

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

REVIEW REPORT AND  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED  
31 March 2024

EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES  
Notes to the Condensed consolidated interim financial statements –  
For the three months period ended 31 March 2024  
(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

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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 March 31, 2024, and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-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 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 March 31, 2024; and of its condensed consolidated interim financial performance and its condensed consolidated interim cash flows for the three-months then ended in accordance with Egyptian Accounting Standard No. 30 "Interim Financial Reporting".

Cairo, May 20, 2024

  
Kamel M. Saleh FCA

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



**EDITA FOOD INDUSTRIES (S.A.E) AND ITS SUBSIDIARIES**  
**Condensed consolidated interim Statement of Financial Position as of 31 March 2024**

	Note	31 March 2024 EGP	31 December 2023 EGP
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment and projects under constructions	3	3 841 012 514	3 371 603 358
Right of use assets		155 527 837	122 057 438
Intangible assets		193 266 408	181 837 263
Goodwill	5	118 749 727	81 397 483
<b>Total non-current assets</b>		<b>4 308 556 486</b>	<b>3 756 895 542</b>
<b>Current assets</b>			
Inventories	4	2 013 168 511	1 866 984 477
Trade receivables	14	214 014 109	105 537 703
Debtors and Other Debit Balance	15	1 040 087 813	603 531 291
Due from related parties		21 995 134	54 057 426
Treasury Bills	6	710 774 116	346 432 739
Cash and bank balances	7	863 036 590	1 009 903 473
<b>Total current assets</b>		<b>4 863 076 273</b>	<b>3 986 447 109</b>
<b>Total assets</b>		<b>9 171 632 759</b>	<b>7 743 342 651</b>
<b>Equity and liabilities</b>			
<b>Equity attributable to owners of the parent</b>			
Paid up capital	8	140 002 731	140 002 731
Legal reserve	9	72 536 289	72 536 289
Cumulative translation reserve		( 176 711 238)	( 51 231 711)
Transactions with non-controlling interest		( 32 132 098)	( 32 132 098)
Retained earnings	8	3 408 478 336	3 244 568 334
<b>Total equity</b>		<b>3 412 174 020</b>	<b>3 373 743 545</b>
Non-controlling interest		116 477 689	74 203 124
<b>Total equity</b>		<b>3 528 651 709</b>	<b>3 447 946 669</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	10	1 548 664 833	1 129 283 746
Deferred government grants	10	22 521 821	17 216 439
Employee benefit obligations		61 140 931	55 143 601
Deferred tax liabilities		214 721 556	240 116 669
Lease liabilities		173 625 420	132 705 608
<b>Total non-current liabilities</b>		<b>2 020 674 561</b>	<b>1 574 466 063</b>
<b>Current liabilities</b>			
Provisions	11	111 153 057	105 601 704
Bank overdraft	12	866 703 114	596 722 472
Trade and notes payables		989 955 939	960 343 470
Creditors and other credit balances		826 543 831	357 913 045
Current portion of borrowings	10	272 760 116	297 757 496
Deferred government grants	10	2 917 807	3 003 960
Current income tax liabilities		541 147 161	388 769 823
Lease liabilities		11 125 464	10 817 949
<b>Total current liabilities</b>		<b>3 622 306 489</b>	<b>2 720 929 919</b>
<b>Total liabilities</b>		<b>5 642 981 050</b>	<b>4 295 395 982</b>
<b>Total equity and liabilities</b>		<b>9 171 632 759</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 three months period ended 31 March 2024**

