

**EDITA FOOD INDUSTRIES (S.A.E.)  
AND ITS SUBSIDIARIES**

**REVIEW REPORT AND  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS PERIOD ENDED  
30 September 2024**

**EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES**  
**Notes to the Condensed consolidated interim financial statements –**  
**For the nine months period ended 30 September 2024**  
(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

---

<b>Contents</b>	<b>Page</b>
Review report	1
Condensed consolidated interim statement of financial position	2
Condensed consolidated interim statement of profit or loss	3
Condensed consolidated interim statement of comprehensive income	4
Condensed consolidated interim statement of changes in equity	5
Condensed consolidated interim statement of cash flows	6
Notes to the condensed consolidated interim financial statements	7 – 26





Saleh, Barsoum & Abdel Aziz

Grant Thornton

**Saleh, Barsoum & Abdel Aziz**

Nile City South Tower,

6th floor

2005A Cornish El Nil,

Ramlet Boulaq, Cairo, 11221

Egypt

T +20 (0) 2 246 199 09

**Review Report**

**To: The Board of Directors of Edita Food Industries Company (S.A.E)**

**Introduction**

We have reviewed the accompanying condensed consolidated interim financial statements of Edita Food Industries (S.A.E) comprised of the condensed consolidated interim financial position as of September 30 ,2024, and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine-months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with the Egyptian Accounting Standard No. 30 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with the Egyptian Standards on Review Engagements No. 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the 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 condensed consolidated interim financial statements.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements do not present fairly, in all material respects the condensed consolidated interim financial position of Edita Food Industries (S.A.E) as of September 30 ,2024; and of its condensed consolidated interim financial performance and its condensed consolidated interim cash flows for the nine-months then ended in accordance with Egyptian Accounting Standard No. 30 "Interim Financial Reporting".

Cairo, November 25, 2024



Kamel M. Saleh FCA

F.E.S.A.A. (R.A.A. 8510)

FRA Register No. "69"

**EDITA FOOD INDUSTRIES (S.A.E) AND ITS SUBSIDIARIES**  
**Condensed consolidated interim Statement of Financial Position as of 30 September 2024**

	Note	30 September 2024 EGP	31 December 2023 EGP
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment and projects under constructions	3	4 389 670 683	3 371 603 358
Right of use assets		205 321 917	122 057 438
Intangible assets		191 616 651	181 837 263
Goodwill	5	121 171 340	81 397 483
<b>Total non-current assets</b>		<b>4 907 780 591</b>	<b>3 756 895 542</b>
<b>Current assets</b>			
Inventories	4	2 935 552 694	1 866 984 477
Trade receivables	14	188 894 069	105 537 703
Debtors and Other Debit Balance	15	794 670 345	603 531 291
Due from related parties		37 880 294	54 057 426
Treasury Bills	6	670 821 833	346 432 739
Cash and bank balances	7	695 037 240	1 009 903 473
<b>Total current assets</b>		<b>5 322 856 475</b>	<b>3 986 447 109</b>
<b>Total assets</b>		<b>10 230 637 066</b>	<b>7 743 342 651</b>
<b>Equity and liabilities</b>			
<b>Equity attributable to owners of the parent</b>			
issued and Paid up capital	8	140 002 731	140 002 731
Legal reserve	9	72 536 289	72 536 289
Cumulative translation reserve		( 173 583 791)	( 51 231 711)
Transactions with non-controlling interest		( 32 132 098)	( 32 132 098)
Retained earnings	8	4 151 896 377	3 244 568 334
<b>Total equity</b>		<b>4 158 719 508</b>	<b>3 373 743 545</b>
Non-controlling interest		113 020 569	74 203 124
<b>Total equity</b>		<b>4 271 740 077</b>	<b>3 447 946 669</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	10	2 015 303 240	1 129 283 746
Deferred government grants	10	22 573 137	17 216 439
Employee benefit obligations		71 581 227	55 143 601
Deferred tax liabilities		223 906 881	240 116 669
Lease liabilities		230 930 449	132 705 608
<b>Total non-current liabilities</b>		<b>2 564 294 934</b>	<b>1 574 466 063</b>
<b>Current liabilities</b>			
Provisions	11	128 871 024	105 601 704
Bank overdraft	12	839 070 484	596 722 472
Trade and notes payables		1 307 215 361	960 343 470
Creditors and other credit balances	18	578 844 275	357 913 045
Current portion of borrowings	10	257 724 321	297 757 496
Deferred government grants	10	2 917 326	3 003 960
Current income tax liabilities		270 821 527	388 769 823
Lease liabilities		9 137 737	10 817 949
<b>Total current liabilities</b>		<b>3 394 602 055</b>	<b>2 720 929 919</b>
<b>Total liabilities</b>		<b>5 958 896 989</b>	<b>4 295 395 982</b>
<b>Total equity and liabilities</b>		<b>10 230 637 066</b>	<b>7 743 342 651</b>

- The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Mr. Sameh Naguib  
Chief Financial Officer

Eng. Hani Berzi  
Chairman

- Auditor's review report attached

**EDITA FOOD INDUSTRIES (S.A.E) AND ITS SUBSIDIARIES**  
**Condensed consolidated interim statement of profit or loss**  
**For the nine months period ended 30 September 2024**

	Note	Nine months period ended		Three months period ended	
		30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
		EGP	EGP	EGP	EGP
Revenue	16	11 901 173 259	8 753 978 329	3 912 039 696	3 116 192 430
Cost of sales	17	(8 249 706 561)	(5 886 881 373)	(2 671 008 519)	(2 066 321 050)
<b>Gross profit</b>		<b>3 651 466 698</b>	<b>2 867 096 956</b>	<b>1 241 031 177</b>	<b>1 049 871 380</b>
Other expenses - Net		56 867 799	25 735 609	42 045 248	( 7 020 952)
Selling and Distribution cost	17	(1 113 617 651)	( 735 087 178)	( 379 285 790)	( 245 904 304)
General and Administrative expenses	17	( 784 814 288)	( 516 475 711)	( 288 178 178)	( 175 845 599)
Inventory write-down provision	4	( 10 318 454)	( 8 965 540)	( 3 915 733)	( 4 032 020)
Provisions	11	( 27 438 884)	( 18 070 771)	( 12 364 983)	( 3 880 988)
Employee Benefit Obligations provision		( 17 991 990)	( 6 750 000)	( 5 997 330)	( 2 250 000)
Finance Income	19	86 639 328	162 975 200	22 766 388	54 777 584
Foreign Exchange Gain		76 864 410	46 531 062	( 7 716 030)	3 611 459
Finance cost - Net		( 255 944 902)	( 148 582 945)	( 93 574 156)	( 61 191 195)
<b>Profit before income tax</b>		<b>1 661 712 066</b>	<b>1 668 406 682</b>	<b>514 810 613</b>	<b>608 135 365</b>
Income tax expense		( 407 873 002)	( 398 543 627)	( 117 253 281)	( 148 069 742)
<b>Net profit for the period</b>		<b>1 253 839 064</b>	<b>1 269 863 055</b>	<b>397 557 332</b>	<b>460 065 623</b>
<b>Profit is attributable to</b>					
Owners of the parent		1 266 671 610	1 278 042 075	401 981 959	465 798 272
Non-controlling interest		( 12 832 546)	( 8 179 020)	( 4 424 627)	( 5 732 649)
<b>Net profit for the period</b>		<b>1 253 839 064</b>	<b>1 269 863 055</b>	<b>397 557 332</b>	<b>460 065 623</b>
<b>Basic and Diluted earnings per share</b>	13	<b>1.64</b>	<b>1.69</b>	<b>0.57</b>	<b>0.62</b>

- The accompanying notes form an integral part of these condensed consolidated interim financial statements.

