of all types of juices juice pulp fruit and vegetable concentrates beverages frozen items jams preserved fruits and their derivatives.
- Refrigerated preservation of dairy products and juices and frozen preservation of juice concentrates.
- Establishment construction and operation of factories for the production preparation manufacturing and packaging of all types of food products and in general agricultural products.
- Establishment and operation of cold storage facilities for the preservation cooling freezing and storage of food products Company products agricultural crops vegetables and fruits for both the Company and third parties.
- Importation of all production inputs necessary to serve the Company's activities subject to applicable laws and regulations.
- Storage of the Company's products and other food items for the Company and third parties in compliance with all applicable laws regulations and required licenses.

In addition the Company may participate in merge with or acquire other companies or entities engaged in similar or complementary activities whether within Egypt or abroad in accordance with the provisions of the applicable laws.

Registration in the Stock Exchange

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

3 Basis of preparation

3-1 Statement of compliance with laws and regulation

The separate 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 13 August 2025.

3-2 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.

3-3 Functional and presentation currency

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

3-4 Use of estimates and judgments

The preparation of separate 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.

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 (4-10): lease contracts.

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 (25): provisions
- Note (27): deferred tax.

4 Material accounting policies

The company consistently applies the following accounting policies throughout the financial periods presented in the financial statements."

4-1 Foreign currency

Foreign currency transactions

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

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

4-2 Investments in Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over the investee's relevant activities for the purpose of deriving benefits from its involvement with the investee, has exposure or rights to variable returns from its involvement, and has the ability to use its power to affect the amount of those returns. Investments in subsidiaries are recognized at cost, less any impairment losses. Each investment is assessed individually for impairment, and any impairment loss is recognized in profit or loss. An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined had no impairment loss been recognized.

4-3 Equity accounted investees

Companies under joint control are companies over which the company 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 separate 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 separate financial statements increases or decreases the carrying amount of the investment by the company's share of profit or loss.

4-4 Financial instruments

4-4-1 Financial assets

Classification:

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

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

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

For assets measured at fair value, gains or losses will be recorded either in the statement of profit or loss or in other comprehensive income. For investments in equity instruments not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Recognition and derecognition:

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

Measurement:

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

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

Debt instruments:

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

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

Equity instruments

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

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

Impairment:

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

4-4-2 Financial liabilities and equity instruments issued by the company

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

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

Other financial liabilities

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

The effective interest rate is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts the estimated future cash payments through the expected life of the financial liability or where appropriate a shorter period.

4-4-3 De-recognition of financial instruments

The company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset the company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset the company continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

4-4-4 Effective Interest Rate Method

The effective interest rate method is used to calculate the amortized cost of financial assets that are debt instruments and to allocate the interest income over the relevant periods. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees and payments or receipts between the parties to the contract that form an integral part of the effective interest rate, transaction costs, and any other premiums) through the expected life of the financial asset or, where appropriate, a shorter period.

Interest income is recognized on all debt instruments using the effective interest rate method, except for those classified as financial assets at fair value through profit or loss.

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

4-5 Goodwill

Recognition & Measurement

Goodwill is recognized at cost, representing the excess of the consideration transferred over the fair value of the identifiable assets acquired and liabilities assumed.

After initial recognition, acquired goodwill is measured at cost less any accumulated impairment losses. Impairment losses on goodwill are not reversed, and goodwill is not amortized.

4-6 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.

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 than1 year -13
Transportation & Transport Vehicles	5- 8
Tools	3 -- 10
Empty plastic containers & pallets	5
Display refrigerators	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.

4-7 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. 16). No depreciation is charged until the project is completed and transferred to fixed assets. The carrying amounts of non-financial assets, other than inventories, deferred tax assets, are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of these assets is estimated. For intangible assets with indefinite useful lives or those not yet available for use, their recoverable amount is estimated at the same time each year.

Impairment of 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.

4-8 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.

4-9 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

4-10 Lease Contracts

Operating lease contracts

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

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

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

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

Extension options

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

Finance leases contracts (sale and lease back):

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

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

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

4-11 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.

4-12 Impairment of Non derivative financial assets

The company 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 company 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.

4-13 Defined contribution plans

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

4-14 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.

4-15 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 in 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 company recognize any amounts of variables in its contract with customer due to rebates or significant financing component or non- cash component.

Export subsidy revenue

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

4-16 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.

4-17 Income tax

Current tax

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

Deferred tax

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

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

4-18 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.

4-19 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.

4-20 Employee termination benefits

The Company does not have a pre-established retirement plan; however, termination benefits are recognized as an expense when the Company is clearly committed—without realistic possibility of withdrawal—to a detailed formal plan to terminate employment before the normal retirement date, in accordance with Labor Law No. (12) of 2003 and other relevant Egyptian legislation.

4-21 End of service 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.

4-22 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 company's business leaders where the company makes decisions about the resources allocated to the segments and assesses their performance which provides detailed financial information.

The company has (2)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:

Segmentation reports	Operations
Dairy sectors	Manufacture and sell dairy products & its derivatives
Juice & concentrate sector	Manufacture and sell various products of juice & fruit concentrates

4-23 Related Party Transactions

Transactions with related parties conducted by the Company in the ordinary course of business are recognized in accordance with the terms approved by the Board of Directors.

5 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 company 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 company 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 it is fair value.
- As of 31 December 2024 and 2023 the company has no financial assets or financial liabilities measured at fair value and they are measured at amortized cost company'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 company's assets and liabilities is a reasonable approximation of their fair value.

5-1 Non-derivative Financial Liabilities

The fair value for disclosure purposes is determined based on the present value of expected future cash flows, including interest payments, discounted using the effective interest rate at the financial statements date.

6 Cost of sales

	Financial Period From 1/1/2025 To 30/6/2025 L.E	Financial Period From 1/1/2024 To 30/6/2024 L.E	Financial Period From 1/4/2025 To 30/6/2025 L.E	Financial Period From 1/4/2024 To 30/6/2024 L.E
Cost of revenues	9 056 519 062	-	5 703 103 113	-
Depreciation	77 310 552	-	58 442 125	-
Personal Expenses	94 534 924	-	70 721 939	-
Repair and Maintenance	241 596 675	-	191 250 360	-
Utilities Expenses	79 800 988	-	59 526 321	-
Rent	30 218 247	-	24 027 854	-
Other production expenses	32 481 814	-	26 426 930	-
Cost of finished goods ready for sale	**9 612 462 262**	-	**6 133 498 642**	-
(Deducted)				
change in finished goods	(2 084 292 907)	-	(447 459 203)	-
	7 528 169 355	-	**5 686 039 439**	-

7 Other operating income

	Financial Period From 1/1/2025 To 30/6/2025 L.E	Financial Period From 1/1/2024 To 30/6/2024 L.E	Financial Period From 1/4/2025 To 30/6/2025	Financial Period From 1/4/2024 To 30/6/2024
Export subsidy revenue	19 744 603	-	5 767 791	-
Reversal of provision inventory	10 159 497	-	10 159 497	-
Income from rental of assets to subsidiaries	1 320 000	1 320 000	660 000	660 000
Income from the sale of scrap and waste	7 857 586	-	6 110 812	-
Government grant income	1 398 733	-	1 040 627	-
Gain from sale of fixed Assets	-	3 500	-	-
	40 480 419	**1 323 500**	**23 738 727**	**660 000**

8 Selling and marketing expenses

	Financial Period From 1/1/2025 To 30/6/2025	Financial Period From 1/1/2024 To 30/6/2024	Financial Period From 1/4/2025 To 30/6/2025	Financial Period From 1/4/2024 To 30/6/2024
	L.E	L.E	L.E	L.E
Advertising expenses	125 369 900	-	94 613 581	-
Salaries and wages	3 722 932	-	2 781 532	-
Depreciation	2 442 847	-	(295)	-
Shipping & export expenses	17 110 366	-	14 000 940	-
Others	5 696 919	-	5 551 504	-
Expenses charged to Subsidiaries*	(5 572 284)	-	-	-
	148 770 680	**-**	**116 947 262**	**-**

*An amount of EGP 5 572 284 of selling and distribution expenses has been distributed to Tiba for Trade and Distribution (Note 35)."

