

EDITA FOOD INDUSTRIES S.A.E.

**REVIEW REPORT AND
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
30 June 2025**

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Saleh, Barsoum & Abdel Aziz

Grant Thornton

Saleh, Barsoum & Abdel Aziz

Nile City South Tower,

6th floor

2005A Cornish El Nil,

Ramlet Boulaq, Cairo, 11221

Egypt

T +20 (0) 2 246 199 09

Review Report

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

Introduction

We have reviewed the accompanying condensed separate interim financial statements of Edita Food Industries (S.A.E) comprised of the condensed separate interim statement of financial position as of June 30, 2025, and the related condensed separate 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 separate interim financial statements in accordance with the Egyptian Accounting Standard No. 30. Our responsibility is to express a conclusion on these interim separate financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Egyptian Standards on Review Engagements No. 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of condensed separate 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 separate interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed separate interim financial statements do not present fairly, in all material respects the financial position of Edita Food Industries (S.A.E) as of June 30, 2025; and of its financial performance and its cash flows for the Six-months then ended in accordance with Egyptian Accounting Standard No. 30 "Interim Financial Reporting".

Cairo, August 11, 2025



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

EDITA FOOD INDUSTRIES S.A.E.

Condensed Separate interim statement of financial position as of 30 June 2025

	<u>Note</u>	<u>30-Jun-25</u>	<u>31-Dec-24</u>
		<u>EGP</u>	<u>EGP</u>
Assets			
Non-current assets			
Property, plant and equipment and projects under constructions	(3)	2 946 206 591	2 760 449 224
Intangible assets		206 673 836	211 655 747
Investments in subsidiaries	(4)	705 600 849	705 600 849
Total non-current assets		3 858 481 276	3 677 705 820
Current assets			
Inventories (net)	(5)	1 570 443 324	2 575 892 287
Debtors and other debit balances	(14)	568 749 964	442 181 881
Due from related parties		320 057 515	239 632 327
Treasury bills	(6)	2 055 401 482	595 407 495
Cash and bank balances	(7)	594 672 861	24 705 512
Assets held for sale	(18)	14 167 376	--
Total current assets		5 123 492 522	3 877 819 502
Total assets		8 981 973 798	7 555 525 322
Equity and liabilities			
Equity			
Issued and Paid-up capital	(8)	280 005 462	140 002 731
Legal reserve	(9)	72 536 290	72 536 290
Retained earnings		3 270 643 294	3 360 857 935
Total equity		3 623 185 046	3 573 396 956
Liabilities			
Non-current liabilities			
Borrowings	(10)	959 638 380	969 992 766
Deferred government grant	(10)	430 753	1 194 586
Employee benefit obligations		63 441 592	55 000 269
Deferred tax liabilities, net		316 585 175	287 523 185
Total non-current liabilities		1 340 095 900	1 313 710 806
Current liabilities			
Provisions	(11)	62 488 984	65 467 747
Bank overdraft	(12)	502 194 853	738 782 744
Trade and notes Payables		1 125 611 998	781 157 101
Creditors Other Credit balances	(18)	1 015 052 340	399 566 358
Due to related parties	(15)	966 283 821	358 456 659
Borrowings	(10)	170 187 154	166 134 614
Deferred government grant - Current portion	(10)	1 683 839	2 181 684
Current income tax liabilities		175 189 863	156 670 653
Total current liabilities		4 018 692 852	2 668 417 560
Total liabilities		5 358 788 752	3 982 128 366
Total equity and liabilities		8 981 973 798	7 555 525 322

- The accompanying notes form an integral part of these condensed separate Interim financial statements.

Mr. Sameh Naguib
Deputy Group CEO and CFO

Eng. Hani Berzi
Chairman

- Review report attached

EDITA FOOD INDUSTRIES S.A.E.
Condensed Separate interim statement of profit or loss
For the six months ended 30 June 2025