**EDITA FOOD INDUSTRIES S.A.E.**  
**Condensed consolidated interim statement of comprehensive income**  
**For the nine months period ended 30 September 2024**

	<b>Nine months period ended</b>		<b>Three months period ended</b>	
	<b>30-Sep-24</b>	<b>30-Sep-23</b>	<b>30-Sep-24</b>	<b>30-Sep-23</b>
	<b>EGP</b>	<b>EGP</b>	<b>EGP</b>	<b>EGP</b>
<b>Net profit for the period</b>	1 253 839 064	1 269 863 055	397 557 332	460 065 623
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to profit or loss :-</b>				
Exchange differences on translation of foreign operations	( 70 702 089)	( 20 845 021)	9 099 033	1 877 466
<b>Total comprehensive income for the period</b>	<b>1 183 136 975</b>	<b>1 249 018 034</b>	<b>406 656 365</b>	<b>461 943 089</b>
<b>Attributable to</b>				
Owners of the parent	1 144 319 530	1 245 401 520	408 203 479	469 290 098
Non-controlling interest	38 817 445	3 616 514	( 1 547 114)	( 7 347 009)
<b>Total comprehensive income for the period</b>	<b>1 183 136 975</b>	<b>1 249 018 034</b>	<b>406 656 365</b>	<b>461 943 089</b>

- The accompanying notes form an integral part of these condensed consolidated interim financial statements.



**EDITA FOOD INDUSTRIES S.A.E.**  
Condensed consolidated interim statement of changes in equity  
For the nine months period ended 30 September 2024

Note	Paid up capital	Legal reserve		Cumulative translation reserve	Transactions with non-controlling interest		Treasury Shares		Retained earnings		Total Owners of the parent		Non-controlling interest	Total owners' equity
		EGP	EGP		EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP		
Balance at 1 January 2023	144 611 688	78 953 630	(6 417 340)	(42 435 638)	(32 132 098)	(160 827 557)	-	-	2 687 811 227	6 417 340	2 675 981 252	-	40 997 184	2 716 978 436
Transfer to legal reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	(32 640 555)	-	-	-	-	1 278 042 075	-	1 278 042 075	-	(8 179 020)	1 269 863 055
other comprehensive income	-	-	-	(32 640 555)	-	-	-	-	(32 640 555)	-	(32 640 555)	-	11 795 534	(20 845 021)
<b>Total comprehensive income for the period</b>	-	-	-	<b>(32 640 555)</b>	-	-	-	-	<b>1 278 042 075</b>	-	<b>1 245 401 520</b>	-	<b>3 616 514</b>	<b>1 249 018 034</b>
<b>Shareholders transactions</b>														
Purchase of treasury Shares	-	-	-	-	-	-	(105 184 979)	-	-	-	(105 184 979)	-	-	(105 184 979)
Dividends Distribution for 2022	-	-	-	-	-	-	-	-	(471 900 000)	-	(471 900 000)	-	-	(471 900 000)
<b>Total shareholders transactions</b>	-	-	-	-	-	-	(105 184 979)	-	(471 900 000)	-	(577 084 979)	-	-	(577 084 979)
<b>Balance at 30 September 2023</b>	<b>144 611 688</b>	<b>72 536 290</b>	<b>(75 076 193)</b>	<b>(75 076 193)</b>	<b>(32 132 098)</b>	<b>(266 012 536)</b>	<b>(266 012 536)</b>	<b>(266 012 536)</b>	<b>3 500 370 642</b>	<b>3 500 370 642</b>	<b>3 344 297 793</b>	<b>44 613 698</b>	<b>3 388 911 491</b>	<b>3 388 911 491</b>
<b>Balance at 1 January 2024</b>	<b>140 002 731</b>	<b>72 536 289</b>	<b>(51 231 711)</b>	<b>(51 231 711)</b>	<b>(32 132 098)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 244 568 334</b>	<b>3 244 568 334</b>	<b>3 373 743 545</b>	<b>74 203 124</b>	<b>3 447 946 669</b>	<b>3 447 946 669</b>
Transfer to legal reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	-	-	1 266 671 610	1 266 671 610	1 266 671 610	(12 832 546)	1 253 839 064	1 253 839 064
Other comprehensive income for the period	-	-	-	(122 352 080)	-	-	-	-	(122 352 080)	(122 352 080)	(122 352 080)	51 649 991	(70 702 089)	(70 702 089)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(122 352 080)</b>	<b>(122 352 080)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 266 671 610</b>	<b>1 266 671 610</b>	<b>1 144 319 530</b>	<b>38 817 445</b>	<b>1 183 136 975</b>	<b>1 183 136 975</b>
<b>Shareholders transactions</b>														
Dividends Distribution for 2023 *	-	-	-	-	-	-	-	-	(359 343 567)	(359 343 567)	(359 343 567)	-	-	(359 343 567)
<b>Total shareholders transactions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(359 343 567)</b>	<b>(359 343 567)</b>	<b>(359 343 567)</b>	<b>-</b>	<b>-</b>	<b>(359 343 567)</b>
<b>Balance at 30 September 2024</b>	<b>140 002 731</b>	<b>72 536 289</b>	<b>(173 583 791)</b>	<b>(173 583 791)</b>	<b>(32 132 098)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 151 896 377</b>	<b>4 151 896 377</b>	<b>4 158 719 508</b>	<b>113 020 569</b>	<b>4 271 740 077</b>	<b>4 271 740 077</b>

\* The Dividends distribution includes an amount of EGP 59 343 567 represents the profit share of the Edita Food Industries and its subsidiaries' employees.

- The accompanying notes form an integral part of these condensed consolidated interim financial statements.

**EDITA FOOD INDUSTRIES S.A.E.**  
**Condensed consolidated interim statement of cash flows**  
**For the nine months period ended 30 September 2024**