9 Other expenses

	Financial Period From 1/1/2025 To 30/6/2025	Financial Period From 1/1/2024 To 30/6/2024	Financial Period From 1/4/2025 To 30/6/2025	Financial Period From 1/4/2024 To 30/6/2024
	L.E	L.E	L.E	L.E
Health insurance contribution	22 769 083	6 276	17 081 597	4 408
	22 769 083	**6 276**	**17 081 597**	**4 408**

10 General and administrative expenses

	Financial Period From 1/1/2025 To 30/6/2025	Financial Period From 1/1/2024 To 30/6/2024	Financial Period From 1/4/2025 To 30/6/2025	Financial Period From 1/4/2024 To 30/6/2024
	L.E	L.E	L.E	L.E
Salaries and wages	107 378 336	63 479 993	81 304 332	33 307 208
Depreciation expense	11 383 931	6 603 923	8 469 543	3 442 566
Rent expense*	7 317 466	-	6 468 663	-
Computer software subscription fees	23 706 843	1 441 478	21 931 509	950 411
Repair and maintenance expenses	4 063 801	-	3 452 121	-
End of service Expenses	5 959 633	2 232 616	5 743 168	18 517
BOD bonus (Note 34)	1 125 000	150 000	765 000	-
Donations	6 283 711	-	3 433 711	-
Other administrative expenses	38 672 994	16 268 637	24 527 123	4 994 646
Expenses charged to Subsidiaries*	(7 134 101)	(88 083 885)	-	(41 884 132)
	198 757 614	**2 092 762**	**156 095 170**	**829 216**

* 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.

* The amount of L.E 7 134 101 of general and administrative expenses was charged to subsidiaries on Tiba for trading and distribution (note 35).

11 Net finance cost

	Financial Period From 1/1/2025 To 30/6/2025	Financial Period From 1/1/2024 To 30/6/2024	Financial Period From 1/4/2025 To 30/6/2025	Financial Period From 1/4/2024 To 30/6/2024
	L.E	L.E	L.E	L.E
Interest expense	(400 284 360)	(7 213 953)	(310 499 651)	(3 978 519)
Interest income	31 257 818	1 087 148	27 456 473	1 003 482
Net Gain / (Loss) from foreign currency exchange	(29 366 019)	(2 967 387)	(23 318 241)	(2 967 387)
Expenses Allocated to Subsidiaries*	1 589 715	7 208 949	-	3 959 906
	(396 802 846)	**(1 885 243)**	**(306 361 419)**	**(1 982 518)**

* Finance income and expenses include an amount of EGP 33 841 759 representing interest recorded during the period on loans granted to the Company (Note No. 23-1)
**An amount of EGP 1 589 715 from finance cost was reallocated and charged to Tayba for Trading and Distribution Company (Note 35).

12- Segmentation reports for the financial period ended 30 June 2025

The segment reports have been prepared based on product segments. The reporting by product segments has been prepared in accordance with the company's organizational and managerial structure.

The results of the product segments include units that contribute directly to the operations of each segment.

The following is an analytical statement of revenues and expenses by product segments:

Activity Segments

	Dairy sector	Concentrates & Juices sector	Total
	Period from 27/2/2025 to 30/6/2025 L.E	Period from 27/2/2025 to 30/6/2025 L.E	Period from 27/2/2025 to 30/6/2025 L.E
Net Sales	**6 450 550 833**	**2 606 076 806**	**9 056 627 639**
COGS, SG&A	(5 759 926 195)	(2 141 642 333)	**(7 901 568 528)**
Other operating income	16 520 945	23 959 474	**40 480 419**
Finance and investment expenses	(361 326 052)	(35 476 793)	**(396 802 845)**
Net profit before tax	345 819 531	452 917 154	**798 736 685**
Taxes	73 380 402	96 063 728	**169 444 130**
	272 439 129	356 853 425	**629 292 554**
Other Information			
Depreciation	67 502 582	20 422 455	**87 925 037**
Assets	7 995 458 101	7 529 703 260	**15 525 161 361**
Liabilities	5 885 982 432	2 795 407 586	**8 681 390 018**

13- Revenues from Segmentation reports for the financial period ended 30 June 2025

Revenues according to activity segmentat as follows:
Activity Segments

	31/3/2025	31/3/2024
	L.E	L.E
Dairy sector	4 776 897 872	-
Refrigeration sector	1 673 652 962	-
Juices sector	1 869 112 195	-
Concentrates	736 964 611	-
Total	**9 056 627 640**	-

14 Investments

This item comprises the following:

	Name of the Investee Company	Legal Entity	Number of Shares Acquired	Ownership Percentage	Par Value per Share	Par Value of Invested Shares	Paid-up Portion of the Investment	Total Investment Cost	Permanent Impairment in Investment Value	Net Carrying Amount of the Investment	
								30/6/2025	30/6/2025	30/6/2025	31/12/2024
				%	L.E	L.E	%	L.E	L.E	L.E	L.E
(1 -14)	Investments in Subsidiaries										
	Taybah for Trading and Distribution	Egyptian Joint Stock Company	1 998 000	99.90	100	199 800 000	100	199 800 000	-	199 800 000	199 800 000
	Al-Enmaa for Agricultural Development and Livestock	Egyptian Joint Stock Company	8 549 700	99.995	100	854 970 000	100	854 970 000	-	854 970 000	854 970 000
	*Egyptian Company for Dairy Products	Egyptian Joint Stock Company	-	-	-	-	-	-	-	-	359 911 533
	International Company for Modern Food Industries*	Egyptian Joint Stock Company	-	-	-	-	-	-	-	-	499 950 000
	Egyptian Company for Food Industries (Egyfood)*	Egyptian Joint Stock Company	-	-	-	-	-	-	-	-	386 893 852
	Al Marwa for Food Industries*	Egyptian Joint Stock Company	-	-	-	-	-	-	-	-	196 815 808
(2 -14)	Investments in Joint Ventures										
	Arjou Food Industries	Egyptian Joint Stock Company	1 015 000	50.75	10	10 150 000	100	10 150 000	-	10 150 000	10 150 000
	Balance as at 30 June					**1 064 920 000**		**1 064 920 000**	-	**1 064 920 000**	**2 508 491 193**
(3 -14)	Investments at Fair Value Through Profit or Loss										
-	Egyptian Company for Trade and Marketing	Egyptian Joint Stock Company	1 000	0.54	100	100 000	100	100 000	(100 000)	-	-
	Balance as at 30 June					**100 000**		**100 000**	**(100 000)**	-	-

* According to the Economic Performance Report issued by the General Authority for Investment and Free Zones dated 10 November 2024, and based on the Extraordinary General Assembly resolution of the Company dated 26 December 2024, the merger of these companies with Juhayna Food Industries Company was approved at boo value as of 31 December 2023. The merger was officially recorded in the Commercial Register on 27 February 2025.

** On 30 November 2021, the Board of Directors of Juhayna Food Industries Company resolved—based on a request from Arla—to cancel the partnership agreements entered into between Arjou and the other companies. The Board also approved the liquidation of Arjou; however, no Extraordinary General Assembly meeting was called to ratify this resolution. Subsequently, on 18 February 2024, the Board of Directors of Juhayna approved the agreement signed with the foreign shareholder, under which the foreign shareholder agreed to transfer its shares to Juhayna Food Industries Company without any financial consideration. As a result, Arjou is to become wholly owned by Juhayna. The legal procedures for the transfer of ownership have not yet been completed.

