

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

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

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

Contents	Page
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



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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 June 30 ,2024, and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the Six-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. Our responsibility is to express a conclusion on these interim condensed consolidated 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 June 30 ,2024; and of its condensed consolidated interim financial performance and its condensed consolidated interim cash flows for the Six-months then ended in accordance with Egyptian Accounting Standard No. 30 "Interim Financial Reporting".

Cairo, August 13, 2024

Kamel M. Saleh FCA
F.E.S.A.A. (F.A.A. 8510)



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

	<u>Note</u>	<u>30 June 2024</u> <u>EGP</u>	<u>31 December 2023</u> <u>EGP</u>
Assets			
Non-current assets			
Property, plant and equipment and projects under constructions	3	4 208 748 577	3 371 603 358
Right of use assets		153 741 021	122 057 438
Intangible assets		195 889 079	181 837 263
Goodwill	5	120 531 669	81 397 483
Total non-current assets		4 678 910 346	3 756 895 542
Current assets			
Inventories	4	2 395 457 954	1 866 984 477
Trade receivables	14	151 377 466	105 537 703
Debtors and Other Debit Balance	15	814 473 445	603 531 291
Due from related parties		21 261 043	54 057 426
Treasury Bills	6	--	346 432 739
Cash and bank balances	7	878 674 179	1 009 903 473
Total current assets		4 261 244 087	3 986 447 109
Total assets		8 940 154 433	7 743 342 651
Equity and liabilities			
Equity attributable to owners of the parent			
Issued and Paid up capital	8	140 002 731	140 002 731
Legal reserve	9	72 536 289	72 536 289
Cumulative translation reserve		(179 805 311)	(51 231 711)
Transactions with non-controlling interest		(32 132 088)	(32 132 088)
Retained earnings	8	3 749 914 418	3 244 568 334
Total equity		3 750 516 029	3 373 743 545
Non-controlling interest		114 567 683	74 203 124
Total equity		3 865 083 712	3 447 946 669
Liabilities			
Non-current liabilities			
Borrowings	10	1 856 675 625	1 129 283 746
Deferred government grants	10	22 468 641	17 216 439
Employee benefit obligations		65 789 982	55 143 601
Deferred tax liabilities		209 889 199	240 116 689
Lease liabilities		175 486 379	132 705 608
Total non-current liabilities		2 330 310 026	1 574 466 063
Current liabilities			
Provisions	11	119 047 433	105 601 704
Bank overdraft	12	388 410 854	596 722 472
Trade and notes payables		1 009 108 010	960 343 470
Creditors and other credit balances		640 518 420	357 913 045
Current portion of borrowings	10	340 084 334	297 757 498
Deferred government grants	10	2 673 355	3 003 960
Current income tax liabilities		234 573 437	388 769 823
Lease liabilities		10 344 852	10 817 949
Total current liabilities		2 744 769 695	2 720 929 919
Total liabilities		5 075 079 721	4 295 395 982
Total equity and liabilities		8 940 154 433	7 743 342 651

- 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 six months period ended 30 June 2024

	Note	Six Months period ended		Three Months period ended	
		30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
		EGP	EGP	EGP	EGP
Revenue	16	7 989 133 563	5 637 785 899	4 061 659 438	2 858 073 110
Cost of sales	17	(5 578 698 042)	(3 820 560 323)	(2 870 012 309)	(1 931 847 339)
Gross profit		2 410 435 521	1 817 225 576	1 191 647 129	926 225 771
Other expenses - Net		14 822 551	32 756 561	19 433 267	41 384 848
Selling and Distribution cost	17	(734 331 861)	(489 182 874)	(373 513 654)	(249 169 127)
General and Administrative expenses	17	(496 636 110)	(340 630 112)	(267 491 995)	(177 428 116)
Inventory write-down provision	4	(6 402 721)	(4 933 520)	(4 535 911)	(3 683 520)
Provisions	11	(15 073 901)	(14 189 783)	(8 341 382)	(7 563 709)
Employee Benefit Obligations provision		(11 994 660)	(4 500 000)	(5 997 330)	(2 250 000)
Finance Income		63 872 940	108 197 616	18 990 518	54 755 400
Foreign Exchnage Gain		84 580 440	42 919 603	17 338 275	(4 161 422)
Finance cost - Net		(162 370 746)	(87 391 750)	(97 516 408)	(45 048 217)
Profit before income tax		1 146 901 453	1 060 271 317	490 012 509	533 061 908
Income tax expense		(290 619 721)	(250 473 885)	(136 530 425)	(123 190 557)
Net profit for the period		856 281 732	809 797 432	353 482 084	409 871 351
Profit is attributable to					
Owners of the parent		864 689 651	812 243 803	358 436 082	413 583 835
Non-controlling interest		(8 407 919)	(2 446 371)	(4 953 998)	(3 712 484)
Net profit for the period		856 281 732	809 797 432	353 482 084	409 871 351
Basic and Diluted earnings per share	13	1.13	1.16	0.50	0.59

