Translated

Egypt Kuwait Holding Company
and its subsidiaries
Interim consolidated financial statements
For the financial period ended at March 31, 2023
and limited review report

Translated

Contents

KPMG

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Limited review report on interim consolidated financial statements
To the Board of Directors of Egypt Kuwait Holding Company

Introduction

We have reviewed the accompanying consolidated statement of financial position of Egypt Kuwait Holding Company – An Egyptian Joint Stock Company, as of March 31, 2023 and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the Three-months period then ended , and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our limited review.

Scope of Limited Review

We conducted our review in accordance with Egyptian Standard on Review Engagements 2410 " Review of Interim Financial Information Performed by the Auditor of the Entity". A Limited review of interim financial information 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 Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim consolidated financial statements .

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Egypt Kuwait Holding Company as of March 31, 2023, and of its financial performance and its cash flows for the Three-months period then ended in accordance with Egyptian Accounting Standards.

KPMG Hazem Hassan
Public Accountants and Consultants
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KPMG Hazem Hassan
Public Accountants & Consultants

Cairo, May 15 , 2023

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Egypt Kuwait Holding Company

(An Egyptian Joint Stock Company)

Interim consolidated statement of financial position as of March 31, 2023

All numbers are in US Dollars	Note No.	31/3/2023	31/12/2022
Assets			
Non-current assets			
Fixed assets and projects under construction	(16)	268 961 425	296 857 837
Goodwill	(17)	46 503 434	49 559 875
Right of use assets	(18)	8 209 527	9 738 726
Intangible assets	(19)	581 360	626 299
Biological assets	(20)	2 744 194	3 034 020
Exploration & development assets	(21)	176 742 783	181 889 557
Equity - accounted investees (associates companies)	(22)	21 254 079	20 821 082
Investments at fair value through other comprehensive income	(23)	43 123 552	105 099 669
Other financial assets at amortized cost	(24)	163 609 242	215 298 315
Trade & notes receivables	(28)	8 258 871	6 249 347
Total non-current assets		**739 988 467**	**889 174 727**
Current assets			
Inventories	(25)	96 766 163	92 543 672
Work in progress	(26)	36 182 406	34 306 476
Investments at fair value through other comprehensive income	(23)	127 934 266	114 464 356
Financial assets at amortized cost	(24)	105 479 609	98 063 725
Investments at fair value through profit or loss	(27)	70 512 580	27 919 831
Trade & notes receivables	(28)	149 322 628	133 048 067
Other current assets	(29)	101 806 064	102 303 632
Cash and cash equivalents	(30)	435 426 276	453 556 610
Non-current assets held for sale	(31)	14 900 000	14 900 000
Total current assets		**1 138 329 992**	**1 071 106 369**
Total assets		**1 878 318 459**	**1 960 281 096**
Equity and Liabilities			
Equity of the Parent Company :			
Issued & paid up capital	(32)	281 721 321	281 721 321
Legal reserve		133 896 975	129 587 671
Other reserves	(33)	(456 140 785)	(298 863 362)
Retained earnings		407 391 959	452 510 010
Treasury shares		(738 390)	(738 390)
Total equity of the Parent Company		**366 131 080**	**564 217 250**
Non-controlling interests	(13)	196 496 555	278 846 545
Total equity		**562 627 635**	**843 063 795**
Liabilities			
Non-current liabilities			
Deferred tax liabilities	(34)	8 725 935	9 004 509
Lease contracts liabilities	(18)	7 283 601	8 238 615
Suppliers, contractors, notes payable and other creditors	(35)	5 227 562	9 544 931
Loans	(36)	244 221 160	280 449 228
Bank facilities	(37)	197 087 036	133 015 686
Total non-current liabilities		**462 545 294**	**440 252 969**
Current liabilities			
Provisions	(38)	61 498 968	64 250 985
Insurance policyholders' rights	(39)	71 202 893	83 548 189
Lease contracts liabilities	(18)	1 660 655	2 033 858
Suppliers, contractors, notes payable and other creditors	(35)	450 908 485	276 177 341
Accrued income tax		49 659 427	35 117 031
Loans	(36)	109 112 905	87 728 665
Bank facilities	(37)	109 102 197	128 108 263
Total current liabilities		**853 145 530**	**676 964 332**
Total liabilities		**1 315 690 824**	**1 117 217 301**
Total equity and liabilities		**1 878 318 459**	**1 960 281 096**

* **The accompanying notes on pages from (6) to (71) are an integral part of these consolidated financial statements and to be read therewith.**

Group Chief Financial Officer	Managing Director	Chairman
Medhat Hamed Bonna	Sherif Al Zayat	Loay Jassim Al-Kharafi

*Limited Review Report " attached "

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Egypt Kuwait Holding Company
(An Egyptian Joint Stock Company)
Interim consolidated statement of income for the financial period ended March 31, 2023

All numbers are in US Dollars	Note No.	The three months ended 31/3/2023	The three months ended 31/3/2022
Revenues	(5)	215 016 254	274 499 913
Cost of revenue recognition	(6)	(116 867 802)	(136 070 823)
Gross profit		**98 148 452**	**138 429 090**
Investments income	(7)	9 338 413	16 126 661
Other income	(8)	1 272 911	15 023 996
Selling & distribution expenses	(9)	(1 298 528)	(2 168 837)
General & administrative expenses		(20 473 692)	(17 979 677)
Reversal of expected credit loss	(10)	123 750	3 249 291
Other expenses	(11)	(316 687)	(472 054)
Net operating profit		**86 794 619**	**152 208 470**
Interest income		4 558 487	1 076 598
Forward foreign exchange contracts' losses		-	(3 159 204)
Financing expenses		(13 905 100)	(8 284 734)
Net profit (losses) from foreign currency translation differences		14 298 408	(3 678 320)
Net financing income (cost)		**4 951 795**	**(14 045 660)**
Company's share of profit of equity - accounted investees (associates Companies)		498 213	590 421
Net profit for the period before income tax		**92 244 627**	**138 753 231**
Income tax	(12)	(21 118 099)	(24 736 317)
Net profit for the period before income tax		**71 126 528**	**114 016 914**
Net profit attributable to:			
Owners of the Parent Company		60 023 603	71 056 444
Non-controlling interests	(13)	11 102 925	42 960 470
Net profit for the period		**71 126 528**	**114 016 914**
Basic / diluted earnings per share of profits (US cent / Share)	(14)	**4.66**	**5.50**

*** The accompanying notes on pages from (6) to (71) are an integral part of these consolidated financial statements and to be read therewith.**

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Egypt Kuwait Holding Company
(An Egyptian Joint Stock Company)
Interim consolidated statement of comprehensive income for the financial period ended March 31, 2023

All numbers are in US Dollars	Note No.	The three months ended 31/3/2023	The three months ended 31/3/2022
Net profit for the period		**71 126 528**	**114 016 914**
Other comprehensive income (loss)			
Items that will not be reclassified to statement of income			
Investments at fair value through other comprehensive income	(23)	67 919	(312 062)
		67 919	**(312 062)**
Items may be reclassified subsequently to statement of income			
Investments at fair value through other comprehensive income	(23)	(6 056 767)	(8 245 538)
Foreign currency translation differences		(95 860 815)	(78 306 998)
		(101 917 582)	**(86 552 536)**
Total other comprehensive loss for the period after deducting tax		**(101 849 663)**	**(86 864 598)**
Total comprehensive (loss) income		**(30 723 135)**	**27 152 316**
Total comprehensive (loss) income attributable to:			
Owners of the holding company		(30 918 811)	(4 992 640)
Non-controlling interests		195 676	32 144 956
Total other comprehensive (loss) income		**(30 723 135)**	**27 152 316**

*** The accompanying notes on pages from (6) to (71) are an integral part of these consolidated financial statements and to be read therew**

Egypt Kuwait Holding Company

(An Egyptian Joint Stock Company)

Interim consolidated statement of changes in equity for the financial period ended March 31, 2023

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All numbers are in US Dollars

	Note No.	Issued & paid up capital	Legal reserve	Special reserve - Share premium	General reserve	Other reserves: Fair value reserve	Other reserves: Translation reserve	Other reserves: Total other reserves	Retained earnings	Treasury shares	Total equity of the parent Company	Non-controlling interests	Total equity
Balance as of January 1, 2022		281 721 321	128 055 146	57 954 547	8 380 462	7 819 806	(159 602 609)	(85 447 794)	325 705 751	-	650 034 424	235 193 878	885 228 302
Total comprehensive income													
Net profit for the period		-	-	-	-	-	-	-	71 056 444	-	71 056 444	42 960 470	114 016 914
Other comprehensive loss		-	-	-	-	(6 140 643)	(69 908 441)	(76 049 084)	-	-	(76 049 084)	(10 815 514)	(86 864 598)
Total comprehensive income (loss)		-	-	-	-	(6 140 643)	(69 908 441)	(76 049 084)	71 056 444	-	(4 992 640)	32 144 956	27 152 316
Transactions with owners of the Company													
Transferred to legal reserve		-	1 532 525	-	-	-	-	-	(1 532 525)	-	-	-	-
Shareholders ' dividends		-	-	-	-	-	-	-	(78 881 970)	-	(78 881 970)	-	(78 881 970)
Employees and board members' dividends		-	-	-	-	-	-	-	(25 440 713)	-	(25 440 713)	(5 102 656)	(30 543 369)
Non-controlling interests in subsidiaries' dividends		-	-	-	-	-	-	-	-	-	-	(20 625 571)	(20 625 571)
Total transactions with owners of the Company		-	1 532 525	-	-	-	-	-	(105 855 208)	-	(104 322 683)	(25 728 227)	(130 050 910)
Other changes													
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(3 403 870)	(3 403 870)
Total other changes		-	-	-	-	-	-	-	-	-	-	(3 403 870)	(3 403 870)
Balance as of March 31, 2022		281 721 321	129 587 671	57 954 547	8 380 462	1 679 163	(229 511 050)	(161 496 878)	290 906 987	-	540 719 101	238 206 737	778 925 838
Balance as of January 1, 2023		281 721 321	129 587 671	57 954 547	8 380 462	(6 110 170)	(359 088 201)	(298 863 362)	452 510 010	(738 390)	564 217 250	278 846 545	843 063 795
Total comprehensive income													
Net profit for the period		-	-	-	-	-	-	-	60 023 603	-	60 023 603	11 102 925	71 126 528
Other comprehensive loss		-	-	-	-	(6 519 909)	(84 422 505)	(90 942 414)	-	-	(90 942 414)	(10 907 249)	(101 849 663)
Total comprehensive income (loss)		-	-	-	-	(6 519 909)	(84 422 505)	(90 942 414)	60 023 603	-	(30 918 811)	195 676	(30 723 135)
Transactions with owners of the Company													
Transferred to legal reserve		-	4 309 304	-	-	-	-	-	(4 309 304)	-	-	-	-
Shareholders' dividends		-	-	(57 954 547)	(8 380 462)	-	-	(66 335 009)	(57 622 373)	-	(123 957 382)	-	(123 957 382)
Employees and board members' dividends		-	-	-	-	-	-	-	(29 231 028)	-	(29 231 028)	(4 814 650)	(34 045 678)
Non-controlling interests in subsidiaries' dividends		-	-	-	-	-	-	-	-	-	-	(22 158 523)	(22 158 523)
Acquisition of non-controlling interests without a change in control		-	-	-	-	-	-	-	(13 978 949)	-	(13 978 949)	(62 536 848)	(76 515 797)
Total transactions with owners of the Company		-	4 309 304	(57 954 547)	(8 380 462)	-	-	(66 335 009)	(105 141 654)	-	(167 167 359)	(89 510 021)	(256 677 380)
Other changes													
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	6 964 355	6 964 355
Total other changes		-	-	-	-	-	-	-	-	-	-	6 964 355	6 964 355
Balance as of March 31, 2023		281 721 321	133 896 975	-	-	(12 630 079)	(443 510 706)	(456 140 785)	407 391 959	(738 390)	366 131 080	196 496 555	562 627 635

* The accompanying notes on pages from (6) to (71) are an integral part of these consolidated financial statements and to be read therewith.

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Egypt Kuwait Holding Company

(An Egyptian Joint Stock Company)

Interim consolidated statement of cash flows for the financial period ended March 31, 2023

All numbers are in US Dollars	Note No.	The three months ended 31/3/2023	The three months ended 31/3/2022
Cash flows from operating activities			
Net profit for the period before income tax		**92 244 627**	**138 753 231**
Adjustments for:			
Depreciation & amortization		14 991 395	12 655 445
Company's share of profit of equity - accounted investees (associates Companies)		(498 213)	(590 421)
Changes in fair value of investments at fair value through profit or loss		934 401	(800 843)
Income from sale of investments at fair value through other comprehensive income		(689 952)	(501 460)
Capital gain		(7 728)	(104 053)
Other income		-	(13 772 060)
Forward foreign exchange contracts' losses		-	3 159 204
Income from financial assets at fixed return		(9 169 783)	(16 049 995)
Reversal of expected credit loss		(123 750)	(3 249 291)
Financing expenses		13 905 100	8 284 734
Interest income		(4 558 487)	(1 076 598)
		107 027 610	**126 707 893**
Change in:			
Investments at fair value through profit or loss		(43 870 297)	22 581 671
Trade & notes receivables		(17 471 716)	(9 320 683)
Other current assets		1 189 953	22 769 604
Inventories		(4 222 491)	(7 021 533)
Work in progress		(1 875 930)	476 100
Lease contracts liabilities		(1 185 707)	1 038 227
Suppliers, contractors, notes payable & other credit balances		(1 194 505)	7 104 599
Insurance policyholders' rights		(12 345 296)	(14 595 307)
Time deposits		121 388 627	46 380 515
Restricted cash		(57 407 372)	-
Provisions		(763 957)	(66 109)
Cash from operating activities		**89 268 919**	**196 054 977**
Income taxes paid		(6 258 235)	-
Net cash from operating activities		**83 010 684**	**196 054 977**
Cash flows from investing activities			
Collected interest		4 558 487	3 305 712
Payments for additions of fixed assets and projects under construction	(15)	(6 535 782)	(23 365 092)
Payments for additions of biological assets		(318 764)	(205 110)
Payments for additions of exploration & development assets		(3 821 858)	(10 528 236)
Proceeds from sale of fixed assets		226 861	143 597
Proceeds from (payments for) investments at fair value through other comprehensive income		55 716 068	(13 084 321)
Proceeds from financial assets at amortized cost		36 128 468	230 547 898
Proceeds from income of investments at fair value through other comprehensive income		9 926 514	-
Net cash from investing activities		**95 879 994**	**186 814 448**
Cash flows from financing activities			
Proceeds from loans and bank facilities		71 810 063	91 325 740
Payments of loans and bank facilities		(41 588 607)	(49 256 290)
Payments of financing expenses		(13 905 100)	(8 208 128)
Non-controlling interests		(69 551 440)	(22 324 412)
Paid dividends		(7 654 323)	(30 458 802)
Proceeds from forward foreign exchange contracts		-	531 095
Net cash used in financing activities		**(60 889 407)**	**(18 390 797)**
Foreign currency translation differences of accumulated financial statements		(78 640 197)	(30 621 825)
Net change in cash and cash equivalents during the period		39 361 074	333 856 803
Cash and cash equivalents at beginning of the period		369 546 703	253 572 583
Cash and cash equivalents at end of the period	(30)	**408 907 777**	**587 429 386**

*** The accompanying notes on pages from (6) to (71) are an integral part of these consolidated financial statements and to be read therewith.**

1- Company's background and activities

- Egypt Kuwait Holding Company "The Company" was incorporated by virtue of the Chairman of General Investment Authority's resolution No. 197 of 1997, according to the provisions of Investment Law No. 230 of 1989 and according to Law No. 72 of 2017, concerning Investment Incentives & Guarantees and Law No. 95 of 1992 concerning Capital Market. The Company was registered in Giza Governorate Commercial Registry under No. 114 648 on 20/7/1997. The duration of the Company according to the Company's Statute, is 25 years starting from the date of registration in the Commercial Registry.
- On March 31, 2022, the General Assembly of the shareholders of the Holding Company approved to extend the duration of the Company for additional 25 years.
- The Company's financial year starts on January 1st and ends on December 31st each year.
- The Company's purpose is represented in investment in all activities stated in Article 1 of Law No. 230 of 1989, provided that its object does not include accepting deposits or performing banking transactions and comprise the following activities: -
  - Securities underwriting and promotion.
  - Participation in Companies, which issue securities or increasing their capital.
  - Venture capital.