15 Property, plant and equipment

Description	Land	Buildings & Constructions	Buildings and constructions result from lease contract	Machinery & Equipment	Transportation &transport vehicles	Tools	Empty plastic containers & Palettes	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
Cost										
Cost as at 1/1/2024	11 870 738	111 706 795	44 387 809	1 160 409	4 880 834	4 500 382	-	5 865 785	101 525 062	285 897 814
Additions of the period	-	-	-	-	52 290 000	-	-	646 938	10 697 775	63 634 713
Transfer from Project Under Construction	-	-	-	-	-	-	-	-	408 808	408 808
Disposals of the period	(190 350)	(1 035 500)	-	-	-	-	-	-	(5 500)	(1 231 350)
Cost as of 31/12/2024	11 680 388	110 671 295	44 387 809	1 160 409	57 170 834	4 500 382	-	6 512 723	112 626 145	348 709 985
Cost as of 1/1/2025	11 680 388	110 671 295	44 387 809	1 160 409	57 170 834	4 500 382	-	6 512 723	112 626 145	348 709 985
Merger Adjustments (Note38)	151 900 270	861 332 365	-	3066 619 382	8 101 523	134 786 611	22 761 662	16 124 052	20 414 697	4 282 040 562
Revaluation Adjustments of Fixed Assets at Acquisition Date	2 382 082	7 631 100	-	30 241 732	11 084	907 092	-	-	-	41 173 090
Additions during the period*	-	-	-	1 201 538	-	3 536 825	-	2 461 863	5 935 260	13 135 486
Transfer from Project Under Construction	-	20 027 833		174 397 958	-	9 357 120	-	-	-	203 782 911
Cost as of 30/6/2025	165 962 740	999 662 593	44 387 809	3273 621 019	65 283 441	153 088 030	22 761 662	25 098 638	138 976 102	4888 842 034
Accumulated depreciation as of 1/1/2024	-	14 608 547	13 316 342	1 160 409	4 277 764	4 455 869	-	4 480 094	91 052 552	133 351 577
Depreciation of the year	-	2 228 958	887 756	-	1 048 837	22 100	-	342 787	8 862 293	13 392 731
Accumulated depreciation of disposals of the year	-	(456 998)	-	-	-	-	-		(5 500)	(462 498)
Accumulated depreciation as of 31/12/2024	-	16 380 507	14 204 098	1 160 409	5 326 601	4 477 969	-	4 822 881	99 909 345	146 281 810
Accumulated depreciation as of 1/1/2025	-	16 380 507	14 204 098	1 160 409	5 326 601	4 477 969	-	4 822 881	99 909 345	146 281 810
Merger Adjustments (Note38)	-	206 154 242	887 757	1788 678 703	6 800 828	79 777 564	18 600 668	13 240 954	16 982 095	2 131 122 811
Revaluation Adjustments of Fixed Assets at Acquisition Date	-	7 631 100	-	30 241 732	11 084	907 092	-	-	-	38 791 008
Depreciation of the period	-	7 192 958	443 878	64 882 397	5 556 097	4 642 534	608 226	394 287	4 204 660	87 925 037
Accumulated depreciation as of 30/6/2025		237 358 807	15 535 733	1886 123 650	17 694 610	89 805 159	19 208 894	18 458 122	121 096 100	2 404 120 666
Net book value as of 30/6/2025	165 962 740	762 303 786	28 852 076	1 387 497 369	47 588 831	63 282 871	3 552 768	6 640 516	17 880 002	2 484 721 368
Net book value as of 31/12/2024	11 680 388	94 290 788	30 183 711	-	51 844 233	22 413	-	1 689 842	12 716 800	202 428 183

Fully depreciated assets is amount to L.E 840 179 245 in 31 March 2025 (amount to L.E 99 725 972 LE in 31 December 2024).

The depreciation expense for the year distributed as follow:-

	Six-Months Period Ended	
	30/6/2025	30/6/2024
	L.E.	L.E.
Cost of sales	74 098 259	-
Selling and Marketing expenses	2 442 847	-
General and adminstrative	11 383 931	6 603 923
	87 925 037	6 603 923

16 Projects under construction

	Nature	% of completion	Timeline	30/6/2025	31/12/2024
				L.E	L.E
Buildings and constructions in progress	Building	%70-%85	Within one year	212 888 759	-
Machineries under installation	Machinery	%70-%80	Within one year	1 436 650 443	6 726 729
Computer software	Software Programs	%65-%70	Within one year	56 308 894	44 819 304
				1 705 848 096	**51 546 033**

16-1 Movement of projects under construction

	Opening Balance	Merge adjustments	Additions	Capitalized	Ending Balance
Building	-	152 178 167	80 738 425	(20 027 833)	**212 888 759**
Machinery	6 726 729	1 135 005 919	478 672 873	(183 755 078)	**1 436 650 443**
Computer Software	44 819 304	-	11 489 590	-	**56 308 894**
	51 546 033	**1 287 184 086**	**570 900 888**	**(203 782 911)**	**1 705 848 096**

17 Tax status

Pre-Merger Period

A: Juhayna Food Industries Company (the Merging Company)

1- Corporate Income Tax:

The Company submits tax returns within the legal deadlines in accordance with the provisions of Income Tax Law No. 91 of 2005 and its amendments, and Unified Tax Procedures Law No. 206 of 2020 and its amendments.

Period from commencement of activity on 17/01/1996 to 31/12/2018:

The competent tax authority conducted a tax inspection for this period. All tax disputes were resolved, and the Company paid the due taxes.

Years 2019–2024:

Tax returns were submitted on time. The Company has not been requested for inspection by the tax authority.

2- Payroll Tax:

Period from commencement of activity on 17/01/1996 to 31/12/2022:

The competent tax authority inspected this period. All tax disputes were resolved, and the Company paid the due taxes.

Years 2023–2024:

Quarterly adjustments and returns are submitted within the legal deadlines.

3- Stamp Duty:

Period from commencement of activity on 17/01/1996 to 31/12/2022:

The competent tax authority inspected this period. All tax disputes were resolved, and the Company paid the due taxes.

Years 2023–2024:

Monthly returns are submitted on time in accordance with the law. No inspection have been conducted.

4- Sales Tax / Value-Added Tax (VAT):

Period from commencement of activity on 17/01/1996 to 31/12/2020:

The competent tax authority inspected this period. All tax disputes were fully resolved, and the Company paid the due taxes.

Years 2021–2024:

Tax returns are submitted on time. No inspection has been requested.

5- Tax Withheld at Source:

The Company regularly submits quarterly returns within the legal deadlines.

B: International Modern Food Industries Company

1- Corporate Income Tax:

Commencement of Activity:

- The Company commenced operations on 31/05/2008 as stated in its tax card.
- The company is subject to Law No. 8 of 1997 (Investment Guarantees and Incentives Law), and was exempt from corporate income tax until 31/12/2018.
- The Company submits tax returns in accordance with Income Tax Law No. 91 of 2005 and its amendments, and Unified Tax Procedures Law No. 206 of 2020 and its amendments.

Years 2009–2014:

- The Large Taxpayers Center conducted a book inspection for these years and according to a re- inspection memorandum dated 20/11/2019, the automatic tax exemption certificate issued by the competent authority (General Authority for Investment) was not acknowledged.
- The tax authority issued a tax assessment (Form 19 Taxes), and the Company filed an objection within the legal timeframe.
- The dispute was referred to the Tax Appeal Committee under appeal No. 580/2022, which, in its session dated 30/08/2022, upheld the authority's decision not to recognize the tax exemption.
- Although the committee's decision lacked sound legal justification, it nonetheless obligates the Company to pay the tax, even if contested in court, as per the last paragraph of Article 64 of Law No. 206 of 2020 (Unified Tax Procedures Law).
- Therefore, it is recommended that the Company pays the due tax in execution of the appeal committee's decision to avoid administrative seizure of bank accounts, while continuing legal proceedings before the administrative judiciary.
- Based on the legal advisor's report submitted to us, the Company is entitled to the tax exemption.
- We support this conclusion — from our legal and technical perspective — regarding the Company's right to exemption for the disputed years, relying on the automatic exemption certificate issued by the General Authority for Investment dated 23/12/2008, Supporting letters dated 10/11/2009 and 25/03/2021,The Appeal Committee's decision violates Article 64 of Investment Law No. 8 of 1997, and Circulars from the Tax Authority (Nos. 27/2006 and 21/2015) obliging all affiliated entities to apply exemptions stated in certificates issued by the Investment Authority.
- The Company submitted a request on 13 December 2022 to bring the case before the Dispute Resolution Committee, and the file is currently under review.