- 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 six months period ended 30 June 2024

	Six Months period ended		Three Months period ended	
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
	EGP	EGP	EGP	EGP
Net profit for the period	856 281 732	809 797 432	353 482 084	409 871 351
Other comprehensive income				
Items that may be reclassified to profit or loss :-				
Exchange differences on translation of foreign operations	(79 801 122)	(13 826 065)	(50 081)	1 877 466
Total comprehensive income for the period	776 480 610	795 971 367	353 432 003	411 748 817
Attributable to				
Owners of the parent	736 116 051	785 007 844	355 342 009	415 461 301
Non-controlling interest	40 364 559	10 963 523	(1 910 006)	(3 712 484)
Total comprehensive income for the period	776 480 610	795 971 367	353 432 003	411 748 817

- 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 six months period ended 30 June 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	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	-	-	-	-	-	-	-	-	812 243 803	-	812 243 803		(2 446 371)		809 797 432	
Other comprehensive income	-	-	-	(27 235 959)	-	-	-	-	-	-	(27 235 959)		13 409 894		(13 826 065)	
Net profit for the period	-	-	-	(27 235 959)	-	-	-	-	812 243 803	-	785 007 844		10 963 523		795 971 367	
Total comprehensive income for the period									812 243 803		785 007 844		10 963 523			
Shareholders transactions																
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)	
Total shareholders transactions																
Balance at 30 June 2023	144 611 688	72 536 290	(6 417 340)	(69 671 597)	(32 132 098)	(266 012 536)			3 034 572 370		2 883 904 117		51 960 707		2 935 864 824	
Balance at 1 January 2024	140 002 731	72 536 289		(51 231 711)	(32 132 098)				3 244 568 334		3 373 743 545		74 203 124		3 447 946 669	
Transfer to legal reserve	-	-	-	-	-	-	-	-	-	-	-		-		-	
Other comprehensive income	-	-	-	-	-	-	-	-	864 689 651		864 689 651		(8 407 919)		856 281 732	
Net profit for the period	-	-	-	(128 573 600)	-	-	-	-	-	-	(128 573 600)		48 772 478		(79 801 122)	
Other comprehensive income for the period	-	-	-	(128 573 600)	-	-	-	-	-	-	-		-		-	
Total comprehensive income for the period									864 689 651		736 116 051		40 364 559		776 480 610	
Shareholders transactions																
Dividends Distribution for 2023 *	-	-	-	-	-	-	-	-	(359 343 567)		(359 343 567)		-		(359 343 567)	
Total shareholders transactions																
Balance at 30 June 2024	140 002 731	72 536 289	(6 417 340)	(179 805 311)	(32 132 098)	-	-	-	3 749 914 418		3 750 516 029		114 567 683		3 865 083 712	

* 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 six months period ended 30 June 2024