  In addition, the Company is entitled to establish other projects or modify its purposes in conformity with the Investment Law. The Company is also entitled to establish or participate in projects not governed by the Investment Law subject to the approval of the General Investment Authority & General Capital Market Authority.

  On March 6, 2002, the General Investment Authority gave permission to the Company to use the excess funds in investing outside the Arab Republic of Egypt by participating in establishing companies & contributing to projects & portfolios of marketable securities managed abroad.
- The registered office of the Company is located at 14 Hassan Mohamed El Razaz St.-Dokki-Egypt. Mr. Loay Jassim Al-Kharafi is the Chairman of the Company.
- The Company is listed in the Egyptian Stock Exchange of the Arab Republic of Egypt and Kuwait Stock Exchange.
- The financial statements prepared in accordance with the Egyptian Accounting Standards are published on the Egyptian Stock Exchange and the financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) are published on the Kuwait Stock Exchange.
- The consolidated financial statements comprise of the financial statements of Egypt Kuwait Holding Company (the Parent Company) & its subsidiaries (referred to as the "Group") and the Group's share in the profit or loss of associates is also included. The Group is involved in several activities which are represented in investment activities, selling & supplying of natural gas activity, drilling, petroleum, petrochemicals services activity, fertilizers activity, exploration and exploitation of oil, natural gas activity, chill technology by natural gas activity, communications and selling & distributing of chemicals & plastic activity, manufacturing of Formica chips & MDF of all types and sizes, the activity of life insurance generally, real estate development and Microfinance and consumer finance.

2- Accounting framework of the preparation consolidated financial statements

- The consolidated financial statements have been prepared in accordance with Egyptian accounting standards in compliance with Egyptian Laws.
- The consolidated financial statements were authorized for issuance by the Board of Directors of the Company on May 14, 2023.
- Details of the Group's accounting policies are included in Note No. 49.

During the year 2022, the group's management applied the special accounting treatment to deal with the effects of the liberalization of exchange rates contained in Appendix (C) of the Egyptian Accounting Standard No. (13), amended in 2015, "The Effects of Changes in Foreign Exchange Rates" (Note No. 48), where it was recognized within the cost of projects under construction at the date of the financial statements to apply this special accounting treatment in addition to the currency differences resulting from translating the balance of a loan in foreign currency that was used to finance the purchase of projects under constructions.

3- Functional and presentation currency

- The consolidated financial statements are presented in USD which is the Holding Company's functional currency.

4- Use of estimates and judgments

- In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates
- Estimates and underlying assumptions are reviewed on an ongoing basis.

A- Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Note No. 49-4 – revenue recognition: revenue is recognized as detailed in the accounting policies applied.
- Note No. 49-1 – equity-accounted investees (associates Companies): whether the Group has significant influence over an investee.
- Note No. 49-23 – lease contracts.

B- Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties on March 31, 2023, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note No. 49-22 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note No. 49-21 – measurement of ECL for cash at banks, trade and notes receivables and other current assets.

C- Measurement of fair values

A Certain number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to measurement fair of values. This includes the presence valuation team that has overall responsibility for reviewing all fair values according to the different levels in the hierarchies referred to below, and a report of those values and methods of measuring them will be issued directly to the board of directors. A report on the material matters related to the evaluation process will be issued to the Internal Audit Committee.

All amounts are in US Dollars unless otherwise is mentioned

Accreditation is measured in the fair value of assets and liabilities mainly on available market data, and the data that is relied upon in the evaluation is classified according to the following hierarchy:

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

The Group recognizes transfers between levels of the fair value hierarchy at the end of the financial period during which the change has occurred.

5- Revenues

	The three- months ended 31/3/2023	The three- months ended 31/3/2022
Fertilizer's activity	77 150 972	123 644 488
Chemicals and plastic activity	60 227 683	54 150 866
Gas and electricity supply activity	20 463 161	31 465 875
Electricity generation and distribution activity	11 393 048	9 894 178
Drilling and petroleum services activity	31 757 416	35 178 948
Insurance activity	10 571 154	16 572 900
Cooling technology by natural gas activity	114 537	2 397 427
Agencies activity	-	206 959
Other activities	3 338 283	988 272
	215 016 254	**274 499 913**

6- Cost of revenue recognition

	The three- months ended 31/3/2023	The three- months ended 31/3/2022
Fertilizer's activity	45 139 849	51 174 773
Chemicals and plastic activity	22 881 154	29 222 483
Gas and electricity supply activity	14 069 812	17 370 785
Electricity generation and distribution activity	7 421 731	9 438 748
Drilling and petroleum services activity	16 234 396	12 551 125
Insurance activity	8 535 839	12 744 900
Cooling technology by natural gas activity	212 621	2 265 947
Agencies activity	-	124 793
Other activities	2 372 400	1 177 269
	116 867 802	**136 070 823**

7- Investment income

	The three- months ended 31/3/2023	The three- months ended 31/3/2022
Income from financial assets at fixed return	9 169 783	16 049 995
Income from investments at fair value through profit or loss	314 086	376 049
Change in fair value of investments at fair value through profit or loss	(934 401)	(800 843)
Gain from investments at fair value through other comprehensive income	689 952	501 460
Return on sale of financial assets at amortized cost	98 993	-
	9 338 413	**16 126 661**

All amounts are in US Dollars unless otherwise is mentioned

8- Other income

	The three-months ended 31/3/2023	The three-months ended 31/3/2022
Drawback and exports subsidies' revenues	342 999	437 870
Provisions no longer required	265 726	496 630
Capital gain	7 728	104 053
Other	656 458	13 985 443
	1 272 911	**15 023 996**

9- Selling & distribution expenses

	The three- months ended 31/3/2023	The three- months ended 31/3/2022
Chemicals & plastic activity	1 118 898	1 954 432
Fertilizer's activity	83 320	118 356
Cooling technology by natural gas activity	31 796	45 552
Other	64 514	50 497
	1 298 528	**2 168 837**

10- Reversal of expected credit losses

	The three- months ended 31/3/2023	The three- months ended 31/3/2022
Reversal of expected credit losses*	123 750	3 249 291
	123 750	**3 249 291**

*The item is represented in the reversal of expected credit losses related to cash and cash equivalent, investments at fair value through other comprehensive income, financial assets at amortized cost, trade receivables and other current assets.

11- Other expenses

	The three- months ended 31/3/2023	The three- months ended 31/3/2022
Provisions formed	316 687	472 054
	316 687	**472 054**

12- Income tax

	The three- months ended 31/3/2023	The three- months ended 31/3/2022
Current income tax expense	21 368 803	27 300 774
Deferred income tax benefit	(250 704)	(2 564 457)
	21 118 099	**24 736 317**

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
Notes to the interim financial statements (Cont.)
for the financial period ended March 31, 2023
All numbers are in US Dollars

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	Non-controlling interest %	Non current assets	Current assets	Non current liabilities	Current liabilities	Net assets *	Consolidation adjustments	Non controlling interest share of net assets	Total revenues	Net profit **	Consolidation adjustments	Non controlling interest share of net profit
National Gas Co. (Natgas)	16.02%	68 112 395	80 807 157	550 905	83 787 303	64 581 343	(54 237 564)	10 343 778	13 848 452	5 955 985	(5 002 035)	953 950
Globe for Communication & Information Technology Co.	1.00%	-	298 097	-	892	297 205	(294 233)	2 972	-	-	-	-
NSCO Investment Co.	0.0006%	114 304 208	89 413 714	93 753	144 232 640	59 391 528	(59 391 177)	351	15 823 960	7 706 619	(7 706 574)	46
Cooling Technology by Natural Gas Co. (Gas Chill) S.A.E.	14.01%	87 068	7 073 837	3 473	4 223 366	2 934 065	(2 523 125)	410 941	114 537	116 319	(100 028)	16 291
Midor for logistic services Co.	0.80%	-	274 156	-	2 864	271 292	(264 719)	6 573	-	(1 091)	1 091	-
El Fayoum Gas Co. S.A.E.	22.01%	552 485	31 778 797	-	24 194 829	8 136 453	(6 345 618)	1 790 833	5 435 013	998 335	(778 601)	219 733
Bawabet El Kuwait Co.	15.21%	142 854 397	545 717 237	25 420 787	137 252 393	403 769 040	(277 042 086)	126 726 957	77 150 972	3 032 359	2 951 675	5 984 034
Delta Insurance Co.	36.61%	61 130 501	68 189 814	70 889	91 160 378	38 070 583	(19 135 911)	18 934 672	10 571 154	2 961 061	(1 875 646)	1 085 415
El Shorouk for Melamine & Resins Co.	4.95%	1 404 034	4 889 360	115 795	4 367 270	1 810 329	(1 720 693)	89 636	1 453 166	163 303	(155 217)	8 086
MOG Energy Co.	19.69%	44 781 751	61 338 241	12 320 715	142 474 428	(70 676 219)	95 741 221	25 065 003	15 933 456	2 310 237	574 323	2 884 560
Global MDF Co.	16.20%	58 221 585	7 846 034	29 356 237	17 127 673	19 583 709	(16 411 148)	3 172 563	618 430	(2 357 166)	1 975 305	(381 861)
Gas Line Co.	16.02%	35 071 776	9 517 129	-	1 025 922	43 562 982	(36 585 644)	6 977 338	-	1 332 129	(1 118 766)	213 363
Al Nubaria for Natural Gas Co. S.A.E.	16.02%	12 526	7 857 593	-	982 175	6 887 945	(5 784 724)	1 103 219	63 399	7 947	(6 674)	1 273
National Company for Electric Technology Co (Kahraba) S.A.E.	3.84%	42 952 761	55 877 106	6 298 199	44 148 851	48 382 817	(46 527 163)	1 855 652	11 393 048	3 077 559	(2 959 524)	118 035
Kahraba Future Co.	3.84%	-	424 418	-	5 502	418 916	(402 849)	16 067	-	(3)	3	-
		569 485 488	971 302 690	74 230 753	694 986 488	627 421 988	(430 925 433)	196 496 555	152 405 588	25 303 592	(14 200 667)	11 102 925
31 December 2022												
National Gas Co. (Natgas)	16.02%	133 602 031	132 259 749	8 711 016	104 142 768	118 575 356	(99 583 536)	18 991 819	121 235 117	32 545 188	(27 332 533)	5 212 654
Globe for Communication & Information Technology Co.	1.00%	-	371 598	-	1 112	370 486	(366 781)	3 705	-	-	-	-
NSCO Investment Co.	0.0006%	115 484 442	80 887 136	-	144 686 668	51 684 910	(51 684 581)	329	60 821 948	30 206 777	(30 206 585)	192
Cooling Technology by Natural Gas Co. (Gas Chill) S.A.E.	14.01%	93 410	8 715 170	3 637	5 244 657	3 560 286	(3 061 638)	498 648	7 956 408	489 276	(420 748)	68 527
Midor for logistic services Co.	0.80%	-	275 248	-	2 864	272 383	(264 190)	8 193	-	(15 364)	15 364	-
El Fayoum Gas Co. S.A.E.	22.01%	747 475	28 031 066	-	19 157 765	9 610 776	(7 495 445)	2 115 331	20 509 500	3 226 297	(2 516 189)	710 108
Bawabet El Kuwait Co.	30.33%	206 375 590	448 863 226	9 377 579	73 611 194	413 589 583	(203 419 179)	210 170 405	485 740 012	114 971 170	(31 643 976)	83 327 195
Delta Insurance Co.	36.78%	93 108 550	57 803 320	110 725	106 924 424	43 855 683	(22 729 109)	21 126 574	61 380 408	16 768 125	(10 592 296)	6 175 828
El Shorouk for Melamine & Resins Co.	4.95%	1 726 834	4 917 449	144 346	4 441 400	2 058 537	(1 956 612)	101 925	7 082 960	501 138	(476 325)	24 813
MOG Energy Co.	21.20%	47 477 695	67 042 582	12 165 269	156 415 908	(72 986 456)	94 440 531	21 454 075	74 784 389	71 727 945	(45 601 340)	26 126 605
Global MDF Co.	16.20%	63 224 796	8 203 076	36 762 531	7 655 868	27 009 473	(22 633 933)	4 375 541	2 272 381	(5 208 353)	4 582 332	(626 021)
		661 840 823	837 359 620	67 275 103	622 284 628	597 601 017	(318 754 473)	278 846 545	841 783 123	265 212 199	(144 192 296)	121 019 901

*The value of net assets after deducting the amount of non-controlling interests in the companies.
**The value of the net profit after deducting the amount of non-controlling interests in the companies.

All amounts are in US Dollars unless otherwise is mentioned

14- Basic / diluted earnings per share of profits

The calculation of basic / diluted earnings per share of profits was based on the profit attributable to shareholders and weighted average number of outstanding shares as follows:

	The three- months ended 31/3/2023	The three- months ended 31/3/2022
Net profit for the period (owners of the Parent Company)	60 023 603	71 056 444
Employees & board member's share in profit -Parent Co.	(3 300 358)	(3 982 053)
Employees & board member's share in profit in subsidiaries	(4 264 740)	(5 140 458)
Shareholder's share in net profit for the period	**52 458 505**	**61 933 933**
Weighted average number of outstanding shares	1 126 320 287	1 126 885 287
Basic/diluted earnings per share of profits (US cent / Share)	**4 .66**	**5.50**

-Weighted average number of outstanding shares during the period is calculated as follows:

	The three- months ended 31/3/2023	The three- months ended 31/3/2022
Issued shares at the beginning of the period	1 126 320 287	1 126 885 287
Treasury shares	-	-
Weighted average number of outstanding shares	**1 126 320 287**	**1 126 885 287**

15- Adjustments:

For the purpose of preparing the consolidated statement of cash flows for the financial period ended as of March 31, 2023, the effect of the excluded amount from investing activities amounting to US dollars 878 594 - additions to fixed assets - recorded in suppliers, contractors, notes payable and other creditors, is represented as a non-cash transaction.