	<u>Notes</u>	<u>30-Sep-24</u> <u>EGP</u>	<u>30-Sep-23</u> <u>EGP</u>
<b><u>Cash flows from operating activities</u></b>			
Profit for the period before income tax		1 661 712 066	1 668 406 682
<b>Adjustments for:</b>			
Provisions	11	27 438 884	18 070 771
Employee benefit obligation		17 991 990	6 750 000
Interest expense		237 375 549	136 433 043
Interest expense - Lease		18 569 353	12 149 902
Amortization -Lease		17 878 520	15 689 013
Government Grant		( 2 643 634)	( 3 401 171)
Interest income		( 86 639 328)	( 162 975 200)
Depreciation of Fixed Assets	3	245 733 815	187 390 484
Amortization of Intangible Assets		7 995 572	5 656 826
Provision of slow moving inventory	4	10 318 454	8 965 540
Gain from sale of property, plant and equipment		( 2 578 295)	( 1 786 770)
Foreign exchange gains		( 76 864 410)	( 49 212 082)
<b>Operating profits before changes in working capital</b>		<b>2 076 288 536</b>	<b>1 842 137 038</b>
Inventories		(1 028 215 561)	( 637 619 778)
Trade receivables and other debit balances		( 146 010 946)	( 37 043 874)
Trade and other payables(*)		488 671 955	102 393 754
Provision utilized	11	( 4 969 998)	( 2 471 499)
Inventory provision used	4	( 3 639 004)	( 2 757 220)
Payments of employee benefit obligations		( 1 554 364)	( 3 632 806)
Payments of employees' dividends		( 74 839 271)	( 70 139 931)
<b>Cash generated from operating activities</b>		<b>1 305 731 347</b>	<b>1 190 865 684</b>
Interest paid		( 242 596 940)	( 117 432 777)
Income tax paid		( 527 487 398)	( 288 599 095)
<b>Net cash flows generated from operating activities</b>		<b>535 647 009</b>	<b>784 833 812</b>
<b><u>Cash flows from investing activities</u></b>			
Payment for purchase of property, plant and equipment and Intangible assets(*)		( 939 944 760)	( 285 302 288)
Proceeds from sale of property, plant and equipment		2 953 264	1 866 819
Interest received		91 061 695	138 185 519
Payment for purchase of treasury bills		(1 334 049 411)	(3 821 558 313)
Proceeds from sale of Treasury Bills		1 005 237 950	3 840 473 473
Payment for acquisition of new subsidiary		-	( 257 206 976)
Cash acquired through business combination		-	440 012
<b>Net cash flows used in investing activities</b>		<b>(1 174 741 262)</b>	<b>( 383 101 754)</b>
<b><u>Cash flows from financing activities</u></b>			
Lease Payments		( 28 082 659)	( 22 366 626)
Payments of borrowings		( 160 036 708)	( 499 393 283)
Proceeds from borrowings		471 885 117	464 109 761
Payment for acquisition of non-controlling interest		-	( 105 184 979)
Dividends Distribution		( 300 000 000)	( 400 000 000)
<b>Net cash flows used in financing activities</b>		<b>( 16 234 250)</b>	<b>( 562 835 127)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>( 655 328 503)</b>	<b>( 161 103 069)</b>
Cash and cash equivalents at beginning of the period		413 181 001	( 7 275 363)
Effect of change in exchange rates on cash and cash equivalents		98 114 258	3 503 758
<b>Cash and cash equivalents at end of the period</b>	7	<b>( 144 033 244)</b>	<b>( 164 874 674)</b>
<b><u>Non-cash transactions</u></b>			

\* The effect of credit purchase of property, plant, and equipment amounted to EGP 79 120 722 had been eliminated as non cash transaction from both Trade and other payables as well as Payment for purchase.

- The accompanying notes form an integral part of these condensed consolidated interim financial statements.

## **1. General information**

Edita Food Industries S.A.E. was established on July 9, 1996, under the investment Law No. 230 of 1989 which had been replaced by law No. 8 of 1997 and the money market Law No. 95 of 1992 and is registered in the commercial register under number 692 Cairo. The company's period is 25 years, and the company's period have been extended by 25 years ending July 7, 2046.

The Group provides manufacturing, producing, and packing of all food products and producing and packing of juices, jams, readymade food, cakes, pastry, milk products, meat, vegetables, fruits, chocolate, vegetarian products and other food products with all necessary ingredients.

The Group's financial year starts on 1 January and ends on 31 December each year.

These condensed consolidated financial statements have been approved by the Board of Directors on 25 November 2024.

## **2. Accounting policies**

The condensed consolidated interim financial statements have been prepared by following the same accounting policies that were applied and followed when preparing the financial statements for the financial year ending on December 31, 2023.

### **A. Basis of preparation**

These condensed consolidated financial statements have been prepared in accordance with Egyptian Accounting Standard No. 30 "Interim Financial Reporting" and applicable related laws and regulations. The condensed consolidated financial statements have been prepared under the historical cost convention except for employees' post-employment defined benefit obligations that are measured at the present value of the obligation using the projected credit unit method.

The preparation of condensed consolidated financial statements in conformity with Egyptian Accounting Standard no. 30 "Interim Financial Reporting" requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Egyptian Accounting Standards (EAS) requires referring to the International Financial Reporting Standards (IFRS) in treating certain balances and transactions, which have not been covered in any Egyptian Accounting Standards or legal requirements.

The Group has applied Egyptian Accounting Standard No. 13 - amended 2024 "Effects of Changes in Foreign Currency Exchange Rates" issued on March 3, 2024, which should be applied to financial periods beginning on or after January 1, 2024. There is no impact on the opening balance of retained earnings on the date of application.



#### Percentage of ownership in subsidiaries

The group consists of the below companies as of 30 September 2024 and 31 December 2023 unless otherwise was noted and the percentage of the Group's share of the companies in is the direct ownership of the ordinary shares of the paid-up capital only.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		30 September 2024	31 December 2023	30 September 2024	31 December 2023
Edita for trading and distribution	Egypt	99.8%	99.8%	0.2%	0.2%
Edita Confectionery Industries	Egypt	99.98%	99.98%	0.02%	0.02%
Edita participation limited	Cyprus	100%	100%	--	--
Edita food Industries -Morocco	Morocco	78.36%	78.36%	21.64%	21.64%
Edita Holding for Investments	Egypt	100%	100%	--	--
Edita Frozen Food Industries	Egypt	100%	100%	--	--

#### B. Basis of consolidation

##### 1) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully condensed consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

##### 1.1 Acquisition method

The group applies the acquisition method to account for business combinations.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquire and the equity interests issued by the group. The consideration transferred includes the fair value of any

asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiring on an acquisition-by-acquisition basis, at the non-controlling interest's proportionate share of the recognized amounts of acquirer's identifiable net assets at the date of acquisition. Acquisition-related costs are expensed as incurred.



If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in the statement of profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered as an impairment indicator of the assets transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

### **1.2 Changes in ownership interests in subsidiaries without change of control**

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

### **1.3 Disposal of subsidiaries**

When the group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss for the parent company.

### **1.4 Goodwill**

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquire and the acquisition-date fair value of any previous equity interest in the acquire over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the statement of profit or loss. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

### **1.5 Measurement period:**

The measurement period is the period after the acquisition date which provides the acquirer with a reasonable time to obtain the information necessary to identify and measure all items arisen from an acquisition of a subsidiary. The measurement period shall not exceed one year from the acquisition date, If the group has identified a new facts or circumstances regarding the acquisition during the measurement period, the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date.

## **2) Investment in Joint Venture**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.

### **2.1 Equity accounting method**

Investments in joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition from the change of the group's share from the joint venture's net assets. The group's share of post-acquisition profit or loss is recognized in the statement of profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. with the group's share of the changes in equity after acquisition date.

### **2.2 Changes in owner's equity**

If an entity's ownership interest in an associate or a joint venture is reduced, but the investment continues to be classified either as an associate or a joint venture respectively, the entity shall reclassify to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

### **2.3 The losses of a joint venture**

When the group's share of losses in an joint venture equals or exceeds its interest in the joint venture, the group does not recognise further losses, and after the group's share reduced to zero, any additional losses and liabilities are recognized only to the limit it has incurred legal or constructive obligations or made payments on behalf of the joint venture, When the joint venture start to generate profits in the upcoming periods, the group continues to recognize their share in these profits, only after their share of profits equals their share of unrecognized losses.

### **2.4 Transactions with joint venture**

Profits and losses resulting from upstream and downstream transactions between the group (including the subsidiaries) and the joint venture are recognised in the group's financial statements only to the extent of other investor's interests in the joint venture.