	<u>Notes</u>	<u>30 June 2024</u> <u>EGP</u>	<u>30 June 2023</u> <u>EGP</u>
<u>Cash flows from operating activities</u>			
Profit for the period before income tax		1 146 901 453	1 060 271 317
Adjustments for:			
Provisions	11	15 073 901	14 189 783
Employee benefit obligation		11 994 660	4 500 000
Interest expense		151 520 629	80 339 317
Interest expense - Leases assets		10 850 117	7 052 433
Amortization -Lease		12 105 756	10 208 715
Government Grant		(1 820 581)	(2 299 099)
Interest income		(63 872 940)	(108 197 616)
Depreciation of Fixed Assets	3	158 007 726	120 513 071
Amortization of Intangible Assets		3 796 107	3 771 218
Provision of slow moving inventory	4	6 402 721	4 933 520
Gain from sale of property, plant and equipment		(1 559 847)	(2 290 433)
Foreign exchange gains		(84 580 440)	(42 919 603)
		1 364 819 262	1 150 072 623
Inventories		(488 033 463)	(412 195 731)
Trade receivables and other debit balances		(131 783 610)	(83 699 438)
Trade and other payables(*)		304 895 501	227 815 364
Provision utilized	11	(2 403 314)	(75 174)
Inventory provision used		(64 624)	(260 868)
Payments of employee benefit obligations		(1 348 279)	(3 323 026)
Payments of employees' dividends		(74 839 271)	(70 139 931)
Cash generated from operating activities		971 242 202	808 193 819
Interest paid		(163 109 874)	(67 395 806)
Income tax paid		(462 109 273)	(232 198 247)
Net cash flows generated from operating activities		346 023 055	508 599 766
<u>Cash flows from investing activities</u>			
Payment for purchase of property, plant and equipment and Intangible assets(*)		(765 881 672)	(175 289 879)
Proceeds from sale of property, plant and equipment		1 889 927	2 376 636
Interest received		81 111 679	100 115 712
Payment for purchase of treasury bills		(676 043 950)	(3 198 494 113)
Proceeds from sale of Treasury Bills		1 005 237 950	3 240 834 183
Payment for acquisition of new subsidiary		--	(257 206 976)
Cash acquired through business combination		--	440 012
Net cash flows used in investing activities		(353 686 066)	(287 224 425)
<u>Cash flows from financing activities</u>			
Lease Payments		(16 781 652)	(13 512 720)
Payments of borrowings		(102 353 550)	(300 979 419)
Proceeds from borrowings		391 337 065	117 775 123
Payment for acquisition of non-controlling interest		--	(105 184 979)
Dividends Distribution		(300 000 000)	(400 000 000)
Net cash flows used in financing activities		(27 798 137)	(701 901 995)
Net increase/(decrease) in cash and cash equivalents		(35 461 148)	(480 526 654)
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		112 543 472	--
Cash and cash equivalents at end of the period	7	490 263 325	(487 802 017)
<u>Non-cash transactions</u>			

* The effect of credit purchase of property, plant, and equipment amounted to EGP 35 100 529 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 13 August 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 June 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 June 2024	31 December 2023	30 June 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 six months period ended 30 June 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
Cost								
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 Dec 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
Accumulated depreciation								
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
Cost								
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	-	16 997 256	56 940 402	-	26 196 498	583 523	(117 838 399)	(17 120 720)
Translation differences	-	93 086 968	105 065 956	-	11 262 666	2 433 954	-	211 849 544
Additions	-	-	767 220	206 862 595	15 974 022	11 264 678	565 885 686	800 754 201
Disposals	-	-	(49 700)	(1 761 900)	(217 206)	(38 525)	-	(2 067 331)
Cost as of June 30, 2024	149 150 128	1 385 833 422	2 256 768 045	737 195 606	384 727 949	197 433 454	811 510 030	5 922 618 634
Accumulated depreciation								
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	-	(32 107 866)	(47 926 099)	(44 172 430)	(22 714 669)	(11 086 662)	-	(1 58 007 726)
Accumulated depreciation of disposals	-	-	23 520	1 462 226	213 332	38 173	-	1 737 251
Accumulated Depreciation as of June 30, 2024	-	(374 534 017)	(683 806 405)	(283 004 718)	(222 077 864)	(150 447 053)	-	(1 713 870 057)
Net book value as of June 30, 2024	149 150 128	1 011 299 405	1 572 961 640	454 190 888	162 650 085	46 986 401	811 510 030	4 208 748 577

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

	30 June 2024	30 June 2023
Cost of sales	99 316 986	83 565 581
Distribution costs	44 174 029	25 655 587
Administrative expenses	14 516 711	11 291 903
	158 007 726	120 513 071