All numbers are in US Dollars

Translated

16- Fixed assets and projects under construction

	Land	Buildings & constructions	Vehicles & transportation	Furniture & office equipment	Machinery & equipment	Tools & supplies	Stations, generators & electric transformers	Computer, software & decorations	Leasehold improvements	Irrigation network	Projects under construction	Total
Cost as of 1/1/2022	27 488 211	54 268 458	11 754 643	7 726 522	357 574 049	1 868 935	71 312 323	11 201 427	1 422 610	2 747 975	80 988 436	628 353 589
Additions	5 016 642	8 088 339	1 265 734	1 206 131	1 983 881	156 389	13 018 758	2 099 517	109 349	817 270	-	33 762 010
Change in projects under construction	-	-	-	-	-	-	-	-	-	-	61 546 487	61 546 487
Disposals	-	(876 603)	(194 036)	(63 937)	-	-	(534 535)	-	-	-	-	(1 669 111)
Foreign currency translation differences	(5 878 122)	(2 617 288)	(2 627 819)	(2 347 636)	(14 636 320)	(13 944)	(26 951 802)	(1 970 361)	(53 598)	(1 184 028)	(29 799 163)	(88 080 081)
Cost as of 31/12/2022	26 626 731	58 862 906	10 198 522	6 521 080	344 921 610	2 011 380	56 844 744	11 330 583	1 478 361	2 381 217	112 735 760	633 912 894
Additions	18 429	331 373	219 800	148 612	2 196 792	112 294	293 777	321 589	89 475	524 337	-	4 256 478
Change in projects under construction	-	-	-	-	-	-	-	-	-	-	1 925 026	1 925 026
Disposals	-	(251 543)	(56 553)	(4 191)	-	-	(534 535)	-	-	-	-	(846 822)
Foreign currency translation differences	(3 276 164)	(1 716 992)	(1 025 811)	(890 751)	(4 510 535)	(177 554)	(10 278 007)	(970 299)	(15 341)	(995 330)	(11 629 153)	(35 485 937)
Cost as of 31/3/2023	23 368 996	57 225 744	9 335 958	5 774 750	342 607 867	1 946 120	46 325 979	10 681 873	1 552 495	1 910 224	103 031 633	603 761 639
Depreciation and impairment loss												
Accumulated depreciation and impairment losses as of 1/1/2022	-	35 272 817	9 307 284	5 945 222	252 127 549	1 570 723	17 158 848	8 452 102	1 185 503	825 163	123 039	331 968 250
Depreciation	-	2 050 349	886 974	1 023 368	18 230 010	178 462	3 105 560	1 176 132	42 319	300 307	-	26 993 481
Accumulated depreciation of disposals	-	(31 540)	(231 016)	(63 937)	-	-	(534 535)	-	-	-	-	(861 028)
Foreign currency translation differences	-	(1 686 377)	(1 719 560)	(2 023 297)	(9 079 564)	(149 691)	(5 058 017)	(1 133 997)	(53 598)	(478 501)	336 956	(21 045 646)
Accumulated depreciation and impairment losses as of 31/12/2022	-	35 605 249	8 243 682	4 881 356	261 277 995	1 599 494	14 671 856	8 494 237	1 174 224	646 969	459 995	337 055 057
Depreciation	-	516 599	248 524	113 938	4 483 370	95 374	569 904	247 663	16 441	277 691	-	6 569 504
Accumulated depreciation of disposals	-	(1 661)	(92 695)	(1 202)	-	-	(534 535)	-	-	-	-	(630 093)
Foreign currency translation differences	-	(629 705)	(568 933)	(604 692)	(3 409 188)	(129 759)	(1 984 593)	(517 238)	(15 341)	(334 807)	-	(8 194 256)
Accumulated depreciation and impairment losses as of 31/3/2023	-	35 490 482	7 830 578	4 389 400	262 352 177	1 565 109	12 722 632	8 224 662	1 175 324	589 853	459 995	334 800 212
Carrying amount as of December 31, 2022	26 626 731	23 257 657	1 954 840	1 639 724	83 643 615	411 886	42 172 888	2 836 346	304 137	1 734 248	112 275 765	296 857 837
Carrying amount as of March 31, 2023	23 368 996	21 735 262	1 505 380	1 385 350	80 255 690	381 011	33 603 347	2 457 211	377 171	1 320 371	102 571 638	268 961 425

* The additions to projects under constructions during year 2022 include an amount of USD 8.77 million represented in translation differences resulting from the revaluation of a foreign currency loan balance that was used to finance the purchase of projects under constructions, in accordance with Appendix (C) of the amended Egyptian Accounting Standard No. (13) year 2015 on addressing the effects of moving foreign exchange rates issued on December 27, 2022.

All amounts are in US Dollars unless otherwise is mentioned

17- Goodwill

This balance is represented in the carrying amount of goodwill resulted from acquisition of the following companies:

	31/12/2022	Translation differences	31/3/2023
National Gas Company (Natgas)	5 015 087	(991 961)	4 023 126
Sprea Misr for Production of Chemicals & Plastic	7 073 796	(1 399 161)	5 674 635
El Fayoum Gas	1 030 488	(203 827)	826 661
Alex Fertilizer	34 107 324	-	34 107 324
Delta Insurance	2 333 180	(461 492)	1 871 688
	49 559 875	**(3 056 441)**	**46 503 434**

* The assumptions used for the determining the impairment of the goodwill are disclosed in the Note No. 51.

18- Right of use assets

	31/3/2023	31/12/2022
Cost		
Cost at the beginning of the period	12 413 958	14 026 851
Additions	-	2 169 299
Translation differences	(1 470 194)	(3 782 191)
Cost at the end of the period	**10 943 764**	**12 413 959**
Accumulated depreciation		
Accumulated depreciation at the beginning of the period	(2 675 233)	(1 935 312)
Depreciation	(209 927)	(1 069 433)
Translation differences	150 923	329 512
Accumulated depreciation at the end of the period	**(2 734 237)**	**(2 675 233)**
Net carrying amount	**8 209 527**	**9 738 726**

* Present value of the total liabilities resulted from right of use is as follows:

	31/3/2023	31/12/2022
Current lease contracts liabilities	1 660 655	2 033 858
Non-current lease contracts liabilities	7 283 601	8 238 615
	8 944 256	**10 272 473**

All amounts are in US Dollars unless otherwise is mentioned

The movement of lease contracts liability is as follows: -

	31/3/2023	31/12/2022
Beginning balance	10 272 473	14 292 836
Lease contracts liability' interest	231 971	1 009 248
Lease contracts liability' paid installments	(273 582)	(1 080 275)
Translation differences	(1 286 606)	(3 949 336)
	8 944 256	**10 272 473**

19- Intangible assets

	1/1/2023	Amortization	Translation differences	31/3/2023
Deferred revenue charges*	**126 299**	(31 669)	49 230	**143 860**
Other assets**	**500 000**	(62 500)	-	**437 500**
	626 299	**(94 169)**	**49 230**	**581 360**

* This item is represented in the costs related to Nubaria Electrical Station and pressure reduction station in Beheira government. Both stations will be delivered to the Egyptian Natural Gas Holding Company (EGAS) at the end of the agreement. Which will be amortized over 15 years.

** This item is represented in the amounts paid to others, whereby, it is expected to obtain future economic benefits to the group which will be amortized over 8 years.

20- Biological assets

	31/3/2023	31/12/2022
Tree forests	310 920	387 582
Wages, salaries, and consultations	789 703	879 407
Fertilizers and pesticides	141 186	168 513
Tools rent	110 537	137 490
Right of use assets depreciation	146 007	165 939
Lease contracts liability interest	282 959	307 460
Fixed assets depreciation	651 028	709 762
Other	311 854	277 867
	2 744 194	**3 034 020**

- This balance is represented in the expenditure cost of the tree forest (Camphor, Casuarina and Sesbania trees) which is located on the plots of land leased by the Group's management.

As the group's management reclaimed and cultivated an area of 2 652 acres with tree forests, taking the following into consideration:

- All crops are still in the experimental cultivation stage.
- All crops are still in the first of the agricultural cycle.
- There is no possibility to estimate the productivity of an acre to a reasonable degree.
- Lack of an active market.

- It is not possible to determine a comparative price.
- It is not possible to determine the expected costs of completing the cultivation process.

Based on the above, the group's management believes that the fair value cannot be estimated on a reliable manner and therefore the biological assets have been measured at cost.

All numbers are in US Dollars

21- Exploration and development assets

	Productive wells	Exploration wells	Development wells	Equipment / field services	Pipelines	Projects under construction	Total
Cost							
As of 1/1/2022	257 253 511	57 991 760	105 830 089	191 159 481	159 832 556	61 940 068	834 007 465
Additions	31 919 126	44 714 381	-	287 081	-	4 719 059	81 639 647
Contractual agreements	26 416 036	-	-	-	-	-	26 416 036
Change in projects under constructions	-	-	-	-	-	(61 940 068)	(61 940 068)
As of 31/12/2022	315 588 673	102 706 141	105 830 089	191 446 562	159 832 556	4 719 059	880 123 080
As of 1/1/2023	315 588 673	102 706 141	105 830 089	191 446 562	159 832 556	4 719 059	880 123 080
Additions	-	-	-	401 101	-	-	401 101
Disposals	(544 703)	-	-	-	-	-	(544 703)
Change in projects under constructions	-	-	-	-	-	3 455 806	3 455 806
As of 31/3/2023	315 043 970	102 706 141	105 830 089	191 847 663	159 832 556	8 174 865	883 435 284
Accumulated amortization, depletion, and impairment losses							
As of 1/1/2022	212 095 974	28 149 707	104 780 635	162 757 736	159 832 556	-	667 616 608
Amortization & depletion	20 409 575	4 125 186	-	6 082 154	-	-	30 616 915
As of 31/12/2022	232 505 549	32 274 893	104 780 635	168 839 890	159 832 556	-	698 233 523
As of 1/1/2023	232 505 549	32 274 893	104 780 635	168 839 890	159 832 556	-	698 233 523
Amortization & depletion	5 532 227	1 369 645	-	1 557 106	-	-	8 458 978
As of 31/3/2023	238 037 776	33 644 538	104 780 635	170 396 996	159 832 556	-	706 692 501
Carrying amount as of 31/12/2022	83 083 124	70 431 248	1 049 454	22 606 672	-	4 719 059	181 889 557
Carrying amount as of 31/3/2023	77 006 194	69 061 603	1 049 454	21 450 667	-	8 174 865	176 742 783

All amounts are in US Dollars unless otherwise is mentioned

22- Equity-accounted investees (associates companies)

	Ownership %	31/3/2023	31/12/2022
Investments listed in stock exchange			
El-Mohandas Insurance Company (S.A.E)	24.99	20 989 584	20 491 371
Investments not listed in stock exchange			
Inayah Egypt for Medical care programs management Co. (S.A.E)	12.65	264 495	329 711
Egyptian Tankers Co. (S.A.E)	30	17 128 175	17 128 175
		38 382 254	**37 949 257**
Impairment losses		(17 128 175)	(17 128
		21 254 079	**20 821 082**

The following is a summary of the financial information of the associates companies:

31 March 2023	Al Mohandas Insurance Company	Inayah Egypt Co.	Egyptian Tankers Co. (S.A.E.)
Total assets	90 422 820	2 543 160	75 049 278
Total Liabilities	(63 030 732)	(811 716)	(49 291 511)
Equity (100%)	27 392 088	1 731 444	25 757 767
The group share in net equity	6 845 282	219 028	7 727 330
Revenues	6 038 309	435 204	7 229 350
Net profit	1 993 648	204 410	1 529 920
Group's share of net profit	498 213	25 858	458 976

31 December 2022	Al Mohandas Insurance Company	Inayah Egypt Co.	Egyptian Tankers Co. (S.A.E.)
Total assets	106 894 026	3 435 172	65 241 189
Total Liabilities	(75 443 988)	(1 585 962)	(41 892 397)
Equity (100%)	31 450 038	1 849 210	23 348 792
The group share in net equity	7 859 364	233 814	7 004 637
Revenues	41 067 097	1 396 349	21 668 526
Net profit	8 881 930	430 994	1 785 725
Group's share of net profit	2 219 594	54 495	535 718

All amounts are in US Dollars unless otherwise is mentioned

24- Financial assets at amortized cost

	31/3/2023	31/12/2022
Governmental bonds	115 941 382	136 939 120
Treasury bills	95 248 302	87 387 610
Designated governmental bonds in Insurance sector	46 013 814	57 358 017
Designated bank investment certificates in Insurance sector	10 136 187	28 419 563
Government bonds in Insurance sector	2 721 162	3 064 457
Investment certificates at local banks in Insurance sector	226 978	1 576 395
	270 287 825	**314 745 162**
Expected credit losses	(1 198 974)	(1 383 122)
	269 088 851	**313 362 040**
Classified as follows: -		
Current	105 479 609	98 063 725
Non-current	163 609 242	215 298 315
	269 088 851	**313 362 040**

The movement of financial assets at amortized cost is as follows: -

	31/12/2022	Change during the period	31/3/2023
Beginning balance	686 904 755	(373 542 714)	313 362 041
Return on financial assets at amortized cost	39 579 600	(30 409 817)	9 169 783
Expected credit loss	(1 494 598)	295 624	(1 198 974)
Net buying and selling	(238 865 344)	248 791 857	9 926 513
Translation differences	(172 762 373)	110 591 861	(62 170 512)
	313 362 040	**(44 273 189)**	**269 088 851**

25- Inventories

	31/3/2023	31/12/2022
Spare parts, consumables, and tools	29 452 519	34 163 465
Supplies and consumables	39 633 025	31 602 134
Fuel and oil	15 637 136	15 950 129
Finished goods and work in process	11 072 341	11 400 608
Letters of credit & goods in transit	1 543 847	2 398
	97 338 868	**93 118 734**
Inventory write down	(572 705)	(575 062)
	96 766 163	**92 543 672**

26- Work in progress

	31/3/2023	31/12/2022
Land and buildings under development	36 018 027	34 111 088
Others	164 379	195 388
	36 182 406	**34 306 476**

All amounts are in US Dollars unless otherwise is mentioned

23- Investments at fair value through other comprehensive income

	31/3/2023	31/12/2022
Government debt securities	168 267 974	216 835 426
Local companies' stocks listed in (EGX)	1 413 153	1 349 660
Foreign companies' stocks listed on foreign stock	1 376 691	1 378 939
	171 057 818	**219 564 025**
Classified as follows:		
Non-current	43 123 552	105 099 669
Current	127 934 266	114 464 356
	171 057 818	**219 564 025**

All of the referred assets have been recorded at fair value in accordance with the published prices in the market.

The movement of investments at fair value is as follows: -

	31\12\2022	Change during the period	31\3\2023
Cost	319 209 788	(43 280 811)	275 928 977
Change in the fair value*	(8 043 424)	(5 988 848)	(14 032 272)
Translation differences	-	(4 422)	(4 422)
Expected credit loss	(91 602 339)	78 282	(91 524 057)
Proceed or gain from sale	-	689 592	689 592
	219 564 025	**(48 506 207)**	**171 057 818**

	31/12/2022	Change during the period	31/3/2023
***Classified as follows:**			
Owners of the Parent Company	(6 110 170)	(6 519 909)	(12 630 079)
Non-controlling interests	(1 933 254)	531 061	(1 402 193)
	(8 043 424)	**(5 988 848)**	**(14 032 272)**

All amounts are in US Dollars unless otherwise is mentioned

27- Investments at fair value through profit or loss

This balance is represented in the market value of the portfolios owned by the Group, which consist of Egyptian Companies' shares, governmental bonds and portfolios managed by abroad investment managers for the purpose of dealing in international stock exchanges. These investments are represented as follows:

	31/3/2023	31/12/2022
Portfolios managed by investment managers	3 829 899	4 368 941
Egyptian Companies' stocks (listed in the Egyptian Stock Exchange)	184 136	180 628
Investments in investment funds	4 865 775	4 041 066
Governmental bonds	61 632 770	19 329 196
	70 512 580	**27 919 831**

The movement of investments at fair value through profit or loss is as follows: -

	31/3/2023	31/12/2022
Beginning balance	27 919 831	54 109 648
Valuation during the period	(934 401)	(800 605)
Purchase (collect)	43 870 297	(25 188 699)
Translation differences	(343 147)	(200 513)
	70 512 580	**27 919 831**

28- Trade & notes receivable

	31/3/2023	31/12/2022
Trade receivables	86 398 972	69 968 489
Egyptian General Petroleum Corporation*	54 039 645	49 800 555
	140 438 617	**119 769 044**
Notes receivable	19 816 095	23 013 952
Expected credit losses	(2 673 213)	(3 485 582)
	157 851 499	**139 297 414**
Classified as follows:		
Current (due within one year)	149 322 628	133 048 067
Non-current (due after one year)	8 258 871	6 249 347
	157 581 499	**139 297 414**

* Egyptian General Petroleum Corporation's balance is related to the following companies:

	31/3/2023	31/12/2022
National Gas Co. (Natgas)	-	2 112 981
Al Nubaria Co.	794 569	1 185 725
NSCO Co.	53 245 076	46 501 849
	54 039 645	**49 800 555**

All amounts are in US Dollars unless otherwise is mentioned

29- Other current assets

	31/3/2023	31/12/2022
Accrued revenue	25 538 674	28 896 523
Suppliers-advanced payments	23 977 817	15 833 467
Tax Authority	9 062 267	16 300 962
Accounts receivables from insurance	10 834 323	11 404 062
Deposits with others	8 931 970	7 915 901
Prepaid expenses	2 754 910	1 979 219
Cheques under collection	2 416 529	2 143 199
Due from building materials industries Co.	3 414 053	3 288 359
Insurance and reinsurance Companies	1 832 606	1 909 018
Payments to employees under dividends distributions	299 178	1 517 666
Due from Sudapet Co.	1 411 896	1 411 896
Debtors- west Jabal al-Zeit	1 142 656	1 142 656
Imprests & employee's custodies	662 602	233 394
Refunded networks costs from the corporation	24 903	625 175
Due from Egyptian Hydrocarbon Co.	500 000	500 000
Loans guaranteed by individuals' insurance policies	161 335	195 664
Other debit balances	12 087 925	10 946 436
	105 053 644	**106 243 597**
Expected credit losses	(3 247 580)	(3 939 965)
	101 806 064	**102 303 632**

30- Cash and cash equivalents

	31/3/2023	31/12/2022
Banks – current accounts	104 541 496	83 047 698
Banks – time deposits (less than three months)	318 207 649	237 058 341
Banks – time deposits (more than three months)	14 079 946	135 468 573
Cash on hand	806 349	443 455
	437 635 440	**456 018 067**
Expected credit losses	(2 209 164)	(2 461 457)
	435 426 276	**453 556 610**

For the purpose of preparing the consolidated statement of cash flows, cash & cash equivalents account is represented as follows:

	31/3/2023	31/12/2022
Cash & cash equivalents	437 635 440	541 064 954
Investments in treasury bills and bonds - during three months	42 759 655	46 737 557
Time deposits (more than three months)	(14 079 946)	(373 125)
Restricted cash	(57 407 372)	-
	408 907 777	**587 429 386**

All amounts are in US Dollars unless otherwise is mentioned

31-Non-current assets held for sale

	31/3/2023	31/12/2022
Egyptian Hydrocarbon Co.*	14 900 000	14 900 000
	14 900 000	**14 900 000**

*The assets related to the Egyptian Hydrocarbon Company – Investments at fair value through other comprehensive income are presented as assets held for sale on March 31, 2023, as during the year 2017 the group management signed a contract to sell its shares amounting to 10% of the shares of the Egyptian Hydrocarbon Company to a party outside the group, and an amount of USD 2 million was obtained as a sales advance in 2017, recorded in the credit balances, and the contract with the buyer was renewed until the remaining of the contract value is paid.

