Translated from Arabic

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

Translated from Arabic

Juhayna Food Industries

(An Egyptian Joint Stock Company)

<u>Consolidated Financial Statements for the Financial Period Ended 30 June 2025</u>

Contents	**Page**

KPMG

Hazem Hassan
Public Accountants & Consultants

B (105) – Avenue (2) – Smart Village
Km 28 Cairo – Alex Desert Road
Giza – Cairo – Egypt
Postal Code : 12577

Telephone : (202) 35 37 5000 – 35 37 5005
E-mail : Egypt@kpmg.com.eg
Fax : (202) 35 37 3537
P.O. Box : (5) Smart Village

Translation from Arabic

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

Introduction

We have performed a review on the accompanying 30 June 2025 consolidated interim financial statements of Juhayna Food Industries "An Egyptian Joint Stock Company", and its subsidiaries "the Group", which comprises:

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

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2025 consolidated interim financial statements do not present fairly in all material respects, the consolidated financial position of the Group and of its consolidated financial performance and its consolidated cash flows 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 consolidated 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 (37) from the accompanying notes to the consolidated 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
16

Juhayna Food Industries **Translated from Arabic**

(An Egyptian Joint Stock Company)

Interim Consolidated statement of financial position

As of 30 June

L.E	Note No.	30/6/2025	31/12/2024
Assets			
Non-current assets			
Property, plant and equipment	(13)	4 110 426 793	3 886 899 018
Projects under construction	(14)	2 577 444 452	1 511 945 561
Biological assets	(15) - (16-1)	491 357 650	445 704 631
Equity accounted investees	(12)	13 709 207	18 025 552
Right of use assets	(29-2)	100 183 412	93 038 704
Good will	(33)	97 092 890	97 092 890
Other long term asset		694 921	699 057
Non-current assets		**7 390 909 325**	**6 053 405 413**
Current assets			
Inventory	(18)	5 671 745 397	4 177 070 922
Trade and other receivables	(19)	3 000 881 846	1 501 832 833
Due from related party	(32 -1)	2 313 032	3 421 436
Other biological assets	(16-2)	38 822 749	43 487 421
Cash and cash equivalents	(20)	1 956 653 160	1 811 244 599
Current assets		**10 670 416 184**	**7 537 057 211**
Total assets		**18 061 325 509**	**13 590 462 624**
Equity			
Issued and paid up capital	(21)	941 405 082	941 405 082
Legal reserve		-	742 112 963
General reserve - issuance premium	(21-1)	-	330 920 428
Merge reserve	(21-2)	2 573 404 723	-
Other reserve	(21-3)	259 470 145	-
Retained earnings		3 676 142 878	4 324 257 529
Total equity attributable to owners of the company		**7 450 422 828**	**6 338 696 002**
Non-controlling interest		719 620	628 468
Total equity		**7 451 142 448**	**6 339 324 470**
Non-current liabilities			
Loans	(22-1)	935 241 017	578 066 880
Lease contract liabilities	(29-1)	91 223 339	84 041 450
Deferred tax liabilities	(26-1)	428 263 680	387 421 265
Deferred income	(35)	1 082 315	2 199 658
Non-current liabilities		**1 455 810 351**	**1 051 729 253**
Current liabilities			
Provisions	(24)	231 707 999	228 224 163
Bank credit facilities	(23)	4 849 255 286	2 909 495 624
Creditors and other credit balances	(25)	3 452 004 763	2 006 712 301
Income tax liabilities	(26-2)	89 389 630	712 162 570
Due from related party	(32 -2)	12 157 863	-
Lease contracts liabilities	(29-1)	46 838 338	67 487 158
Loans	(22-1)	470 284 317	271 503 629
Deferred income	(35)	2 734 514	3 823 456
Current liabilities		**9 154 372 710**	**6 199 408 901**
Total liabilities		**10 610 183 061**	**7 251 138 154**
Total equity and total liabilities		**18 061 325 509**	**13 590 462 624**

The notes from No.(1) to No.(39) are an integral part of these consolidated financial statements and should be read there to.

CFO
Mr/Tarek Elwan

Chairman
Mr/Ahmed Elwakil

Limited review report (attached)

Juhayna Food Industries **Translated from Arabic**

(An Egyptian Joint Stock Company)

Interim Consolidated statement of profit or loss

For the financial period ended in 30 June

		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.
Net sales	(11 -3)	14 165 087 997	11 470 208 237	7 362 177 408	6 035 549 981
Cost of sales	(5)	(11 125 368 764)	(7 660 280 148)	(5 499 292 307)	(4 106 595 001)
Gross profit		**3 039 719 233**	**3 809 928 089**	**1 862 885 101**	**1 928 954 980**
Other operating income	(6)	87 245 050	265 889 291	37 532 294	165 828 323
Selling and Marketing expenses	(7)	(1 220 436 207)	(968 696 285)	(682 859 471)	(495 288 639)
General and administrative expenses	(8)	(340 482 510)	(269 958 138)	(223 263 288)	(129 934 179)
Net (Losses) of trade and other receivables		(9 619 917)	(4 520 363)	(4 601 417)	(3 701 541)
Other expenses	(9)	(78 531 226)	(114 417 456)	(41 025 505)	(60 716 617)
Results from operating activities		**1 477 894 422**	**2 718 225 138**	**948 667 713**	**1 405 142 327**
Share of net (Loss) /profit of Equity accounted investees		(4 316 345)	(196 790)	70 159	2 275
Net finance (cost)	(10)	(484 388 288)	(219 483 887)	(345 578 059)	(143 459 484)
Loss on sale of investment at FV through profit or loss	(36)	-	(522 059 902)	-	-
Net profit for the period before income tax		**989 189 789**	**1 976 484 559**	**603 159 813**	**1 261 685 118**
Current income tax	(26-4)	(192 199 831)	(495 787 742)	(115 406 906)	(259 043 733)
Defferd tax		(16 166 954)	(442 614)	(6 241 773)	(1 132 152)
Net profit for the period after tax		**780 823 005**	**1 480 254 203**	**481 511 135**	**1 001 509 233**
Distributed as follows					
Owners of the company		780 731 180	1 479 268 661	481 476 061	1000 935 391
Non-controlling interests		91 825	985 542	35 074	573 842
		780 823 005	**1 480 254 203**	**481 511 135**	**1 001 509 233**
Earning per share for the period (L.E /share)	(34)	**0.83**	**1.57**	**0.51**	**1.06**

The notes from No.(1) to No.(39) are an integral part of these consolidated financial statements and should be read there to.

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

Translated from Arabic

	Note No.	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.
Net profit for the period after tax		780 823 005	1 480 254 203	481 511 135	1 001 509 233
Losses of foreign currency evaluation (EAS 13 - appendix H)		-	(348 492 067)	-	-
Total comprehensive income		**780 823 005**	**1 131 762 136**	**481 511 135**	**1 001 509 233**
Distributed as follows					
Parent owners of the company		780 731 180	1 130 776 594	481 476 061	1 000 935 391
Non-controlling interests		91 825	985 542	35 074	573 842
		780 823 005	**1 131 762 136**	**481 511 135**	**1 001 509 233**

The notes from No.(1) to No.(39) are an integral part of these consolidated financial statements and should be read there to.