* The project under construction represents the following Categories:

	30 June 2024	31 December 2023
Buildings	151 586 503	93 585 983
Machinery and equipment	582 102 458	219 166 801
Tools and equipment	13 608 854	10 030 476
Technical and other installations	64 212 215	40 679 483
	811 510 030	363 462 743

4. Inventories

	30 June 2024	31 December 2023
Raw and packaging materials	1 999 577 609	1 598 551 501
Finished goods	241 110 035	131 491 903
Spare parts	83 483 875	74 762 406
Work in process	66 121 276	55 145 282
Consumables	24 826 401	20 356 530
Total	2 415 119 196	1 880 307 622
Less: write-down for slow moving and obsolete inventory	(19 661 242)	(13 323 145)
Net	2 395 457 954	1 866 984 477

Write-down for slow moving and obsolete inventory:

	30 June 2024	31 December 2023
Balance as of 1 January	13 323 145	7 309 741
Charged during the period / year	6 402 721	10 543 416
Utilized during the period / year	(64 624)	(4 530 012)
Ending Balance as of the period / year	19 661 242	13 323 145

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 have 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.

	30 June 2024	31 December 2023
Balance as of 1 January	81 397 483	41 956 386
Goodwill resulting from acquisition of subsidiary	--	11 295 552
Goodwill Translation from foreign operation	39 134 186	28 145 545
Ending Balance as of the year	120 531 669	81 397 483

6. Treasury bills

	30 June 2024	31 December 2023
Treasury bills par value		
91 Days maturity	--	350 000 000
Total	--	350 000 000
Total Unearned credit interest	--	(20 806 000)
Amount paid for treasury bills	--	329 194 000
Interest income recognized to profit or loss	--	17 238 739
Treasury bills balance	--	346 432 739

- 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.

7. Cash and bank balances

	30 June 2024	31 December 2023
Cash at banks and on hand	639 759 429	669 815 464
Time deposit	--	265 184 932
Time deposit – Foreign currency	238 914 750	74 903 077
Cash and bank balances	878 674 179	1 009 903 473

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:

	<u>30 June 2024</u>	<u>30 June 2023</u>
Cash and bank balances	878 674 179	477 116 652
Bank overdraft (Note 12)	<u>(388 410 854)</u>	<u>(964 918 669)</u>
Total	<u>490 263 325</u>	<u>(487 802 017)</u>

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) were distributed as follow:

On 30 March 2016, an Extra Ordinary General Assembly meeting held in which the shareholders approved the increase of issued and paid-up capital from 72 536 290 EGP to be 145 072 580 EGP, An increase amounted to 72 536 290 EGP distributed on 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 the commercial register on 9 May 2016.

On April 2021, the extraordinary general assembly meeting approved to write off the treasury shares amounted 2 304 461 shares. Accordingly, the share capital has been reduced by the par value of the treasury shares

And the issued and paid-up capital amounted to EGP 144 611 688 shares distributed among 723 058 440 shares (par value EGP 0.2 per share).

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.

Accordingly, the issued and paid-up capital as of 30 June 2024 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 June 2024			31 December 2023		
	Non-current			Non-current		
	Current portion	portion	Total	Current portion	portion	Total
Loans	340 084 334	1 856 675 625	2 196 759 959	297 757 496	1 129 283 746	1 427 041 242
	340 084 334	1 856 675 625	2 196 759 959	297 757 496	1 129 283 746	1 427 041 242

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

	30 June 2024	31 December 2023
Balance due within 1 year	301 075 998	275 413 659
Accrued interest	39 008 336	22 343 837
	340 084 334	297 757 496

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

	30 June 2024			31 December 2023		
	Non-current			Non-current		
	Current portion	portion	Total	Current portion	portion	Total
IFC loan	17 389 400	961 600 000	978 989 400	6 998 953	619 000 000	625 998 953
	17 389 400	961 600 000	978 989 400	6 998 953	619 000 000	625 998 953

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

	30 June 2024	31 December 2023
Balance due within 1 year	--	--
Accrued interest	17 389 400	6 998 953
	17 389 400	6 998 953

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 June 30,2024, the outstanding balance as per Edita Participation Cyprus Limited amounted to USD 20 368 155 (December 31,2023: USD 20 226 137).