<b><u>Three Months period ended</u></b>			
	<b><u>Note</u></b>	<b><u>31-Mar-24</u></b>	<b><u>31-Mar-23</u></b>
		<b><u>EGP</u></b>	<b><u>EGP</u></b>
Revenue	16	3 927 474 125	2 779 712 789
Cost of sales	17	<u>(2 708 685 733)</u>	<u>(1 888 712 984)</u>
<b>Gross profit</b>		<b>1 218 788 392</b>	<b>890 999 805</b>
Other expenses - Net		( 4 610 716)	( 8 628 287)
Selling and Distribution cost	17	( 360 818 207)	( 240 013 746)
General and Administrative expenses	17	( 229 144 115)	( 163 201 996)
Inventory write-down provision	4	( 1 866 810)	( 1 250 000)
Provisions	11	( 6 732 519)	( 6 626 075)
Employee Benefit Obligations provision		( 5 997 330)	( 2 250 000)
Finance Income		44 882 422	53 442 216
Foreign Exchnage Gain		67 242 165	47 081 025
Finance cost - Net		<u>( 64 854 338)</u>	<u>( 42 343 533)</u>
<b>Profit before income tax</b>		<b>656 888 944</b>	<b>527 209 409</b>
Income tax expense		<u>( 154 089 296)</u>	<u>( 127 283 328)</u>
<b>Net profit for the period</b>		<b><u>502 799 648</u></b>	<b><u>399 926 081</u></b>
<b>Profit is attributable to</b>			
Owners of the parent		506 253 569	398 659 968
Non-controlling interest		<u>( 3 453 921)</u>	<u>1 266 113</u>
<b>Net profit for the period</b>		<b><u>502 799 648</u></b>	<b><u>399 926 081</u></b>
<b>Basic and Diluted earnings per share</b>	13	<b><u>0.67</u></b>	<b><u>0.56</u></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 three months ended 31 March 2024**

	Three Months period ended	
	31-Mar-24	31-Mar-23
	<u>EGP</u>	<u>EGP</u>
Net profit for the period	502 799 648	399 926 081
Other comprehensive income		
Items that may be reclassified to profit or loss :-		
Exchange differences on translation of foreign operations	( 79 751 041)	( 15 703 531)
<b>Total comprehensive income for the period</b>	<b><u>423 048 607</u></b>	<b><u>384 222 550</u></b>
<b>Attributable to</b>		
Owners of the parent	380 774 042	382 956 437
Non-controlling interest	42 274 565	1 266 113
<b>Total comprehensive income for the period</b>	<b><u>423 048 607</u></b>	<b><u>384 222 550</u></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 cash flows**  
**For the three months ended 31 March 2024**

	<u>Notes</u>	<u>31 March 2024</u> <u>EGP</u>	<u>31 March 2023</u> <u>EGP</u>
<b><u>Cash flows from operating activities</u></b>			
Profit for the period before income tax		656 888 944	527 209 409
<b>Adjustments for:</b>			
Provisions	11	6 732 519	6 626 075
Employee benefit obligation		5 997 330	2 250 000
Interest expense		59 368 465	38 473 192
Interest expense - Leases assets		5 485 873	3 870 341
Amortization -Lease		6 051 333	5 868 015
Government Grant		( 943 959)	( 1 171 104)
Interest income		( 44 882 422)	( 53 442 216)
Depreciation of Fixed Assets	3	74 655 112	59 141 290
Amortization of Intangible Assets		1 908 866	1 885 609
Provision of slow moving inventory	4	1 866 810	1 250 000
Gain from sale of property, plant and equipment		--	( 342 684)
Foreign exchange gains		( 67 242 165)	( 47 081 025)
		<b>705 886 706</b>	<b>544 536 902</b>
Inventories		( 99 613 093)	( 333 976 336)
Trade receivables and other debit balances		( 432 497 586)	32 960 782
Trade and other payables(*)		18 018 677	119 951 930
Provision utilized	11	( 2 081 645)	( 75 173)
Inventory provision used	4	( 266 435)	--
Payments of employee benefit obligations		--	( 3 239 236)
<b>Cash generated from operating activities</b>		<b>189 446 624</b>	<b>360 158 869</b>
Interest paid		( 62 252 250)	( 28 371 050)
Income tax paid		( 11 627 126)	( 11 440 837)
<b>Net cash flows generated from operating activities</b>		<b>115 567 248</b>	<b>320 346 982</b>
<b><u>Cash flows from investing activities</u></b>			
Payment for purchase of property, plant and equipment and Intangible assets(**)		( 252 223 610)	( 79 142 300)
Proceeds from sale of property, plant and equipment		--	357 649
Interest received		27 390 995	49 662 670
Payment for purchase of treasury bills		( 676 043 950)	(1 605 312 660)
Proceeds from sale of Treasury Bills		329 194 000	1 352 000 000
<b>Net cash flows used in investing activities</b>		<b>( 571 682 565)</b>	<b>( 282 434 641)</b>
<b><u>Cash flows from financing activities</u></b>			
Lease Payments		( 7 851 136)	( 6 846 770)
Payments of borrowings		( 76 680 125)	( 67 043 511)
Proceeds from borrowings		11 734 330	30 869 310
<b>Net cash flows used in financing activities</b>		<b>( 72 796 931)</b>	<b>( 43 020 971)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>( 528 912 248)</b>	<b>( 5 108 630)</b>
Cash and cash equivalents at beginning of the period	7	413 181 001	( 7 275 363)
Effect of change in exchange rates on cash and cash equivalents		112 064 723	27 614 605
<b>Cash and cash equivalents at end of the period</b>	7	<b>( 3 666 524)</b>	<b>15 230 612</b>
<b><u>Non-cash transactions</u></b>			