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Interim Consolidated statement of changes in equity
For the financial period ended 30 June 2025

	Issued & paid up capital L.E	Legal reserve L.E	General reserve-issuance premium L.E	Merge reserve L.E	Other reserve L.E	Retained earnings L.E	Non-controlling interest L.E	Total L.E
Balance as at 1 January 2024	941 405 082	742 112 963	330 920 428	-	-	2 233 885 644	1 444 468	4 239 768 585
Total other comprehensive income for the period ended 31 March 2024	-	-	-	-	-	1 130 776 594	985 542	1 131 762 136
Transaction with owners of the company								
Shareholder distributions	-	-	-	-	-	(188 281 016)	-	(188 281 016)
Employee distributions and board of directors bonus	-	-	-	-	-	(103 207 144)	-	(103 207 144)
Holding Company's share in reserves of subsidiaries	-	52 245 723	-	-	-	(52 245 723)	-	-
Balance as at 30 June 2024	941 405 082	794 358 686	330 920 428	-	-	3 020 928 355	2 430 010	5 090 042 561
Balance as at 1 January 2025 (1)	941 405 082	742 112 963	330 920 428	-	-	4 324 257 529	628 468	6 339 324 470
Total comprehensive income for the period from 27/2/2025 to 30/6/2025 (2)	-	-	-	-	-	780 731 180	91 825	780 823 005
Transaction with owners of the company	-	-	-	-	-	-	-	-
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	-	(742 112 963)	-	470 702 541	-	-	-	(271 410 422)
Closure of Retained Earnings of the Merging Company	-	-	-	796 818 754	-	-	-	796 818 754
Net Profit and Loss of the Merged Companies During 2024	-	-	-	-	-	-	-	-
Effects of Foreign Exchange Differences from Translation of Foreign Currency Balances (Appendix H Application)	-	-	-	-	-	-	-	-
Impact of Land Revaluation in Al Marwa Food Industries Company	-	-	-	-	2 382 082	-	-	2 382 082
Acquistion's Adjustments	-	-	-	-	-	673	(673)	-
Closure of Share Premium	-	-	(330 920 428)	330 920 428	-	-	-	-
The holding company's share of reserves and carried forward profits of subsidiaries	-	-	-	-		(1428 846 504)		(1428 846 504)
Total adjustments arising from a merger process (3)	-	(742 112 963)	(330 920 428)	2 573 404 723	259 470 145	(648 114 651)	91 152	1 111 817 978
Transactions with shareholders, and other transactions								
Total transactions with company owners and others	-	-	-	-	-	-	-	-
Balance as at 30 June 2025 (1+2+3)	941 405 082	-	-	2 573 404 723	259 470 145	4 456 874 057	811 445	7 451 142 448

The notes from No.(1) to No.(39) are an integral part of these consolidated financial statements and should be read there to.

Juhayna Food Industries **Translated from Arabic**
(An Egyptian Joint Stock Company)
Interim Consolidated statement of cash flows
For the financial period ended 30 June

	Note No.	30/6/2025	30/6/2024
Cash flows from operating activities		L.E.	L.E.
Net profit for the year before income tax		989 189 789	1 976 484 559
Adjustments for:			
PPE depreciation	(13)	223 247 192	158 632 293
Capital (gain)	(6)	-	(1 967 445)
Amortization of Bioloigical Wealth	(14-1)	7 277 845	16 697 519
Amortization of productive plant wealth	(16-1)	967 864	989 490
Cost of drying period		(78 910 782)	(36 489 753)
Net profits in equity accounted investees	(12)	4 316 345	196 790
Amortization of right of use	(29)	15 969 262	3 716 233
Lease liabilities interest	(29)	12 082 840	4 779 194
Biological wealth due to newborn	(16)	(10 627 500)	(19 770 700)
Gain of sale of Biological wealth	(16)	(22 558 759)	-
Investment Loss		-	522 059 902
Impairment of Fixed assets		-	(6 127 290)
Inventory no longer required		(10 159 497)	-
Foreign currencies exchange differences	(10)	(13 246 988)	(40 050 101)
Interest income	(10)	(31 637 670)	(26 712 946)
Finance interests & expenses	(10)	502 778 970	286 246 934
		1 588 688 911	**2 838 684 679**
Changes in:			
Inventories	(18)	(1 484 514 978)	(1 218 855 335)
Biological assets- Existing Agriculture		4 664 672	(1 007 196)
Trade and other receivables	(19)	(1 278 636 563)	(1 286 108 167)
Due to related parties	(32-2)	13 266 266	23 461 513
Creditors & other credit balances	(25)	1 445 292 461	95 855 429
Dividends paod to employees		(187 972 269)	(91 972 137)
Provisions	(24)	3 483 836	10 284 763
Net cash flows from operating activities		**104 272 336**	**370 343 549**
Income tax paid		(814 972 771)	(351 287 888)
		(710 700 435)	**19 055 661**
Cash flows from investing activities			
Acquisition of PPE & projects under construction	(13-14)	(1 510 288 305)	(755 146 202)
Change in assets held for sale		-	54 137
Proceeds from sale of PPE		1 985 552	7 926 942
Payments of ROU assets		(23 113 970)	(43 147 198)
Payment to invest in biological assets		4 136	-
Proceeds from sale of biological wealth		32 373 168	25 495 207
Proceeds from time deposits		31 637 670	26 712 946
Proceeds from death compensation		10 141 861	7 290 800
proceed from sale wealth unproductive & planet	(16-15)	(6 875 474)	3 336 929
Payments for the purchase of shares		-	(831 200 366)
Proceeds from sale of shares		-	309 140 464
Net cash flows (used in) investing activities		**(1464 135 362)**	**(1249 536 341)**
Cash flows from financing activities			
Net proceeds from credit facilities	(23)	1 939 759 662	1 888 606 999
Paid of right of use	(29)	(25 549 771)	(20 839 277)
(Payments for) bank loans	(22)	554 556 092	(34 916 318)
Gains from merged companies		341 010 356	-
Finance interests & expenses paid		(502 778 970)	(286 246 934)
Dividends paid to shareholders		-	(188 281 016)
Net cash flows from financing activities		**2 306 997 369**	**1 358 323 454**
Change in cash & cash equivalents during the year		**132 161 572**	**127 842 774**
Foreign currency exchange	(10)	13 246 988	(344 441 966)
Cash & cash equivalents at 1 January		1811 244 599	1093 526 328
Cash & cash equivalents at 30 June	(20)	**1 956 653 160**	**876 927 136**

The notes from No.(1) to No.(39) are an integral part of these consolidated financial statements and should be read there to.

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Notes to the consolidated financial statements
For the financial 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)

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.

2 Basis of preparation

2-1 Statement of compliance with laws and regulation

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

The interim consolidated financial statements were authorized for issue by the Board of Directors on 24 June 2025

2-2 Basis of measurement

- The interim consolidated financial statements have been prepared on the historical cost basis except some financial instruments are measured subsequently by either F.V or amortized cost.
- The financial statements have been prepared on going concern basis.

2-3 Functional and presentation currency

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

2-4 Use of estimates and judgments

The preparation of interim consolidated financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

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

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

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

- Note (19): impairment of trade and other debit balances.
- Note (24): provisions
- Note (26): deferred tax.
- Note (4-1): biological assets

3 Material accounting policies

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

3-1 Basis of consolidation

Subsidiaries

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

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

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

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

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

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

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

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

Transactions eliminated on consolidation

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

3-2 Foreign currency

Foreign currency transactions

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

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

3-3 Equity accounted investees

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

3-4 Financial instruments

3-4-1 Financial assets

Classification:

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

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

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

Recognition and derecognition:

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

Measurement:

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

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

Debt instruments:

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

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

Equity instruments

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

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

Impairment:

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

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

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

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

Other financial liabilities

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

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

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

3-4-3 De-recognition of financial instruments

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

Debtors

Debtors are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Generally, short-duration trade and other receivables with no stated interest rate are stated at their nominal value (original invoice amount) less an allowance for any doubtful debts.