	Note	The six months period ended		The three months period ended	
		30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
		EGP	EGP	EGP	EGP
Revenue	(17)	7 349 376 843	6 434 364 417	4 011 282 665	3 292 339 547
Cost of sales	(19)	(5 366 609 048)	(4 946 897 813)	(2 884 606 743)	(2 549 281 440)
Gross profit		1 982 767 795	1 487 466 604	1 126 675 922	743 058 107
Other revenues - Net		1 156 721	12 071 181	4 371 360	17 559 784
Distribution cost	(19)	(222 485 380)	(213 774 286)	(142 671 014)	(107 200 086)
Administrative expenses	(19)	(504 220 839)	(366 686 556)	(248 586 875)	(192 821 836)
Inventory write-down provision	(5)	(3 600 000)	--	(1 800 000)	--
Provisions	(11)	(7 918 875)	(9 779 064)	(3 942 262)	(5 077 160)
Employee benefit obligations provision		(9 561 786)	(8 478 872)	(4 780 893)	(4 239 436)
Expected credit losses - Due from related parties		(16 568 367)	--	(5 357 754)	--
Interest income		191 670 906	59 350 509	118 698 244	15 520 370
Foreign Exchange (Loss) Gain		(547 163)	86 968 201	(8 182 118)	17 318 941
Finance cost		(157 511 155)	(98 955 668)	(81 969 390)	(61 844 782)
Profit for the period before tax		1 253 181 857	948 182 049	752 455 220	422 273 902
Income tax expense		(314 393 767)	(224 190 026)	(188 867 408)	(104 285 449)
Net profit for the period		938 788 090	723 992 023	563 587 812	317 988 453
Basic earnings per share	(13)	0.96	0.73	0.58	0.32
Diluted earnings per share	(13)	0.96	0.73	0.58	0.32

- The accompanying notes form an integral part of these condensed separate Interim financial statements.

EDITA FOOD INDUSTRIES S.A.E.
Condensed Separate interim statement of comprehensive income
For the six months ended 30 June 2025

	The six months period ended		The three months period	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Net profit for the period	938 788 090	723 992 023	563 587 812	317 988 453
Other comprehensive income for the period	--	--	--	--
Total comprehensive income for the period	<u>938 788 090</u>	<u>723 992 023</u>	<u>563 587 812</u>	<u>317 988 453</u>

- The accompanying notes form an integral part of these condensed separate Interim financial statements.

EDITA FOOD INDUSTRIES S.A.E.
Condensed Separate interim statement of changes in equity
For the six months ended 30 June 2025

	Share capital	Legal reserve	Retained earnings	Total
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Balance at 1 January 2024	140 002 731	72 536 290	2 721 626 520	2 934 165 541
Change of equity in 2024				
Profit for the period	--	--	723 992 023	723 992 023
Total comprehensive income for the period			723 992 023	723 992 023
Shareholders transactions				
Dividends distribution for 2023	--	--	(342 343 567)	(342 343 567)
Total Shareholders transactions			(342 343 567)	(342 343 567)
Balance at 30 June 2024	140 002 731	72 536 290	3 103 274 976	3 315 813 997
Balance at 1 January 2025	140 002 731	72 536 290	3 360 857 935	3 573 396 956
Change of equity in 2025				
Profit for the period	--	--	938 788 090	938 788 090
Total comprehensive income for the period			938 788 090	938 788 090
Shareholders transactions				
Dividends distribution for 2024	--	--	(889 000 000)	(889 000 000)
Capital Increase	140 002 731	--	(140 002 731)	--
Total Shareholders transactions	140 002 731	--	(1 029 002 731)	(889 000 000)
Balance at 30 June 2025	280 005 462	72 536 290	3 270 643 294	3 623 185 046

- The accompanying notes form an integral part of these condensed separate Interim financial statements.

EDITA FOOD INDUSTRIES S.A.E.
Condensed Separate interim statement of cash flows
For the six months ended 30 June 2025