\* The effect of the dividends distribution amounted to EGP 342 352 214 had been eliminated from Trade and other payables.

\*\* The effect of credit purchase of property, plant, and equipment amounted to EGP 110 079 494 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.



**EDITA FOOD INDUSTRIES S.A.E.**  
Condensed consolidated interim statement of changes in equity  
For the three months ended 31 March 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
Balance at 1 January 2023	144 611 688	78 953 630	(42 435 638)	(32 132 098)	(160 827 557)	2 687 811 227	(385 112)	2 675 981 252	40 997 184	2 716 978 436					
Transfer to legal reserve	-	-	-	-	-	-	-	-	-	-					
Other comprehensive income	-	-	-	-	-	-	-	-	-	-					
Net profit for the period	-	-	-	-	-	-	-	-	-	-					
Other comprehensive income	-	-	-	-	-	-	-	-	-	-					
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-					
Shareholders transactions															
Treasury Shares write-off	-	-	-	-	-	-	-	-	-	-					
Dividends Distribution for 2022	-	-	-	-	-	-	-	-	-	-					
Total shareholders transactions	-	-	-	-	-	-	-	-	-	-					
Balance at 31 March 2023	144 611 688	79 338 742	(70 050 243)	(32 132 098)	(160 827 557)	2 614 186 083	(471 900 000)	2 575 126 615	54 174 371	2 629 300 986					
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	-	-	-	-	-	-	-	-	-	-					
Net profit for the period	-	-	-	-	-	-	-	-	-	-					
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-					
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-					
Shareholders transactions															
Dividends Distribution for 2023 *	-	-	-	-	-	-	-	-	-	-					
Total shareholders transactions	-	-	-	-	-	-	-	-	-	-					
Balance at 31 March 2024	140 002 731	72 536 289	(176 711 238)	(32 132 098)	-	3 408 478 336	-	3 412 174 020	116 477 689	3 528 651 709					

\* The Dividends distribution includes an amount of EGP 42 343 567 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.

## 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 20 May 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 31 March 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.



**EDITA FOOD INDUSTRIES (S.A.E.) AND ITS SUBSIDIARIES**  
**Notes to the Condensed consolidated interim financial statements –**  
**For the three months period ended 31 March 2024**  
(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		31 March 2024	31 December 2023	31 March 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 three months period ended 31 March 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 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
<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	-	-	-	-	-	-	(12 651 707)	(12 651 707)
Translation differences	-	125 868 321	55 073 932	-	12 710 067	648 556	339 995	194 640 871
Additions	-	-	786 547	146 544 460	10 216 219	6 119 355	198 408 523	362 075 104
Disposals	-	-	-	-	-	-	-	-
Cost as of March 31, 2024	149 150 128	1 401 617 519	2 149 904 646	678 639 371	354 438 255	189 957 735	549 559 554	5 473 267 208
<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	-	( 14 517 300)	( 23 977 639)	(19 359 479)	( 11 267 324)	( 5 533 370)	-	( 74 655 112)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-
Accumulated Depreciation as of March 31, 2024	-	( 356 943 451)	( 659 881 465)	( 259 653 993)	( 210 843 851)	( 144 931 934)	-	(1 632 254 694)
Net book value as of March 31, 2024	149 150 128	1 044 674 068	1 490 023 181	418 985 378	143 594 404	45 025 801	549 559 554	3 841 012 514