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

Non-derivative financial liabilities

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

The Company classifies non – derivative financial liabilities into the other financial liabilities' category. Such financial liabilities are recognised initially at the fair value plus any directly attributable transaction costs. After initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.
Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. Generally, trade payables are recorded at their nominal value.
Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

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

3-5 Goodwill
Recognition & Measurement
Goodwill arises from acquisition of subsidiaries. Goodwill is initially measured at its cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities. After initial recognition, the group measures acquired goodwill at cost less impairment losses. Recognized goodwill impairment losses are not subsequently reversed. Goodwill is not amortized.

3-6 Property, plant and equipment
Recognition and measurement
Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses (note 13).

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

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.
The gain and loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognized net within other income/other expenses in profit or loss.

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 Refg.'s	5 years
Wells	25 or Wells useful life
Office equipment & Furniture	More than 1 year -10
Computers	3.33-5

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

3-7 Projects under construction

Expenditures incurred on purchasing and constructing fixed assets are initially recorded in projects under construction until the asset is completed and becomes ready for use. Upon the completion of the assets, all related costs are transferred to fixed assets. Projects under construction are measured at cost less accumulated impairment losses (note no. 14). No depreciation is charged until the project is completed and transferred to fixed assets.

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.

3-8 Government grants

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

3-9 Plant wealth and Biological assets

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

Cows	4 years
Orange trees	35 Years

3-10 ROU

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

3-11 Lease Contracts

Operating lease contracts

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

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

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

- **Extension options**

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

- **<u>Finance leases contracts (sale and lease back):</u>**

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

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

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

3-12 Inventories

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

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

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

Non-financial assets

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

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

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

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

3-13 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.

3-14 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.

3-15 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 group recognize any amounts of variables in its contract with customer due to rebates, or significant financing component or non- cash component.

Export subsidy revenue

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

3-16 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.

3-17 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.

3-18 Legal reserve

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

3-19 Termination benefits

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

3-20 Segmentation reporting

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

The group has (3)operational segments, which represent segments for which financial reporting is provided to high management. These reports present different products and services and are managed separately because they require different technology and marketing strategies. The operation of each sector is reported below:

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

4 Determination of fair value

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

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

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

- The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from third parties to support the conclusion that such valuations meet the requirement of EAS, including the level in the fair value hierarchy in which such valuations should be classified. Thus, in estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available.
- Transfers between levels of the fair value hierarchy are recognized at the end of the reporting year during which the change has occurred.
- The company's financial instruments recognized at amortized cost is close to it is fair value.
- As of 30 June 2025, and 31 December 2024, the Group has no financial assets or financial liabilities measured at fair value, and they are measured at amortized cost, Group's assets and liabilities represented in balances of cash and cash equivalents, Trade and other receivables and payables, loans and credit facilities, investments in debt instruments, in addition to related parties' balances. The carrying amounts of the Group's assets and liabilities is a reasonable approximation of their fair value

5 Cost of sales

	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
Operating expenses and wages	10 015 734 616	285 734 711	5 009 656 892	(203 528 700)
Changes in inventory	974 196 236	7 261 231 823	429 927 943	4 251 973 469
Depreciation	135 437 912	113 313 614	59 707 472	58 150 232
	11 125 368 764	**7 660 280 148**	**5 499 292 307**	**4 106 595 001**

6 Other operating income

	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
Export subsidy revenue	24 814 730	186 033 311	6 412 365	114 286 432
Capital gain	-	1 967 445	-	635 776
Increase in biological assets due to newborn	22 558 759	19 770 700	5 585 159	12 434 500
Income from the sale of scrap and waste	19 408 569	11 179 736	13 411 488	7 260 356
Fixed asset write-down	-	6 127 290	-	132 360
Inventory write-down	10 159 497	-	6 326 782	-
Government grant income	1 398 733	4 430 545	1 040 627	2 107 472
Other income	8 904 762	36 380 264	4 755 873	28 971 427
	87 245 050	**265 889 291**	**37 532 294**	**165 828 323**

7 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	274 408 281	257 812 845	171 993 768	117 108 294
Salaries and wages	384 292 516	293 528 755	205 290 979	156 478 917
Cost of replaced items	107 955 159	107 671 469	102 108 856	59 217 556
Depreciation	73 226 920	33 339 090	37 193 853	16 666 298
Vehicles expenses	125 562 837	92 822 015	66 234 653	47 023 056
Shipping & export expenses	105 270 526	76 639 338	8 567 495	42 707 600
Rent*	11 030 692	7 245 847	5 920 304	4 429 846
Temporary labor contractors	50 977 642	29 211 632	33 166 984	26 225 285
Others	87 711 634	70 425 294	52 382 570	25 431 787
	1 220 436 207	**968 696 285**	**682 859 471**	**495 288 639**

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

8 General and administrative expenses

	Financial Period From 1/1/2025 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	151 106 926	114 202 895	102 249 620	60 266 401
Depreciation expense	14 582 360	11 893 457	10 078 566	6 424 887
Rent expense*	8 245 737	10 683 724	6 930 680	5 980 833
Subscription fees and licenses	74 423 206	49 206 803	55 466 478	26 870 852
Repair and maintenance expenses	4 557 568	6 666 696	3 724 862	3 048 661
Cars insurance	7 783 347	-	3 932 332	-
End of service expenses	24 473 773	22 803 412	6 118 214	225 383
BOD Allowances and bonus (32-3)	1 125 000	630 000	765 000	-
Consulting fees	2 930 826	-	1 820 232	-
Other administrative expenses	51 253 767	53 871 151	32 537 304	27 117 162
	340 482 510	**269 958 138**	**223 623 288**	**129 934 179**

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

9 Other expenses

	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
Donations	10 308 830	7 169 311	820 354	3 042 175
Real estate tax	238 528	430 518	197 899	338 071
Provision for Claims	7 199 587	16 011 669	6 317 584	14 192 187
Health insurance contribution	57 384 110	56 250 735	34 891 927	28 923 516
Cost of drought period and cattle deaths	-	23 060 032	-	10 605 738
Impairment of Inventory	-	-	(348 169)	-
Others	3 400 171	11 495 191	(854 090)	3 614 930
	78 531 226	**114 417 456**	**41 025 505**	**60 716 617**

10 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	(502 778 970)	(286 246 934)	(360 166 309)	(199 686 191)
Interest income	31 637 670	26 712 946	27 644 253	16 176 606
Net (Loss) from foreign currency exchange	(13 246 988)	40 050 101	(13 056 003)	40 050 101
	(484 388 288)	**(219 483 887)**	**(345 578 059)**	**(143 459 484)**

11 Segmentation reports

11-1 Segmentation reports for the financial period ended 30 June 2025

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

The primary report for activity segmentations:

Revenues and expenses according to activity segmentat as follows:

	Activity Segments			
	Dairy sector L.E 30/6/2025	Concentrates & Juices sector L.E 30/6/2025	Other Segments L.E 30/6/2025	Total L.E 30/6/2025
Total sales	**20 108 995 558**	**6 188 213 461**	**652 324 453**	**26 949 533 473**
Sales between segments	(9 671 305 750)	(2 577 778 836)	(535 360 889)	**(12 784 445 476)**
Net Sales	10 437 689 808	3 610 434 625	116 963 564	**14 165 087 997**
COGS, SG&A	(9 511 414 743)	(3 148 409 740)	(114 614 142)	**(12 774 438 625)**
Other operating income	47 092 211	40 161 020	(8 181)	**87 245 050**
Finance and investment expenses	(377 594 184)	(109 421 705)	(1 688 744)	**(488 704 633)**
Net profit before tax	595 773 092	392 764 201	652 496	**989 189 789**
Taxes	(121 125 877)	(85 034 547)	(2 206 360)	**(208 366 785)**
	474 647 215	307 729 654	(1 553 864)	**780 823 005**
Other Information				
Depreciation	161 423 197	46 474 322	15 349 673	**223 247 192**
Total Assets	9 301 582 637	7 043 916 949	1 715 825 923	**18 061 325 509**
Total Liabilities	7 193 704 115	3 320 987 298	95 491 648	**10 610 183 061**

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

11 Segmentation reports

11-2 Segmentation reports for the financial period ended 30 June 2024

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

	Activity Segments			
	Dairy sector L.E 30/6/2024	Concentrates & Juices sector L.E 30/6/2024	Other Segments L.E 30/6/2024	Total L.E 30/6/2024
Total sales	**10 208 535 516**	**10 548 894 383**	**651 294 887**	**21 408 724 786**
Sales between segments	(5 065 368 770)	(4 323 280 575)	(549 867 204)	**(9 938 516 549)**
Net Sales	5 143 166 746	6 225 613 808	101 427 683	**11 470 208 237**
COGS, SG&A	(4 244 331 326)	(4 707 567 065)	(65 973 999)	**(9 017 872 390)**
Other operating income	47 476 086	218 390 027	23 178	**265 889 291**
Finance and investment expences	(487 527 982)	(254 246 458)	33 860	(741 740 580)
Net profit before tax	458 783 524	1 482 190 312	35 510 722	1 976 484 558
Taxes	(180 292 150)	(307 148 676)	(8 789 529)	(496 230 355)
	278 491 373	1 175 041 636	26 721 193	1 480 254 203
Other Information				
Depreciation	56 660 564	86 280 760	15 604 832	**158 546 156**
Assets	4 915 533 867	6 273 251 660	464 397 103	**11 653 182 630**
Liabilities	3 040 349 023	3 462 949 132	59 841 914	**6 563 140 069**

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

11 Segmentation reports

11-3 Revenues from Segmentation reports for the financial period ended 30 June 2025

Revenues according to activity segmentat as follows:
Activity Segments

	30/6/2025	30/6/2024
	L.E	L.E
Dairy sector	7 068 257 675	5 143 140 496
Refrigeration sector	3 369 432 133	2 448 424 216
Juices sector	2 715 067 825	2 044 598 941
Concentrates	895 366 800	1 732 616 902
Distribution to others	116 963 564	101 427 683
Total	**14 165 087 997**	**11 470 208 237**

12 Equity accounted investees

Name of the investee company	Share percentage	Current assets	Total assets	Current liabilities	Total liabilities	Carrying amount of investment
	%	L.E	L.E	L.E	L.E	L.E
Arju Company For food Industrial*	50.75% *	22 733 428	22 733 428	9 024 221	9 024 221	13 709 207
Balance as of 30 June 2025		**22 733 428**	**22 733 428**	**9 024 221**	**9 024 221**	**13 709 207**
Arju Company For food Industrial*	50.75%	20 079 566	20 079 566	2 054 014	2 054 014	18 025 552
Balance as of 31 December 2024		**20 079 566**	**20 079 566**	**2 054 014**	**2 054 014**	**18 025 552**

* On 30 November 2021, the Board of Directors of Juhayna Company, at the request of Arla Company, decided to cancel the partnership contracts concluded between Arju Company and other companies, as well as approved the liquidation of the company, but no extraordinary general assembly was called to approve this resolution .The Board of Directors of Juhayna Company on 18 February 2024 approved the contract concluded with the foreign shareholder, according to which the foreign shareholder assigns yet his participation shares to Juhayna Food Industries Company on Arju Company free of charge. The legal procedures for transferring these shares to the company have not been completed yet. The Parties agreed that the sale and distribution of products between Arla and Tiba(distributing company) will be continued under new distribution agreement . Juhayna Food Industries haven't obtained the shares in Arju transferred to its name yet . The current agreement to sell Arla share in Arju do not include voting arrangement or proxy arrangement hence Juhayna Food Industries assess that it cannot exercise control without the shares transferred in it .

Equity accounting investees movement	**30/6/2025**	**31/12/2024**
Openning balance	18 025 552	15 670 070
Group share in period profits	(4 316 345)	2 355 482
Ending balance	**13 709 207**	**18 025 552**

13 Property, plant and equipment

Description	Land	Buildings & Constructions	Machinery & Equipment	Transportation &transport vehicles	Tools	Empty plastic containers & Palettes	Display refrigerators	Wells	Office furniture & equipment	Computers	Total
	L.E.	L.E.	L.E.	L.E	L.E	L.E	L.E	L.E	L.E	L.E	L.E
Cost as at 1/1/2024	183 500 802	1 668 365 028	2 944 189 106	432 675 624	194 224 032	87 593 240	95 543 065	39 738 984	56 599 691	170 284 601	5 872 714 173
Additions of the year	120 000 000	32 507 869	331 421 483	272 137 516	56 213 875	40 503 460	260 932 444	-	6 474 679	24 120 088	1144 311 414
Disposals of the year	(190 350)	(5 516 855)	(6 573 382)	(18 462 270)	(169 405)	(15 448 380)	(1 932 555)	-	(49 278)	(56 306)	(48 398 781)
Cost as of 31/12/2024	303 310 452	1 695 356 042	3 269 037 207	686 350 870	250 268 502	112 648 320	354 542 954	39 738 984	63 025 092	194 348 383	6 968 626 806
Additions during the period*	60 317	26 452 989	270 464 297	5 773 201	22 511 452	35 910 000	72 345 015	-	5 093 084	6 179 060	444 789 415
Disposals during the period		(147 543)		(250 000)	(760 663)	(4 927 812)	(1 409 643)	-	(53 333)	-	(7 548 995)
Revaluation Adjustments of Fixed Assets at Acquisition Date	2 382 082	7 631 100	30 241 732	11 084	907 092						41 173 090
Cost as of 30/6/2025	303 370 769	1 721 661 489	3 539 501 504	691 874 071	272 019 291	143 630 508	425 478 325	39 738 984	68 064 843	200 527 443	7 447 040 316
Accumulated depreciation as of 1/1/2024	-	359 264 457	1 698 692 690	245 600 630	118 185 111	56 722 836	86 357 192	15 713 068	30 602 227	151 627 721	2 762 765 932
Depreciation of the year	-	39 113 588	184 139 067	40 225 497	17 035 735	19 233 687	21 404 563	1 489 634	4 468 129	14 150 679	341 260 579
Accumulated depreciation of disposals of the year	-	(3 191 486)	(6 355 670)	(18 188 006)	(169 405)	(13 944 843)	(1 927 494)		(49 278)	(56 306)	(43 882 488)
Accumulated depreciation as of 31/12/2024	-	395 186 559	1 876 476 087	267 638 121	135 051 441	62 011 680	105 834 261	17 202 702	35 021 078	165 722 094	3 060 144 023
Depreciation of the period	-	18 068 233	110 363 637	33 288 806	11 143 079	10 711 002	29 623 692	744 817	2 173 783	7 130 142	223 247 192
Accumulated depreciation of disposals of the period	-	- 24,836.44	-	(42 423)	(711 158)	(4 927 812)	(1 407 591)	-	(38 644)	-	(7 152 464)
Revaluation Adjustments of Fixed Assets at Acquisition Date	-	7,631,100.00	30 241 732	11,084.00	907,092.00						38 791 008
Accumulated depreciation as of 30/6/2025		420 861 055	2017 081 456	300 895 588	146 390 454	67 794 870	134 050 361	17 947 519	37 156 217	172 852 237	3 315 029 758
Fixed assets impalrment as of 30/6/2025	10 354 591	4 204 889	6 794 356	-		-	-	229 929	-	-	21 583 765
Net book value as of 30/6/2025	293 016 178	1 296 595 544	1 515 625 692	390 978 483	125 628 837	75 835 638	291 427 964	21 561 536	30 908 626	27 675 206	4 110 426 793
Impairment of fixed assets 31/12/2024	10 354 591	4 407 390	6 591 855	-	-	-	-	229 929	-	-	21 583 765
Net book value as of 31/12/2024	292 955 861	1 295 762 094	1 385 969 265	418 712 749	115 217 061	50 636 640	248 708 693	22 306 353	28 004 014	28 626 289	3 886 899 018