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 June 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Fourth loan	366 528	--	366 528	20 357 361	--	20 357 361
Seventh loan	44 790 753	4 919 711	49 710 464	54 544 317	4 227 158	58 771 475
Eighth Loan	50 067 452	32 370 653	82 438 105	41 022 947	49 594 457	90 617 404
Ninth loan	32 356 388	7 870 308	40 226 696	41 621 076	41 214 756	82 835 832
Tenth Loan	50 543 925	23 483 506	74 027 431	32 085 831	14 375 274	46 461 105
Eleventh Loan	15 780 556	190 000 000	205 780 556	11 498 958	190 000 000	201 498 958
Twelfth loan	13 927 179	44 850 641	58 777 820	9 761 994	35 708 465	45 470 459
Thirteenth Loan	210 882	8 251 893	8 462 775	--	--	--
Fourteenth Loan	1 220 573	382 758 000	383 978 573	--	--	--
Total	209 264 236	694 504 712	903 768 948	210 892 484	335 120 110	546 012 594

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

	30 June 2024	31 December 2023
Balance due within 1 year	190 572 987	198 201 286
Accrued interest	18 691 249	12 691 198
Total	209 264 236	210 892 484

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

Borrower	Type of debt	Guaranties	Currency	Tenure	Interest rate
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 2024	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. EGP 382 758 000 has been withdrawn as of the condensed interim consolidated financial statements s of 30 June 2024.

(3) Edita for Trade and Distribution

30 June 2024			31 December 2023		
Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
35 786 764	--	35 786 764	36 015 897	16 681 106	52 697 003
35 786 764	--	35 786 764	36 015 897	16 681 106	52 697 003

The due current portion is according to the following schedule:

	30 June 2024	31 December 2023
Balance due within 1 year	33 362 211	33 362 211
Accrued interest	2 424 553	2 653 686
	35 786 764	36 015 897

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 June 2024 amounted to 35 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:

30 June 2024			31 December 2023		
Non-Current			Non-current		
Current portion	Portion	Total	Current Portion	Portion	Total
77 643 934	200 570 913	278 214 847	43 850 162	158 482 530	202 332 692
77 643 934	200 570 913	278 214 847	43 850 162	158 482 530	202 332 692

The due current portion is according to the following schedule:

	30 June 2024	31 December 2023
Balance due within 1 year	77 140 800	43 850 162
Accrued interest	503 134	--
	77 643 934	43 850 162

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:

	30 June 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Seventh loan	1 653 441	1 586 335	3 239 776	1 858 544	2 614 040	4 472 584
Eighth loan	352	--	352	41 727	--	41 727
Ninth loan	442 078	491 643	933 721	475 935	698 953	1 174 888
Tenth loan	577 484	214 207	791 691	627 754	469 168	1 096 922
	2 673 355	2 292 185	4 965 540	3 003 960	3 782 161	6 786 121

	30 June 2024	31 December 2023
Government Grant – Investment subsidy – Editra	20 176 656	13 434 278
Morocco – Non-Current	20 176 656	13 434 278

11. Provisions

	30 June 2024	31 December 2023
Balance at 1 January	105 601 704	76 257 773
Additions during the year	16 997 243	38 728 138
Utilized during the year	(2 403 314)	(1 601 262)
Provision no longer required	(1 923 342)	(8 148 635)
Currency translation – Morocco	775 142	365 690
Ending Balance as of	119 047 433	105 601 704

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 June 2024	31 December 2023
Bank overdraft	388 410 854	596 722 472
Total	388 410 854	596 722 472

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 23.06% as of 30 June 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.