### **2.5 Goodwill arisen from investments in joint venture**

Goodwill represents the excess of the consideration transferred, of the group's share in the fair value of the net identifiable assets and liabilities acquired at the acquisition date

Goodwill arises from the investment in joint venture is included within the cost of the investment in joint venture after deduction of impairment losses in joint venture and it does not presented separately, and the goodwill impairment is not tested separately, In addition to the impairment test is performed on the carrying amount of total investments – as an individual asset, by comparing the carrying value with the recoverable amount of the asset, and the impairment losses recognized at this case are not allocated to any asset, therefore, any reversed settlement for the impairment losses are recognized to the extent that the recoverable amount will increase to the extent it will not exceed the amount of the impairment losses previously recognized.



# EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES

Notes to the Condensed consolidated interim financial statements –

For the nine months period ended 30 September 2024

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

## 3. Property, plant and equipment and projects under constructions

	Land EGP	Buildings EGP	Machinery and Equipment EGP	Vehicles EGP	Tools & Equipment EGP	Furniture and Office Equipment EGP	Projects under construction* EGP	Total EGP
<b>Cost</b>								
Cost as of January 1, 2023	106 714 128	1 119 966 917	1 789 646 950	368 329 286	272 791 918	159 141 122	39 405 730	3 855 996 051
Transferred from projects under constructions	-	51 276 581	52 236 719	-	32 533 044	-	(136 518 407)	( 472 063)
Acquisition Through Business Combination	42 436 000	64 549 590	193 883 462	1 817 858	5 629 240	326 084	90 671 959	399 314 193
Translation differences	-	39 956 110	45 097 902	-	5 468 500	1 044 736	( 34 298)	91 532 950
Additions	-	-	13 179 134	172 598 152	15 735 788	23 253 353	370 770 125	595 536 552
Disposals	-	-	-	(10 650 385)	( 646 521)	( 575 471)	( 832 366)	(12 704 743)
Cost as of December 31, 2023	149 150 128	1 275 749 198	2 094 044 167	532 094 911	331 511 969	183 189 824	363 462 743	4 929 202 940
<b>Accumulated depreciation</b>								
As of January 1, 2023	-	(288 100 855)	(548 107 184)	(197 822 922)	(160 235 338)	(119 015 077)	-	(1 313 281 376)
Depreciation for the period	-	(54 325 296)	(87 796 642)	(52 699 529)	(39 977 447)	(20 958 958)	-	(255 757 872)
Accumulated depreciation of disposals	-	-	-	10 227 937	636 258	575 471	-	11 439 666
As of December 31, 2023	-	(342 426 151)	(635 903 826)	(240 294 514)	(199 576 527)	(139 398 564)	-	(1 557 599 582)
Net book value as of December 31, 2023	149 150 128	933 323 047	1 458 140 341	291 800 397	131 935 442	43 791 260	363 462 743	3 371 603 358
<b>Cost</b>								
Cost as of January 1, 2024	149 150 128	1 275 749 198	2 094 044 167	532 094 911	331 511 969	183 189 824	363 462 743	4 929 202 940
Transferred from projects under constructions	-	140 351 157	321 645 024	-	39 541 912	4 804 151	(523 492 363)	(17 150 119)
Translation differences	-	101 500 009	114 561 638	-	12 280 567	2 653 930	-	230 996 144
Additions	-	1 091 428	2 244 158	280 992 770	30 838 004	28 834 616	706 329 108	1 050 330 084
Disposals	-	-	(191 591)	(3 606 900)	( 633 258)	( 132 646)	-	( 4 564 395)
Cost as of September 30, 2024	149 150 128	1 518 691 792	2 532 303 396	809 480 781	413 539 194	219 349 875	546 299 488	6 188 814 654
<b>Accumulated depreciation</b>								
Accumulated Depreciation as of January 1, 2024	-	(342 426 151)	(635 903 826)	(240 294 514)	(199 576 527)	(139 398 564)	-	(1 557 599 582)
Depreciation for the year	-	(50 445 671)	(74 239 255)	(68 000 485)	(35 706 876)	(17 341 528)	-	(2 45 733 815)
Accumulated depreciation of disposals	-	-	154 868	3 273 787	628 476	132 295	-	4 189 426
Accumulated Depreciation as of September 30, 2024	-	(392 871 822)	(709 988 213)	(305 021 212)	(234 654 927)	(156 607 797)	-	(1 799 143 971)
Net book value as of September 30, 2024	149 150 128	1 125 819 970	1 822 315 183	504 459 569	178 884 267	62 742 078	546 299 488	4 389 670 683

**EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES**  
**Notes to the Condensed consolidated interim financial statements –**  
**For the nine months period ended 30 September 2024**  
(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Depreciation included in the interim consolidation statement of profit or loss is as follows:

	<u>30 September 2024</u>	<u>30 September 2023</u>
Cost of sales	155 475 066	129 386 455
Distribution costs	67 527 926	40 671 923
Administrative expenses	22 730 823	17 332 106
	<u><b>245 733 815</b></u>	<u><b>187 390 484</b></u>

\* The project under construction represents the following Categories:

	<u>30 September 2024</u>	<u>31 December 2023</u>
Buildings	54 877 435	93 585 983
Machinery and equipment	400 251 928	219 166 801
Tools and equipment	17 102 274	10 030 476
Technical and other installations	74 067 851	40 679 483
	<u><b>546 299 488</b></u>	<u><b>363 462 743</b></u>

The capitalized interest for the period ended 30 September 2024 is 31 492 602 (31 December 2023: null).

The interest rate is 28.70%

#### 4. Inventories

	<u>30 September 2024</u>	<u>31 December 2023</u>
Raw and packaging materials	2 470 764 375	1 598 551 501
Finished goods	291 163 558	131 491 903
Spare parts	91 268 378	74 762 406
Work in process	74 122 784	55 145 282
Consumables	28 236 195	20 356 530
<b>Total</b>	<u><b>2 955 555 290</b></u>	<u><b>1 880 307 622</b></u>
Less: write-down for slow moving and obsolete inventory	(20 002 596)	(13 323 145)
<b>Net</b>	<u><b>2 935 552 694</b></u>	<u><b>1 866 984 477</b></u>

#### Write-down for slow moving and obsolete inventory:

	<u>30 September 2024</u>	<u>31 December 2023</u>
<b>Balance as of 1 January</b>	13 323 145	7 309 741
Charged during the period / year	10 318 454	10 543 416
Utilized during the period / year	(3 639 003)	(4 530 012)
<b>Ending Balance as of the period / year</b>	<u><b>20 002 596</b></u>	<u><b>13 323 145</b></u>

## 5. Goodwill

On April 21, 2022, the group's management obtained control over Edita Food Industries Morocco. Where both parties signed an amendment agreement where reserved matters related to joint control has been removed following non-exercise of the call option by DISLOG. The group management completed the fair value study for identified assets and liabilities related to the acquisition of Edita Food Industries Morocco and revaluation of goodwill and intangible assets at date of step acquisition of Edita Food Industries Morocco.

On May 29, 2023, the group's management purchased 100% of "Fancy Foods Company for Food Industries S.A.E.". The deal was closed on June 13, 2023, through registering the sale and transfer of "Fancy Foods Company for Food Industries S.A.E." purchased shares to "Edita Food Industries S.A.E" before the EGX in accordance with the applicable laws and regulations. The group management completed the fair value study for identified assets and liabilities related to the acquisition of "Fancy Foods Company for Food Industries S.A.E." at date of acquisition of "Fancy Foods Company for Food Industries S.A.E.".