	<u>Notes</u>	<u>30-Jun-25</u>	<u>30-Jun-24</u>
		<u>EGP</u>	<u>EGP</u>
<u>Cash flows from operating activities</u>			
Profit for the period before income tax		1 253 181 857	948 182 049
Adjustments for:			
Provisions	(11)	7 918 875	9 779 064
Provision for employee benefit obligation		9 561 786	8 478 872
Interest expenses		157 511 155	98 955 668
Interest income		(191 670 906)	(59 350 509)
Depreciation of Fixed Assets	(3)	116 046 160	80 497 539
Amortization of intangible assets		5 358 111	3 467 877
Expected credit losses - Due from related parties		16 568 367	--
Government grant income		(1 261 678)	(1 820 581)
write-down of slow moving inventory	(5)	3 600 000	--
Gain on disposal of property, plant and equipment	(3)	(2 908 530)	(457 620)
Foreign exchange (gain)		547 163	(86 968 201)
Operating income before changes in working capital		1 374 452 360	1 000 764 158
<u>Changes in working Capital</u>			
Inventories		1 003 401 098	(381 799 840)
Debtors and other receivables		(126 568 083)	(163 607 389)
Due from related parties		(96 993 555)	66 291 948
Trade and other payables**		604 008 233	296 550 543
Due to related parties		607 827 162	239 566 603
Provision utilized	(11)	(10 897 638)	(1 055)
Inventory provision used	(5)	(1 552 135)	--
Payment of employee benefits obligation		(1 120 463)	(520 279)
Dividends paid to company's employees		(88 450 355)	(57 856 058)
Cash inflow from operating activities		3 264 106 624	999 388 631
Interest paid		(222 412 892)	(108 389 249)
Income taxes paid		(266 812 566)	(337 302 288)
Net cash inflow from operating activities		2 774 881 166	553 697 094
<u>Cash flows from investing activities</u>			
Payment for purchase of property, plant and equipment and projects under construction*		(348 311 578)	(568 489 319)
Payment of intangible assets		(376 200)	(228 000)
Proceeds from disposal of property, plant and equipment***	(3)	3 216 606	545 682
Interest received		106 854 792	76 589 248
Payment for purchase of treasury bills		(3 426 119 122)	(676 043 950)
Proceeds from treasury bills		2 033 520 209	1 005 237 950
Net cash inflow (outflow) from investing activities		(1 631 215 293)	(162 388 389)
<u>Cash flows from financing activities</u>			
Proceeds from borrowings		103 444 092	391 009 893
Repayment of borrowings		(40 463 470)	(58 269 033)
Dividends paid		(400 091 255)	(300 000 000)
Net cash outflow from financing activities		(337 110 633)	32 740 860
Net increase in cash and cash equivalents		806 555 240	424 049 565
Cash and cash equivalents at beginning of the period		(714 077 232)	(441 192 171)
Cash and cash equivalents at the end of the period	(7)	92 478 008	(17 142 606)

Non cash transactions

* The effect of credit purchase of property, plant, and equipment amounted to EGP 47 635 034 had been eliminated as non cash transaction from both Trade and other payables as well as Payment for purchase of Property, Plant and equipment and projects under construction.

** The effect of Dividends payable amounted to EGP 402 132 621 had been eliminated as a non cash transaction from creditors and other credit balances.

*** The effect of production line sale to "Ahramat Al-Nile for General Trade and Food Industries" amounted to EGP 56 655 823 had been eliminated as non cash transaction from both Trade and other payables as well as proceeds from disposal of property, plant and equipment (Note 3).

- The accompanying notes form an integral part of these condensed separate Interim financial statements.

EDITA FOOD INDUSTRIES S.A.E.

Notes to the condensed separate interim financial statements - For the six months period ended 30 June 2025

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

1. General information

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

The Company is located in Sheikh Zayed city - Central Axis, Giza.

The Company provides manufacturing, producing, and packing of all food products and producing and packing of juices, jams, readymade food, dry goods, cakes, pastry, dairy products, meat, vegetables, fruits, chocolate, vegetarian products and other food products with all necessary ingredients, the company is registered in Egypt and London's stock exchange.

These condensed separate interim financial statements have been approved by the board of directors on 11 August 2025.

2. Accounting policies

The condensed separate interim financial statements have been prepared following the same accounting policies that were applied and followed when preparing the financial statements for the financial year ending on December 31, 2024

A. Basis of preparation

The condensed separate interim financial statements have been prepared in accordance with Egyptian Accounting Standard no. 30 "Interim Financial Reporting" and applicable related laws and regulations. The condensed separate financial statements have been prepared under the historical cost convention except for employees' end of services obligations, which is measured by the present value of the obligation.

The preparation of condensed separate 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 Company's accounting.

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.

EDITA FOOD INDUSTRIES S.A.E.