	30 June 2024	30 June 2023
Profit attributed to owners of the parent	864 689 651	812 243 803
Employees' profit share*	(76 093 060)	--
Profit attributed to owners of the parent after employees' profit share	788 596 591	812 243 803
Weighted average number of ordinary shares in issue		
Ordinary shares	700 013 656	723 058 439
Treasury shares (Note 8)	--	(23 044 783)
Weighted average number of ordinary shares in issue	700 013 656	700 013 656
Basic earnings per share	1.13	1.16

*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

	30 June 2024	31 December 2023
Trade receivables	144 429 583	101 624 756
Notes receivable	6 947 883	3 912 947
Total	151 377 466	105 537 703

15. Debtors and other debit balances

	30 June 2024	31 December 2023
Advances to suppliers	530 040 434	467 610 451
Prepaid expenses	119 753 115	45 622 157
Deposits with others	30 806 060	24 213 630
Other debit balances	22 870 960	16 137 507
Withholding taxes	1 992 180	3 149 697
Value Added Tax	62 811 131	46 060 325
Export subsidy grant receivable	23 000 000	--
Letters of Guarantee	3 075 000	500 004
Letters of credit	20 041 576	--
Employee loans	82 989	237 520
Total	814 473 445	603 531 291

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

Segment			Brand			Product														
Cake	Tiger tail, Twinkies, Todo and HOHOS					Traditional rolled filled and layered cake as well as brownies and packaged donut														
Croissants	Molto, Forni					Sweet and savoury croissants and strudels, frozen croissants and puff pastries														
Rusks	Bake Rolz, Bake Stix					Baked wheat salty snack														
Wafer	Freska					Filled wafers														
Candy	Mimix					Hard, soft and jelly candy and lollipops														
Biscuits	Oniro					Lava Chocolate and Lava Vanilla														
(Amounts presented to the nearest thousands EGP)																				
Cake			Croissant			Rusks			Wafer			Candy			Biscuits			Other		
30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	
Revenue	4 158 265	2 964 849	2 189 385	1 702 015	326 383	251 471	943 270	548 028	250 662	128 617	77 627	42 715	43 542	2 410 431	7 989 131	2 410 431	7 989 131	2 410 431	7 989 131	
Gross profit	1 428 874	992 042	488 983	538 708	76 090	71 475	320 434	180 126	80 307	31 433	18 354	6 340	(2 607)	2 410 431	7 989 131	2 410 431	7 989 131	2 410 431	7 989 131	
Profit from operations	845 215	563 690	136 921	277 096	23 002	34 616	191 223	107 308	30 948	11 891	(17 299)	(3 864)	(30 542)	2 410 431	7 989 131	2 410 431	7 989 131	2 410 431	7 989 131	

Operating profit reconciles to net profit as follows:

	30 June 2024	30 June 2023
Operating profit	1 179 468	987 413
Foreign Exchange Gains	84 580	42 920
Finance cost	(162 371)	(87 392)
Finance income	63 873	108 198
Other income/expense	(18 649)	9 132
Income tax	(290 620)	(250 474)
Net profit	856 282	809 797

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 June 2024	30 June 2023
Cost of sales	5 578 698 042	3 820 560 323
Distribution cost	734 331 861	489 182 874
Administrative expenses	496 636 110	340 630 112
	6 809 666 013	4 650 373 309
Raw and packaging materials used	4 796 183 489	3 260 290 897
Salaries and wages	763 362 522	506 621 475
Advertising expense	316 257 093	209 310 676
Depreciation and amortization	173 909 579	134 490 791
Employees benefits	112 667 525	78 915 510
Other expenses	180 848 618	147 205 475
Gas, water and electricity	98 071 149	76 181 790
Company share in social insurance	59 493 747	34 616 497
Logistics expense	72 064 491	48 180 968
Transportation expense	44 205 191	33 951 177
Vehicle expense	69 424 696	43 605 142
Maintenance	69 630 174	40 959 392
Consumable materials	53 547 739	36 043 519
Total cost of sales, distribution costs, and administrative expenses	6 809 666 013	4 650 373 309

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 June 2024.

19. 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 660 455 180 as of 30 June 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 June 2024 EGP 2 700 000 (31 December 2023: EGP 1 250 000).

(3) Edita Confectionary Industries Company

On 30 June 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 2 953 845 (31 December 2023: EGP 3 509 983).

20. Commitments

Capital commitments

The Group has capital commitments as of 30 June 2024 of EGP 815 million (31 December 2023: EGP 987 M) in respect of capital expenditure.

21. 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.
- The company hasn't been inspected for the years from 2020 to 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 were 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.

21. 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%.