	30 September 2024	31 December 2023
<b>Balance as of 1 January</b>	81 397 483	41 956 386
Goodwill resulting from acquisition of subsidiary	--	11 295 552
Goodwill Translation from foreign operation	39 773 857	28 145 545
<b>Ending Balance as of the year</b>	<b>121 171 340</b>	<b>81 397 483</b>

## 6. Treasury bills

	30 September 2024	31 December 2023
<b>Treasury bills par value</b>		
91 Days maturity	70 000 000	350 000 000
91 – 182 Days maturity	670 675 000	--
<b>Total</b>	<b>740 675 000</b>	<b>350 000 000</b>
Total Unearned credit interest	(82 669 540)	(20 806 000)
<b>Amount paid for treasury bills</b>	<b>658 005 460</b>	<b>329 194 000</b>
Interest income recognized to profit or loss	12 816 373	17 238 739
<b>Treasury bills balance</b>	<b>670 821 833</b>	<b>346 432 739</b>

- Based on Prime Minister decision number 4575 for the year 2023, All debt instruments issued by the Egyptian government nominated in Egyptian currency is exempted from Expected credit losses measurement.
- The average interest rate related to treasury bills is 26.79%.

## 7. Cash and bank balances

	30 September 2024	31 December 2023
Cash at banks and on hand	599 564 448	669 815 464
Time deposit	--	265 184 932
Time deposit – Foreign currency	95 472 792	74 903 077
<b>Cash and bank balances</b>	<b>695 037 240</b>	<b>1 009 903 473</b>

The average rate on time deposit is 6.32% with maturity less than three months.



For the purpose of preparation of the interim consolidation cash flow statements, cash and cash equivalents consist of:

	<b>30 September 2024</b>	<b>30 September 2023</b>
Cash and bank balances	695 037 240	531 174 420
Bank overdraft (Note 12)	(839 070 484)	(696 049 094)
<b>Total</b>	<b>(144 033 244)</b>	<b>(164 874 674)</b>

## **8. Share capital**

Authorized capital EGP 360 000 000 (1 800 000 000 share, par value EGP 0.2 per share).

Previously, the issued and paid-up capital amounted to EGP 72 536 290 after trading distributed on 362 681 450 shares (par value EGP 0.2 per share).

On 30 March 2016 an extra ordinary general assembly meeting was held in which the shareholders approved the increase of issued and paid-up capital from EGP 72 536 290 to be EGP 145 072 850. An increase amounted to EGP 72 536 290 distributed over 362 681 450 shares with a par value of LE 0.2 per share financed from the dividends of the year ended 31 December 2015 distributed as a free share for each original share which has been registered in commercial register on May 9, 2016.

In April 2021, the extraordinary general assembly meeting approved to write off the treasury shares amounted to 2 304 461 shares. Accordingly, the share capital has been reduced by the par value of the treasury shares and the difference between the par value and the consideration paid to acquire those shares was absorbed in retained earnings.

On 26 November 2023 the extraordinary general assembly meeting approved to write off the treasury shares amounted 23 044 783. Accordingly, the share capital has been reduced by the par value of the treasury shares and the difference between the par value and the consideration paid to acquire those shares was absorbed in retained earnings.

On 30 September 2024 the issued and paid-up capital amounted to EGP 140 002 731 (par value EGP 0.2 per share).

### **Treasury shares**

On 4 April 2021 the extraordinary general assembly meeting approved to write off the treasury shares amounted 2 304 461. Accordingly, the share capital has been reduced by the par value of the treasury shares and the difference between the par value and the consideration paid to acquire those shares was absorbed in retained earnings.

According to Board of Director resolution on 2 August 2022 and 18 October 2022 the group purchased 15 814 199 shares from the stock market and held in treasury for a total consideration of EGP 160 827 557 the consideration paid has been accounted for as a reserve in the statement of shareholders' Equity.

According to Board of Director resolution on 16 March 2023 the group purchased 7 230 584 shares from the stock market and held in treasury for a total consideration of EGP 105 184 979 the consideration paid has been accounted for as a reserve in the statement of shareholders' Equity.

On 26 November 2023 the extraordinary general assembly meeting approved to write off the treasury shares amounted 23 044 783. Accordingly, the share capital has been reduced by the par value of the treasury shares and the difference between the par value and the consideration paid to acquire those shares was absorbed in retained earnings.

## 9. Legal reserve

In accordance with Company Law No. 159 of 1981 and the Company's Articles of Association, 5% of annual net profit is transferred to the legal reserve. The Group may stop such transfers when the legal reserve reaches 50% of the issued capital. The reserve is not eligible for distribution to shareholders.

## 10. Loans

	30 September 2024			31 December 2023		
	Non-current			Non-current		
	Current portion	portion	Total	Current portion	portion	Total
Loans	257 724 321	2 015 303 240	2 273 027 561	297 757 496	1 129 283 746	1 427 041 242
	<b>257 724 321</b>	<b>2 015 303 240</b>	<b>2 273 027 561</b>	<b>297 757 496</b>	<b>1 129 283 746</b>	<b>1 427 041 242</b>

The due dates for current portion loans according to the following schedule:

	30 September 2024	31 December 2023
Balance due within 1 year	181 946 307	275 413 659
Accrued interest	75 778 014	22 343 837
	<b>257 724 321</b>	<b>297 757 496</b>

### (1) IFC loan obtained by Edita food industries. EPL and Edita for Trade and Distribution

	30 September 2024			31 December 2023		
	Non-current			Non-current		
	Current portion	portion	Total	Current portion	portion	Total
IFC loan	39 076 207	967 200 000	1 006 276 207	6 998 953	619 000 000	625 998 953
	<b>39 076 207</b>	<b>967 200 000</b>	<b>1 006 276 207</b>	<b>6 998 953</b>	<b>619 000 000</b>	<b>625 998 953</b>

The due short-term portion is according to the following schedule:

	30 September 2024	31 December 2023
Balance due within 1 year	--	--
Accrued interest	39 076 207	6 998 953
	<b>39 076 207</b>	<b>6 998 953</b>

On 30 September 2023, Edita Food Industries S.A.E, Edita Participation Cyprus Limited and Edita For Trade & Distribution S.A.E "The Co-Borrowers" signed a loan agreement with International Finance Corporation with total amount of USD 45 million. to finance (i) the Group's working capital and capital expenditure program in Egypt and Morocco (ii) the Group's expansion plan in Egypt and internationally, and (iii) the refinancing of up to \$10 million Dollars of the loan provided by IFC to the Co-Borrowers under the loan agreement (the "2019 Loan Agreement") entered among the parties and dated May 26, 2019.

According to the loan Agreement, each of the Co-Borrowers shall be jointly and severally liable for all obligations of all the Co-Borrowers, If any Event of Default occurs and is continuing.

As of September 30,2024, the outstanding balance as per Edita Participation Cyprus Limited amounted to USD 20 808 027 (December 31,2023: USD 20 226 137).

**EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES**  
**Notes to the Condensed consolidated interim financial statements –**  
**For the nine months period ended 30 September 2024**  
(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

**Terms of payments:**

The group is obligated to repay the withdrawn amounts on 13 equal semi-annual instalments. Each instalment amounts to USD 3 461 538; The first instalment is due in October 2025 and the last in October 2031.

**Interest:**

The interest rate is SOFR based on 180 days plus 3.3%.

**Fair value:**

Fair value is approximately equal the carrying amount since the loan is bearing variable interest rate that approximate the market prevailing rates.