Notes to the condensed separate interim financial statements - For the six months period ended 30 June 2025
(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								
January 1, 2024	106 714 127	888 498 129	1 523 868 718	63 646 838	253 491 814	106 506 480	257 179 749	3 199 905 855
Transferred from projects under constructions	--	109 371 734	697 711 368	--	54 136 538	6 577 444	(909 157 226)	(41 360 142)
Additions	--	--	1 974 210	55 632 742	44 701 190	19 902 846	780 267 176	902 478 164
Disposals	--	--	(191 591)	(6 591 900)	(1 960 078)	(341 447)	--	(9 085 016)
Cost as of December 31, 2024	106 714 127	997 869 863	2 223 362 705	112 687 680	350 369 464	132 645 323	128 289 699	4 051 938 861
Accumulated depreciation								
January 1, 2024	--	(273 535 833)	(563 216 223)	(31 731 582)	(167 991 581)	(88 030 175)	--	(1 124 505 394)
Depreciation for the year	--	(35 718 118)	(78 324 256)	(15 301 350)	(36 197 882)	(9 379 780)	--	(174 921 386)
Accumulated depreciation of disposals	--	--	154 868	6 467 832	972 996	341 447	--	7 937 143
As of December 31, 2024	--	(309 253 951)	(641 385 611)	(40 565 100)	(203 216 467)	(97 068 508)	--	(1 291 489 637)
Cost as of January 1, 2025	106 714 127	997 869 863	2 223 362 705	112 687 680	350 369 464	132 645 323	128 289 699	4 051 938 861
Transferred from projects under constructions	--	25 988 790	43 379 821	--	32 937 430	316 350	(102 998 591)	(376 200)
Additions	--	290 734	8 058 875	34 464 600	23 117 267	3 198 502	290 013 649	359 143 627
Disposals	--	(8 415)	(50 260 291)	(4 393 894)	(1 383 851)	(26 849)	(31 917 379)	(87 990 679)
Cost as of June 30, 2025	106 714 127	1 024 140 972	2 224 541 110	142 758 386	405 040 310	136 133 326	283 387 378	4 322 715 609
Accumulated depreciation								
As of January 1, 2025	--	(309 253 951)	(641 385 611)	(40 565 100)	(203 216 467)	(97 068 508)	--	(1 291 489 637)
Depreciation for the period	--	(16 796 367)	(58 349 318)	(9 185 446)	(25 118 362)	(6 596 667)	--	(116 046 160)
Accumulated depreciation of disposals	--	5 021	25 627 708	4 099 896	1 156 993	137 161	--	31 026 779
As of June 30, 2025	--	(326 045 297)	(674 107 221)	(45 650 650)	(227 177 836)	(103 528 014)	--	(1 376 509 018)
Net book value as of December 31, 2024	106 714 127	688 615 912	1 581 977 094	72 122 580	147 152 997	35 576 815	128 289 699	2 760 449 224
Net book value as of June 30, 2025	106 714 127	698 095 675	1 550 433 889	97 107 736	177 862 474	32 605 312	283 387 378	2 946 206 591

EDITA FOOD INDUSTRIES S.A.E.**Notes to the condensed separate interim financial statements - For the six months period ended 30 June 2025**

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

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

	30 June 2025	30 June 2024
Charged to cost of sales	99 481 328	69 140 029
Charged to administrative expenses	16 354 503	11 155 103
Charged to distribution costs	210 329	202 407
	116 046 160	80 497 539

The project under construction represents the following Categories:

	30 June 2025	31 December 2024
Buildings	29 688 183	11 046 636
Machinery and equipment	181 355 591	59 099 893
Tools and equipment	4 032 326	4 957 154
Technical and other installations	68 311 278	53 186 016
	283 387 378	128 289 699

Cash flow statement.

The proceeds from disposal of fixed assets in the cash flow represented as follows:

	30 June 2025	30 June 2024
Net book value of the assets disposed	308 076	88 062
Losses / gain on sale of property, plant and equipment	2 908 530	457 620
	3 216 606	545 682

*The effect of production line sale to "Ahramat Al-Nile for General Trade and Food Industries" amounted to EGP 56 655 823 had been eliminated as non-cash transaction (Note 18).

