Khaled Elghannam & Eissa Refaei & Co.
Chartered accountants and consultants

A member of Nexia International

Ibn Sina Pharma Company

(S.A.E)

Standalone Financial Statements

For the financial year ended 31 December 2024

Together With the auditor's report on it

Ibn Sina Pharma Company (S.A.E)

Standalone Financial Statements
For the financial year ended 31 December 2024

Contents

Translation of Auditor's Report
Originally Issued in Arabic

Auditor's Report

TO MEMBERS BOARD OF DIRECTORS OF IBN SINA PHARMA COMPANY (S.A.E)

Report on The separated financial statements

We have audited the accompanying separated financial statements of **Ibn Sina Pharma Company (S.A.E)** represented in the separated statement of financial position as of 31 December 2024 as well as the statements of income (profit or loss), comprehensive income, change in equity and cash flows for the year then ended and , a summary of significant accounting policies and other explantory notes.

Management responsibility for the separated financial statements

These separated financial statements are the responsibility of the company's management, as management is responsible for preparation and fair presention of the financial statements in accordance with the Egyptian accounting standards and applicable Egyptian laws, Management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these separated financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and applicable Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Separated financial statements.

Opinion

In our opinion, the Separated financial statements referred to above, give a true and fair view, in all material respects, of the Separated financial position of **Ibn Sina Pharma Company (S.A.E.)**, as of 31 December 2024, and of its Separated financial performance and its Separated cash flows for the year then ended in accordance with Egyptian Accounting Standards and the related applicable Egyptian laws and regulations.

Emphasis of a matter

Without qualifying our conclusion, we draw attention to the following:

The Notice (6) to the attached standalone financial statements, where the company has an investment in subsidiaries and the company has prepared consolidated financial statements as of 31 December 2024 in accordance with the Egyptian accounting standards and for a more comprehensive understanding of the company's financial position as of 31 December 2024 as well as its financial performance and cash flows for the year ended on that date, it is necessary to refer to the consolidated financial statements.

Report on other legal and regulatory requirements

The company maintains regular financial accounts that include everything that the law and the company's system stipulate that it must be recorded in them. The independent financial statements were found to be in agreement with what is stated in those accounts. The inventory was made by the company's management in accordance with the established principles.

The financial data contained in the report of the Board of Directors prepared in accordance with the requirements of Law 159 of 1981 and its executive regulations are consistent with what is contained in the company's books, within the limits in which such data are recorded in the books.

Cairo: 24 February 2025

Auditor

Essia Mohsen Alsayed Rifai

Register of Accountants and Auditors No. (6166)

Financial Regulatory Authority Register No. (192)

(Khaled El Ghannam & ESSIA REFAI Co.)

Ibn Sina Pharma Company (S.A.E.)