**(2) Edita Food Industries**

	30 September 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Fourth loan	--	--	--	20 357 361	--	20 357 361
Seventh loan	19 200 000	31 986 616	51 186 616	54 544 317	4 227 158	58 771 475
Eighth Loan	17 192 510	56 725 874	73 918 384	41 022 947	49 594 457	90 617 404
Ninth loan	13 538 533	27 769 861	41 308 394	41 621 076	41 214 756	82 835 832
Tenth Loan	17 691 552	46 179 782	63 871 334	32 085 831	14 375 274	46 461 105
Eleventh Loan	1 820 833	190 000 000	191 820 833	11 498 958	190 000 000	201 498 958
Twelfth loan	13 877 827	38 634 030	52 511 857	9 761 994	35 708 465	45 470 459
Thirteenth Loan	1 752 488	28 798 991	30 551 479	--	--	--
Fourteenth Loan	30 143 736	443 086 126	473 229 862	--	--	--
<b>Total</b>	<b>115 217 479</b>	<b>863 181 280</b>	<b>978 398 759</b>	<b>210 892 484</b>	<b>335 120 110</b>	<b>546 012 594</b>

The due short-term portion loans according to the following schedule:

	30 September 2024	31 December 2023
Balance due within 1 year	80 500 605	198 201 286
Accrued interest	34 716 874	12 691 198
<b>Total</b>	<b>115 217 479</b>	<b>210 892 484</b>



**EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES**  
**Notes to the Condensed consolidated interim financial statements –**  
**For the nine months period ended 30 September 2024**  
(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

<b>Borrower</b>	<b>Type of debt</b>	<b>Guaranties</b>	<b>Currency</b>	<b>Tenure</b>	<b>Interest rate</b>
Fourth loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company amounted to LE 220,000,000 and 6,000,000 Euro	EGP/USD	7 years with first installment in May 2017	0.5% above mid corridor rate of Central Bank of Egypt and average 4% above USD Libor rate 6 months.
Seventh loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company	EGP	7 years with first installment in Nov 2022	8 %
Eighth loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company	EGP	7 years with first installment in June 2022	8 %
Ninth loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company	EGP	7 years with first installment in Sep 2023	8 %
Tenth loan	Loan		EGP	7 years with first installment in July 2023	8%
Eleventh Loan	Loan		EGP	7 years with first instalment in March 2026	0.5% above mid corridor rate of Central Bank of Egypt
Twelfth Loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company	EGP/USD	5 years with first instalment in July 2023	1% above mid corridor rate of Central Bank of Egypt and average 3% above USD SoFr rate 3 months
Thirteenth Loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company	EGP	7 years with first instalment in May 2026	0.5% above mid corridor rate of Central Bank of Egypt
Fourteenth Loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company	EGP	8 years with first instalment in June 2026	0.45% above mid corridor rate of Central Bank of Egypt

**Fourteenth Loan**

During the second quarter Edita food industries S.A.E has signed a loan agreement with Banque Misr to be used to finance new production lines to enhance production. Total loan amount to 990 million Egyptian pound. Total amount withdrawn as of the condensed interim consolidated financial statements as of 30 September 2024 was EGP 443 086 126.

**(3) Edita for Trade and Distribution**

<b>30 September 2024</b>			<b>31 December 2023</b>		
<b>Current portion</b>	<b>Non-current portion</b>	<b>Total</b>	<b>Current portion</b>	<b>Non-current portion</b>	<b>Total</b>
18 666 042	--	18 666 042	36 015 897	16 681 106	52 697 003
<b>18 666 042</b>	<b>--</b>	<b>18 666 042</b>	<b>36 015 897</b>	<b>16 681 106</b>	<b>52 697 003</b>

**EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES**  
**Notes to the Condensed consolidated interim financial statements –**  
**For the nine months period ended 30 September 2024**  
(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

The due current portion is according to the following schedule:

	<b>30 September 2024</b>	<b>31 December 2023</b>
Balance due within 1 year	16 681 106	33 362 211
Accrued interest	1 984 936	2 653 686
	<b>18 666 042</b>	<b>36 015 897</b>

The company obtained a loan from a financial institution based on a cross corporate guarantee issued from Edita Food Industries Company amounted to EGP 155 million. The loan outstanding balance on 30 September 2024 amounted to 19 million in addition to accrued interests.

**Terms of payments:**

Edita for Trade and Distribution is obligated to pay the loan on 9 semi-annual instalments amounted to 16 681 106 and the first instalments is due on 27 August 2021 and the last instalments is due on 27 February 2025

**Interest:**

The rate is 1% above Central Bank of Egypt mid corridor rate.

**Fair value:**

Fair value is approximately equal to book value.

**(4) Edita Food Industries Morocco:**

<b>30 September 2024</b>			<b>31 December 2023</b>		
<b>Current</b>	<b>Non-Current</b>		<b>Current</b>	<b>Non-current</b>	
<b>portion</b>	<b>Portion</b>	<b>Total</b>	<b>Portion</b>	<b>Portion</b>	<b>Total</b>
84 764 593	184 921 960	<b>269 686 553</b>	43 850 162	158 482 530	<b>202 332 692</b>
<b>84 764 593</b>	<b>184 921 960</b>	<b>269 686 553</b>	<b>43 850 162</b>	<b>158 482 530</b>	<b>202 332 692</b>

The due current portion is according to the following schedule:

	<b>30 September 2024</b>	<b>31 December 2023</b>
Balance due within 1 year	84 764 593	43 850 162
	<b>84 764 593</b>	<b>43 850 162</b>

**Deferred government grant**

The Group obtained a loan facility of EGP 441 million from commercial banks under the central bank of Egypt initiative to support the Egyptian manufacturing companies, according to the initiative, the loan was obtained at interest rate of 8 % that is lower than the prevailing market rate of similar loans and recognized in the profit or loss over the year necessary to match them with the costs that they are intended to compensate.

The Deferred government grants is according to the following schedule:

	<b>30 September 2024</b>			<b>31 December 2023</b>		
	<b>Current</b>	<b>Non-current</b>	<b>Total</b>	<b>Current</b>	<b>Non-current</b>	<b>Total</b>
Seventh loan	1 578 102	1 212 470	<b>2 790 572</b>	1 858 544	2 614 040	<b>4 472 584</b>
Eighth loan	--	--	<b>--</b>	41 727	--	<b>41 727</b>
Ninth loan	374 291	393 218	<b>767 509</b>	475 935	698 953	<b>1 174 888</b>
Tenth loan	475 751	108 655	<b>584 406</b>	627 754	469 168	<b>1 096 922</b>
	<b>2 428 144</b>	<b>1 714 343</b>	<b>4 142 487</b>	<b>3 003 960</b>	<b>3 782 161</b>	<b>6 786 121</b>

**EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES**  
**Notes to the Condensed consolidated interim financial statements –**  
**For the nine months period ended 30 September 2024**  
(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Tenth loan	475 751	108 655	584 406	627 754	469 168	1 096 922
	<b>2 428 144</b>	<b>1 714 343</b>	<b>4 142 487</b>	<b>3 003 960</b>	<b>3 782 161</b>	<b>6 786 121</b>

The due current portion is according to the following schedule:

	30 September 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Government Grant – Edita Morocco	489 182	20 858 794	21 347 976	--	13 434 278	13 434 278
	<b>489 182</b>	<b>20 858 794</b>	<b>21 347 976</b>	<b>--</b>	<b>13 434 278</b>	<b>13 434 278</b>

## 11. Provisions

	30 September 2024	31 December 2023
Balance at 1 January	105 601 704	76 257 773
Additions during the year	29 563 390	38 728 138
Utilized during the year	(4 969 998)	(1 601 262)
Provision no longer required	(2 124 506)	(8 148 635)
Currency translation – Morocco	800 434	365 690
<b>Ending Balance as of</b>	<b>128 871 024</b>	<b>105 601 704</b>

Provisions related to claims expected to be made by a third party in connection with the Group's operations. These provisions are reviewed by management every year and the amount provided is adjusted based on latest development, discussions, and agreements with the third party.