4. Investments in subsidiaries

	Country of Incorporation	% Interest held	30 June 2025	31 December 2024
Edita for Trade and Distribution	Egypt	99.80%	44 939 639	44 939 639
Edita Confectionary Industries*	Egypt	99.98%	134 820 782	134 820 782
Edita Participation Ltd.	Cyprus	100%	14 024	14 024
Edita for Food Investments**	Egypt	98%	4 900 000	4 900 000
Edita Frozen Food industries***	Egypt	100%	520 926 404	520 926 404
			705 600 849	705 600 849

*On March 6, 2019, the company signed an official agreement with Confidential LTD for the acquisition of 2 279 287 shares (22.27%) which is their total ownership in Edita Confectionary Industries for a total consideration of 55 297 782. The deal was finalized in June of 2019; and Edita Food Industries' share in Edita Confectionary Industries increased from 77.71% to 99.98%.

**On December 8, 2022, Edita Holding for Investments had been established as Stock Authorised Enterprise with authorized and issued share capital of EGP 5 000 000. The company's purpose is establishment of companies that issue financial instruments.

EDITA FOOD INDUSTRIES S.A.E.**Notes to the condensed separate interim financial statements - For the six months period ended 30 June 2025**

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

***On 29 May 2023, the company signed a Sell Purchase agreement with Fancy Foods S.A.E Shareholders for the acquisition of 2 000 000 shares (100%) which is their total ownership in Fancy Foods S.A.E for a total purchase price of EGP 120 926 804. The deal was Closed on 13 June 2023.

On 1 August 2023, Edita Frozen Food Industries' board of directors has approved to increase the company paid-up capital by EGP 400 000 000. Article (6) and (7) has been amended accordingly.

The paid-up capital increase had been fully paid according to bank certificate issued by National Bank of Kuwait.

5. Inventories (net)

	<u>30 June 2025</u>	<u>31 December 2024</u>
Raw and packaging materials	1 385 864 921	2 361 622 449
Finished goods	47 005 961	77 315 888
Spare parts	69 933 432	65 621 859
Work in process	52 142 352	56 108 682
Consumables	24 328 789	22 007 675
Total	1 579 275 455	2 582 676 553
Less: write-down for slow moving and obsolete inventory	(8 832 131)	(6 784 266)
Net	1 570 443 324	2 575 892 287

Write-down for slow moving and obsolete inventory.

	<u>30 June 2025</u>	<u>31 December 2024</u>
Balance on 1 January	6 784 266	7 179 196
Charged during the period / year	3 600 000	--
Utilized during the period / year	(1 552 135)	(394 930)
Ending Balance as of the period / year	8 832 131	6 784 266

6. Treasury bills

	<u>30 June 2025</u>	<u>31 December 2024</u>
Treasury bills par value		
91 Days maturity	346 950 000	--
91-182 Days maturity	1 499 460 000	639 250 000
266-364 Days maturity	340 000 000	--
Total	2 186 410 000	639 250 000
Total Unearned credit interest	(237 814 851)	(81 543 941)
Amount paid for treasury bills	1 948 595 149	557 706 059
Interest income recognized to profit or loss	106 806 333	37 701 436
Treasury bills balance	2 055 401 482	595 407 495

The average effective interest rate related to treasury bills is 27.26%.

According to the decision of the head minister no. 4575 for 2023, financial debt instruments issued by the Egyptian government in the local currency are exempted from recognition and expected credit losses measurement.

7. Cash and bank balances

	<u>30 June 2025</u>	<u>31 December 2024</u>
Cash on hand	11 136 258	1 322 932
Cash at banks	583 536 603	23 382 580
Cash and bank balances	<u>594 672 861</u>	<u>24 705 512</u>

For the purpose of the preparation of the condensed separate Interim cash flow statement, cash and cash equivalents consist of:

	<u>30 June 2025</u>	<u>30 June 2024</u>
Cash and bank balances	594 672 861	348 953 908
Bank overdraft (Note 12)	(502 194 853)	(366 096 514)
Total	<u>92 478 008</u>	<u>(17 142 606)</u>

8. Issued and paid-up capital

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

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

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

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

On April 16, 2025, the extra ordinary general assembly of the company's shareholders was held, and it approved the issued capital increase from EGP 140 002 731 to EGP 280 005 462 with an increase of EGP 140 002 731 against 700 013 656 shares with par value of EGP 0.2 per share. The increase will be financed through the retained earnings as per the financial statements for the period ended 31st of December 2023 that was previously approved by the ordinary general assembly of the company's shareholders that was held on 28th of March 2024 and the financial report issued by GAFI's economic performance department no. 2930/2024 dated 6th of November 2024. On May 7, 2025, the capital increase had been authorized in the company commercial register.