*The additions include new transportation flute and display refrigerators.
Fully depreciated assets is amount to L.E 911 043 543 LE in 30 June 2025 (amount to L.E 1 112 693 303 LE in 31 December 2024).

The depreciation expense for the period / year distributed as follo	Period ended in	Year ended in
	30/06/2025	31/12/2024
Cost of sales	135 437 912	55 163 382
Selling and Marketing expenses	73 226 920	16 672 792
General and adminstrative	14 582 360	5 468 570
	223 247 192	77 304 744

14 Projects under construction

	Nature	% of completion	Timeline	30/6/2025	31/12/2024
				L.E	L.E
Buildings and constructions in progress	Building	50%-70%	Within one year	551 838 687	530 862 152
Machineries under installation	Machinery	70%-80%	Within one year	1 860 870 223	935 189 085
Computer software	Software Programs	70%-80%	Within one year	56 308 894	44 819 304
Transport vehicles under preparation	Cars	80%	Within one year	108 426 648	1 075 020
				2 577 444 452	**1 511 945 561**

14-1 Movement of projects under construction

	Opening Balance	Additions	Capitalized	Ending Balance
Building	530 862 152	121 978 891	(101 002 356)	551 838 687
Machinery	935 189 085	1 109 436 216	(183 755 078)	1 860 870 223
Computer Software	44 819 304	11 489 590	-	56 308 894
Transportation	1 075 020	113 124 829	(5 773 201)	108 426 648
	1 511 945 561	**1 356 029 526**	**(290 530 635)**	**2 577 444 452**

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

15 Biological assets- Plant wealth

15-1 Plant wealth - productive

	30/6/2025	31/12/2024
	L.E	L.E
Cost at the beginning of the period /year	**70 323 095**	**72 215 496**
Additions during the period /year	-	1 440 436
Selling of harvest during the period /year	-	(3 332 837)
Cost at end of the period /year	**70 323 095**	**70 323 095**
Less:		
Accumulated depreciation at beginning of the period /year	(6 409 024)	(4 461 406)
Amortization of productive plant wealth during the period /year	(967 863)	(1 947 617)
Accumulated depreciation at end of the period /year	**(7 376 887)**	**(6 409 023)**
Net	**62 946 208**	**63 914 072**

15-2 Plant wealth – unproductive

	30/6/2025	31/12/2024
	L.E	L.E
Balance at the beginning of period/year	**56 792 920**	**512 395**
Additions	6 875 474	56 280 523
Balance at end of the period/year	**63 668 394**	**56 792 918**

16-Biological assets

			Total	
	Biological assets (Flock of dairy livestock - productive)	**Biological assets (Flock of dairy livestock - unproductive)**	**30/6/2025**	**31/12/2024**
	L.E	**L.E**	**L.E**	**L.E**
Amount of flock of livestock at the beginning of the period	230 734 484	172 014 225	402 748 709	307 226 644
Adding:				
Transferred from biological assets (Flock of dairy livestock - unproductive)	54 168 643	(54 168 643)	-	-
Births of flock				
Female	-	10 627 500	10 627 500	28 598 200
Capital cost during drying -off	2 123 848	76 786 934	78 910 782	151 511 783
	287 026 975	**205 260 016**	**492 286 991**	**487 336 627**
Biological assets sales	24 273 049	8 100 119	32 373 168	64 761 099
The death of live stock losses	6 590 876	3 550 985	10 141 861	19 826 818
Cost of flock of livestock as of 30 June	**30 863 925**	**11 651 104**	**42 515 029**	**84 587 917**
	256 163 050	**193 608 912**	**449 771 962**	**402 748 710**
Accumulated depreciation at the Beginning of the period	77 751 069	-	77 751 069	70 378 909
Depreciation of the period	21 149 847	-	21 149 847	33 384 102
Accumulated depreciation of disposals of sales case	(11 753 553)	-	(11 753 553)	(21 629 006)
Accumulated depreciation of disposals of death case	(2 118 449)	-	(2 118 449)	(4 382 936)
Accumulated depreciation as of period end	**85 028 914**	-	**85 028 914**	**77 751 069**
Net Balance of flock of livestock as of period end 30 June 2025	**171 134 136**	**193 608 912**	**364 743 048**	**324 997 641**

16-2 Other Biological wealth

	30/6/2025	31/12/2024
	L.E	L.E
Agriculture	38 601 269	42 460 256
Births of male	221 480	1 027 165
	38 822 749	**43 487 421**

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 due dates 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 due dates.

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 due dates.

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 due dates.

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 due dates.

C: The Egyptian Dairy Products Company

1- Corporate Income Tax:

The Company submits tax returns within the legal due dates 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 submit 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 due dates 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 due dates.

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 due dates.
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.

Tax position of subsidiaries
Tiba Company's tax position

1- Corporate Income Tax:
The company is subject to the provisions of Income Tax Law No. 91 of 2005. The company submits its tax returns for the financial years and pays the tax due based on those returns.

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

Years from 2009 to 2012
The company was examined for these years and the dispute was ended by the internal committee and payment.
Years from 2013 until 2019
form 19 has been notified and the objection was made in legal date and the dispute is being resolved in the internal committee
Years from 2020 until 2023
The tax return was submitted within the legal due dates and the company was not requested for examination by the Tax authority.
Second: Salaries and wages tax
The period from the beginning of activity until 2019
Performed and settled.
Years from 2020 until 2024
The company submits quarterly returns as well as settlement within the legal due dates in accordance with the tax law.
Third: Stamp tax
The period from the beginning of activity until 2020
The competent office examined the company for this period, the tax disputes were ended, and the company paid the due tax.
Years 2021/2024
The company was not requested for inspection by the tax authority
Fourth: Sales tax/value added tax
The period from the beginning of activity until 2019
The competent office examined the company for this period, the tax disputes were ended, and the company paid the due tax.
Years 2020/2023
The inspection and payment were completed until November 2020, and the inspection is underway from 12/2020 to 2023.
Years 2024
Declarations were submitted within the legal due dates.
Fifth: Withholding Tax:
The Company regularly submits quarterly returns within the legal due dates