## 12. Bank overdraft

	30 September 2024	31 December 2023
Bank overdraft	839 070 484	596 722 472
<b>Total</b>	<b>839 070 484</b>	<b>596 722 472</b>

Bank overdraft is an integral part of the Group's cash management to finance its working capital. The average interest rate for bank overdraft was 24.21% as of 30 September 2024 (31 December 2023: 15.33%).

## 13. Earnings per share

### Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the period.

Since there is no proposed distribution account, the net profit of the shareholders has been determined on the basis of the net profit for the period/year without deducting the employees' share and board members' remuneration in the dividends.



**EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES**
**Notes to the Condensed consolidated interim financial statements –**
**For the nine months period ended 30 September 2024**

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

	<b>30 September 2024</b>	<b>30 September 2023</b>
<b>Profit attributed to owners of the parent</b>	1 266 671 610	1 278 042 075
Employees' profit share*	(116 569 453)	(88 260 192)
<b>Profit attributed to owners of the parent after employees' profit share</b>	<b>1 150 102 157</b>	<b>1 189 781 883</b>
<b>Weighted average number of ordinary shares in issue</b>		
Ordinary shares	700 013 656	723 058 439
Treasury shares (Note 8)	--	(23 044 783)
<b>Weighted average number of ordinary shares in issue</b>	<b>700 013 656</b>	<b>701 980 800</b>
<b>Basic earnings per share</b>	<b>1.64</b>	<b>1.69</b>

\*Employees' profit share has been estimated and the employees' profit share distribution proposal will be presented to the board of directors and the ordinary general meeting at the end of the year.

**Diluted**

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The group does not have any categories of dilutive potential ordinary shares, hence the diluted earnings per share is the same as the basic earnings per share.

**14. Trade and other receivables**

	<b>30 September 2024</b>	<b>31 December 2023</b>
Trade receivables	182 865 200	101 624 756
Notes receivable	6 028 869	3 912 947
<b>Total</b>	<b>188 894 069</b>	<b>105 537 703</b>

**15. Debtors and other debit balances**

	<b>30 September 2024</b>	<b>31 December 2023</b>
Advances to suppliers	535 071 853	467 610 451
Prepaid expenses	85 294 635	45 622 157
Deposits with others	38 809 462	24 213 630
Other debit balances	30 163 570	16 137 507
Withholding taxes	1 926 383	3 149 697
Value Added Tax	67 193 769	46 060 325
Export subsidy grant receivable	23 000 000	--
Letters of Guarantee	3 075 000	500 004
Letters of credit	10 117 047	--
Employee loans	18 626	237 520
<b>Total</b>	<b>794 670 345</b>	<b>603 531 291</b>

**EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES**  
**Notes to the Condensed consolidated interim financial statements –**  
**For the nine months period ended 30 September 2024**  
(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

**16. Segment reporting**

Edita operates across Six segments in Egyptian snack food market offering eleven distinct brands:

Segment				Brand				Product									
Cake	Tiger tail, Twinkies, Todo and HOHOS				Traditional rolled filled and layered cake as well as brownies and packaged donut												
	Croissants				Sweet and savoury croissants and strudels, frozen croissants and puff pastries												
	Rusks				Baked wheat salty snack												
	Wafer				Filled wafers												
	Candy				Hard, soft and jelly candy and lollipops												
Biscuits				Lava Chocolate and Lava Vanilla													
(Amounts presented to the nearest thousands EGP)																	
Cake		Croissant		Rusks		Wafer		Candy		Biscuits		Other		Total			
30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023		
Revenue	6 072 132	4 464 273		3 480 913	2 862 067	525 189	382 299	1 296 975	782 470	355 889	204 224	112 573	58 153	57 502	492	11 901 173	8 753 978
Gross profit	2 035 550	1 571 831		986 343	876 773	123 228	108 476	397 696	253 364	104 358	55 048	16 216	10 206	(11 924)	(8 601)	3 651 467	2 867 097
Profit from operations	1 130 567	952 641		413 984	442 904	42 646	57 110	220 675	151 372	41 564	26 473	(29 926)	(3 617)	(66 476)	(11 349)	1 753 034	1 615 534

Operating profit reconciles to net profit as follows:

	30 September 2024	30 September 2023
<b>Operating profit</b>	1 753 034	1 615 534
Foreign Exchange Gains	76 864	46 531
Finance cost	(255 944)	(148 583)
Finance income	86 639	162 975
Other income/expense	1 119	(8 050)
Income tax	(407 873)	(398 544)
<b>Net profit</b>	<b>1 253 839</b>	<b>1 269 863</b>

The segment information disclosed in the table above represents the segment information provided to the chief operating decision makers of the Group.

Management has determined the operating segments based on the information reviewed by the chief operating decision makers of the group for the purpose of allocating and assessing resources.

The chief operating decision makers consider the business from products perspective. Although Rusks, Wafer, and Candy do not meet the quantitative threshold required by EAS 41 for reportable segments, management has concluded that these segments should be reported as it is closely monitored by the chief operating decision makers as it is expected to materially contribute to the Group revenue in the future.

The chief operating decision makers assesses the performance of the operating segments based on their operating profit.

There were no inter-segment sales made during the period.

Finance income and finance cost are not allocated to segments, as this type of activity is driven by the central treasury function which manage the cash position of the group.

## 17. Expenses by Nature

	30 September 2024	30 September 2023
Cost of sales	8 249 706 561	5 886 881 373
Distribution cost	1 113 617 651	735 087 178
Administrative expenses	784 814 288	516 475 711
	<b>10 148 138 500</b>	<b>7 138 444 262</b>
Raw and packaging materials used	7 035 151 300	5 020 723 992
Salaries and wages	1 152 003 948	794 943 812
Advertising expense	472 249 406	299 818 229
Depreciation and amortization	271 607 877	208 736 106
Employees benefits	173 618 183	122 075 153
Other expenses	308 123 599	208 126 626
Gas, water and electricity	153 615 827	113 340 382
Company share in social insurance	90 568 266	52 441 574
Logistics expense	105 673 178	75 507 613
Transportation expense	84 651 733	53 102 325
Vehicle expense	107 703 243	67 204 374
Maintenance	107 415 316	65 157 751
Consumable materials	85 756 624	57 266 325
<b>Total cost of sales, distribution costs, and administrative expenses</b>	<b>10 148 138 500</b>	<b>7 138 444 262</b>



## 18. Creditors and other credit balances

The increase in Creditors and other credit balances is due to the increase in accrued expenses related to advertising and marketing expenses and the increase in advances from customers balance which is related to export customers as of the period ended 30 September 2024.

## 19. Finance Income

The decrease in interest payable during the current period reflects the Company's investment approach of temporarily halting investments in treasury bills during the period ending September 30, 2024 to prioritize liquidity and reduce exposure to interest rate fluctuations.

## 20. Contingent liability

### (1) Edita Food Industries Company

The Company guarantees Edita for Trade and Distribution and Edita Confectionary Industries against third parties in borrowing from Egyptian Banks.