As of 30 June 2025 the issued and paid-up capital amounted to EGP 280 005 462 (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 company may stop such transfers when the legal reserve reaches 50% of the issued capital. The reserve is not eligible for distribution to shareholders.

10. Borrowings

	30 June 2025			31 December 2024		
	Current	Non-current	Total	Current	Non-current	Total
Seventh loan	19 200 000	11 949 732	31 149 732	19 200 000	21 338 276	40 538 276
Eighth Loan	17 192 510	48 580 142	65 772 652	17 192 510	56 985 002	74 177 512
Ninth Loan	13 538 533	13 897 840	27 436 373	17 662 815	47 611 025	65 273 840
Tenth loan	17 679 906	38 730 895	56 410 801	13 538 533	20 383 146	33 921 679
Eleventh loan	33 695 972	171 000 000	204 695 972	15 780 557	190 000 000	205 780 557
Twelfth loan	13 985 588	32 972 269	46 957 857	14 481 628	40 349 640	54 831 268
Thirteenth Loan	3 512 277	25 919 092	29 431 369	735 974	28 798 991	29 534 965
Fourteenth loan	51 382 368	616 588 410	667 970 778	67 542 597	564 526 686	632 069 283
Total	170 187 154	959 638 380	1 129 825 534	166 134 614	969 992 766	1 136 127 380

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

	30 June 2025	31 December 2024
Balance due within 1 year	154 062 123	81 043 738
Accrued interest	16 125 031	85 090 876
Total	170 187 154	166 134 614

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

Borrower	Type of debt	Guaranties	Currency	Tenure	Interest rate
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 July 2023	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 June 2022	8%
Eleventh Loan	Loan	--	EGP	7 years with first instalment in March 2026	0.5% above mid corridor rate of Central Bank of Egypt
Twelfth Loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company	EGP/USD	5 years with first instalment in July 2023	1% above mid corridor rate of Central Bank of Egypt and average 3% above USD Sofr rate 3 months
Thirteenth loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company	EGP	7 years with first instalment in May 2026	0.5% above mid corridor rate of Central Bank of Egypt
Fourteenth Loan	Loan	Cross corporate guarantee Edita for Trade and Distribution Company	EGP	8 years with first instalment in June 2026	0.45% above mid corridor rate of Central Bank of Egypt

Deferred government grant

The Company 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 2025			31 December 2024		
	Current	Non-current	Total	Current	Non-current	Total
Seventh loan	1 091 374	262 558	1 353 932	1 416 963	876 957	2 293 920
Ninth loan	272 154	168 195	440 349	340 451	307 003	647 454
Tenth loan	320 311	--	320 311	424 270	10 626	434 896
	1 683 839	430 753	2 114 592	2 181 684	1 194 586	3 376 270

11. Provisions

	<u>30 June 2025</u>	<u>31 December 2024</u>
Balance on 1 January	65 467 747	74 930 176
Charged during the period /year	9 923 860	25 744 044
Utilized during the period / year	(10 897 638)	(16 999 488)
No longer required	(2 004 985)	(18 206 985)
Ending Balance as of	<u>62 488 984</u>	<u>65 467 747</u>

Provisions related to claims expected to be made by a third party in connection with the Group's operations. The information usually required by Egyptian Accounting Standards is not disclosed because the management believes that to do so would seriously prejudice the outcome of the negotiation with that party. 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 overdrafts

	<u>30 June 2025</u>	<u>31 December 2024</u>
Bank overdraft	502 194 853	738 782 744
Total	<u>502 194 853</u>	<u>738 782 744</u>

Bank overdraft is an integral part of the Company's cash management to finance its working capital. The average interest rate for bank overdraft was 21.68% as of 30 June 2025 (31 December 2024: 24.99%).

13. Earnings per share**Basic**

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

	<u>30 June 2025</u>	<u>30 June 2024</u>
Profit for the period	938 788 090	723 992 023
Employees' profit share*	(66 218 329)	(55 870 830)
Profit attributable to shareholders' after employees' profit share	872 569 761	668 121 193
Weighted average number of ordinary shares in issue		
Ordinary shares	1 400 027 312	1 400 027 312
Weighted average number of shares during the period	910 017 753	910 017 753
Basic earnings per share	<u>0.96</u>	<u>0.73</u>

*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 company does not have any categories of potential ordinary shares, hence the diluted earnings per share is the same as the basic earnings per share.