32-Share capital

- The Company's authorized capital is USD 500 million (Five hundred million USD).
- The issued capital was initially determined amounted to USD 120 million (One hundred & twenty million USD) distributed over 12 million shares at a par value of USD 10 per share. The Founders and subscribers through methods other than public subscription have subscribed to 9 million shares at a value of USD 90 million (Only ninety million USD) 3 million shares at USD 30 million (Only thirty million USD) were offered for public subscription and they were fully underwritten. The issued capital was fully paid. The issued capital has been increased and the share of the Company was split several times to reach an amount of USD 281 721 321.75 distributed over 1 126 885 287 shares of par value of US Cent 25 each fully paid and has been noted in the commercial register.

33- Other reserves

	31/3/2023	31/12/2022
Special reserve – share premium	-	57 954 547
General reserve	-	8 380 462
Fair value reserve	(12 630 079)	(6 110 170)
Translation reserve	(443 510 706)	(359 088 201)
	(456 140 785)	**(298 863 362)**

Legal reserve

According to the Companies' Law and the Parent Company's article of association, the Company is required to set aside 5% of the annual net profit of the Holding Company to form the legal reserve. The transfer to legal reserve ceases once the reserve reaches 50% of the issued share capital of the Holding Company. The reserve is not distributable. However, it can be used to increase the share capital or offset losses.

Special reserve – share premium

As of December 31, 2022, the balance is represented in the remaining amount of the share premium of the issued share capital increase of a number of 136 363 636 shares during year 2014 after deducting the amount of USD 17 045 454 credited to the legal reserve. On 30 March 2023, the General Assembly of Shareholders decided to use the full balance in dividends.

All amounts are in US Dollars unless otherwise is mentioned

General reserve

As of December 31, 2022, the balance is represented in the amount set aside from the Holding Company's profits in previous years according to the resolutions of the General Assembly Meeting of shareholders of the holding Company. This reserve shall be used by a resolution from the General Assembly of shareholders based on a proposal from the holding Company's board of directors in matters that could be favorable to the Company's interests. On 30 March 2023, the General Assembly of Shareholders decided to use the full balance in dividends.

Fair value reserve

This item is represented in the accumulated net change in the fair value of investments at fair value through other comprehensive income until the investment is derecognized.

Translation differences reserve

This item represents in the accumulated differences resulted in the financial statements translations for the subsidiary companies from foreign currency to USD in addition to its share in accumulated differences in associate's owner equity's translations.

34- Deferred tax liabilities

	31/12/2022	Income tax benefit	Translation difference	31/3/2023
Fixed assets, projects under constructions and other assets	**9 004 509**	(250 704)	(27 870)	**8 725 935**
	9 004 509	**(250 704)**	**(27 870)**	**8 725 935**

Deferred tax assets – not recognized

Deferred tax assets related to tax losses and deductible temporary differences have not been recognized because it is not probable that future taxable profit will be available.

Deferred tax liabilities - not recognized

Deferred tax liabilities related to the temporary differences of the undistributed profits of some subsidiaries have not been recognized based on the following:

The management of the holding company controls the timing of disbursing the distributions and the current plan is to keep all the distributable profits to be reinvested instead of resorting to financing as a result of the high interest rates, which exceeded 19.25%. Thus, there is no plan for profit distribution in the foreseeable future.

Accordingly, the group's policy, according to EAS 24, is to recognize the deferred tax related to the profits expected to be distributed within the limits of the distribution tax on the amounts that are planned to be distributed by the holding company in the coming years.

All amounts are in US Dollars unless otherwise is mentioned

35- Suppliers, contractors, notes payable & other creditors

	31/3/2023	31/12/2022
Suppliers & contractors	38 675 122	38 154 224
Notes payable	8 564 413	9 238 097
Customers – Advanced payments	55 986 683	51 067 788
Accrued expenses	24 905 952	46 219 132
Deposits from others	13 343 299	10 733 261
Egyptian General Petroleum Corporation*	15 594 648	10 077 503
Insurance and reinsurance Companies	10 073 848	12 305 576
Accrued loan interest	4 957 625	2 903 165
Collected installments	817 835	989 595
Dividends payable	125 154 022	1 196 641
Dividends payable-non-controlling interests	36 545 205	5 870 426
Insured current account	1 546 675	1 297 432
Financing from non- controlling interests	9 174 240	8 998 865
Operating companies	7 916 941	8 599 859
Due to employees	20 003 663	2 128 561
Property, plant & equipment creditors	878 594	1 232 873
Nilebit Company	34 754 429	34 703 437
Other credit balances	47 242 853	40 005 837
	456 136 047	**285 722 272**
Classified as follows:		
Current	450 908 485	276 177 341
Non-current	5 227 562	9 544 931
	456 136 047	**285 722 272**

* Egyptian General Petroleum Corporation balance related to the following companies: -

	31/3/2023	31/12/2022
National Gas Co. (Natgas)	7 276 494	-
El Fayoum Gas Co.	8 318 154	10 177 503
	15 594 648	**10 177 503**

All amounts are in US Dollars unless otherwise is mentioned

36- Loans

	Loan's currency	Amount granted	Maturity date	31/3/2023	31/12/2022
Egypt Kuwait Holding Co.					
Loan guaranteed by investment portfolio	USD	60 000 000	2023-2026	51 500 000	60 000 000
Loan guaranteed by investment portfolio	EGP	64 871 878	2022-2023	25 266 442	16 704 549
Loan guaranteed by investment portfolios	USD	193 583 333	2022-2027	176 916 667	193 583 333
National Company for Electric Technology (Kahraba) S.A.E.					
Loan without guarantee	EGP	6 303 119	2019-2026	2 541 162	3 431 699
Loan without guarantee	EGP	3 544 337	2023-2024	3 544 337	4 418 243
Loan without guarantee	EGP	7 772 761	2022-2027	7 772 761	-
National Gas Co. "Natgas"					
Loan without guarantee	EGP	1 431 222	2023	-	1 431 222
AD Astra Co.					
A loan secured by a mortgage on acquired assets	EUR	16 775 120	2036	16 775 120	14 973 866
MOG Energy Co.					
Loan without guarantee	USD	13 502 360	2022-2028	13 502 360	13 330 405
Aspera for Chemicals Co.					
A loan secured by a commercial mortgage on the financed assets	USD	10 440 625	2022-2026	10 440 625	13 692 144
A loan secured by a commercial mortgage on the financed assets	USD	5 970 371	2022-2027	5 970 371	7 648 902
Sprea Misr for Chemicals & Plastic Co.					
Loan without guarantee	USD	5 942 061	2021-2026	5 738 529	5 942 061
Nile Wood Co.					
A secured loan by building mortgage and commercial mortgage on the financed assets	EGP	53 205 335	2023-2028	32 774 580	32 721 402
Gas Chill Co:					
Loan guaranteed by investment portfolio	EGP	591 111		591 111	300 067
Total				**353 334 065**	**368 177 893**
Current				109 112 905	87 728 665
Non-current				244 221 160	280 449 228
				353 334 065	**368 177 893**

- Most of the interest rates on loans are represented in LIBOR or Corridor rate, in addition to a margin.

All amounts are in US Dollars unless otherwise is mentioned

37- Bank facilities

	Facility's Currency	Amount granted	31/3/2023	31/12/2022
Egyptian Kuwait Holding Co.				
Bank facility without guarantee	EGP & USD	18 000 000	14 872 821	16 395 040
Bank facility guaranteed by investment portfolio of one of the subsidiaries	EGP & USD	50 000 000	11 954 358	15 270 044
Bank facility guaranteed by investment portfolio	USD	110 000 000	99 716 415	49 641 666
Bank facility guaranteed by investment portfolio of one of the subsidiaries	USD	50 000 000	33 000 000	33 000 000
Bank facility without guarantee	USD & EGP	50 000 000	7 031 940	7 595 899
Bank facility without guarantee	USD & EGP	30 125 208	30 125 208	30 137 148
Bank facility guaranteed by investment portfolio of one of the subsidiaries	EGP	30 000 000	9 721 635	12 236 872
Gas Chill Co.				
Bank facility guaranteed by deposits	EGP	3 000 000	553 098	884 836
National Gas Co. "Natgas"				
Bank facility without guarantee	EGP	8 084 074	4 127 727	6 699 066
Bank facility without guarantee	EGP	4 042 037	-	420
Bank facility without guarantee	EGP	2 425 222	842 979	1 136 038
Bank facility without guarantee	EGP	6 063 056	4 074 531	4 914 154
Bank facility without guarantee	EGP	8 084 074	6 483 370	8 082 014
Bank facility without guarantee	EGP	4 042 037	671 040	-
Bank facility without guarantee	EGP	6 063 056	3 488 142	3 736 445
Bank facility without guarantee	EGP	4 042 037	1 714 850	231 765
Bank facility without guarantee	USD	5 811 743	5 811 743	-
Sprea Misr for Chemicals & Plastic Co.				
Bank facility without guarantee	EGP	10 105 092	3 851	671 745
Bank facility without guarantee	EGP	14 147 130	26 718	16 198
Bank facility without guarantee	EGP	9 296 686	4 050 668	6 130 353
Bank facility without guarantee	EGP	12 126 112	2 633 754	7 518 851
Bank facility without guarantee	EGP	9 700 889	3 855 194	6 290 196
B/F			**244 760 042**	**210 588 750**

All amounts are in US Dollars unless otherwise is mentioned

	Facility's Currency	Amount granted	31/3/2023	31/12/2022
C/F			**244 760 042**	**210 588 750**
Bank facility without guarantee	EGP	8 084 074	1 032 249	3 228 567
Bank facility without guarantee	EGP	13 338 723	5 812 516	6 130 353
Bank facility without guarantee	EGP	2 425 222	1 939 342	1 743 973
Bank facility without guarantee	EGP	6 485 084	1 252 826	-
Bank facility without guarantee	EGP	9 727 626	2 423 662	5 759 903
Bedayty for Micro Finance				
Bank facility without guarantee	EGP	16 774 454	14 471 154	12 070 808
Shield Gas Co.				
Bank facility without guarantee	AED	50 000	28 168	28 168
Bank facility without guarantee	AED	1 000 000	401 513	514 984
OGI Co.				
Bank facility guaranteed by investment portfolio	USD	20 000 000	8 000 000	8 000 000
BKH Co.				
Bank facility guaranteed by investment portfolio	USD	17 000 000	16 523 778	-
National Company for Electric Technology (Kahraba) S.A.E.				
Bank facility without guarantee	EGP	3 242 542	994 846	2 534 157
Bank facility without guarantee	EGP	1 621 271	1 554 913	1 938 334
Bank facility without guarantee	EGP	1 621 271	-	1 585 909
Bank facility without guarantee	EGP	8 106 355	5 877 246	5 022 374
Bank facility without guarantee	EGP	4 053 178	1 116 978	1 797 717
			306 189 233	**261 123 949**
Current			109 102 197	128 108 263
Non-current			197 087 036	133 015 686
			306 189 233	**261 123 949**

- Most of the interest rates on bank facilities are represented in LIBOR or corridor rate, in addition to a margin.

All amounts are in US Dollars unless otherwise is mentioned

38- Provisions

	1/1/2023	Formed	Used	Provisions no longer required	Translation differences	31/3/2023
Retention provisions	25 686	-	(49 005)	-	109 014	85 695
Other provisions*	64 225 299	351 736	(765 913)	(265 726)	(2 132 123)	61 413 273
	64 250 985	351 736	(814 918)	(265 726)	(2 023 109)	61 498 968

* The provisions are related to expected claims related to Company's business. The usual disclosure information about the provisions has not been disclosed in accordance with Egyptian accounting standards, as we believe that doing so will seriously affect the results of the negotiations with those entities.

- The provisions formed during the period includes an amount of USD 35 049, is represented in the financing expenses of the present value of the provisions to restoring the site on which is located, recognized in the exploration and development assets item (2022, an amount of USD 613 972).

39- Insurance policyholder s' rights

	31/3/2023	31/12/2022
Technical provisions for individual's insurance	48 852 074	59 576 087
Technical provisions for property and liability insurance	18 197 015	19 120 862
Policyholder s' rights for investments units	3 829 899	4 368 941
Provision for outstanding claims	323 905	482 299
	71 202 893	83 548 189

40- Subsidiaries Companies

Main subsidiaries are represented in the following:

	Sector	Operations	Country of Incorporation	Direct & indirect Ownership % 31/3/2023	31/12/2022
Companies under direct control					
International Financial Investments Co. S.A. E	Other	Diversified Investment	Egypt	100	100
Bawabat Al Kuwait Holding Co.– S.A.K *	Fertilizers and chemicals	Diversified Investment	Kuwait	84.79	69.67
Delta Insurance Co.*	Insurance	Insurance	Egypt	63.39	63.22
Globe for Communication & Information Technology Co.	Other	Telecommunications Services	Egypt	99	99
Globe Telecom Co.	Other	Telecommunications Services	Egypt	100	100
ECO for Industrial Development Co	Other	Industrial development	Egypt	100	100
MAT Company for Trading	Other	Trade and agencies	Egypt	100	100
EKHN B.V.	Other	Diversified Investment	Netherlands	100	100
Global MDF Industries B.V.	Wood manufacturing	Diversified Investment	Netherlands	83,8	83.8