Years 2015–2018:

A provisional assessment (Form 19) was received and objected to within legal time limits. A decision was issued to perform an actual inspection.

Years 2019–2024:

Tax returns were submitted on time. The Company has not been selected for inspection.

2- Payroll Tax:

Period from 31/05/2008 to 31/12/2022:

The tax authority completed its inspection for this period. Disputes were resolved and the Company paid the due taxes.

Years 2023–2024:

The Company submits quarterly returns and the annual reconciliation within the legal deadlines.

3- Stamp Duty:

Period from commencement of activity until 31/12/2022:

The Company was inspected and paid the due tax.

Years 2023–2024:

No inspection has been requested by the authority.

4- Sales Tax / Value-Added Tax (VAT):
The Company submits monthly VAT returns on time.
Period from commencement of activity until 31/12/2020:
The tax authority inspected the Company and the due differences were paid.
Years 2021–2024:
VAT returns are submitted on time and no inspection has been conducted.
5- Withholding Tax:
The Company regularly submits quarterly returns within the legal deadlines.

C: The Egyptian Dairy Products Company
1- Corporate Income Tax:
The Company submits tax returns within the legal deadlines in accordance with Income Tax Law No. (91) of 2005 and its amendments, and the Unified Tax Procedures Law No. 206 of 2020 and its amendments.
Period from the start of operations on 03/10/2001 to 31/12/2004:
The competent tax authority inspected the Company for this period. Tax disputes were resolved and the due taxes were paid.
Years 2005–2008:
The tax authority has not inspected the Company for this period. Tax returns are submitted on time in accordance with the law.
Years 2009–2017:
The Company was inspected and paid all due amounts.
Years 2018–2024:
The Company files its tax returns on time and has not been selected for inspection.

2- Payroll Tax:
Period from the start of operations on 03/10/2001 to 31/12/2022:
The competent tax authority inspected the Company for this period. Disputes were resolved and the due taxes were paid.
Years 2023–2024:
The Company submits quarterly returns and annual reconciliations within the legal deadlines in accordance with tax law.

3- Stamp Duty:
Period from the start of operations on 03/10/2001 to 31/12/2020:
The Company was inspected and paid the due stamp duty.
Years 2021–2024:
Preparation for the tax examination is currently in progress.
4- Sales Tax / Value-Added Tax (VAT):
Period from the start of operations on 03/10/2001 to 31/12/2022:
The Company was inspected and settled all dues up to 31/12/2022.
Years 2023–2024:
The Company submits its VAT returns on time and has not been selected for inspection.

5- Withholding Tax:
The Company regularly submits quarterly returns within the legal deadlines.

D: Egyptian Food Industries Company "Egyfood"

1. **Corporate Income Tax**
   The company submits tax returns on time in accordance with the provisions of the Income Tax Law No. 91 of 2005 and its amendments, as well as the Unified Tax Procedures Law No. 206 of 2020 and its amendments.
   Period from the beginning of activity until 2005:
   The company was not notified with any tax forms during the year and was not selected as part of the inspection sample by the relevant tax authority.
   Years 2006–2012:
   These years were inspected and the due tax amounts were paid.
   Years 2013–2019:
   These years were inspected, and the company received the results of the re-inspection. The company filed an objection, and the dispute is currently under review by the Internal Committee.
   Years 2020–2024:
   Tax returns are submitted on time, and the company has not been requested for inspection.
2. **Payroll Tax**
   Period from the beginning of activity until 2022:
   Inspected and the due amounts have been paid.
   Years 2023–2024:
   Monthly returns are submitted on time in accordance with the law, and no inspection has been conducted.
3. **Stamp Duty**
   Years from the beginning of activity until 2020:
   Inspected and settled.
   Years 2021–2024:
   Monthly returns are submitted on time in accordance with the law, and no inspection has been conducted.
4. **Sales Tax / Value Added Tax (VAT)**
   The company submits monthly tax returns on time.
   Period from the beginning of activity until 2022:
   Inspected and settled.
   Years 2023–2024:
   Quarterly returns are submitted on time in accordance with the law, and no inspection has been conducted.
5. **Withholding Tax**
   The company submits quarterly withholding tax returns regularly and on time.

E: Al Marwa Food Industries Company

1. **Corporate Income Tax**
   The tax period ended on 22/06/2022 (the date of the merger). The company submitted a tax return for the period ending on 22/06/2023.
2. **Payroll Tax**
   The company submits quarterly returns and will submit the annual reconciliation on time.
3. **Stamp Duty**
   The company pays the due tax in accordance with applicable laws and regulations.
4. **Sales Tax / Value Added Tax (VAT)**
   Monthly tax returns are submitted on time in accordance with the law.
5. **Withholding Tax**
   The company pays the withheld amounts deducted from counterparties to the Tax Authority on time.

Merging Company: Juhayna Food Industries Company

Post-Merger Period
Juhayna Food Industries Company (the merging company) merged as of **27/02/2025** with:

- International Company for Modern Food Industries
- Egyptian Company for Dairy Products
- Egyptian Food Industries Company " Egyfood"
- Al Marwa Food Industries Company

The merged companies (International Company for Modern Food Industries, Egyptian Company for Dairy Products, Egyptian Food Industries " Egyfood", and Al Marwa Food Industries) were dissolved and officially closed on **27/02/2025**. Accordingly, the following outlines the **tax position** of Juhayna Food Industries Company.

1. **Corporate Income Tax**
   The company submits its tax returns on time in accordance with the provisions of Income Tax Law No. 91 of 2005 and its amendments, as well as the Unified Tax Procedures Law No. 206 of 2020 and its amendments.
   Period from start of activity on 17/01/1996 to 31/12/2018:
   The competent tax office inspected the company for this period, and all tax disputes were resolved. The company paid the due taxes.
   Years 2019–2023:
   Tax returns were submitted on time, and the company has not been selected for inspection by the tax authority.
2. **Payroll Tax**
   Period from the start of activity on 17/01/1996 to 31/12/2022:
   The competent tax authority inspected the company for this period, resolved any tax disputes, and the company paid the due taxes.
   Years 2023–2024:
   The company submits both quarterly returns and the annual reconciliation in accordance with legal deadlines.
3. **Stamp Duty**
   Period from the start of activity on 17/01/1996 to 31/12/2022:
   Inspected by the competent authority, disputes were resolved, and the company paid the due stamp duty.
   Years 2023–2024:
   Monthly returns are submitted on time as per the law, and the company has not been inspected
4. **Sales Tax / Value Added Tax (VAT)**
   Period from the start of activity on 17/01/1996 to 31/12/2020:
   Inspected by the tax authority, all tax disputes were resolved, and the company paid the due VAT.
   Years 2021–2024:
   VAT returns are submitted on time, and the company has not been requested for inspection.
5. **Withholding Tax**
   The company regularly submits its quarterly withholding tax returns on time in compliance with the legal requirements.