14. Debtors and Other Debit Balances

	30 June 2025	31 December 2024
Trade receivables *	186 758 311	63 085 611
Advances to suppliers	236 722 429	274 820 605
Prepaid expenses	94 175 477	43 882 298
Deposits with others	26 335 447	26 249 040
Other debit balances	19 339 134	8 580 319
Export Subsidies	--	23 000 000
Letter of credit	5 415 333	2 552 275
Employee loans	3 833	11 733
Total	568 749 964	442 181 881

* The trade receivables outstanding balance include an amount of EGP 119 007 739 receivable from "Ahramat Al-Nile for General Trade and Food Industries" – a limited liability company based in Iraq – resulting from Company's sale of a production line and machinery for a total amount of USD 3,000,000 (three million United States dollars), in accordance with Board of Directors No. 198 dated 5 May 2025 and the signed partnership agreement with Tuama Jebur Abbas (TJA), based in Iraq dated 16 January 2025.

15. Related parties

The increase in the balance of due to related parties is due to the increase in payments from related parties represented in advance payments from Edita for Trade and Distribution by 619 million EGP during the period ended 30 June 2025 against company products.

EDITA FOOD INDUSTRIES S.A.E.

Notes to the condensed separate interim financial statements - For the six months period ended 30 June 2025

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

16. Segment reporting

The Company operates across five segments in Egyptian snack food market offering nine distinct brands:

Segment	Brand				Product							
	Cake		Croissant		Rusks		Wafer		Biscuits		Total	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Cake												
Croissants												
Rusks												
Wafer												
Biscuits												
(Amounts presented to the nearest thousands EGP)												
Revenue	3 980 453	3 393 933	1 970 914	1 884 991	375 487	270 905	872 509	819 458	150 014	65 077	7 349 377	6 434 364
Gross profit	1 196 934	929 569	490 698	338 899	72 962	30 804	208 170	186 350	14 004	1 845	1 982 768	1 487 467
Operating profit	824 520	630 948	260 914	155 118	43 148	10 320	134 136	123 483	(6 656)	(12 863)	1 256 062	907 006

Operating profit reconciles to net profit as follows:

	30 June 2025	30 June 2024
Operating profit	1 256 062	907 006
Other expenses	(36 492)	(6 187)
Foreign Exchange Gain/(Loss)	(547)	86 968
Finance cost	(157 511)	(98 956)
Finance income	191 670	59 351
Income tax	(314 394)	(224 190)
Net profit	938 788	723 992

Segment reporting (continued)

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

- Management has determined the operating segments based on the information reviewed by the chief operating decision makers of the Company 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 Company 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 Company.

17. Sales Revenues

Increase in Sales is due to:

- Price increase of Company's products in Cake, rusks and biscuits segments during the period ended 30 June 2025 compared to the same period last year 30 June 2024.
- Increase in export sales during the period ended 30 June 2025 impacted by the change in USD exchange rate.

18. Creditors Other Credit balances

The increase in creditors and other credit balances is mainly due to:

- The increase in the balance of dividend payables by EGP 402 million.
- The Company's sale of a production line and machinery to Ahramat Al-Nile for General Trade and Food Industries – a limited liability company based in Iraq – for a total amount of USD 3,000,000 (three million United States dollars), in accordance with Board of Directors No. 198 dated 5 May 2025 and partnership agreement with Tuama Jebur Abbas (TJA), based in Iraq, for which the condition's precedent has not yet been completed. The deferred income resulted from the sale of fixed assets amounted to EGP 69 million.