All amounts are in US Dollars unless otherwise is mentioned

	Sector	Operations	Country of Incorporation	Direct & indirect Ownership % 31/3/2023	Direct & indirect Ownership % 31/12/2022
EK Microfinance	Other	Investing in non-banking financial services	Netherlands	100	100
Mega Me for Trade Co.	Other	Trade and retail	Egypt	100	100
OGI Capital - Limited Liability Co.- Free Zone - Jebel Ali	Other	Diversified Investment	United Arab of Emirates	100	100
Egypt Kuwait Development Company for Operating and Maintenance	Energy	Gas distribution and installing	KSA	100	-
Subsidiaries Companies of International Financial Investments Co.					
Sprea Misr for Production of Chemicals & Plastics Co. S.A. E	Fertilizers and chemicals	Chemicals and plastics production	Egypt	100	100
Egyptian Company for Petrochemicals S.A.E	Fertilizers and petrochemicals	Chemicals and plastics	Egypt	100	100
National Energy Co - S.A. E	Energy	Investment in energy sector	Egypt	100	100
El Fayoum Gas Holding Company	Energy	Investment in energy sector	Virgin Islands	100	100
Midor Suez Oil Refining Co. (Under liquidation)	Energy	Investment in energy sector	Egypt	100	100
NSCO INVESTMENT LIMITED Company	Energy	Investment in Natural gas exploration and production	Cayman Islands	99.9993	99.9993
BKH Megan	Other	Diversified Investment	Cayman Islands	100	100
National Gas Company (NATGAS) S.A. E	Energy	Gas distribution and installing	Egypt	83.98	83.98
Nahood International Limited Co.	Other	Investment in cement sector	United Arab of Emirates	60	60
Solidarity Mena Limited Co.	Other	Diversified Investment	United Arab of Emirates	100	100
Solidarity International Limited Co.	Other	Diversified Investment	United Arab of Emirates	100	100
Solidarity group limited Co.	Other	Diversified Investment	United Arab of Emirates	100	100
MEA Investments Co.	Other	Diversified Investment	United Arab of Emirates	100	100
Africa Netherlands	Other	Diversified Investment	Netherlands	100	100
IFIC Petrochemicals Co.	Other	Diversified Investment	Cayman Islands	100	100
Ekuity Holding International - Limited	Other	Diversified Investment	Cayman Islands	100	100
Henosis for Construction & Real-Estate Development Co.	Other	Logistic services	Egypt	100	100
Capital Investment Limited Luxembourg Co.	Other	Diversified Investment	Luxembourg	100	100

All amounts are in US Dollars unless otherwise is mentioned

	Sector	Operations	Country of Incorporation	Direct & indirect Ownership % 31/3/2023	Direct & indirect Ownership % 31/12/2022
AD ASTRA REAL ESTATE, S.L. Co.	Other	Real estate investment	Spain	100	100
AD ASTRA PROYECTO MISR, S.L. Co.	Other	Real estate investment	Spain	100	100
AD ASTRA PROYECTO ALCAZAR, S.L. Co.	Other	Real estate investment	Spain	100	100
AD ASTRA PROYECTO CAIRO, S.L. Co.	Other	Real estate investment	Spain	100	100
SISTEMAS INDUSTRIALES SALGAR II S.L Co.	Other	Real estate investment	Spain	100	100
AD ASTRA PROYECTO MEDINA, S.L. Co.	Other	Real estate investment	Spain	100	100
GasServe Co.	Energy	Gas services	Egypt	100	100
Shield Gas Co.	Energy	Gas distribution services	United Arab of Emirates	100	100
EEK Investment Holding LTD Co.	Energy	Investment in Gas distribution services	United Arab of Emirates	100	100
International Fertilizer Trading Co.	Other	Investment in cement sector	Cayman Islands	100	100
NSCO Investment INC Co.	Energy	Investment in Natural gas exploration and production	Panama	100	100
IFIC Global Co.	Energy	Investments in gas sector	Cayman Islands	100	100
Subsidiary of Solidarity Group Ld.					
MOG Energy group Companies *	Energy	Petroleum and gas	Egypt	80.31	78.80
Subsidiary of Globe Telecom					
Globe for Trading & Agencies Co.	Other	Trade and agencies	Egypt	100	100
Subsidiaries of National Gas Co. (Natgas)					
National Company for Electric Technology Co (Kahraba) S.A.E.	Energy	Electricity generation and distribution	Egypt	96.16	91.95
Al Nubaria for Natural Gas Co. S.A.E.	Energy	Gas distribution	Egypt	83.98	83.98
Egypt Kuwait Investments Holding Limited Co.	Energy	Diversified Investment	United Arab of Emirates	83.98	83.98
Kahraba Future Co.	Energy	Electricity generation and distribution	Egypt	96.16	91.95
Gas Line Co.	Energy	Gas distribution and installing	Egypt	83.98	83.98

All amounts are in US Dollars unless otherwise is mentioned

	Sector	Operations	Country of Incorporation	Direct & indirect Ownership % 31/3/2023	Direct & indirect Ownership % 31/12/2022
Subsidiaries of BKH Megan					
Middle East for River Transportation	Other	River Transportation	Egypt	100	100
Mert Holding	Other	Marine Transportation	Cayman Islands	100	100
BMIC Holding	Other	Investment in cement sector	Cayman Islands	100	100
Subsidiaries of Nat Energy Company					
Cooling Technology by Natural Gas Co. (Gas Chill) S.A.E.	Other	Natural gas Cooling technology	Egypt	85.99	85.99
El Fayoum Gas Co. S.A.E.	Energy	Gas distribution	Egypt	77.99	77.99
Technology Gas Co. Go Gas	Energy	Natural gas distribution & installing	Egypt	99.20	99.20
Subsidiaries of Bawabet Al Kuwait Holding Co.					
AlexFert Co. - S.A.E.	Fertilizers and chemicals	Fertilizers manufacturing	Egypt	69.42	60.10
International Logistics Co.	Fertilizers and chemicals	Investments in fertilizers Companies	Kuwait	84.79	69.67
Polar Star Investments Co.	Fertilizers and chemicals	Diversified Investment	United Arab of Emirates	69.42	60.10
Subsidiary of Egyptian Company for Petrochemicals					
El Shorouk for Melamine & Resins Co.	Fertilizers and chemicals	Production of melamine products and resins	Egypt	95.05	95.05
Subsidiary of Global MDF Co.					
Cairo Wood for Imports and Exports Co. (S.A.E.)	Wood Manufacturing	Wood trade	Egypt	83.8	83.8
Nile for Agricultural Waste Recycling Co.	Wood Manufacturing	Recycle agricultural waste	Egypt	83.8	83.8
Nile Wood Co. (S.A.E.)	Wood Manufacturing	Wood Manufacturing	Egypt	83.8	83.8
Eco for Agricultural Development	Wood Manufacturing	Reclamation and cultivation of tree forests	Egypt	83.8	83.8
Subsidiaries of Sprea Misr for Production of Chemicals and Plastics Co.					
Asprea for Chemicals Co. (S.A.E.)	Fertilizers and chemicals	Chemicals and plastics	Egypt	100	100
Subsidiary of EK Microfinance Co.					
Bedayty for Micro Finance Co.	Others	Micro Finance	Egypt	100	100
Bedayaty for Consumer Finance Co.	Others	Consumer Financing	Egypt	100	100

* During the period, an additional 15.12 % in Bawabet Al Kuwait Holding Co.' capital share, and an additional 0.17% in Delta Insurance Co's capital share were acquired, the loss resulting from the acquisition is recorded in the retained earnings in the consolidated statement of changes in equity.

41- Transactions with related parties

Related parties are represented in the Parent Company & its subsidiaries' shareholders, and Companies in which they own directly shares giving them significant influence or controls over the Group as well as the board members of the group companies. The Group's companies made several transactions with related parties and these transactions have been done in accordance with the terms determined by the Board of Directors of these companies. Significant transactions are represented in following: -

- The Group has agreed with Abu Qir Fertilizers and Chemical Industries Co. on signing rental contracts for a plot of land to construct the factory on it with a yearly rental value USD 622 494 effective from July 15, 2003, for a period of 25 years, a contract for a building to use it as a temporary headquarter for the Company's management with an annual rental value of EGP 237 600 with annual increase amounting to EGP 16 632 effective from December 1, 2003, and will be ending in July 14, 2028. The Company has also leased a plot of land with an annual rental value of USD 421 000 to construct a water station effective from January 30, 2005, for a period of 25 years. It was also agreed to use the land and sea facilities of the Abu Qir Company to export quantities of ammonia produced by the group.

42- Dividends approved, and board of directors' remuneration

- On February 28, 2017, the board of directors of Egypt Kuwait Holding Company unanimously decided to set an amount of 5% of the annual profits to the chairman and managing director of the Company. The decision is effective from the 2016 results and decided to grant part of the said amount to the employees. The said amount will be set and granted from the board of directors' remunerations of subsidiaries.
- The shareholders of Egypt Kuwait Holding Company approved cash dividends for the financial year ended December 31, 2022, of 11 Cent/share with a total amount of USD 123 957 382, approved remunerations for the board of directors amounting to USD 14 086 066, approved employees' dividends amounting to USD 1 501 852. The approval was decided by the shareholders general assembly meeting of the Parent Company held on March 30, 2023.

43- Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk.
- Currency risk
- Interest rate risk
- Other market prices risk

This disclosure presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Parent Company's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors of the Parent Company has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board also is responsible for identifying and analyzing the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The Group management aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors of the Parent Company is assisted in its oversight role by the Audit Committee and Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the Board of Directors.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade and other receivables.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base including the default risk of the industry has less an influence on credit risk.

The Group Management has established credit policies under which each new customer is analyzed individually for credit worthiness before the Group's standard payment and delivery terms and conditions are offered. Customers that fail to meet the Group's benchmark credit worthiness may transact with the Group only on a prepayment basis. No previous impairment loss was resulted from transactions with trade receivables.

Investments

The Group limits its exposure to credit risk by only investing in active and liquid securities. Management does not expect any counterparty to fail to meet its obligations.

Guarantees

The Group's policy is to provide financial guarantees only to wholly owned subsidiaries.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for an appropriate period including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market risk

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

Currency risk

The Group is exposed to currency risk on borrowings that are denominated in a currency other than the respective functional currencies of Group entities, primarily the Egyptian Pound.

Interest on borrowings is denominated in currencies that match the cash flows generated by the underlying operations of the Group. This provides an economic hedge and no derivatives are entered into.

All amounts are in US Dollars unless otherwise is mentioned

The Company's investments in other subsidiaries are not hedged as those currency positions are considered to be long-term in nature.

Interest rate risk

The Group adopts a policy of ensuring that the exposure to changes in interest rates on borrowings is on fixed rate basis. The Company does not enter into interest rate swap.

Other market prices risk

Equity price risk arises from equity instruments measured at fair value through other comprehensive income and management of the Group monitors the equity securities in its investment portfolio based on market indices.
Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors of the Parent Company.

The primary goal of the Group's investment strategy is to maximize investment returns. Management is assisted by external advisors in this regard.

In accordance with this strategy certain investments are designated as held for trading investments because their performance is actively monitored, and they are managed on a fair value basis.

Capital management

The Group policy is to maintain a strong capital base to maintain investors, creditors and market confidence and to sustain future development of the business.

The Board of Directors of the Parent Company monitors the return on capital, which the Company defines as net profit for the period divided by total shareholders' equity, the Board of Directors also monitors the level of dividends to shareholders.

The Board of the Parent Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a share capital position.

There were no changes in the Group's approach to capital management during the period; the Parent Company is not subject to externally imposed capital requirements.

44- Financial instruments

Credit risk exposure

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the consolidated financial statements' date are as follows:

	31/3/2023	31/12/2022
Other current assets	78 320 917	88 430 911
Financial assets at amortized cost	270 239 286	314 745 162
Trade & notes receivable	160 254 712	142 782 996
	508 814 915	**545 959 069**

All amounts are in US Dollars unless otherwise is mentioned

The maximum exposure to credit risk for trade receivables at the consolidated financial statements date according to the type of customer are as follows:

	31/3/2023	31/12/2022
Governmental customers	54 039 645	49 539 793
Retail customers	33 720 234	5 314 722
Final consumers customers	43 792 406	57 705 061
Export customers	8 886 332	7 209 468
Notes receivable	19 816 095	23 013 952
	160 254 712	**142 782 996**

The aging of trade receivables at the consolidated financial statements' date are as follows:

	31/3/2023		31/12/2022	
	Balance	**Expected credit loss**	**Balance**	**Expected credit loss**
30 days past due	54 776 724	-	20 654 178	-
1-3 months past due	14 882 202	-	11 165 859	-
3 months-1 year past due	88 225 972	(2 155 546)	110 317 654	(2 840 277)
More than one year	2 369 814	(517 667)	645 305	(645 305)
	160 254 712	**(2 673 213)**	**142 782 996**	**(3 485 582)**

Accounting classifications and fair values of financial assets

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As of March 31, 2023	**Note No.**	**Carrying amount**	**Fair Value**			
			Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value						
Investments at fair value through other comprehensive income - debt instruments	(23)	168 267 974	168 267 974	-	-	168 267 974
Investments at fair value through other comprehensive income - equity instruments	(23)	2 789 844	2 789 844	-	-	2 789 844
Investments at fair value through profit or loss	(27)	70 512 580	70 512 580	-	-	70 512 580
		241 570 398	**241 570 398**	-	-	**241 570 398**

All amounts are in US Dollars unless otherwise is mentioned

 Translated

As of December 31, 2022	Note No.	Carrying amount	Fair Value Level 1	Level 2	Level 3	Total
Financial assets at fair value						
Investments at fair value through other comprehensive income - debt instruments	(23)	216 830 426	216 830 426	–	–	216 830 426
Investments at fair value through other comprehensive income - equity instruments	(23)	2 728 599	2 728 599	–	–	2 728 599
Investments at fair value through profit or loss	(27)	27 919 831	27 919 831	–	–	27 919 831
		247 478 856	**247 478 856**	–	–	**247 478 856**
Financial assets other than fair value						
Receivable and notes receivables	(28)	139 297 414	–	–	–	–
Cash and cash equivalent	(30)	453 556 610	–	–	–	–
Financial assets at amortized cost	(24)	313 362 040	–	–	–	–
		906 216 064	–	–	–	–
Financial assets other than fair value						
Receivable and notes receivables	(28)	157 851 499	–	–	–	–
Cash and cash equivalent	(30)	435 426 276	–	–	–	–
Financial assets at amortized cost	(24)	269 088 851	–	–	–	–
		862 096 626	–	–	–	–
Financial liabilities other than fair value						
Bank facilities	(37)	306 189 233	–	–	–	–
Loans	(36)	353 334 065	–	–	–	–
Lease contracts liabilities	(18)	8 944 256	–	–	–	–
Suppliers, contractors, notes payable and other creditors	(35)	456 136 047	–	–	–	–
		1 124 603 601	–	–	–	–

All amounts are in US Dollars unless otherwise is mentioned

Financial liabilities other than fair value						
Bank facilities	(37)	261 123 949	–	–	–	–
Loans	(36)	368 177 893	–	–	–	–
Lease contracts liabilities	(18)	10 272 473	–	–	–	–
Suppliers, contractors, notes payable and other creditors	(35)	285 722 272	–	–	–	–
		925 296 587	–	–	–	–

Liquidity risk

The following are the contractual maturities of financial liabilities:

March 31, 2023

	Due date				
	Carrying amount	During 1 year	1-2 years	2-5 years	More than 5 years
Loans & bank facilities	659 523 298	218 215 102	164 185 535	269 633 063	7 489 598
Suppliers, contractors, notes payables & other creditors	400 149 364	394 924 802	5 227 562	-	-
Accrued income tax	49 659 427	49 659 427	-	-	-
Insurance policyholders' rights	71 202 893	71 202 893	-	-	-
Lease contracts liabilities	8 944 255	1 660 655	1 640 787	971 354	4 671 459
	1 189 479 237	**735 662 879**	**171 053 884**	**270 604 417**	**12 161 057**

December 31, 2022

	Due date				
	Carrying amount	During 1 year	1-2 years	2-5 years	More than 5 years
Loans & bank facilities	629 301 842	215 836 926	3 871 167	409 593 749	-
Suppliers, contractors, notes payables & other creditors	234 654 484	225 109 553	-	9 544 931	-
Accrued income tax	35 117 031	35 117 031	-	-	-
Insurance policyholders' rights	83 548 189	83 548 189	-	-	-
Lease contracts liabilities	10 272 473	2 033 858	-	8 238 615	-
	992 894 019	**561 645 557**	**3 871 167**	**427 377 295**	-

All amounts are in US Dollars unless otherwise is mentioned

Currency risk

Currency risk exposure

The Group exposure to foreign currency risk are as follows based on original currencies.