EAD Company's tax position

1- Corporate Income Tax:
The company have tax exemption from the tax stipulated in Law No.91 of 2005 as follows: -
Land reclamation, processing and cultivation activity in accordance with Article (3 section 1 of the Executive Regulations of the Law).
Livestock breeding and fattening pens and the milk they produce, provided that the activity of trading milk and its products is not carried out independently in accordance with Articles (3, Section 1) and (4, Section 1) of the executive regulations of the law.
Domestic production in accordance with Article (3, Section 2 of the Executive Regulations of the Law), while the rest of the birds are subject to all types of taxes.
The company is exempt from taxes for a period of ten years, starting from 3/20/2011 until 3/19/2021, in accordance with the exemption issued by the tax card on the activity of reclaiming and equipping lands with basic facilities that make them suitable for cultivation and cultivating reclaimed lands to the exclusion of other activities
No examination was conducted for the years from the beginning of activity until 2010, as the company began activity on 6/30/2008, and examination procedures are underway until 2010.
The company was notified of an estimated form (19) for the years 2011 to 2012 and it was objected to within the legal due dates.
The company was notified of an estimated form (36) for the years 2013 to 2014 and it was objected to within the legal due dates.
The company was notified of an estimated form (19) for the years 2015 to 2018 and it was objected to within the legal due dates.
The annual tax returns for the years 2019 to 2025 were filed within the legal due dates in accordance with the provisions of Law 91/2005.

B - Stamp tax
The years from the beginning of activity until 2017 were examined and payment was made.
The examination has been conducted and the results of the examination have been objected to, and the date of the internal committee is being determined for the years 2018 and 2019.
An estimated form (19) and objection have been received, and the dispute is being resolved in the internal committee for the year 2020.
Tax returns are submitted within the legal due dates in accordance with the law for the years 2021, 2022, 2023, 2024 and the examination has not been completed

T- salaries tax and its equivalents
The company was examined for the years from the beginning of activity until 12/31/2015 and payment was made for that year.
Tax returns are submitted and not examined from 2016 until 2024.

D – Withholding tax
The company supplies the deducted amounts to the Tax Authority in accordance with the law within the legal due dates.

C - Value added tax
The company was checked for the years from the beginning of the activity until 31/12/2019 and payment was made for that year.
The company submits monthly returns within the legal due dates and pays the tax due on them and the inspection has not taken place yet.

EAL Company's tax position

Corporation tax
Enmaa Livestock Company S.A.E.was established.M.M in accordance with the provisions of Investment Law No.8 of 1997 and Law No.91 of 2005 and the beginning of activity on 3/15/2012 and the date of issuance of the tax card 3/19/2012.The tax return was submitted until 2022 within the legal time in accordance with the provisions of Law No.91 of 2005. The company is exempt from corporate tax for the period from 11/3/2019 until 11/2/2029

The years from the beginning of the company's activity on 3/15/2012 until 2015 were not examined by the tax authority was not requested for examination for the years from 2016 to 2024.

C- **Stamp tax**
The years from the beginning of activity until 2017 were examined and payment was made.
Declarations are submitted within the legal due dates, and the examination was not conducted for the period 2018 to 2024.

D – **Salaries tax**
The company was examined for the years from the beginning of activity until 12/31/2021 and payment was made for that period.
Quarterly returns as well as annual settlement are submitted within the legal due dates for the period from 2022 to 2024
E – **Withholding tax**
The company supplies the amounts deducted from the dealing parties to the Tax Authority within the legal due dates.
F – **Value added tax**
The company was examined for the years from the beginning of activity until 8/31/2016 and payment was made for that period.
You did not request an examination for the years from 9/1/2016 until 2024.
The company submits the returns within the legal due dates and pays the tax due on them.

EAR Company's tax position

A- Corporate Income Tax:
Enmaa Reclamation and Agriculture Co.Ltd was established.M.M in accordance with the provisions of Investment Law No.8 of 1997 and Law No.91 of 2005 and the beginning of the activity on 3/15/2012 and the date of issuance of the tax card 3/19/2012.

The tax return was submitted until 2024 within the legal time limit, in accordance with the provisions of Law 91 of 2005.
The company has not been requested for examination by the competent office to date.

B-Payroll tax
Checked and paid from the beginning of the activity until December 31, 2019.
For the years 2020/2024, the company submits the quarterly declarations as well as the annual settlement within the established legal due dates.

C - Value added tax
Checked and paid for the year from the beginning of the activity until August 2016.
Did not request for examination for the years 1/9/2016 until 2024.
The company submits the returns within the legal time limits and pays the tax due on them.

D - Stamp tax

The stamp tax was checked from the beginning of the activity until December 31, 2019, the assessment was made and the due was paid.

The years from 2020 until 2024 have not been examined and the company submits monthly declarations within the legal due dates.

E – Withholding tax

The company withholds the tax and supplies it to the General Administration of Deduction and Collection under the tax account on the forms prepared for this purpose within the legal due dates.

18 Inventories

	30/6/2025	31/12/2024
	L.E	L.E
Raw materials	1 459 748 971	1 166 500 302
Packaging and packing materials	1 055 723 233	1 019 131 873
Finished goods	2 033 468 300	1 059 272 064
Consumables and miscellaneous supplies	779 627 885	623 396 191
Goods in transit - L/C's for goods purchase	343 177 008	308 770 492
	5 671 745 397	**4 177 070 922**

19 Trade and other receivables

	30/6/2025	31/12/2024
	L.E	L.E
Trade receivables	1 322 643 116	927 260 513
Less: Expected credit losses	(44 066 769)	(33 846 853)
	1 278 576 347	**893 413 660**
Suppliers – advance payments	808 586 156	113 891 401
Prepaid expenses	11 372 174	2 456 769
Export subsidy*	291 410 758	227 857 068
Tax Authority	47 793 791	167 267 530
Customs Authority	264 643 503	42 536 078
Deposits with others	35 965 741	36 484 028
Debtors of fixed assets	9 614 181	-
Dividends payable**	187 972 269	-
Debtors- payment for PP&E (under recollection)	-	10 214 181
Other debit balances	85 035 472	28 400 664
	3 020 970 392	**1 522 521 379**
Less: Impairment in other debit balances	(20 088 546)	(20 688 546)
	3 000 881 846	**1 501 832 833**

* The company collect 12 927 580 EL during the period from January 1, 2025 to 30 June, 2025 compared to an amount of 66 million EGP during the year 2024.

**The amount is dividends to BOD and employees.

20 Cash and cash equivalent

	30/6/2025	31/12/2024
	L.E	L.E
Banks – current accounts	1 690 781 058	1 455 298 494
Cash on hand	5 578 466	5 540 650
Time deposits	-	356 254 822
Banks-Treasury notes	265 701 407	-
Cash and cash equivalent	**1 962 060 931**	**1 817 093 966**
Less: impairment on cash	(5 407 771)	(5 849 367)
	1 956 653 160	**1 811 244 599**

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%**

21-1 General reserve

The balance of general reserve is as follows: -

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

21-2 Merger Reserve

The Extraordinary General Assembly of the Company, convened on 26 December 2024, resolved to retain the issued capital of the company prior to the merger at EGP 941 405 082 as it is after the merger. The difference between the issued capital of the acquiring company and the total net equity of the shareholders of both the acquiring and acquired companies—based on the economic performance report using the book values as per the financial statements of the acquired companies as of 31 December 2023—shall be allocated to a merger reserve, detailed as follows:

	Egyptian Pound (EGP)
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

- The balance has been added to the merger reserve.
- The general reserve was added to the Merge reserve as a result of the merger of industrial companies.