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

19. Expense by nature

	30 June 2025	30 June 2024
Cost of sales	5 366 609 048	4 946 897 813
Distribution cost	222 485 380	213 774 286
Administrative expenses	504 220 839	366 686 556
	6 093 315 267	5 527 358 655
Raw and packaging materials used	4 533 425 049	4 301 265 560
Salaries and wages	593 569 717	483 926 371
Advertising expense	204 265 870	189 015 004
Depreciation and Amortization	121 404 271	83 965 416
Miscellaneous and other expense	182 407 299	129 322 584
Fuel, oil, water and electricity	102 371 758	84 348 397
Employees benefits	121 245 921	78 098 393
Company's share in social insurance	39 892 480	29 762 158
Transportation expense	62 801 197	35 164 400
Maintenance	71 832 407	58 094 337
Consumables	46 939 025	45 313 847
Logistic expenses	6 209 419	4 741 305
Vehicle expense	6 950 854	4 340 883
Total cost of sales, distribution costs, and administrative expenses	6 093 315 267	5 527 358 655

20. Contingent liabilities

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

The banks have issued letters of credit and guarantee in favour of Edita Foods Industries during the normal course of operation as of 30 June 2025 amounted to EGP 385 882 214 (31 December 2024: EGP 308 910 495).

IFC Loan

On 30 September 2023, Edita Food Industries S.A.E, Edita Participation Cyprus Limited and Edita For Trade & Distribution "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 the condensed separate interim financial statements date no amounts withdrawn by Edita Food Industries from the said loan.

21. Commitments

Capital Commitments

The Company has capital commitments as of 30 June 2025 of EGP 32 M (31 December 2024: EGP 321M) in respect of the capital expenditure.

22. Tax position

Due to the nature of the tax assessment process in Egypt, the final outcome of the assessment by the Tax Authority might not be realistically estimated. Therefore, additional liabilities are contingent upon the tax inspection and assessment of the Tax Authority. Below is a summary of the tax status of the Company as of the condensed separate interim financial statements date 30 June 2025.

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 tax inspection is finalized and the file transferred to the internal committee and settled.
- For the years 2020 – 2024 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 2022 and company paid tax due.
- As for the years 2023 till 2025 the tax inspection has not been performed and the company is submitting the tax forms and quarter payroll reconciliations on due time to the Tax Authority.

C) VAT & Sales tax

- The sales tax inspection was performed till 31 December 2023 and tax due was paid.
- For the year 2024 - 2025 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 2022 and all due tax amounts paid.
- The years from 2023 to 2025 tax inspection has not been performed.

23. Significant events during the period:

- On 16th of January 2025, Edita Food Industries S.A.E. signed a partnership agreement with Tuama Jebur Abbas (TJA), based in Iraq. This strategic partnership includes the acquisition of a 49% stake in TJA for a value of 8 million US dollars, through a capital increase, the establishment of Edita's first factory in Iraq is considered an important step in the company's regional expansion strategy. The condition's precedent required to complete the partnership agreement have not yet been completed.

- On April 6, 2025, the ordinary general assembly of the company's shareholders was held, and it approved the financial statements for the year ended December 31, 2024, and approved the dividends distribution to shareholders of EGP 800.1 million to be distributed in the form of cash coupons amounted to EGP 1.1429 per share and employees' dividend distribution of EGP 88.9 million.
- On April 16, 2025, the extra ordinary general assembly of the company's shareholders was held, and it approved the issued capital increase from EGP 140 002 731 to EGP 280 005 462 with an increase of EGP 140 002 731 against 700 013 656 shares with par value of EGP 0.2 per share. The increase will be financed through the retained earnings as per the financial statements for the period ended 31st of December 2023 that was previously approved by the ordinary general assembly of the company's shareholders that was held on 28th of March 2024 and the financial report issued by GAFI's economic performance department no. 2930/2024 dated 6th of November 2024.
- The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Thursday, April 17, 2025, to cut the overnight deposit and lending yield and the price of the main operation of the Central Bank by 225 basis points, to reach 25%, 26% and 25.25%, respectively. The credit and discount rate was also cut by 225 basis points to reach rate 25.5% in addition the bank has liberalized the exchange rate to allow the rate to be determined according to market conditions.
- The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Thursday, May 22, 2025, to cut the overnight deposit and lending yield and the price of the main operation of the Central Bank by 100 basis points, to reach 24%, 25% and 24.50%, respectively. The credit and discount rate was also cut by 100 basis points to reach rate 24.5% in addition the bank has liberalized the exchange rate to allow the rate to be determined according to market conditions.

24. Significant events subsequent to the period:

- On July 21, 2025, the Board of Directors of the Company convened approved the purchase of 14,000,273 (Fourteen million, two hundred seventy-three) shares which does not exceed 1% of the total outstanding shares of the Company as treasury shares. through open market for a period of one month noting that the purchase of shares will be funded by the Company's resources, to be in accordance with the market price.