March 31, 2023

Description	USD	EGP	KWD	EURO	GBP	SAR	AED
Cash & cash equivalents	36 665 191	1 233 892 997	349 676	8 795 542	63 323	337 242	1 515 511
Assets and financial investments	20 008 579	6 350 759 282	-	-	-	-	-
Other current assets	-	1 974 233 425	-	166 026	64 589	-	5 831 905
Trade & notes receivable	29 549	2 221 540 524	-	84 781	-	-	10 320 672
Loans	(22 129 111)	(2 466 261 643)	-	(15 514 600)	(275 601)	-	-
Bank facilities	(5 803 298)	(1 174 078 629)	-	-	-	-	(1 577 531)
Suppliers, contractors, notes payable & other creditors	(6 811 512)	(3 643 099 431)	-	(9 509 652)	(5 752)	-	(13 823 828)
Insurance policyholders' rights	-	(2 189 255 470)	-	-	-	-	-
Net risk exposure	**21 959 398**	**2 307 731 055**	**349 676**	**(15 977 903)**	**(153 441)**	**337 242**	**2 266 729**

All amounts are in US Dollars unless otherwise is mentioned

December 31, 2022

Description	USD	EGP	KWD	EURO	GBP	SAR	AED
Cash & cash equivalents	87 723 794	805 098 605	9 990	5 574 159	14 465	540 325	1 438 865
Assets and financial investments	-	8 061 932 508	-	-	-	-	-
Other current assets	-	1 500 155 952	-	141 075	94 272	-	5 776 515
Trade & notes receivable	6 664 022	1 637 526 100	-	626 054	-	-	10 872 017
Loans	(21 341 047)	(2 776 731 330)	-	(14 133 698)	(270 760)	-	-
Bank facilities	(5 693 489)	(751 204 913)	-	(7 408)	-	-	1 993 699
Suppliers, contractors, notes payable & other creditors	(6 179 297)	(2 740 048 343)	-	(9 327 622)	(24 925)	-	13 919 627
Insurance policyholders' rights	-	(2 066 982 207)	-	-	-	-	-
Net risk exposure	**61 173 983**	**3 669 746 372**	**9 990**	**(17 127 440)**	**(186 948)**	**540 325**	**34 000 723**

The following is the average exchange rates used during the period:

US Dollar	Average exchange rate during the period		Spot rate at the financial statements date	
	31/3/2023	31/12/2022	31/3/2023	31/12/2022
EGP	30.02	16.08	30.84	24.74
KWD	0.3063	0.302939	0.3068	0.3063
EURO	0.9322	0.892857	0.9206	0.9521
GBP	0.8233	0.746269	0.8103	0.8127
AED	3.6727	3.6725	3.6714	3.36756
SAR	3.7547	4.2859	3.7518	3.7544

Interest rate risk

The general interest rate structure for the Group's financial instruments at the date of the consolidated financial statements is shown as follows: -

	31/3/2023	31/12/2022
Financial liabilities at fixed rate	72 384 093	98 643 254
Financial liabilities at variable rate	587 139 205	530 658 588
	659 523 298	**629 301 842**

45- Capital commitments

Total capital commitments amounting to USD 7 725 618 as of March 31, 2023 (year 2022: an amount of USD 16 469 463), are represented in contributions in fixed assets and projects under constructions which have not been requested to be paid till the consolidated statement of financial position' date.

46- Contingent liabilities

In addition to amounts included in the consolidated statement of financial position, there are contingent liabilities representing in the following:

- Uncovered letters of credit amounting to USD 18 204 194 (year 2022: an amount of USD 29 372 100).
- Letters of guarantee issued by banks in favor of the Group and others amounting to USD 8 318 398 (year 2022: an amount of USD 31 387 835).

47- Tax status

Corporate income tax

- The Company had a tax exemption for 5 years according to Investment Law No. 8 of 1997 and ended on December 31, 2003.
- Tax inspection since inception till year 2009 was carried out and the resulted differences were settled.
- Years from 2010 to 2020, inspection in process.
- The annual tax returns for 2021 and 2022 were submitted on the due date according to the provisions of Law No. 91 of 2005.

Salary tax

- The tax inspection for salary tax since inception till year 2019 was carried out, and the resulted differences were settled.
- Period from 1/1/2020 to 3/31/2023, the due tax is paid monthly on the legal dates.

Stamp tax

- Inspection for the stamp tax from inception till year 2016 was carried out, and the resulted differences were settled.
- Years 2017 till 2019 was carried out, notified and appeal was submitted.
- From 1/1/2020 to 3/31/2023, the due tax is paid on the legal dates.

Property tax

- The company has been notified by the accrued tax related to some properties owned by the company till year 2021 and the due tax is paid. For the remaining properties the Company has not been notified.

48- The Effect of Applying Appendix (C) of Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates"

On December 27, 2022, Prime Minister Decision No. 4706 of 2022 was issued to amend some provisions of Egyptian accounting standards represented in the issuance of Appendix C to Egyptian Accounting Standard No. (13), amended in 2015, "The Effects of Changes in Foreign Currency Exchange Rates," which deals with special accounting treatment To deal with the effects of the liberalization of foreign exchange rates, this optional special accounting treatment issued in this appendix is not considered an amendment to the amended Egyptian accounting standards currently in force, beyond the time period for the validity of this appendix, and this treatment is as follows:

- An entity that, prior to the abnormal exchange rate movements, have acquired fixed assets, property investments, intangible assets (excluding goodwill), exploration and development assets, and/or right of use assets for lease contracts, funded by existing obligations at that date. In foreign currencies, to recognize within the cost of those assets the debit currency differences resulting from the settled part of these obligations during the financial period to apply this special accounting treatment, in addition to the currency difference resulting from translating the remaining balance of these obligations at the end of December 31, 2022 or at the end of the day of the closing date of the financial statements for the financial period to apply this special accounting treatment.

- The application of this treatment has affected the consolidated financial statements for the financial year ended December 31, 2022, as the additions to projects under construction during year 2022 includes an amount of USD 8.77 million resulting from translating the balance of a loan in foreign currency that was used to finance the purchase of projects under constructions, in accordance with Appendix (C) of the Egyptian Accounting Standard No. (13) amended in 2015, which deals with the effects of changes in foreign currency exchange rates issued on December 27, 2022.

49- Significant accounting policies applied

The Group has consistently applied the following accounting policies during all financial periods presented in these consolidated financial statements.

49-1 Basis of consolidation

Business combinations

- The Group accounts for business combinations using the acquisition method when control is transferred to the Group. When the acquired group of activities and assets fulfils the business and control is transferred to the group when determining whether the group of activities and assets constitutes a commercial activity. The group assesses whether the acquired group of assets and activities includes, as a minimum, substantial inputs and operations, and whether the acquired group has the ability to produce outputs.
- The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Acquisition costs (Transaction costs) are expensed as incurred and services received, except if related to the issue of debt or equity securities.
- The consideration transferred does not include amounts related to the settlement of pre-existing relationships between the acquirer and acquired entity. Such amounts are generally recognized in profit or loss.
- Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

Subsidiaries

Subsidiaries are entities controlled by the Group.
The Group controls an entity when it 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 financial statements of subsidiaries controlled are included in the consolidated financial statements from the date that control on which control commences until the date that control ceases.

Non-controlling interests

NCI are measured initially at their proportionate share of the acquirer's identifiable net acquired assets.
Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other comprehensive income. Any resulting gain or loss is recognized in in profit or loss. Any interests retained in the former subsidiary is measured at fair value when control is lost.

Equity – accounted investees

The Group's equity-accounted investees comprise interests in associates Companies and joint ventures.
And has no rights to the assets, and obligations for the liabilities, relating to an arrangement.
Associate Companies are companies in which the Group has significant influence over financial and operating policies but does not extend to be a control or a joint venture.
A joint venture is when the Group has rights only to the net assets of the arrangements.
Investments in associates and joint ventures are accounted for using the equity method and are recognized initially at cost. The cost of the investments includes transaction costs.
Subsequent measurement in the consolidated financial statements by increasing or decreasing the carrying value of the investment by the Group's share of the profit or loss and OCI items of the equity-accounted investees, until the date that significant influence ceases\ joint control is stopped.

Transactions eliminated on consolidation

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

49-2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.
Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.
Assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.
Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
Foreign currency differences are generally recognized in profit or loss.
However, foreign currency differences arising from the translation of the following items are recognized in OCI:

- An investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognized in OCI are reclassified to profit or loss);
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective.
- Qualifying cash flow hedges to the extent that the hedges are effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and adjustments arising on acquisition, are translated at the exchange rates at the reporting date. Revenues and expenses of foreign operations are translated into US Dollar at the exchange rates at dates of the transactions. Foreign currency differences are recognized in OCI items and the accumulated balance in the translation differences reserve, excluding the translation differences allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the consolidated income statement as part of the gain or loss on disposal.

If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to the consolidated income statement.

49-3 Discontinued operation

Discontinued operations are a component of the Group's business, and its operations and cash flows can be clearly distinguished from the rest of the Group, which:

• Represents a separate major line of business or geographic area of operations.

• Part of a single coordinated plan to dispose of a separate or geographic major line of business Operations area or

• It is a subsidiary that has been acquired exclusively for the purpose of resale.

Classification of a discontinued operation is achieved upon disposal or when the operation meets the requirements for classification as held for sale, whichever is earlier.

When the operation is classified as a discontinued operation, the comparative figures in the statement of income and other comprehensive income are adjusted as if the operation had been disposed of from the beginning of the comparative year.

49-4 Revenue recognition

Revenue from contracts with customers is recognized by the group based on five steps module as identified in EAS No. 48:

Step 1: Determine the contract (contracts) with customer: A contract is defined as an agreement between two or more parties that meets the rights and obligations based on specified standards which must be met for each contract.

Step 2: Determine the performance obligations in contract: Performance obligations is a consideration when the goods and services are delivered.

Step 3: Determine the transaction price: Transaction price is the compensation amount that the Group expects to recognize to receive for the transfer of goods or services to customer, except for the collected amounts on behalf of other parties.

Step 4: Allocation of the transaction price of the performance obligations in the contract: If the service concession arrangement contains more than one performance obligation, the Group will allocate the transaction price on each performance obligation by an amount that specifies an amount against the contract in which the Group expects to receive in exchange for each performance obligation satisfaction.

Step 5: Revenue recognition when the entity satisfies its performance obligations.

The Group satisfy the performance obligation and recognize revenue over time, if one of the following criteria is met: -

- Group performance does not arise any asset that has an alternative use of the Group and the Group has an enforceable right to pay for completed performance until the date.
- The Group arise or improves a customer-controlled asset when the asset is arise or improved.
- The customer receives and consumes the benefits of Group performance at the same time as soon as the group has performed.

For performance obligations, if one of the above conditions is met, revenue is recognized in the period in which the Group satisfies performance obligation.

When the Group satisfies performance obligation by providing the services promised, it creates an asset based on payment for the contract performance obtained, when the amount of the contract received from customer exceeds the amount of the revenue recognized, resulting advance payments from the customer (contractual obligation)

Revenue is recognized to the extent that is potential for the flow of economic benefits to the Group, revenue and costs can be measured reliably, where appropriate.

The application of Egyptian Accounting Standard No. 48 requires management to use the following judgements:

Satisfaction of performance obligation

The Group should assess all contracts with customers to determine whether performance obligations are satisfied over a period of time or at a point in time in order to determine the appropriate method for revenue recognition. The Group estimated that, and based on the agreement with customers, the Group does not arise asset has alternative use to the Group and usually has an enforceable right to pay it for completed performance to the date.

In these circumstances, the Group recognizes revenue over a period of time, and if that is not the case, revenue is recognized at a point in time for the sale of goods, and revenue is usually recognized at a point in time.

Determine the transaction price

The Group has to determine the price of the transaction in its agreement with customers, using this judgement, the Group estimates the impact of any variable contract price on the contract due to discount, fines, any significant financing component in the contract, or any non-cash contract.

Control transfer in contracts with customers

If the Group determines the performance obligations satisfaction at a point of time, revenue is recognized when control of related contract' assets are transferred to the customer.

In addition, the application of Egyptian Accounting Standard No. 48 has resulted in:

Allocation of the transaction price of performance obligation in contracts with customers

The Group elected to apply the input method to allocate the transaction price to performance obligations accordingly that revenue is recognized over a period of time, the Group considers the use of the input method, which requires recognition of revenue based on the Group's efforts to satisfy performance obligations, provides the best reference to the realized revenue. When applying the input method, the Group estimates efforts or inputs to satisfy a performance obligation, in addition to the cost of satisfying a contractual obligation with customers, these estimates include the time spent on service contracts.

Other matters to be considered

Variable consideration if the consideration pledged in a contract includes a variable amount, then the Group shall estimate the amount of the consideration in which it has a right in exchange for transferring the goods or services pledged to the customer, the Group estimates the transaction price on contracts with the variable consideration using the expected value or the most likely amount method. this method is applied consistently throughout the contract and for identical types of contracts.

The significant funding component

The Group shall adjust the amount for the contract pledged for the time value of the cash if the contract has a significant funding component.

Revenue recognition

Sale of goods revenue

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. For export sales, transfer of risks and rewards of the goods sold occurs according to the shipping terms.

Services revenue

Service revenue is recognized when the service is rendered to customers. No revenue is recognized if there is uncertainty for the consideration or its associated costs.

Gas lines conversion revenue

Revenue is recognized when gas is delivered to the customer.

Gas distribution commissions revenue

Revenues from operation of network and gas distribution are recognized in the light of amounts distributed to customers and the agreed upon prices and in some areas, commission are recognized according to the actual commission, or the minimum take commission whichever is greater.

Sale of electricity revenue

Revenue is recognized when the service is completely rendered, and issuance of customers' electricity consumption invoices.

Rental income

Rental income is recognized on a straight-line basis over the lease term.

Gain on sale of investments

Gain on sale of financial investments is recognized when ownership transfers to the buyer, based on the difference between the sale price and its carrying amount at the date of the sale.

49-5 Employee benefits

Employees' pension

The Group contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law. Under this law, the employees and the employers contribute into the system on a fixed percentage-of-salaries basis. The Group's liability is confined to the amount of its contribution. Contributions are charged to the consolidated statement of profit or loss using the accrual basis of accounting.

Some Companies within the Group contribute to the Group Insurance plan for the benefit of their employees at an insurance Company. According to this plan, employees are granted end of service benefit on retirement, death and full disability during the service years. End of service benefits are repayable by the insurance company. The Companies contribution is confined to the annual insurance premiums. The Group contributions are charged to the consolidated statement of profit or loss as they are incurred according to accrual basis of accounting.

49-6 Finance income and costs

The Group's finance income and finance costs include:

- Interest income.
- Interest expense.
- Dividends
- Net gain or loss on disposal of investments in debt securities measured at FVOCI
- Net gain or loss on financial assets at FVTPL.
- Foreign currency gains or losses from financial assets and financial liabilities. Impairment losses (and recoveries) on investments in debt securities carried at amortized cost or other comprehensive income.
- Fair value loss on the contingent consideration classified as a financial liability.
- Ineffective hedge recognized in profit or loss. And
- Reclassification of net gains and losses previously recognized in other comprehensive income on cash flow hedges of interest rate risk and foreign currency risk

Interest income or expense is recognized using the effective interest method. Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The carrying amount of the financial asset; or
- The amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

49-7 Income tax

The Group has determined that interest and penalties related to income taxes, including uncertain tax liabilities, do not meet the definition of income taxes and are therefore accounted for under EAS 28 Provisions, Contingent Liabilities and Contingent Assets.

Current income tax

Current taxes for the current and prior periods which have not yet been paid are recognized as a liability. If the taxes were actually paid in the current and prior periods exceed the amount due for these periods, then this increase is recognized as an asset. The value of current tax liabilities (assets) for the current and prior periods are measured by the value expected to be paid to (recovered from) the tax authority. Using the applicable tax rates (and effective tax laws) or in the process of being issued on the financial period ended. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is recognized for all temporary differences that are expected to be taxed except for the following:

- Temporary differences in the initial recognition of assets and liabilities in a transaction that is not a business combination and that does not affect accounting or taxable profits or losses.
- Temporary differences relating to investments in subsidiaries, associates, and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- Taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
Future taxable profits are determined based on business plans for individual subsidiaries in the Group. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits that allows for the deferred tax asset to be absorbed.
Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when using tax rates enacted or substantively enacted at the reporting date.
The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.
Deferred tax assets and liabilities are offset only if certain criteria are met.

49-8 Basic / diluted earnings per share of profit

Basic / diluted earnings per share of profit is calculated by dividing the profit attributable to ordinary shareholders of the Company (After excluding the employees' profit share and the remuneration of the Board of Directors members) by the weighted average number of ordinary shares outstanding during the period.