18 Inventories

	30/6/2025	31/12/2024
	L.E	L.E
Raw materials	1 193 121 536	-
Packaging and packing materials	1 051 220 750	-
Finished goods	2 084 292 907	-
Consumables and miscellaneous supplies	160 846 205	-
Letters of Credit	22 140 681	-
Goods in transit - L/C's for goods purchase	321 036 327	-
	4 832 658 406	**-**
Less: Inventory write-down	(8 305 228)	-
	4 824 353 178	**-**

Movement in Inventory Impairment:

	Balance as of 1/1/2025	Merger Adjustments	Changes During the Period	Balance as of 30/6/2025
	L.E	L.E	L.E	L.E
Impairment of Balances	-	(18 464 724)	10 159 496	**(8 305 228)**
	-	**(18 464 724)**	**10 159 496**	**(8 305 228)**

19 Trade and other receivables

	30/6/2025	31/12/2024
	L.E	L.E
Trade receivables*	372 455 490	-
Less: Expected credit losses*	(2 154 312)	-
	370 301 178	**-**
Suppliers – advance payments	687 346 217	1 508 004
Guarantee Letters Collateral	25 398	25 398
Prepaid expenses	33 095 920	3 054 374
Export subsidy*	265 679 764	-
Employees' Advances and Imprest Funds	19 906 421	508 184
Tax Authority	264 643 503	-
Deposits with others	20 305 751	432 125
Other debit balances	3 387 774	64 854
VAT	47 793 790	-
Debtors- payment for PP&E (under recollection)	1 367 244	1 367 244
Advance dividends**	187 972 269	-
Accrued Interest	-	1 253 992
	1 901 825 229	**8 214 175**
<u>Less:</u> Impairment in other debit balances	(8 751 029)	(197 870)
	1 893 074 200	**8 016 305**

* During the period, an amount of 9 222 339 was collected from the Export Support Fund.

**The amount is dividends to BOD and employees dividends

20 Cash and cash equivalent

	30/6/2025	31/12/2024
	L.E	L.E
Banks – current accounts	1 291 567 977	11 455 600
Cash on hand	2 343 287	199 141
Treasury bills of less than 3 months	265 701 408	-
Cash and Cash Equivalents	**1 559 612 672**	**11 654 741**
Less: impairment on cash	(4 655 538)	-
	1 554 957 134	**11 654 741**

* The average return on treasury bills with a maturity of less than 3 months reached 20.36%.
According to Prime Ministerial Decree No. 4575 of 2023, debt instruments issued by the Egyptian government, as well as current accounts in Egyptian banks in local currency, are exempt from the recognition and measurement of expected credit losses..

21 Share capital

	30/6/2025	31/12/2024
	L.E	L.E
Authorized capital	5 000 000 000	5 000 000 000
Issued & paid-up capital (divided into 941 405 082 shares with nominal value L. E 1 each)	941 405 082	941 405 082

The shareholder's structure on 30 June 2025 is as follows:

Shareholder	No. of shares	Owner percentage
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%
	941 405 082	**100%**

22 Reserves

22-1 General reserve

	30/6/2025	31/12/2024
	L.E	L.E
Collected from issuance premium of 205 972 632 shares during the year 2010	-	999 379 210
Less:		
Nominal value of issued shares with a premium	-	(205 972 632)
Issuance fees	-	(38 507 164)
Legal reserve formed to reach 50 % of paid-up capital	-	(350 398 732)
Difference between the nominal value and the cost of own shares cancelled on 5 February 2012.	-	(73 580 254)
General reserve	**-**	**330 920 428**

- The balance has been added to the merger reserve.

22-2 Merger Reserve

Pursuant to the resolution of the Extraordinary General Assembly of the company held on December 26, 2024, and the approval of the Financial Regulatory Authority dated January 13, 2025, as well as the decision of the General Authority for Investment and Free Zones No. 56/2 of 2025 approving the license to merge the subsidiary companies into Juhayna Company, and the determination of the issued share capital of the company at EGP 941 405 082 distributed over 941 405 082 shares with a par value of EGP 1 per share after the merger,

The difference between the issued capital and the total net equity of the shareholders of both the merging company and the merged companies, amounting to EGP 2 573 404 723, shall be recorded under reserves in the merging company, detailed as follows:

	L.E
Share of the merging company in Modern International Food Industries Company – as per the merger report	649 083 757
Share of the merging company in Egyptian Dairy Products Company – as per the merger report	599 415 866
Share of the merging company in Egyptian Food Industries Company "Egyfood" – as per the merger report	556 403 652
Share of the merging company (as investor) in Al Marwa Food Industries Company – as per the merger report	713 343 646
Change in the net equity of the merging company	53 912 525
Total non-controlling interests in the merged companies	1 245 277
	2 573 404 723

22-3 Other Reserves

The balance represents other reserves resulting from adjustments made by the General Authority for Investment and Free Zones to preserve the book value of the assets and liabilities of both the acquiring and acquired companies, in accordance with the report of the committee formed to verify the accuracy of the preliminary valuation of the in-kind shares under assessment. As of 30 June 2025, the balance amounted to EGP 259 470 145.

	L.E
Fixed Assets	96 504 213
Projects Under Construction	2 396 461
Other Debit Balances	64 442 600
Goodwill	97 092 890
Due from Related Parties	2 442 940
Impact of Land Revaluation in Al Marwa Food Industries Company	2 382 082
Impact of Intercompany Investments among Merged Companies	(5 791 041)
	259 470 145

23 Loans and Government Grants

23-1 Loans

The long-term loans and short-term that are granted to the company are as follow:

	Long term loans		
	Current portion	Non-current portion	Total
	L.E	L.E	L.E
Attijariwafa Bank	23 189 155	-	23 189 155
CIB – EGP	150 000 000	153 437 457	303 437 457
CIB – Grant (23-3)	20 115 486	33 192 686	53 308 172
CIB – USD (El Marwa)	50 735 000	49 696 375	100 431 375
CIB – USD	12 244 676	367 670 386	379 915 062
Balance at 30/6/2025	**256 284 317**	**603 996 904**	**860 281 221**
Balance at 31/12/2024	**-**	**-**	**-**

These loans are subject to variable interest rates (the corridor rate announced by the Central Bank + a variable margin) and are secured by promissory notes from the company, as specified for each loan. The loan maturities range from four to five years..

23-2 Adjustments on the movement of borrowing to access the net cash financing activities.

	30/6/2025	31/12/2024
	L.E	L.E
Balance of borrowing at 1 January	-	-
Merger Impact Adjustments	503 433 814	-
Paid from loans	(29 256 775)	-
Foreign Exchange Differences	3 941 607	-
Collected	380 763 842	-
Amortization of Deferred Grants (Note 21-3)	1 398 733	-
Balance of loans and financial liabilities as of 30 June	**860 281 221**	**-**

23-3 Deferred Government Grants

One of the merged companies obtained a loan amounting to EGP 91.4 million from the Commercial International Bank (CIB) in August 2022. The full loan amount of EGP 91.4 million was utilized under the Central Bank of Egypt's initiative to support industrial companies. According to the initiative the loan was granted at a preferential interest rate of 8% which is lower than the prevailing market rate for similar loans which averaged 19.25% at the date of the loan.

The government grant arising from the interest rate difference amounted to EGP 5 215 561 analyzed as follows:

(a) Deferred income – non-current liabilities: EGP 2 734 514

(b) Deferred income – current liabilities: EGP 1 082 314

(c) Other income – statement of profit or loss: EGP 1 398 733 as of 30 June 2025 No income was recognized during the comparative period. (Note 7)

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

	Less than one year	More than one year	Total
	L.E	L.E	L.E
Loan	22 850 000	34 275 000	**57 125 000**
Less: Deferred (grant) liabilities	(2 734 514)	(1 082 314)	**(3 816 828)**
Balance as of 30/06/2025	**20 115 486**	**33 192 686**	**53 308 172**

24 Bank credit facilities

The balance of this item amounting to EGP 4 475 276 385 as of 30 June 2025 (compared to EGP 2 307 878 as of 31 December 2024) represents the utilized credit facilities granted by several banks including:

- CIB: EGP 1 706 899 985
- HSBC: EGP 521 690 752
- QNB: EGP 338 195 526
- AWB: EGP 314 116 434
- ABK: EGP 124 011
- AUB: EGP 631 258 436
- NBD: EGP 962 991 241

The total credit facilities amount to approximately EGP 5.5 billion with a variable interest rate (corridor rate ± 0.25%) secured by promissory notes obtained by the banks providing these facilities to the company.