21-3 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 250 470 145.

	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

22 Loans

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

	Long term loans		
	Current portion	Non-current portion	Total
	L.E	L.E	L.E
Commercial International Bank (CIB)	447 095 162	935 241 017	**1 382 336 179**
Attijari wafa Bank	23 189 155	-	**23 189 155**
Balance at 30/6/2025	**470 284 317**	**935 241 017**	**1 405 525 334**
Balance at 31/12/2024	**271 503 629**	**578 066 880**	**849 570 509**

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

22-2 Adjustments on the movement of borrowing to access the net cash financing activities.

	30/6/2025	31/12/2024
	EGP	EGP
Balance of borrowing at 1 January	849 570 509	147 599 744
Withdrawals from Loans	627 447 482	752 261 341
Paid from loans	(72 891 390)	(57 934 141)
Depreciation of deferred income (note 35)	1 398 733	7 643 565
Balance of loans and financial liabilities as of 30 June	**1 405 525 334**	**849 570 509**

23 Bank credit facilities

This balance amounted to L.E 4 849 255 286 on 30 June 2025 (against LE 2 909 495 624 as on 31 December 2024), represents the drawn down portion of about 5.5 billion Egyptian pounds of the group bank facilities. Interest is charged on such drawn amounts at a variable interest rate. These lending banks were provided with different collaterals from the group by variable interest rate (corridor price ± 0.25%) guaranteed by promissory notes also, banks get different guarantees obtained by the banks that provided these facilities to the group companies

24 Provisions

A- Provision for claims

Description	Balance at 01/01/2025	Formed during the year	No longer require for the year	Used during the year	Balance at 30/6/2025
	L.E	L.E	L.E	L.E	L.E
Provision for claims	**228 224 163**	7 199 587	-	(3 715 751)	**231 707 999**

- The provisions represent the value of claims for legal, tax and other claims that can be estimated reliably related to the company's activities. The management reviews these provisions yearly and adjusts the amount of the provision according to the latest coordination of developments, discussions and agreements.
- The information usually disclosed regarding provisions according to Egyptian accounting standards has not been disclosed because the company management believes that doing so may significantly affect the final settlements of those potential claims.

B- Movement of Impairment

	Balance as of 1/1/2025	Formed during the year	Used during the year	Balance as of 30/6/2025
	L.E	L.E	L.E	L.E
Impairment of Trade and other receivable	**20 688 546**	-	(599 999)	**20 088 547**
Impairment of Cash and cash equivalent	**5 849 367**	-	(441 596)	**5 407 771**
	26 537 913	-	**(1 041 595)**	**25 496 318**

25 Creditors and other credit balances

	30/6/2025	31/12/2024
	L.E	L.E
Suppliers	2 556 293 389	1 351 832 430
Notes Payables	500 000	500 000
Dividends payable	-	2 655 015
Accrued expenses	443 082 526	332 240 128
Tax authority	124 689 212	78 647 688
Deposits for others	13 405 450	12 444 517
Social Insurance Authority	12 857 696	9 574 030
Due to health insurance	181 480 282	149 195 642
Accrued interest	11 850 806	-
Advances from customers	46 283 185	49 409 706
Other credit balances	51 562 217	20 213 145
	3 452 004 763	**2 006 712 301**

26 Deferred tax liabilities

- Deferred tax liability amounted to L.E **428 263 680** at 30 June 2025, with LE **387 421 265** at 31 December 2024.

26.1 Deferred Tax liabilities

	30/6/2025 L.E	31/12/2024 L.E
Deferred tax liability (Lease Contracts)	17 409 116	14 858 116
Deferred tax liability from fixed assets	410 854 564	373 938 345
Deferred tax assets from unrealized foreign exchange	-	(1 375 196)
Net deferred tax liability	**428 263 680**	**387 421 265**

26.2 Income tax – current

	30/6/2025 L.E	31/12/2024 L.E
Income tax liability at the beginning of the period/year	**834 874 242**	**353 400 759**
Income tax expense (26-4)	282 043 601	779 474 208
Taxes paid during the period/year	(997 377 043)	(298 000 725)
Income tax liability at the end of the period/year	**119 540 800**	**834 874 242**
Withholding Tax Receivable	(30 151 170)	(122 711 672)
Income tax liability at the end of the period/year	**89 389 630**	**712 162 570**

26-3 Effective Tax Rate

	2025/6/30 L.E	2024/6/30 L.E
Consolidated net profit before tax	989 189 789	1 976 484 559
Tax rate	22.5%	22.5%
Income tax calculated according to the tax rate (22.5%)	**222 567 703**	**444 709 026**
Tax settlements:		
Tax exemption	(125 022 995)	(7 427 453)
Non deductible expenses	83 343 790	54 766 347
Income tax according to the tax return	**208 366 785**	**496 230 356**
Effective tax rate	**21%**	**25%**

26-4 Income tax for the period

	2025/6/30	2024/6/30
	L.E	L.E
Current income tax	192 199 831	495 787 742
Deferred tax expense	16 166 954	442 614
	208 366 785	**496 230 356**

26-5 Unrecognized deferred tax asset

	30/6/2025	31/12/2024
Tax losses	12 910 908	7 062 415

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

27 Group companies

The following sets out the subsidiaries of Juhayna Food Industries Company controlled by the Company as at 30/6/2025 and the investment under joint control which are shown together with their respective contribution percentage held as at the financial position date.

Subsidiary Name	Contribution % 30/6/2025	Contribution % 31/12/2024	Country
Tiba For Trading & Distributing	99.90 %	99.90 %	Egypt
Inmaa for Agriculture Development Co. and Livestock	99.994 %	99.994 %	Egypt
Inmaa for Livestock	Indirect 99.862 %	Indirect 99.862 %	Egypt
Inmaa for Agriculture and improvement	Indirect 99.964 %	Indirect 99.964 %	Egypt
<u>**Merged Companies**</u>			
Egyptian Co. for Dairy Products	-	100	Egypt
International Co. for Modern Food Industries	-	100	Egypt
The Egyptian Company for Food Industries "Egyfood"	-	100	Egypt
Al-Marwa for Food Industries	-	100	Egypt
<u>**Under joint control**</u>			
Arju Company for Food Industries	50.75 % under joint control	50.75 % under joint control	Egypt

28 Financial instruments

Financial risk management

Overview

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

- Credit risk
- Liquidity risk
- Market risk.

Risk management framework

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

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

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

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)	2 385 661 620	1 061 715 388
Cash	(20)	1 956 653 160	1 811 244 599
Related Parties	(32-1)	2 313 032	3 421 436

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 4 760 283 302on which the interest is charged at a variable interest rate for facilities in Egyptian pound.