49-9 The General Authority for Investment and Free Zones (GAFI) fees

For the Group Companies which established under the provisions of the Investment law and according to the Free Zone System, their profits are not subject to income tax. However, according to the Investment Law, a charge of 1% of the total revenues of these Companies is due to the General Authority for investment and is calculated and charged on the consolidated income statement according to the accrual basis.

49-10 Property, plant & equipment &Depreciation

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.
If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
Any gain and loss on disposal of an item of property and equipment is recognized in consolidated statement of income.

Subsequent costs

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

All amounts are in US Dollars unless otherwise is mentioned

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives for each type of property, plant and equipment, and is generally recognized in consolidated statement of income and other comprehensive income. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Asset	Years
Buildings & constructions	20–56 or according to lease term, which is lower
Vehicles and transportation	4 – 10
Furniture & office equipment	2 – 10
Machinery & equipment	3 – 20
Tools & supplies	5
Stations, generators & electric transformers	10
Computer, software and Decorations	3 – 6.67
Leasehold improvements	Over the lower of lease term or estimated useful life which is lower
Irrigation network	2-20

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Projects under construction

Projects under construction are recognized initially at cost. Cost includes all expenditures directly attributable to bringing the assets to a working condition for its intended use. Projects under construction are transferred to property, plant and equipment caption when they are completed and are ready for their intended use.

49-11 <u>Exploration and development assets</u>

The Company applies the (successful efforts) method in relation to capitalization of expenditures. As follows:

Direct expenses incurred in carrying out geological and geophysical in the field and all costs relating to these investigations are charged to income statement.

All exploration acquisition costs are capitalized, which includes the consideration of the acquisition in addition to any future expenditures that the company pay on behalf of the farm out party regarding to this acquisition.

Exploration drilling cost and cost of drilling and exploration well are initially capitalized pending determination whether or not the well contains proven reserves.

If proven reserves are found, the cost of the well is transferred to production wells and depleted using the "unit of production "method.

If proven reserves are not discovered the capitalized drilling costs are charged to income statement.

All development and production drilling costs which include drilling and development costs are capitalized and are recognized among the cost of developing the proven reserve.

Dry development wells are capitalized and remain part of the development costs of the production reservoir.

Development wells are depleted when starting production.

Under construction are recognized initially at cost. Cost includes all expenditures directly attributable to bringing the asset to a working condition for its intended use.

Projects under construction are transferred to its related caption when they are completed and

are ready for their intended use.
The exploration and development assets depletion rate is determined according to the production during the financial period as follows:

Description	Depletion basis
Productive wells	Depletion rate is determined based on the percentage of the actual production volume during the period to the volume of developed proven reserve.
Upstream Facilities	Depletion rate is determined based on percentage of the actual production volume during the period to the volume of proven reserve.
Pipelines	Depletion rate is determined based on percentage of the actual production volume during the period to the volume of proven reserve.

49-12 Intangible assets

Recognition and measurement

Goodwill

Goodwill arising on the acquisition of subsidiaries. Goodwill is measured at cost less any accumulated impairment losses. Impairment of goodwill is not reversed subsequently. In case of gain on bargain purchase it is directly recognized immediately in the income statement.

Research and development

Expenditure on research activities is recognized as expense when incurred.
Development expenditure is capitalized only if the expenditure attributable to the intangible asset during the development period can be measured reliably, a technical feasibility study is available to complete the intangible asset, making it available for sale or to use, future economic benefits are probable from the intangible asset, and the availability of sufficient technical, financial, and other resources to complete development and to use or sell the intangible asset. Intent availability to complete the intangible asset to use or sell, the ability to use or sell the intangible asset. Otherwise, it is recognized as expense when incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment losses.

Other intangible assets

Other intangible assets are recognized, including deferred income expenditures, the right to use, other assets in which they have definite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditures

Subsequent expenditure on capitalized intangible assets is capitalized only when it increases the future economic benefits which relates to research and development projects under implementation that recognized as an intangible asset. All other expenditures including expenditure on internally generated goodwill and brands are expensed as incurred.

Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in the consolidated statement of income. Goodwill is not amortized.

49-13 Biological assets

Biological assets are recognized at cost less accumulated depreciation and impairment losses of the assets value.

49-14 Inventories

Inventories are measured at lower of cost and net realizable value. The cost of inventories is based on the moving average principle and cost includes expenditure incurred in acquiring the inventories and bringing it to its existing location and condition. Cost of finished goods and work in process inventories includes an appropriate share of production overheads.

49-15 Works in progress

All expenditures directly attributable to works in process are included in work in process account till the completion of these works. They are transferred to completed residential units ready for sale caption when they are completed. Work in process are stated at the balance sheet date at lower of cost and net realizable value. It includes all direct costs that related to preparation of units to sell it and in the assigned purpose.

49-16 Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies.

Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognized in profit or loss. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

49-17 Cash and cash equivalents

For the purpose of preparing the consolidated statement of cash flows, "cash & cash equivalents" comprises cash at banks & on hand, time deposits with maturities of three months or less, also treasury bills due within three months, and bank overdrafts deducted.

49-18 Financial instruments

1) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

2) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect future cash flows.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets .
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets- Business Model Assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management; and
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.
Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual per amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets classified at FVTPL	Financial assets at FVTPL are measured at fair value. Changes in the fair value, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

3)Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

4)Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

49-19Financial Derivatives and Hedge Accounting

The Group holds derivative financial instruments to hedge foreign currency and interest rate risks. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Following initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge against the variability in cash flows associated with forecast transactions with a high probability resulting from changes in foreign exchange rates and interest rates and some derivatives and non-derivative financial liabilities as a hedge of foreign exchange risk on a net investment in a foreign operation.

49-20Share capital

Ordinary shares

Incremental costs directly attributable to issue ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with EAS 24 "Income Tax".

Repurchase and re-issue of ordinary share (treasury shares)
When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

Dividends
Dividends are recognized as a liability in the period in which they are declared.

49-21Impairment

1)Non-derivative financial assets

Financial instruments and contract assets

The Group recognizes loss allowances for ECLs on:
- Financial assets measured at amortized cost;
- Debt investments measured at FVOCI; and
- Contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:
- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
- Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:
- The debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as releasing security (if any is held); or
- The financial asset is more than 90 days past due.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer.
- A breach of contract such as a default or being more than 120 days past due;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is two years past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

2)Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, work in progress, and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

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

49-22Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the carrying amount of the provision resulting from the use of the discount to figure out the present value, which reflects the passage of time, is recognized as a finance cost.

49-23Lease contracts

1-Determining whether the arrangement contains a lease contract or not

At inception of a contract, the Group assesses whether a contract is, or contains, a lease.
Initially or when evaluating any arrangement that contains a contract lease, the Group separates the payments and the other consideration which are required by the arrangement of the lease and those of other elements based on their relative fair values. If the Group concludes with a finance lease that it is not possible to separate the payments in a reliable manner, then the asset and the liability are recognized at an amount equal to the fair value of the underlying asset; Then the liability is reduced when the payments is fulfilled, and the finance cost calculated on the obligation is recognized using the Group's additional borrowing rate.

2-Leased assets

Lease contracts for property, plant and equipment that are transferred in a large degree to the Group, all of the risks and rewards associated with the property are classified as finance leases. Leased assets are initially measured at an amount equal to the fair value of the fair value and the present value of the minimum lease payments, whichever is less. After initial recognition, the assets are accounted for according to the accounting policy applied to that asset.
Assets held under other contracts leases are classified as operating contracts leases and are not recognized in the Group's statement of financial position.

3-Lease payments

Operating leases' payments are recognized in profit or loss on a straight-line basis over the term of the lease. Received lease incentives are recognized as an integral part of the total lease expense, over the lease term.
The minimum lease payments of finance leases are divided between financing expenses and the reduction of unpaid liabilities. Finance charges are charged for each period during the lease period to reach a fixed periodic interest rate on the remaining balance of the obligation.

4-Lessor books

When the Group acts as a lessor, it determines at the inception of the lease whether each lease is or not a lease or operating lease.
To classify each lease, the Group makes an overall assessment of whether the lease has been transferred substantially all the risk and reward incidental to ownership of the underlying asset. If so, the lease is an indirect lease; If not, it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is in place for the principal part of the economic age of the asset.
Where the Group is an intermediate lessor, it accounts for its share of the main lease and sublease separately. It assesses the classification of a sublease with reference to the right-of-use asset arising from the main lease, not with reference to the underlying asset. If the lease is a short-term lease for which the Group applies the above exemption, then the sublease is classified as an operating lease. If the arrangement contains lease and non-lease components, the Group applies IFRS 15 to the consideration allocation in the contract.
The Group applies the derecognition and impairment requirements of IFRS 9 to the net investment in the lease. The Group also regularly reviews the unsecured estimates of the residual values used in calculating the total investment in the lease.
The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

49-24Operating profit

Operating profit is the result generated from the continuing principal revenue-producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, the share equity-accounted investees, and income taxes.

49-25Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would consider in pricing a transaction.
If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at a demand price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data, or the transaction is closed out.

49-26 Insurance activity polices

Insurance activity revenue

Revenues from long-term insurance policies are fully recognized in the consolidated statement of income after excluding a percentage of 100% of the premiums value belonging to the following financial years after deducting the percentage of such years from the production commission with a percentage that must not exceed 20% of the premium value.

Revenues related to the incoming reinsurance agreements, whose accounts have not completed a whole insurance year yet, shall be deferred in addition to other extraordinary or discretionary cases in which certain deferred accounts are not completed for the years subsequent to the financial position year. Such revenues are recorded under the liabilities in the statement of financial position till the completion of the insurance year of such accounts.

Net income from Investment- insurance activity

Net income from investment is allocated as follows:

- Return on investment of funds designated for the rights of policyholders shall be recorded in the consolidated statement of income of each insurance branch, (properties – individuals branches) at the percentage of average technical provisions for each insurance branch to total technical provisions, during the financial year.
- The return on free fund investments shall be recorded in the statements of income.

Accounts receivable from insurances

Accounts receivable from insurances are recorded either in the form of premium under collection or current accounts belonging to the insured persons at amortized cost represented in the carrying amount of such accounts less the accumulated impairment losses.

Debts are written off as a deducted amount charged to the accumulated impairment losses of the accounts receivable from insurance, while adding cash receipts from debts previously written off thereto.

Insurance and reinsurance companies (Debit balances)

The accounts of the insurance and reinsurance companies are recorded at the amortized cost represented in the carrying amount of such accounts less accumulated impairment losses.

Debts are written off as a deducted amount charged to the accumulated impairment losses of the insurance and reinsurance companies, while adding cash receipts from debts previously written off thereto.

Technical provisions for Insurance on individuals and fund formation

a)Mathematical reserve

The mathematical reserve of each of the insurance on individuals and the formation of funds are formed at the date of each financial position by the actuary in accordance with the technical basics provided by the Board of Directors of the Egyptian Financial Supervisory Authority (EFSA), in addition to the share of each policy in the increase (decrease) in the capital value of insurance premiums invested in the investment portfolios in favor of the policyholders.

b)Provision for outstanding claims

This provision is formed by the number of claims related to casualties reported before the year end and still valid at the date of the financial position.

Technical provisions for properties and liabilities insurances

a)Provision for unearned premium

A provision for unearned premium is formed to meet the Company's liabilities resulting from insurances issued before the end of the financial year and still valid thereafter.

The unearned provision is equal to the sum of multiplying net premiums of the branch whose loss rate exceeds (100%) x50% of the actual loss rate for the year presented pertaining to all branches except for transportation branches, where this percentage equals 25%. The application of this rule is limited to annual premiums while excluding the long-term ones, taking into consideration that the provision, after the recalculation, shall not exceed the net premiums of the branches after revaluating and deducting the non-recurring significant accidents for which the Company prepares a statement to be approved by the Egyptian Financial Supervisory Authority (EFSA). This rule applies to all branches carrying out properties and liabilities insurances, except for obligatory motor insurance branch.

b)Provisions for outstanding claims

A provision for outstanding claims is separately formed for each insurance branch to cover the claims incurred from accidents reported before the financial year-end and still exist at the financial position date, as well as the accidents that might have occurred and not reported till the financial position date.

c)Provisions for retrograded fluctuations

A provision for retrograded fluctuations is formed to cover any contingent losses especially as a result of losses that may arise from natural hazards and risks of riots and vandalism in accordance with the rules stipulated in the executive regulations of Law No. 10 for the year 1981.

Credit balances of insurance and reinsurance companies

The credit balances of insurance and reinsurance companies are recognized at fair value. These balances are represented in the current accounts balances of insurance and reinsurance companies, credit balances of reinsurance agreements and retained provisions from reinsurers at the date of the financial statements.

Allocation of general and administrative expenses – insurance activity

Direct general and administrative expenses including salaries, wages and other direct expenses of insurance branches are charged to the accounts of revenues and expenses of the general insurance branches. While indirect expenses are distributed at the percentage of 90% as indirect general and administrative expenses and 10% as indirect investment expenses. Then the 90% is distributed one third of these expenses by direct wages and two third of these expenses are distributed by direct premiums after excluding 50% of the indirect expenses of the company's branches and charging them to production costs.

Production costs - insurance activity

The indirect production costs shall be distributed at the percentage of the due and paid commissions and allowance of each branch of the insurance branches after adding 50% of the indirect expenses of the company's branches and charging them to the production costs.

Insurance activity risks

Regulatory framework of the Risk Management Department

The objective of the Company's Risk Management Department and Financial Management Department is to protect the Company's shareholders from events that impede the achievement of financial performance objectives, including failure to take advantage of opportunities. Risk Management Department also works on protecting the rights of policyholders by ensuring that all commitments towards policyholders are met in accordance with the methods in practice. Top management recognizes the necessity to have effective and efficient risk management systems.

Insurance risk

The risk of insurance contracts is represented in the possibility of the occurrence of the insured event resulting in a financial claim as indicated in the insurance contracts; bearing in mind that such risks are random and unpredictable. The risks facing the Company is the occurrence of the insured risk and the volume of the recorded claim.
The Company carries out insurance activities for individuals - insurance on liabilities and properties in all various branches.

- All forms of insurance for individuals.
- Temporary life insurance.
- Life insurance with profit sharing.

In addition to the abovementioned, there are additional insurance coverage to be added to each type in return for an additional premium at the request of the client.

Technical bases used in estimating the mathematical reserve

First: Used Life Table

Life and death rates of table A 49/52 ULT, considering using the premiums calculated on the basis of the life table A 67/70 ULT for the contracts that the Authority stipulated when approving them, while the remaining bases used in pricing shall remain constant.

Partial disability and permanent total disability: reinsurance rates.

Second: Used Interest Rates

Collective Contracts

Vary depending on the benefits of each collective contract, however, the interest rate does not exceed 8% according to the instructions of the Authority.

Individual Contracts

An interest rate of 4.25% is used for all individual insurance policies except the "Aman al-Tool" pension insurance policy, a 6% interest rate is used, that represents the same rates used to calculate the present value of the profits in case of insurance policies with profit sharing.

The assumptions related to the insurance policies issued in foreign currencies.

Maximum rates allowed to be used are 3%.

Third: Methods used to calculate reserves

Forward-looking method is used in the endowment life insurance and temporary contracts while the unearned premium method is used for the temporary contracts whose term is less than five years.

For the policies related to investment units, the reserve value is calculated as follows:

For the portion of protection: total annual net risk premiums based on life table A 49/52 ULT.

For the portion of investment: total investment balances with respect to the customers up to the date of valuation.

Fourth: Assumptions regarding wage scale

The client will provide us with the percentage of the increase in wages and we calculate the reserve in this case using the interest rate that is equivalent to the difference between the percentage of the increase required by the customer and the annual interest rate; taking into consideration the maximum authorized interest rate according to the instructions of the Authority.

Fifth: Amounts charged to administrative expenses

As for individual operations: according to the specifications of each policy approved by the Authority.
As for collective transactions: the amounts charged with respect to the administrative expenses of each collective contract shall be sent prior to issuance and shall be approved by the Authority. These rates are to be taken into account when estimating the reserve of collective contracts.