25 Provisions

25-1 Provision for claims

Description	Balance at 01/01/2025	Merge Adjustments	Formed during the period	Used during the period	Balance at 30/6/2025
	L.E	L.E	L.E	L.E	L.E
Provision for claims	**150 176**	150 016 452	5 112 576	-	**155 279 204**

- 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 usual disclosures regarding provisions, as required by the Egyptian Accounting Standards, have not been made, as the company's management believes that doing so may significantly affect the final settlement of such potential claims.

25-2 Movement of Impairment

	Balance as at 01/01/2025	Merger Adjustments	Change during the period	Balance as at 30/6/2025
Impairment of Trade Receivables	-	(1 591 018)	(563 295)	**(2 154 312)**
Impairment of Other Debtors	(197 870)	(8 553 159)	-	**(8 751 029)**
Impairment of Related Parties' Balances	(574 981)	(4 958 938)	2 574 074	**(2 959 845)**
Impairment of Cash Balances	-	(4 655 538)	-	**(4 655 538)**
	(772 851)	**(19 758 653)**	**2 010 779**	**(18 520 724)**

26 Creditors and other credit balances

	30/6/2025	31/12/2024
	L.E	L.E
Suppliers	2 278 776 674	16 485 236
Notes Payables	500 000	-
Dividends payable	-	2 655 515
Accrued expenses	243 716 023	10 822 285
Tax authority	35 764 435	13 148 705
Deposits for others	639 974	-
Social Insurance Authority	4 057 849	455 347
Due to health insurance	91 458 297	112 933
Advances from customers	21 039 992	-
Other credit balances	24 925 576	3 323 650
	2 700 878 820	**47 003 671**

27 Deferred tax liabilities

The balance of deferred tax liabilities amounts to EGP 323 525 727 in June 2025, compared to EGP 32 490 814 in December 2024.

27-1 Deferred Tax liabilities

	30/6/2025	31/12/2024
	L.E	L.E
Deferred tax liabilities on lease contracts	17 409 116	14 858 116
Deferred tax liabilities on fixed assets	306 116 611	8 632 698
Total deferred tax liability	**323 525 727**	**23 490 814**

Movement in Deferred Tax Liabilities:

	Balance as of 1/1/2025	Merger Adjustments	Changes During the Period	Balance as of 30/6/2025
	L.E	L.E	L.E	L.E
Deferred Tax Liabilities	23 490 814	288 204 116	11 820 595	**323 515 525**
Impact of EAS 13 – Appendix H	-	-	10 202	**10 202**
	23 490 814	**288 204 116**	**11 830 797**	**323 525 727**

27-2 Income tax – current

	30/6/2025	31/12/2024
	L.E	L.E
Income tax liability at the beginning of the year	1 496 537	-
Income tax expense (27-4)	157 623 535	1 496 537
Taxes from Merged Companies (Merger Adjustments)	860 427 813	-
Income tax liability at the end of the year	**1 019 547 885**	**1 496 537**
Taxes paid during the period.	(759 252 317)	-
Withholding Tax Receivable	(175 331 064)	-
Income tax liability at the end of the year	**84 964 504**	**1 496 537**

27-3 Effective Tax Rate

	30/6/2025	30/6/2024
	L.E	L.E
Separate net profit before tax	798 736 684	**(2 633 117)**
Tax rate	22.5%	22.5%
Income tax calculated according to the tax rate (22.5%)	**179 715 754**	**(592 451)**
Tax settlements:		
Tax exemption	(57 102 167)	-
Deferred Tax	11 820 595	1 602 027
Non-deductible expenses	35 009 948	592 451
Income tax according to the tax return	**169 444 130**	**1 602 027**
Effective tax rate	**21.21%**	-

27-4 Income tax for the period

	30/6/2025	30/6/2024
	L.E	L.E
Current income tax	157 623 535	-
Deferred tax expense	11 820 595	1 602 027
	169 444 130	**1 602 027**

27-5 Unrecognized Deferred Tax Assets

	30/6/2025	30/6/2024
	L.E	L.E
Difference Between Amounts Paid to Acquire Investments and the Value of the Investments in the Merged Companies	6 330 691	-
	6 330 691	-

The Company has not recognized deferred tax assets for these amounts until management completes the necessary data required to meet the Tax Authority's requirements. The amounts represent the excess of the acquisition cost of certain fixed assets (excluding land) over their book values, which were merged into Juhayna from Al Marwa Food Industries Company.

28 Financial instruments

Financial risk management

Overview

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

- Credit risk
- Liquidity risk
- Market risk.

Risk management framework

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

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

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

Credit risk

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

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:

		Carrying amount	
	Note	30/6/2025	31/12/2024
		L.E	L.E
Trade and other receivables	(19)	1 281 861 223	4 961 931
Cash	(20)	1 554 957 134	11 645 741
Related Parties	(33-1)	1 858 577 949	361 048 333

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 3 390 248 265 on which the interest is charged at a variable interest rate for facilities in Egyptian pound.

Liquidity risks

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

30/6/2025

	Total book value	Contractual cash flows	6-12 months	1-5 years
Trade payables	2 278 776 674	2 278 776 674	2 278 776 674	-
Loans	860 281 221	860 281 221	256 284 317	603 996 904
Credit facilities	4 475 276 385	4 475 276 385	4 475 276 385	-
Lease liabilities	65 209 465	65 209 465	33 140 453	32 069 012

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

	USD	Euro
Trade and other receivables	18 863 193	1 186 678
Cash and cash equivalents	26 126 554	718 092
Creditors and other credit balances	(28 191 087)	(4 952 436)
30 June 2025	**16 798 660**	**(3 046 666)**
31 December 2024	**(876)**	**1 427**

The following significant exchange rates applied during the year:

	Average rate		Closing Rate	
	2025	**2024**	**2025**	**2024**
USD	50.51	45.6	50.74	50.91
Euro	55.38	49.3	58.20	53

Sensitivity analysis

The depreciation of the Egyptian pound, as illustrated above, against the following currencies—USD and EUR—as of 30 June 2025, may lead to a decrease in shareholders' equity and profit or loss, based on the amounts presented below. This analysis is based on exchange rate fluctuations that the company considers reasonably possible as of the date of the separate interim financial position. The analysis assumes that all other variables, particularly interest rates, remain constant and disregards the impact of forecasted revenues and expenses.

	30 June 2025
EGP	10% Effect
USD	85 236 401
Euro	(17 737 416)

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.

	Profit or Loss	
	1% increase	1% decrease
30 June 2025 (Variable Interest Rate)	26 232 928	(26 232 928)
31 December 2024 (Variable Interest Rate)	1 923	(1 923)

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.

	2025	2024
	L.E	L.E
Total liabilities	8 681 390 018	582 193 094
Less: cash and cash equivalent	(1 554 957 134)	11 654 741
Net debt	**7 126 432 884**	**593 847 835**
Total equity	**6 843 771 343**	**2 560 991 694**
Net debt to equity ratio	%104	%23

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

29 Lease contracts.

29-1 Liabilities arising from lease contracts.

- **Lease contracts (Sale and lease back)**

The contract was signed on 23/3/2016 and became effective as of 24/3/2016 under a sale and leaseback arrangement for Plot No. 21, Crazy Water Axis, Sheikh Zayed City, with a total area of 15 374.47 square meters, including the buildings and constructions thereon. Below is a summary of the contract:

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

- The finance interest related to the contract for the financial period ended 30/6/2025 amounted to EGP 3 268 356.