Liquidity risk

The liabilities on the group at reporting date of the Interim consolidated statement of financial position are as follows:

30/6/2025

	Total book value	Contractual cash flows	6-12 months	1-5 years
Trade payables	2 566 293 389	1 214 460 959	2 744 237 357	-
Loans	1 405 525 334	555 954 825	470 248 317	935 241 017
Credit facilities	4 849 255 286	1 939 759 662	4 849 255 286	-
Lease liabilities	138 061 677	13 466 931	46 838 338	91 223 339

31/12/2024

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

Market risk

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

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

Currency risk

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

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

Foreign currency risk

Exposure to currency risk

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

	USD	Euro
Trade and other receivables	19 028 119	3 110 564
Cash and cash equivalents	33 552 162	1 821 360
Creditors and other credit balances	(28 235 941)	(5 106 276)
30 June 2025	**24 344 340**	**(174 352)**
31 December 2024	**26 635 684**	**(1 516 445)**

The following significant exchange rates applied during the year:

	Average rate		Closing Rate	
	30/6/2025	**31/12/2024**	**30/6/2025**	**31/12/2024**
USD	50.51	45,6	50.74	50,91
Euro	55.38	49,3	58.20	53

Sensitivity analysis

Any reasonably possible strengthening (weakness) of the EUR, USD or GBP/EGP 31 December by 10% would affect the measurement of financial instruments denominated in a foreign currency and affect profit or loss in the amounts set out below. This analysis assumes that all other variables particularly interest rates remain constant and ignore any influence of expected sales and purchases.

	30 June 2025
	10% Effect
USD	123 523 181
Euro	(1 014 729)

Interest rate risk

The Company adopts a policy of ensuring that its exposure to changes in interest rates on borrowings is on a fixed-rate basis, considering assets with exposure to changes in interest rates.

A reasonable possible change of 1% in interest rates at the reporting date could increase (decrease) equity and profit or loss by the amounts described below. This analysis assumes that all other variables particularly foreign exchange rates remain constant.

The effect is in Egyptian pounds

	Profit or Loss	
	1% increase	1% decrease
30 June 2025 (variable interest rate)	30 829 043	(30 829 043)
31 December 2024 (variable interest rate)	37 590 661	(37 590 661)

Capital management

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

	30/6/2025	**31/12/2024**
	L.E	**L.E**
Total liabilities	10 610 183 061	7 251 138 154
Less: cash and cash equivalent	(1 956 653 160)	(1 811 244 599)
Net debt	**8 653 529 901**	**5 439 893 555**
Total equity	**7 451 142 448**	**6 339 324 470**
Net debt to equity ratio	**116%**	**86%**

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)**

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

Description	Contract value		Contract year	Purchase value at end of contract	Quarterly Installment value
	Contractual value	Accrued interest			
	L.E	L.E	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

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

Lease contract liabilities

	30/6/2025	31/12/2024
	L.E	L.E
Liabilities from lease contracts current portion	12 637 633	23 722 416
	12 637 633	**23 722 416**

Lease contracts liabilities payment are as follows

	Payment of liability principal		Payment of accrued interest	
	30/6/2025	31/12/2024	30/6/2025	31/12/2024
	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 group is renting buildings and stores, and this rent is performed individually, and each contract has it`s special terms, the contracts year ranges from 1.5 to 10 years and some of these contracts has a term for extending the lease which provide more flexibility for the group. During the period ended 30 June 2025 the group has been charged by L.E 12 082 840 as interest from leasing contracts.

Operating lease contract liability

	30/6/2025	31/12/2024
	L.E	L.E
Liabilities from lease contracts-current portion	34 200 705	43 764 742
Liability from lease contracts non-current portion	91 223 339	84 041 450
Total	**125 424 044**	**127 806 192**

Payment of lease contracts liabilities are 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 for one year	54 002 085	62 209 590	19 801 380	18 444 848
Liabilities between 2-5 years	132 993 644	116 623 988	49 365 787	35 075 059
Liabilities more than 5 years	9 262 337	2 976 222	1 666 855	483 701

29-2 Right of use assets

	30/6/2025	31/12/2024
	L.E	L.E
Buildings, warehouses, and stores	175 146 674	152 032 704
Accumulated amortization during the year	(74 963 262)	(58 994 000)
Net book value	**100 183 412**	**93 038 704**

30 Contingent Liabilities

The Contingent Liabilities are represented in IDC'S during the year ended 30 June 2025 and due after the that date amounting to L.E 2 118 535 020 which is due for payment during the period following the date of the consolidated financial statements.

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

31 Capital commitments

The capital commitments related to setting up and acquiring fixed assets amounted to L.E 586 960 063 on 30/6/2025.

32 Related party transactions

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

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

32 -1 Due from related parties

Company's name	Nature of transaction	Total value of transactions 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
Arju Company for Food Industries (Equity accounted investees)	Current account	1 108 404	661 272	2 313 032	3 421 436
				2 313 032	**3 421 436**

32 -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
Wakalex Company	Purchases	202 096 183	-	12 157 863	-
	Payments	(189 938 320)	-		
				12 157 863	**-**

32-3 Board of Director's remuneration

The total amount of attendance and transportation allowances received by members of the Board of Directors during the year is 1 125 000 Egyptian pounds, For 630 000 Egyptian pounds during the period end on 30/6/2024.
-No remuneration was paid to members of the Board of Directors during the financial period ending on 30/6/2025.

33 Goodwill

	30/6/2025 L.E	31/12/2024 L.E
Goodwill resulting from acquiring the Egyptian Company for Dairy Products	46 433 934	46 433 934
Goodwill resulting from acquiring Al-Marwa for Food Industries Company	50 658 956	50 658 956
	97 092 890	**97 092 890**

34 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the 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 according to profit or loss statement	780 731 180	1 479 268 661	481 476 061	1 000 935 391
Less:				
Foreign exchange / (Loss) of the tax	-	(348 492 067)	-	-
Net payable to shareholders	**780 731 180**	**1 130 776 594**	**481 476 061**	**1 000 935 391**
Weighted average to number of shares	**941 405 082**	**941 405 082**	**941 405 082**	**941 405 082**
EPS (L.E/Share)	**0.83**	**1.20**	**0.51**	**1.06**

35 Deferred government grants

The subsidiary of the group obtained a loan L.E 91.4 million loan from the Commercial International Bank (CIB) in August 2022 as part of 91.4 million the Central Bank of Egypt's initiative to support industrial companies, at an interest rate of 8%, which is lower than the prevailing market rate for a similar loan which equal average 19.25%. The difference between the two interest is recognized amounted to L.E 5 215 561 as follows:

a) Deferred income – non-current Liabilities L.E 1 082 315
b) Deferred income - current liabilities L.E 2 734 514
c)Other income – income statement L.E 1 398 733 as of 30/06/2025 no income was recorded during the corresponding year (Note 6)

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

	Less than one year L.E	More than one year L.E	Total L.E
Loan	22 850 000	34 275 000	57 125 000
Discount: Deferred (grant) obligations	(2 734 514)	(1 082 315)	(3 816 829)
Balance at 30/6/2025	**20 115 486**	**33 192 685**	**53 308 171**

36 Loss from FV Investment through P.L

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

		No. of shares	30/6/2025 EGP	31/12/2024 EGP
Equity instruments included	Buying of Shares	9 353 000	-	(831 200 397)
	Selling of Shares	9 353 000	-	309 140 464
			-	**(522 059 933)**

37 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.

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**

38 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:

-Potential impact on the financial statements

The standards under study for application	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
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 implemented during the period and there is no impact on the interim consolidated financial statements..	Egyptian Accounting Standard No. (50) is effective for annual financial years starting on or after July 1, 2024, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier year, the Company should disclose that fact.
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, 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".	It was officially implemented during the period and there is no impact on the consolidated interim financial statements.. It was officially implemented during the period and there is no impact on the consolidated interim financial statements.. It was officially implemented during the period and there is no impact on the consolidated interim financial statements.. It was officially implemented during the period and there is no impact on the interim consolidated financial statements..	The application starts on or after the first of January 2025, early adaption is allowed.

39 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.