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

	31 March 2024	31 March 2023
Cost of sales	47 904 742	41 250 994
Distribution costs	20 362 102	12 429 096
Administrative expenses	6 388 268	5 461 200
	<b>74 655 112</b>	<b>59 141 290</b>

\* The project under construction represents the following Categories:

	31 March 2024	31 December 2023
Buildings	116 883 274	93 585 983
Machinery and equipment	374 660 807	219 166 801
Tools and equipment	16 720 450	10 030 476
Technical and other installations	41 295 023	40 679 483
	<b>549 559 554</b>	<b>363 462 743</b>

#### 4. Inventories

	31 March 2024	31 December 2023
Raw and packaging materials	1 684 826 649	1 598 551 501
Finished goods	184 406 535	131 491 903
Spare parts	79 465 145	74 762 406
Work in process	57 335 770	55 145 282
Consumables	22 057 932	20 356 530
<b>Total</b>	<b>2 028 092 031</b>	<b>1 880 307 622</b>
Less: write-down for slow moving and obsolete inventory	(14 923 520)	(13 323 145)
<b>Net</b>	<b>2 013 168 511</b>	<b>1 866 984 477</b>

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

	31 March 2024	31 December 2023
<b>Balance as of 1 January</b>	13 323 145	7 309 741
Charged during the period / year	1 866 810	10 543 416
Utilized during the period / year	(266 435)	(4 530 012)
<b>Ending Balance as of the period / year</b>	<b>14 923 520</b>	<b>13 323 145</b>



## 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.

	31 March 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	37 352 244	28 145 545
<b>Ending Balance as of the year</b>	<b>118 749 727</b>	<b>81 397 483</b>

	30 April 2022
	<b>EGP</b>
<b>The net fair value of the assets and liabilities acquired</b>	<b>87 859 000</b>
<b>Deduct:</b>	
Consideration paid to acquire the additional stake of 7.4%	12 611 623
Fair value of the previously held interest	96 996 193
Non-controlling interest shares at fair value of net identifiable assets	20 207 570
<b>Goodwill</b>	<b>41 956 386</b>

## 6. Treasury bills

	31 March 2024	31 December 2023
<b>Treasury bills par value</b>		
91 Days maturity	720 000 000	350 000 000
<b>Total</b>	<b>720 000 000</b>	<b>350 000 000</b>
Total Unearned credit interest	(43 956 050)	(20 806 000)
<b>Amount paid for treasury bills</b>	<b>676 043 950</b>	<b>329 194 000</b>
Interest income recognized to profit or loss	34 730 166	17 238 739
<b>Treasury bills balance</b>	<b>710 774 116</b>	<b>346 432 739</b>

- The average effective interest rate related to treasury bills is 25.90%.
- 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

	31 March 2024	31 December 2023
Cash at banks and on hand	743 702 300	669 815 464
Time deposit	--	265 184 932
Time deposit – Foreign currency	119 334 290	74 903 077
<b>Cash and bank balances</b>	<b>863 036 590</b>	<b>1 009 903 473</b>

The average rate on time deposit is 6.12% with maturity less than three months.

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

	31 March 2024	31 December 2023
Cash and bank balances	863 036 590	1 009 903 473
Bank overdraft (Note 12)	(866 703 114)	(596 722 472)
<b>Total</b>	<b>(3 666 524)</b>	<b>413 181 001</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) 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 31 March 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 105 173 725 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

	31 March 2024			31 December 2023		
	Non-current			Non-current		
	Current portion	portion	Total	Current portion	portion	Total
Loans	272 760 116	1 548 664 833	1 821 424 949	297 757 496	1 129 283 746	1 427 041 242
	<b>272 760 116</b>	<b>1 548 664 833</b>	<b>1 821 424 949</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:

	31 March 2024	31 December 2023
Balance due within 1 year	235 297 949	275 413 659
Accrued interest	37 462 167	22 343 837
	<b>272 760 116</b>	<b>297 757 496</b>

#### (1) IFC loan obtained by Edita food industries and EPL

	31 March 2024			31 December 2023		
	Non-current			Non-current		
	Current portion	portion	Total	Current portion	portion	Total
IFC loan	31 435 130	946 000 000	977 435 130	6 998 953	619 000 000	625 998 953
	<b>31 435 130</b>	<b>946 000 000</b>	<b>977 435 130</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:

	31 March 2024	31 December 2023
Balance due within 1 year	--	--
Accrued interest	31 435 130	6 998 953
	<b>31 435 130</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 March 31,2024, the outstanding balance as per Edita Participation Cyprus Limited amounted to USD 20 666 648 (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

	31 March 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	55 021 245	5 463 387	60 484 632	54 544 317	4 227 158	58 771 475
Eighth Loan	51 209 576	30 909 182	82 118 758	41 022 947	49 594 457	90 617 404
Ninth loan	50 144 354	22 397 407	72 541 761	41 621 076	41 214 756	82 835 832
Tenth Loan	32 433 352	15 281 949	47 715 301	32 085 831	14 375 274	46 461 105
Eleventh Loan	1 972 569	190 000 000	191 972 569	11 498 958	190 000 000	201 498 958
Twelfth loan	13 672 616	44 231 116	57 903 732	9 761 994	35 708 465	45 470 459
Thirteenth Loan	46 130	8 251 893	8 298 023	--	--	--
<b>Total</b>	<b>204 866 370</b>	<b>316 534 934</b>	<b>521 401 304</b>	<b>210 892 484</b>	<b>335 120 110</b>	<b>546 012 594</b>

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

	31 March 2024	31 December 2023
Balance due within 1 year	201 445 989	198 201 286
Accrued interest	3 420 381	12 691 198
<b>Total</b>	<b>204 866 370</b>	<b>210 892 484</b>

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

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

31 March 2024			31 December 2023		
Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
35 968 866	--	35 968 866	36 015 897	16 681 106	52 697 003
<b>35 968 866</b>	<b>--</b>	<b>35 968 866</b>	<b>36 015 897</b>	<b>16 681 106</b>	<b>52 697 003</b>



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The due current portion is according to the following schedule:

	<u>31 March 2024</u>	<u>31 December 2023</u>
Balance due within 1 year	33 362 211	33 362 211
Accrued interest	2 606 655	2 653 686
	<u>35 968 866</u>	<u>36 015 897</u>

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 31 March 2023 amounted to 37 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:**

<u>31 March 2024</u>			<u>31 December 2023</u>		
<b>Non-Current</b>			<b>Non-current</b>		
<b>Current portion</b>	<b>Portion</b>	<b>Total</b>	<b>Current Portion</b>	<b>Portion</b>	<b>Total</b>
489 750	286 129 899	286 619 649	43 850 162	158 482 530	202 332 692
<u>489 750</u>	<u>286 129 899</u>	<u>286 619 649</u>	<u>43 850 162</u>	<u>158 482 530</u>	<u>202 332 692</u>

The due current portion is according to the following schedule:

	<u>31 March 2024</u>	<u>31 December 2023</u>
Balance due within 1 year	489 750	43 850 162
Accrued interest	--	--
	<u>489 750</u>	<u>43 850 162</u>

**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.

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The Deferred government grants is according to the following schedule:

	31 March 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Seventh loan	1 898 245	2 002 752	3 900 997	1 858 544	2 614 040	4 472 584
Eighth loan	--	--	--	41 727	--	41 727
Ninth loan	442 078	583 494	1 025 572	475 935	698 953	1 174 888
Tenth loan	577 484	338 109	915 593	627 754	469 168	1 096 922
	<b>2 917 708</b>	<b>2 924 355</b>	<b>5 842 162</b>	<b>3 003 960</b>	<b>3 782 161</b>	<b>6 786 121</b>

	31 March 2024	31 December 2023
Government Grant – Investment subsidy – Edita	19 597 466	13 434 278
Morocco – Non-Current		
	<b>19 597 466</b>	<b>13 434 278</b>

**11. Provisions**

	31 March 2024	31 December 2023
Balance at 1 January	105 601 704	76 257 773
Additions during the year	8 797 671	38 728 138
Utilized during the year	(2 081 645)	(1 601 262)
Provision no longer required	(2 065 152)	(8 148 635)
Currency translation – Morocco	900 479	365 690
<b>Ending Balance as of</b>	<b>111 153 057</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**

	31 March 2024	31 December 2023
Bank overdraft	866 703 114	596 722 472
<b>Total</b>	<b>866 703 114</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 22.14% as of 31 March 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.