	2025	2024
	L.E	L.E
Liabilities from lease contracts current portion	12 637 633	23 722 416
	12 637 633	**23 722 416**

The lease liabilities are settled as follows:

	Payment of liability principal		Payment of accrued interest	
	2025	2024	2025	2024
	L.E	L.E	L.E	L.E
Liabilities for one year	12 637 633	23 722 416	390 381	2 523 899

Operating Lease contracts liabilities

- The Company leases buildings and warehouses, with each lease agreement being contracted individually and subject to its own specific terms. The lease terms range from 1.5 years to 10 years, and some contracts include options to extend the lease, providing the Company with flexibility. The implicit interest rate is approximately 14%.
- The Company entered into an agreement with Taiba for Trading and Distribution (S.A.E) – a 99.9% owned subsidiary – to lease the administrative building to the subsidiary in return for a quarterly rental amounting to a total of EGP 660 000 during the financial period ended 30 June 2025 (EGP 1 320 000 as of 30 June 2024).
- The Company incurred interest expenses on lease liabilities amounting to EGP 1 540 389 during the financial period ended 30 June 2025.

Operating lease contract liability

	30/6/2025	31/12/2024
	L.E	L.E
Liabilities from lease contracts-current portion	20 502 820	-
Liability from lease contracts non-current portion	32 069 012	-
Total	**52 571 832**	-

The lease liabilities are settled as follows:

	Payment of liability principal		Accrued interest	
	30/6/2025	31/12/2024	30/6/2025	31/12/2024
	L.E	L.E	L.E	L.E
Liabilities during one year	20 502 820	-	3 546 117	-
Liabilities more than one year	32 069 012	-	4 580 088	-

29-2 Right of use assets

	2025/6/30	31/12/2024
	L.E	L.E
<u>**Cost**</u>		
Cost at Beginning of the Period/Year	-	-
Merger Adjustments	57 108 941	-
Additions during the period	4 915 833	-
Cost at End of the Period/Year	**62 024 774**	-
<u>**Depreciation**</u>		
Depreciation at Beginning of the Period/Year	-	-
Merger Adjustments	17 835 816	-
Depreciation for the Period/Year	2 572 412	-
Accumulated Depreciation	**20 408 228**	-
Net Book Value	**41 616 546**	-

30 Contingent Liabilities

The Company's contingent liabilities consist of collection documents issued during the financial period ended 30 June 2025, amounting to EGP 2 114 334 854, which are due for payment in the period subsequent to the date of the separate financial statements.

The contingent tax liabilities related to the company are disclosed in Note (17).

31 Capital commitments

The capital commitments related to setting up and acquiring fixed assets amounted to L.E 412 898 842 on 30/6/2025

32 Related party transactions

The related parties are represented in the company 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 period between the company and its related parties.

33 Related Parties

33 -1 Due from related parties

The following is a summary of the key transactions entered into during the current period between the Company and related parties:

Company's name	Nature of transaction	Total value of transactions		Balance as at	
		30/6/2025	31/12/2024	30/6/2025	31/12/2024
		L.E	L.E	L.E	L.E
Tiba for Trading and Distribution	Rent of assets	1 320 000	-	1 409 808 484	-
	Expenses distribution	4 067 523	-		
	Sales	8 541 040 014	-		
	Finance	(6 652 597 574)	-		
El Marwa for Food Industries*	Finance	-	(24 717 408)	-	9 599 883
	Expenses distribution	-	35 101 561		
International Company for Modern Food Industries*	Finance	-	(15 452 253)	-	18 957 445
	Expenses distribution	-	35 039 837		
Egyfood*	Finance	-	(26 570 444)	-	21 326 180
	Expenses distribution	-	46 991 386		
Enmaa For Agricultural Reclamation	Finance	175 658	-	175 535	-
Enmaa For Agriculture Development and Biological Wealth	Purchases	(23 946 745)	-	279 955 509	253 119 331
	Finance	50 782 923	9 009 321		
Egyptian Company for Dairy Products*	Finance	-	(58 013 417)	-	55 213 805
Enmaa For livestock	Collections	-	-	168 332 362	358 046
	Expenses distribution	-	109 554 038		
	Purchases	(512 796 784)	-		
	Sales	3 841 305	-		
	Finance	676 929 795	348 955		
Arju Company for Food Industries (Equity accounted investees)	Finance	217 280	645 417	3 265 904	3 048 625
				1 861 537 794	**361 623 315**
ECL RP				**(2 959 845)**	**(574 982)**
				1 858 577 949	**361 048 333**

*These companies were merged on 27 February 2025 in accordance with the resolution of the Company's General Assembly (Note 38).

33-2 Due to related parties

Company's name	Nature of transaction	Total value of transactions 30/6/2025 L.E	Total value of transactions 31/12/2024 L.E	Balance as at 30/6/2025 L.E	Balance as at 31/12/2024 L.E
Enmaa For Agricultural Reclamation	Finance	-	(30 764)	_	123
Tiba for Trading and Distribution	Rent of assets	-	2 640 000	_	484 021 479
	Expenses distribution	-	25 743 308		
	Dividends	-	(122 277 600)		
Wakalex	Payments	189 938 320	-	12 157 863	_
	purchases	202 096 183	-		
				12 157 863	**484 021 602**

34 Board of Director's remuneration

- The total allowances and bonus received by the board of directors during the period amounted to LE 1 125 000 against LE 150 000 during the period ended 30 June 2025.

35 Distribution of some of the holding company's expenses

The company, pursuant to the decision of the Board of Directors No. 300 held on 24 June 2025, approved the renewal of the contract to distribute its expenses to Taiba Trading and Distribution Company during the year 2025 and used the company's percentage of contribution to the combined net sales as a basis for charging these costs to the company.

36 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 period after reducing dividends to employees and BOD as follows :

	Financial Period From 1/1/2025 To 30/6/2025 L.E	**Financial Period From 1/1/2024 To 30/6/2024** L.E	**Financial Period From 1/4/2025 To 30/6/2025**	**Financial Period From 1/4/2024 To 30/6/2024**
Net Profit / (Loss) for the Period as per the separate Statement of Profit or Loss	**629 292 554**	**(4 235 144)**	**424 311 414**	**(3 021 187)**
Less:				
Share of employees*	-	-	-	-
Employees and board of directors shares*	-	-	-	-
Net payable to shareholders	**629 292 554**	**(4 235 144)**	**424 311 414**	**(3 021 187)**
Weighted average to number of shares	941 405 082	941 405 082	941 405 082	941 405 082
Basic and Diluted Earnings per Share in Net Profit / (Loss) for the Period (EGP / Share)	**0.67**	**(0.004)**	**0.45**	**(0.003)**

*No distribution of employees' profit share or Board of Directors' remuneration has been approved by the Company's General Assembly up to the reporting date.

37 Goodwill

	30/6/2025	31/12/2024
	L.E	L.E
Goodwill resulting from acquiring the Egyptian Company for Dairy Products	46 433 943	-
Goodwill resulting from acquiring Al-Marwa for Food Industries Company	50 658 956	-
	97 092 890	-

Overview of the Company's Investments in the Subsidiaries That Were Merged

	L.E
Amount Paid to Acquire Investments in Subsidiaries	284 267 515
Investment Cost	113 011 535
The Difference Between the Amounts Paid to Acquire the Investments and the Value of the Investments was Allocated as Follows:	**171 255 980**
Goodwill	130 082 890
Increase in the Value of Fixed Assets in Al Marwa Food Industries Company	41 173 090
	171 255 980

It was allocated as follows:

(a) Goodwill at the Acquisition Date:	**L.E**
Goodwill in the Egyptian Company for Dairy Products	79 423 934
Goodwill in Al Marwa Food Industries Company	50 658 956
Total Goodwill	**130 082 890**
Subsequent Impairment of Goodwill in the Egyptian Company for Dairy Products	(33 000 000)
	97 082 890

(b) Increase in the Value of Fixed Assets in Al Marwa Food Industries Company

It was allocated as follows:	**L.E**
Machinery and Equipment	30 241732
Buildings, Constructions, and Utilities	7 631 100
Land	2 382 082
Tools and Instruments	907 092
Vehicles and Transportation Means	11 084
Total	**41 173 090**
Accumulated Depreciation of These Amounts as of the Merger Date	(38 791 008)
Net Amount (Representing Land Value Only)	**2 382 082**

38 Merger

The Extraordinary General Assembly of the Company, convened on 26 December 2024, approved the report of the committee formed by the decision of the Minister of Investment and International Cooperation No. 95 of 2018, issued under registration No. 1290 dated 10 November 2024 by the Economic Performance Sector of the General Authority for Investment and Free Zones, for the purpose of evaluating the net equity of both the merging company (Juhayna Food Industries Company) and the merged companies (International Company for Modern Food Industries, Egyptian Company for Dairy Products, Egyptian Company for Food Industries – Egyfood, and Al Marwa Company for Food Industries) at book value based on the financial statements of these companies as of 31 December 2023. This was recorded in the commercial register of the Company on 27 February 2025. Accordingly, the balances of the merged companies listed below were merged into the merging company on the same date.