The main risks the Company faces are as follows:

- Mortality rates risk - risk of loss due to the discrepancy between the mortality rates of the policyholders and the expected rates.
- Risk of morbidity rates - risk of loss due to the discrepancy between morbidity rates among policyholders and the expected rates.
- Age risk - the risk of loss due to the age of the pensioner as he may live for a longer period than what was expected.
- Return on investment risk - risk of loss due to discrepancy between the actual expenses and the expected rates.
- Risk of decisions taken by the policyholder - risk of loss due to the different behavior of policyholders (cancellation and liquidation rates) than what was expected.

Regarding the property and liability insurance, the Company practices activities that encompass various insurance branches (fire, marine, automotive , engineering, petroleum, medical treatment, hazards ...), and studies the inherent risks that include the risk of recurrence or concentration in the insurance claims of large amounts of compensation as well as the geographical concentration within each insurance branch on a case by case basis while taking into account the relative volume of the branch's operations in proportion with the total activity of the Company and trying to maintain a balance with respect to the Company's subscription portfolio.

In order to reduce the insurance risk, the Company lays down the subscription and retention policies and the limits of the powers and authorities in addition to the subscription powers that determine the authorized and responsible persons for the completion of the execution of the insurance and reinsurance contracts. The implementation of these instructions are periodically reviewed and the developments that take place in the market are followed up accurately and the necessary measures are taken to reflect them in the subscription instructions if required.

The Company also uses reinsurance to manage insurance risk by entering into proportional and non-proportional agreements with third parties for reinsurance purposes.

Reinsurance activity risks

As customarily applied in the other insurance companies and in order to limit the risk of encountering loss arising from insurance claims of large amounts, the Company engage into reinsurance agreements with other parties. These reinsurance contracts allow greater diversification in the business field and enable management to monitor the possibility of encountering loss due to significant risks and provide additional growth potential. However, this procedure does not relieve the Company of its obligations towards its insured parties, and the Company shall remain liable to its policyholders for the reinsured part of the compensation under settlement in case the reinsurers fail to comply with their obligations under the reinsurance contract and therefore the credit risk shall remain-with respect to reinsurance -to the extent that any reinsurer is unable to settle his obligations.

To limit the probability of being exposed to huge losses as a result of the default of re-insurances. The Company evaluates the credit worthiness of its reinsurers in addition monitoring the concentration of the credit risks, both on a periodic basis.

The Company re-insure only those parties with good credit ratings. As their credit ratings are reviewed on a periodical basis.

50-Segment reporting

A segment is a group of related assets and operations that have a different risks and benefits from that of other sectors or within a single economic environment characterized by its own risks and benefits from those related to sectors operating in a different economic environment.

Segment information is presented in respect of the Group's business and geographical segments. The primary format of business segments is based on the Group management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

A segment is considered significant and is disclosed separately if it represents 10% or more of the Group's total revenue or net income.

The Group has the following four strategic segments, which are its reportable segments. These segments offer different products and services, and they are managed separately because they require different technology and marketing strategies.

The following summary describes the operations of each reportable segment:

Segment	Location	Operations
Energy Segment	Egypt - Saudi Arabia - United Arab of Emirates - Others	Gas installing activities and activities of extraction and development of natural gas wells. Oil exploration and production.
Fertilizers and chemicals segment	Egypt	Production of urea and ammonia. Production of formaldehyde flakes, and Formica flakes.
Insurance segment	Egypt	Life and property insurance.
Wood Manufacturing segment	Egypt	Wood manufacturing.
Other segments	Egypt- Spain- Others	Microfinance and consumer finance.

The Group CEO reviews internal management reports for each segment at least once a month. Profit (loss) before tax and before interest and depreciation is used to measure performance as management believes this information is the most relevant in evaluating the results of related segments relative to other companies that operate in similar industries.

Geographical segments

Segment revenue is determined based on the geographical location of customers. Presenting the information based on the geographical segments. Segment assets are based on the geographical location of the assets.

Information related to each reportable segment is shown in the following table:

All numbers are in US Dollars

50- Segment reporting (Cont.)

	Energy segment		Chemicals & fertilizers segment		Insurance segment		Wood manufacturing segment		Other segments		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues	63 728 163	78 936 427	137 378 655	177 795 355	10 571 154	16 572 900	618 430	242 297	2 719 852	952 934	215 016 254	274 499 913
Net operating profit (loss)	27 110 401		61 503 829	78 601 826	3 261 312	4 097 442	(322 856)	10 138 320	(4 758 067)	33 405 797	86 794 619	#VALUE!
Financing expenses	(1 998 361)	(1 351 731)	(1 161 438)	(1 893 059)	-	-	(158 117)	(4 026)	(10 587 185)	(4 999 918)	(13 905 100)	(8 248 734)
Interest income	731 677	409 144	3 507 866	426 452	15 834	29 629	22 453	57 315	280 656	154 058	4 558 487	1 076 598
Company's share of profit of equity - accounted investees (associates Companies)	-	-	-	-	498 213	590 421	-	-	-	-	498 213	590 421
Net profit (loss) for the period before income tax	27 814 094	23 680 638	65 400 049	67 609 687	3 921 079	4 808 431	(2 315 291)	(799 300)	(2 575 304)	43 453 775	92 244 627	138 753 231
Income tax	(2 971 790)	(3 940 313)	(17 598 759)	(19 932 383)	(460 526)	(3 707 079)	(41 875)	(23 035)	(45 148)	2 866 493	(21 118 099)	(24 736 317)
Net profit (loss) for the period	24 842 303	19 740 325	47 801 291	47 677 304	3 460 553	1 101 352	(2 357 166)	(822 335)	(2 620 452)	46 320 268	71 126 528	114 016 914
Total assets	669 439 707	634 058 852	964 633 720	946 552 851	147 916 420	171 732 952	66 067 619	71 427 871	30 260 992	136 508 570	1 878 318 459	1 960 281 096
Equity - accounted investees (associates Companies)	-	-	-	-	21 254 079	329 711	-	-	-	20 491 371	21 254 079	20 821 082
Total liabilities	472 803 952	459 181 927	256 894 308	185 570 789	88 837 789	107 035 148	46 483 910	44 418 399	450 670 865	321 011 038	1 315 690 824	1 117 217 301
Depreciation & amortization	(9 447 903)	(5 820 664)	(5 077 653)	(5 202 980)	(38 782)	(62 900)	(237 076)	(230 326)	(189 981)	(1 338 575)	(14 991 395)	(12 655 445)

51-Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis, revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future periods.

The significant judgements made by management in applying the Group's accounting policies as following:

Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Determine if the arrangement includes a lease contract.
- Lease contracts classification.

Use of estimates and assumptions

The Group assess future estimates and assumptions, the resulting accounting estimates are rarely equal to the relevant actual results. Below are the estimates and assumptions that are subject to significant risks which may causes a significant adjustment to the carrying amounts of assets and liabilities during the following financial year.

Impairment of non-financial assets

The Group evaluates the asset at the date of the financial reporting, if there is an indication that the asset value has decreased. If any indication is found, the Group evaluates the collectable amount of the asset, the collectable amount of the asset is the asset fair value less cost of sale or its used value which is higher. When evaluating the used value, the estimated future cash flows of the asset are discounted to its present value using a discount rate reflects current market valuation of the time value of money and the risks specific to the asset. When determining the fair value deducted by the costs of sale, recent market transactions are considered.

If the collectable amount of the asset is estimated to be less than its carrying amount, the asset carrying amount is reduced to its collectable amount, the impairment loss is recognized directly in the income statement.

If the impairment loss is subsequently reversed, the asset carrying amount is increased to the adjusted value of the collectable amount, but only to the extent the carrying amount do not exceed the carrying amount that could have been determined in the absence of an impairment loss of the carrying amount of the asset in previous years, The reversed impairment loss is recognized directly in the income statement.

Impairment testing for CGUs containing goodwill

The recoverable amount of this CGU was based on fair value less costs of disposal, estimated using discounted cash flows. The fair value measurement was categorized as a Level 3 fair value based on the inputs in the valuation technique used.

The key assumptions used in the estimation of the recoverable amount and the values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Expected credit losses provision for commercial customers

The Group uses provision record to calculate expected credit losses for commercial customers, the provision rates are based on the customer Company's delay days.

The provision record is initially based on the observed historical Group default rates, the Group calculates the matrix accurately to adjust the historical credit loss experiment with forward-looking information. For example, if the expected economic conditions (i.e. GDP and the overall inflation rate) are expected to deteriorate over the next year, which may increase the number of defaults in the industrial sector, the historical default rates are adjusted. At each reporting date, the historical default rates are updated and observed and changes in future-oriented estimates are analyzed.

The assessment of the relationship between the historical default rates that are observed, the expected economic conditions and the expected credit losses is a significant estimate. The experiment of the historical credit loss and expectations of the Group's economic conditions may not represent the actual default of the customer's payment in the future.

Provisions

Provisions are recognized when the Group has legal or constructive obligation from past event, and settlement of obligations is probable, and its value can be measured reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation, when the provision is measured using the estimated cash flows to settle the current obligation, its carrying amount is the present value of those cash flows.

In the event that some or all of the economic benefits required are recoverable settle the provision from a third party, the amount due is recognized as an asset if it is certain to be recovered and can be measured in a reliable manner.

Useful life of fixed assets

The Group management determines the estimated productive life of the fixed assets for the purpose of calculating depreciation, which is calculated after consideration of the expected use of the asset or actual aging. The department regularly reviews estimated productive ages at least annually and the method of depreciation to ensure that the method and time of depreciation are agreed with the expected pattern of economic benefits of assets.

Lease contracts –Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

Provision for slow-moving and obsolete inventories

Inventories are stated at the lower of cost and net realizable value; When inventories become old or obsolete, an estimate is made for their net realizable value. For individually significant amounts, this estimate is made on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence.

Estimating the net realizable value of the work in progress

Plots of land held for development and properties classified as work-in-progress are stated at cost or net realizable value, whichever is lower. Net realizable value is evaluated with reference to selling prices, costs of completion, advance payments received, development plans and market conditions existing at the end of the financial year. For some properties, net present value is determined by the Group based on appropriate external indicators and considering recent market transactions, when applicable. Available on appropriate external indicators and considering recent market transactions, when available.

Net realizable value in respect of work-in-progress is assessed with reference to market prices at the reporting date for similar completed properties, net of the estimated costs to complete the development and the estimated costs necessary to make the sale, considering the time value of money, if material.

52-New versions and amendments to the Egyptian Accounting Standards

On March 6, 2023, Prime Minister Decision No. (883) of 2023 was issued to amend some provisions of accounting standards, and the following is a summary of the most important of these amendments:

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (10) amended 2023 "Fixed Assets " and Egyptian Accounting Standard No. (23) amended 2023 "Intangible Assets".	1-These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets. - This resulted in amendment of the paragraphs related to the use of the revaluation model option in some of the applicable Egyptian Accounting Standards, which are as follows: -Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". -Egyptian Accounting Standard No. (24) "Income Taxes" -Egyptian Accounting Standard No. (30) "Interim Financial Reporting"	Management is currently studying the possibility of changing the applied accounting policy and using the revaluation model option stated in those standards and assessing the potential impact on the financial statements in case of using this	The amendments of adding the option to use the revaluation model are effective for financial periods starting **on or after January 1, 2023, retrospectively**, cumulative impact of the preliminary applying of the revaluation model **shall be added to the revaluation surplus account**

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	-Egyptian Accounting Standard No. (31) "Impairment of Assets" -Egyptian Accounting Standard No. (49) "Leasing Contracts"	option.	**in equity, at the beginning of the financial period in which the company applies this model for the first time.**
	2-In accordance with the amendments made to the Egyptian Accounting Standard No. (35) amended 2023 "Agriculture", paragraphs (3), (6) and (37) of Egyptian Accounting Standard No. (10) "Fixed assets " have been amended, and paragraphs 22(a), 80(c) and 80(d) have been added to the same standard, in relation to agricultural produce harvested. -The Company is not required to disclose the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) for the current period, which is the period of the financial statements in which the Egyptian Accounting Standard No. (35) amended 2023 and Egyptian Accounting Standard No. (10) amended 2023 are applied for the first time in relation to agricultural produce harvested. However, the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) should be disclosed for each comparative period presented. -The company may elect to measure an agricultural produce harvested item at its fair value at the beginning of the earliest period presented in the financial statements for the period in which the company have been applied the above-mentioned amendments for the first time and to use that fair value as its deemed cost on that date. Any difference between the previous carrying amount and the fair value in the opening balance should be recognized by adding it to the revaluation surplus account in equity	Management is currently assessing the potential impact on the financial statements from the application of amendments to the standard.	These amendments are effective for annual financial periods starting **on or after January 1, 2023, retrospectively,** cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested **shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this treatment for the first time.**

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	at the beginning of the earliest period presented.		
Egyptian Accounting Standard No. (34) amended 2023 "Investment property ".	1-This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property. 2-This resulted in amendment of some paragraphs related to the use of the fair value model option in some of the applicable Egyptian Accounting Standards, which are as follows: –Egyptian Accounting Standard No. (1) "Presentation of Financial Statements" –Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". –Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates" –Egyptian Accounting Standard No. (24) "Income Taxes" –Egyptian Accounting Standard No. (30) "Interim Financial Reporting " –Egyptian Accounting Standard No. (31) "Impairment of Assets" –Egyptian Accounting Standard No. (32) "Non-Current Assets Held for Sale and Discontinued Operations" –Egyptian Accounting Standard No. (49) "Leasing Contracts"	Management is currently studying the possibility of changing the applied accounting policy and using the fair value model option stated in the standard and assessing the potential impact on the financial statements in case of using this option.	The amendments of adding the option to use the fair value model are effective for financial periods starting **on or after January 1, 2023, retrospectively,** cumulative impact of the preliminary applying of the fair value model **shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this model for the first time.**
Egyptian Accounting Standard No. (36) amended 2023 "Exploration for and Evaluation of Mineral Resources"	1-This standard was reissued in 2023, allowing the use of revaluation model when subsequent measurement of exploration and valuation assets. 2-The company applies either the cost model or the revaluation model for exploration and valuation assets, the evaluation should carried out by experts specialized in valuation and registered in a register maintained for this purpose at the Ministry of Petroleum, and in the case of applying the revaluation model (whether the model stated in the Egyptian Accounting Standard (10) "Fixed Assets " or the model stated	Management is currently studying the possibility of changing the applied accounting policy and using the revaluation model option stated in the standard and assessing the potential impact on the financial statements in case of using this	The amendments of adding the option to use the revaluation model are effective for financial periods starting **on or after January 1, 2023, retrospectively,** cumulative impact of the preliminary applying of the revaluation model **shall be added to the revaluation surplus account**

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	in Egyptian Accounting Standard (23) "Intangible Assets") should consistent with the classification of assets in accordance with paragraph No. (15) of Egyptian Accounting Standard No. (36) amended 2023.	option.	**in equity, at the beginning of the financial period in which the company applies this model for the first time.**
Egyptian Accounting Standard No. (35) amended 2023 "Agriculture".	This standard was reissued in 2023, where paragraphs (1-5), (8), (24), and (44) were amended and paragraphs (5a) - (5c) and (63) were added, with respect to the accounting treatment of agricultural produce harvested, (Egyptian Accounting Standard (10) "Fixed assets " was amended accordingly).	Management is currently assessing the potential impact on the financial statements from the application of amendments to the standard.	These amendments are effective for annual financial periods starting **on or after January 1, 2023, retrospectively,** cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested **shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this treatment for the first time.**
Egyptian Accounting Standard No. (50) "Insurance Contracts".	1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the company provides appropriate information that truthfully reflects those contracts. This information provides users of the financial statements with the basis for assessing the impact of insurance contracts on the company's financial position, financial performance, and cash flows.	Management is currently evaluating the potential impact on the financial statements from the application of the standard.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting **on or after July 1, 2024,** and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the company should disclose that fact.

	2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". 3-Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 4-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows: -Egyptian Accounting Standard No. (10) "Fixed Assets ". -Egyptian Accounting Standard No. (23) "Intangible Assets". -Egyptian Accounting Standard No. (34) " Investment property ".		