	31 March 2024	31 March 2023
<b>Profit attributed to owners of the parent</b>	506 253 569	398 659 968
Employees' profit share*	(35 616 666)	--
<b>Profit attributed to owners of the parent after employees' profit share</b>	<b>470 636 903</b>	<b>398 659 968</b>
<b>Weighted average number of ordinary shares in issue</b>		
Ordinary shares	700 013 656	723 058 439
Treasury shares (Note 10)	--	(15 814 199)
<b>Weighted average number of ordinary shares in issue</b>	<b>700 013 656</b>	<b>707 244 240</b>
<b>Basic earnings per share</b>	<b>0.67</b>	<b>0.56</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

	31 March 2024	31 December 2023
Trade receivables	213 593 063	101 624 756
Notes receivable	421 046	3 912 947
<b>Total</b>	<b>214 014 109</b>	<b>105 537 703</b>

### 15. Debtors and other debit balances

	31 March 2024	31 December 2023
Advances to suppliers	827 005 075	467 610 451
Prepaid expenses	76 621 664	45 622 157
Deposits with others	23 695 671	24 213 630
Other debit balances	110 330 448	16 137 507
Withholding taxes	1 926 383	3 149 697
Value Added Tax – Morocco	--	46 060 325
Letters of credit	345 829	500 004
Employee loans	162 743	237 520
<b>Total</b>	<b>1 040 087 813</b>	<b>603 531 291</b>



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**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		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		Total
31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024
Revenue	2 012 494	1 512 230	1 057 724	767 465	165 357	139 498	492 896	289 372	136 707	61 647	39 399	9 501	22 897	3 927 474
Gross profit	722 481	494 913	247 244	244 514	38 473	39 143	162 021	99 894	40 606	13 020	9 280	(485)	(1 318)	1 218 787
Profit from operations	450 625	284 251	72 999	125 117	12 263	18 762	101 950	57 623	16 500	5 003	(9 223)	(2 971)	(16 288)	628 826
														487 785

Operating profit reconciles to net profit as follows:

	31 March 2024	31 March 2023
<b>Operating profit</b>	628 826	487 784
Foreign Exchange Gains	67 242	47 081
Finance cost	(64 854)	(42 344)
Finance income	44 882	53 442
Other income/expense	(19 207)	(18 754)
Income tax	(154 089)	(127 283)
<b>Net profit</b>	<b>502 800</b>	<b>399 926</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

	31 March 2024	31 March 2023
Cost of sales	2 708 685 733	1 888 712 984
Distribution cost	360 818 207	240 013 746
Administrative expenses	229 144 115	163 201 996
	<b>3 298 648 055</b>	<b>2 291 928 727</b>
Raw and packaging materials used	2 323 519 342	1 606 898 785
Salaries and wages	375 196 794	251 569 702
Advertising expense	153 175 677	102 863 704
Depreciation and amortization	82 615 307	66 894 899
Employees benefits	54 005 979	39 350 291
Other expenses	78 486 141	70 207 271
Gas, water and electricity	46 488 465	39 881 108
Company share in social insurance	29 074 938	16 926 707
Logistics expense	36 023 236	23 174 329
Transportation expense	21 720 211	18 359 187
Vehicle expense	33 606 066	21 138 754
Maintenance	37 717 550	18 328 953
Consumable materials	27 018 349	16 335 036
<b>Total cost of sales, distribution costs, and administrative expenses</b>	<b>3 298 648 055</b>	<b>2 291 928 726</b>



## 18. 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 278 012 735 as of 31 March 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 31 March 2024 EGP 2 700 000 (31 December 2023: EGP 1 250 000).

### (3) Edita Confectionary Industries Company

On 31 March 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 741 377 (31 December 2023: EGP 3 509 983).

## 19. Commitments

### Capital commitments

The Group has capital commitments as of 31 March 2024 of EGP 1 111 million (31 December 2023: EGP 987 M) in respect of capital expenditure.

## 20. 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 2020 and the tax resulting from the tax inspection and assessment were settled and paid to the Tax Authority.
- As for the years 2021 till 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 0.429 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 to be distributed by way of free shares, for which, procedures for seeking necessary approvals concerned authorities 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%.



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

- 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.