The consolidated financial data of the merged companies as of the commercial registration date, 27 February 2025:

Statement of Financial Position	Amount in EGP 27/2/2025
Property plant and equipment	2 150 917 742
Projects under construction	1 287 184 095
Right Of Use	39 273 124
Investments in subsidiaries	5 791 042
Total Non-current Assets	**3 483 166 003**
Inventories	3 628 404 622
Trade receivables and other debit balances	1 334 765 983
Due from Related Parties	2 981 185 392
Cash and cash equivalent	1 081 815 400
Total Current Assets	**9 026 171 397**
Total Assets	**12 509 337 400**
Capital	1 322 737 700
Legal reserve	238 215 593
Merge Reserve	10 736 079
Retained Earnings	3 090 674 632
Net profit for the period	341 010 358
Total Equity	**5 003 374 362**
Government grant - long term	5 215 562
Right of Use liabilities	52 824 348
Long term Loans	503 433 814
Deferred tax liabilities	288 204 116
Non-Current liabilities	**849 677 840**
Provisions	150 016 452
Bank Credit facility	3 160 982 807
Income tax liabilities	860 438 013
Trade payables and other credit balances	1 680 164 927
Due to related party	804 682 999
Total Current Liabilities	**6 656 285 198**
Total Liabilities	**7 505 963 038**
Total Equity and Liabilities	**12 509 337 400**

Income Statement	**Amount in EGP From 1/1/2025 To 27/2/2025**
Revenues	4 113 988 095
Cost of revenues	(3 162 634 260)
Gross profit	**951 353 835**
Other operating Income	59 435 853
General & Administrative expenses	(287 864 238)
Juhayna Expense allocation	(105 448 461)
Other operating Expenses	(8 203 160)
Total Expenses	**(342 080 008)**
Finance Income and Costs	**(153 744 255)**
Income tax expense	(89 843 769)
Deferred tax	(24 675 447)
Current and Deferred Income Tax Expense	**(114 519 216)**
Net profit	**341 010 356**

Statement of Profit or Loss For the Six-Months Period Ended 30 June 2025	**Amount in EGP From 1/1/2025 To 30/6/2025**
Revenues	13 170 615 735
Cost of revenues	(10 690 803 615)
Gross profit	**2 479 812 120**
Other operating Income	99 916 272
Selling and Distribution Expenses	(148 770 680)
Net Reversal of Impairment on Receivables	(3 101 797)
General & Administrative expenses	(486 621 854)
Juhayna Expense allocation	(105 448 461)
Other operating Expenses	(30 972 243)
Total Expenses	**(674 998 763)**
Finance Income and Costs	**(550 547 101)**
Income tax expense	(247 467 304)
Deferred tax	(36 496 042)
Current and Deferred Income Tax Expense	**(283 963 346)**
Net profit	**970 302 910**

39 - Adjustments by the General Authority for Investment

The adjustments to the balances of the merging company as of 31 December 2023 (the merger date), according to the report of the committee formed by the decision of the Minister of Investment and International Cooperation for the purpose of evaluating the net equity, were as follows:

	31/12/2023		31/12/2023
	Before Adjustments by the General Authority for Investment Merger Date	Adjustments by the General Authority for Investment as at 31 December 2023	Merging Company After Adjustments by the General Authority for Investment
L.E			
Assets			
Non-Current Assets			
Property, Plant and Equipment	152 546 246	(96 504 213)	56 042 033
Projects Under Construction	43 821 690	(408 808)	43 412 882
Investments in Subsidiaries and Joint Ventures	2 273 491 193	(1 443 571 193)	829 920 000
Total Non-Current Assets	**2 469 859 129**	**(1 540 484 214)**	**929 374 915**
Current Assets			
Trade and Other Receivables	5 638 653	(1 602 044)	4 036 609
Due from Related Parties	371 001 375	(2 442 940)	368 558 435
Cash and Cash Equivalents	3 133 471	-	3 133 471
Total Current Assets	**379 773 499**	**(4 044 984)**	**375 728 515**
Total Assets	**2 849 632 628**	**(1 544 529 198)**	**1 305 103 430**
Equity			
Issued and Paid-up Capital	941 405 082	-	941 405 082
Legal Reserve	470 702 541	-	470 702 541
General Reserve – Share Premium	330 920 428	-	330 920 428
Retained Earnings	993 099 770	-	993 099 770
Result of the Merger Transaction	-	(1 740 810 214)	(1 740 810 214)
Total Equity	**2 736 127 821**	**(1 740 810 214)**	**995 317 607**
Non-Current Liabilities			
Lease Liabilities	22 948 392	-	22 948 392
Deferred Tax Liabilities	15 606 623	-	15 606 623
Total Non-Current Liabilities	**38 555 015**	-	**38 555 015**
Current Liabilities			
Provisions	201 330	-	201 330
Trade and Other Payables	34 817 513	196 281 016	231 098 529
Lease Liabilities	18 745 443	-	18 745 443
Bank Credit Facilities	19 771 099	-	19 771 099
Due to Related Parties	1 414 407	-	1 414 407
Total Current Liabilities	**74 949 792**	**196 281 016**	**271 230 808**
Total Liabilities	**113 504 807**	**196 281 016**	**309 785 823**
Total Equity and Liabilities	**2 849 632 628**	**(1 544 529 198)**	**1 305 103 430**

40 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- 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
Egyptian Accounting Standard No. (50) "Insurance Contracts".	1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard and determines their measurement presentation and disclosure. The objective of the standard is to ensure that the Company provides appropriate information that truthfully reflects those contracts. This information provides users of financial statements with the basis for assessing the impact of insurance contracts on the Company's financial position financial performance and cash flows. 2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 3-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts" as follows: - Egyptian Accounting Standard No. (10) "Fixed Assets ". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment property ".	It was officially applied during the period No impact on the financial statements period separate	Egyptian Accounting Standard No. (50) is effective for annual financial years starting on 1 January 2025 and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier year the Company should disclose that fact.
Accounting Interpretation No. (2) "Carbon Reduction Certificates" The Prime Minister's decision No. 636 of 2024 issued on 3 March 2024	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,	It was officially applied during the period No impact on the financial statements period separate	The application starts on or after the first of January 2025 early adaption is allowed.

	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".		

41 Comparative numbers

The comparative figures presented in the separate financial statements represent the balances of the approved separate statement of financial position of the merging company as of 31 December 2024 and the balances of the statement of profit or loss for the corresponding period of the previous year.

42 Significant events

The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting on Thursday, May 22, 2025, to reduce the deposit and overnight lending rates and the central bank's main operation rate by 100 basis points to 24.00%, 25.00%, and 24.50%, respectively. It also decided to reduce the credit and discount rates by 100 basis points to 24.50%, which may have an impact on the company's borrowing costs based on these decisions.