The Company had contingent liabilities in respect of letters of guarantee and letters of credit arising from ordinary course of business amounted to EGP 570 624 113 as of 30 September 2024, (31 December 2023: EGP 267 893 918).

### (2) Edita For Trade and Distribution

The Company guarantees Edita Food Industries against third parties in borrowing from Egyptian Banks.

The Company had contingent liabilities in respect of letters of guarantee and letters of credit as at 30 September 2024 EGP 2 700 000 (31 December 2023: EGP 1 250 000).

### (3) Edita Confectionary Industries Company

On 30 September 2024, the Company had contingent liabilities in respect of letters of guarantee and letters of credit arising from ordinary course of business amounted to EGP 5 129 637 (31 December 2023: EGP 3 509 983).

## 21. Commitments

### Capital commitments

The Group has capital commitments as of 30 September 2024 of EGP 849 million (31 December 2023: EGP 987 M) in respect of capital expenditure.

## 22. Tax position

Due to the nature of the tax assessment process in Egypt, the final outcome of the assessment by the Tax Authority might not be realistically estimated. Therefore, additional liabilities are contingent upon the tax inspection and assessment of the Tax Authority.

Below is a summary of the tax status of the group as of the date of the condensed consolidated interim financial statements date.

### Edita Food Industries Company

#### a) Corporate tax

- The company is tax exempted for a period of 10 years ending 31 December 2007 in accordance with Law No. 230 of 1989 and Law No. 59 of 1979 related to New Urban Communities. The exemption period was determined to start from the fiscal year beginning on 1 January 1998. The company submits its tax returns on its legal period.
- The tax inspection was performed for the period from the company's inception till 31 December 2016 and all due tax amounts paid.
- For the years 2017 – 2019 the Company have finalized inspection and file transferred to internal committee.
- For the years 2020 – 2023 the Company submitted the tax return according to law No. 91 of 2005 in its legal period and has not been inspected yet.

**b) Payroll tax**

- The payroll tax inspection was performed till 31 December 2019 and company paid tax due.
- As for the years 2020 till 2023 the tax inspection has not been performed and the company is submitting the quarterly tax return on due time to the Tax Authority.

**c) Value added tax**

- The sales tax inspection was performed till 31 December 2020 and tax due was paid.
- As for the years 2021 till 2023 the tax inspection has not been performed and the company is submitting monthly tax returns on due time to the Tax Authority.

**d) Stamp duty tax**

- The stamp duty tax inspection was performed till 2020 and all due tax amounts paid.
- The years from 2021 to 2023 tax inspection has not been performed.

**Edita for Trade and Distribution**

**a) Corporate tax**

- The company is subject to the corporate income tax according to tax law No. 91 of 2005 and amendments.
- The tax inspection was performed by the Tax Authority for the year from the Company's inception until year 2019 and the tax resulting from the tax inspection were settled and paid to the Tax Authority.
- For the years 2020 – 2022 the Company have finalized inspection and file transferred to internal committee.
- The company hasn't been inspected for the year 2023 and the company submits its tax returns on due dates according to law No. 91 for the year 2005.

**b) Payroll tax**

- The tax inspection was performed until 31 December 2022 and the tax resulting from the tax inspection and assessment were settled and paid to the Tax Authority.
- As for the year 2023 the tax inspection has not been performed and the company is submitting quarterly tax forms on due time to the Tax Authority.

**c) Value added tax**

- The tax inspection was performed until 31 December 2020 and the tax resulting from the tax inspection and assessment was settled and paid to the Tax Authority.
- The years 2021 - 2023 the Company submits its monthly sales VAT return on due date.

**d) Stamp tax**

- The tax inspection was performed for the year from the Company's inception until 31 December 2020 and the tax resulting from the tax inspection and assessment were settled and paid to the Tax Authority
- For the year 2021-2023 the Company hasn't been inspected yet.

**Edita Confectionary Industries Company**

**a) Corporate tax**

- The Company is subject to the corporate income tax according to tax Law No. 91 of 2005 and adjustments.
- The corporate tax inspection was performed since inception to 2019 and the difference was settled and paid.
- The company hasn't been inspected for the years from 2020 to 2023 and the Company submitted its tax returns to Tax Authority on due dates.



**b) Payroll Tax**

- The payroll tax inspection was performed from 2009 to 2020 and the tax due was paid to the Tax Authority.
- The company hasn't been inspected for the year from 2021 to 2023.

**c) Value added tax**

- The tax inspection was performed for the year from the Company's inception until 2020 and the tax resulting from the tax inspection and assessment were settled and paid to the Tax Authority.
- The company hasn't been inspected for the years from 2021 -2023 and the Company submits its monthly VAT tax return on due date.

**d) Stamp Tax**

- The stamp tax inspection was performed from 2009 to 2020 and the tax due was paid to the Tax Authority.
- The Company has not been inspected for the year from 2021 and 2023.

**Edita Frozen Foods Industries Company**

**a) Corporate tax**

- The Company is subject to the corporate income tax according to tax Law No. 91 of 2005 and adjustments.
- The corporate tax inspection was not performed for the years from 2015 to 2023 as the company has a carry forward loss.

**b) Payroll Tax**

- The payroll tax inspection was performed for the years from 2015 to 2021 and the tax due was paid to the Tax Authority.
- The company hasn't been inspected for the years 2022 – 2023.

**c) Value added tax**

- The company hasn't been inspected for the years from 2015 -2022 and the Company submits its monthly VAT tax return on due date.
- The company hasn't been inspected for the year 2023.

**d) Stamp Tax**

- The stamp tax inspection was performed from 2015 to 2022 and settled.  
The inspection had not been inspected for the year 2023.

**22. Significant events during the period:**

- On March 28, 2024, the ordinary general assembly of the company's shareholders was held, and it approved the financial statements for the year ended December 31, 2023, and approved the dividends distribution to shareholders of EGP 300 million to be distributed in the form of cash dividend of EGP 0.428 per share and employee dividend distribution of EGP 42.3 million.
- The general assembly also approved allocation of an amount of EGP 140 002 731 from the retained earnings for the year ended 31 December 2023 to be distributed by way of free shares, for which, the legal counsel for the company is seeking necessary approvals from the Financial Regulatory Authority "FRA" are underway.
- The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Thursday, February 1, 2024, to raise the overnight deposit and lending yield and the price of the main operation of the Central Bank by 200 basis points, to reach 21.25, 22.25 and 21.75%, respectively. The credit and discount rate were also raised by 200 basis points to reach my rate 21.75%.

- The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Wednesday, March 6, 2024, to raise the overnight deposit and lending yield and the price of the main operation of the Central Bank by 600 basis points, to reach 27.25, 28.25 and 27.25%, respectively. The credit and discount rate were also raised by 600 basis points to reach my rate 27.75%.
- Edita food industries S.A.E has signed an agreement to obtain a medium-term loan with a term of 8 years which amounted to 990 million Egyptian pound with an interest rate of 0.45% above corridor rate with a semi-annual payment plan each installment amounting to 82.5 million EGP, the first installment is due in April 2026, this loan will be used to finance new production lines to enhance production.
- On April 3, 2024, the ordinary general assembly of Edita for Trade and Distribution's shareholders was held, and it approved the financial statements for the year ended December 31, 2023, and approved distribution of the employees' profit share of EGP 17 million.

#### **24. Subsequent events**

- On November 6, 2024 the ordinary general assembly of the company's shareholders was held, and approved the dividends distribution to shareholders of EGP 400 million to be distributed in the form of cash dividend of EGP 0.571 per share and employee dividend distribution of EGP 35.45 million.