Standalone Statement of Financial Position
As of 31 December 2024

Translation of Financial statements Originally Issued in Arabic

	Note No.	31/12/2024 EGP	31/12/2023 EGP
Assets			
Non-current assets			
Fixed assets (net)	(3)	1,059,674,972	1,026,580,015
Projects under consrtuction	(4)	199,931,979	142,914,782
Intangible assets (net)	(5)	205,248,560	204,074,454
Right of use assets (net)	(15)	1,316,623,110	678,343,867
Investments in subsidiary	(6)	119,999,920	119,999,920
Notes receivable – Long term	(8)	48,342,462	78,932,234
Deferred tax assets	(27)	220,347,268	108,155,820
Total non-current assets		**3,170,168,271**	**2,359,001,092**
Current Assets			
Inventory	(7)	6,573,306,627	3,193,525,514
Accounts and notes receivable (net)	(8)	16,157,692,935	9,702,097,946
Suppliers advance payments		301,129,341	238,307,421
Debtors and other debit balances (net)	(9)	1,068,478,226	757,767,686
Due from related parties	(19-a)	308,801,349	140,842,243
Cash on hand and at banks	(10)	810,923,824	1,117,288,752
Assets held for sale	(11)	221,298,055	771,873,889
Total Current Assets		**25,441,630,357**	**15,921,703,451**
Total Assets		**28,611,798,628**	**18,280,704,543**
Equity			
Issued and paid - up capital	(12-a)	252,000,000	252,000,000
Share premium (Special reserve)	(12-b)	237,412,116	237,412,116
Legal reserve	(13-a)	126,000,000	126,000,000
General reserve	(13-b)	3,079,334	3,079,334
Treasury Stock Reserve	(12-c)	(171,643,212)	(171,643,212)
Retained earnings		1,635,953,835	1,047,918,983
Total Equity		**2,082,802,073**	**1,494,767,221**
Liabilities			
Non-current liabilities			
Loans - Long term	(14)	29,237,258	348,810,663
Lease liabilities - Long term	(15)	1,112,436,265	603,858,579
Total non-current liabilities		**1,141,673,523**	**952,669,242**
Current liabilities			
Credit Facilities	(16)	4,379,300,889	3,165,443,777
Short term loans and current portion of long-term loans	(14)	307,185,505	475,877,345
Suppliers and notes payable	(17)	19,910,225,264	11,776,977,682
Creditors and other credit balances	(18)	339,066,546	201,231,838
Customers' advance payments		13,765,395	12,802,150
Income taxes payable	(27)	202,032,661	79,906,663
Lease liabilities – Short term	(15)	220,889,826	114,171,679
Expected claims provision	(20)	14,856,946	6,856,946
Total Current Liabilities		**25,387,323,032**	**15,833,268,080**
Total liabilities		**26,528,996,555**	**16,785,937,322**
Total Equity and Liabilities		**28,611,798,628**	**18,280,704,543**

- Auditor's Report Attached.

Chief Financial Officer	Chief Executive Officer	Chairman
Mo'men Gomaa	Omar Abdul Gawad	Abd El , Aziz Ali Abd El , Aziz

- Attached notes are from (1) to (34) an integral part of the standalone financial statements.

Ibn Sina Pharma Company (S.A.E)

Standalone Statement of Profit or Loss
For the Financial year Ended 31 December 2024

Translation of Financial Statements
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	Note No.	31/12/2024 EGP	31/12/2023 EGP
Net sales	(21)	55,657,093,971	33,842,900,609
Deduct:			
Cost of sales	(22)	(51,280,255,026)	(31,313,285,399)
Gross Profit		**4,376,838,945**	**2,529,615,210**
Add / Deduct:			
Other income	(25)	8,659,978	10,017,192
Sales and marketing expenses	(23)	(1,193,539,075)	(794,098,686)
General and administrative expenses	(24)	(711,582,122)	(474,400,361)
Expected credit losses in receivables	(8)	(200,374,437)	(83,845,217)
Expected credit losses in other debit balances	(9)	(15,000,000)	--
Formation of expected claims provisions	(20)	(8,000,000)	(5,000,000)
Operating profit		**2,257,003,289**	**1,182,288,138**
Added / Deduct:			
Financing income	(26)	79,667,963	126,648,146
Foreign currency revaluation profit		54,965,296	38,526,137
Financing expenses		(1,681,269,598)	(1,042,051,595)
Net financing cost		**(1,546,636,339)**	**(876,877,312)**
Net profit for the year before tax		**710,366,950**	**305,410,826**
Add / Deduct:			
Income taxes	(27)	(202,032,661)	(87,106,667)
Deferred income taxes	(27)	112,191,448	28,677,948
Net profit for the year after taxes		**620,525,737**	**246,982,107**
Earning per share from net profit for the year after taxes (Shares /EGP)	**(28)**	**0,50**	**0,20**

- Auditor's Report Attached.

Chief Financial Officer	Chief Executive Officer	Chairman
Mo'men Gomaa	Omar Abdul Gawad	Abd El , Aziz Ali Abd El , Aziz

- Attached notes are from (1) to (34) an integral part of the standalone financial statements.

Standalone Statement of other comprehensive income
For the Financial year Ended 31 December 2024

Translation of Financial Statements
Originally Issued in Arabic

	31/12/2024 EGP	31/12/2023 EGP
Net profit for the year	620,525,737	246,982,107
Other comprehensive income	--	--
Total Comprehensive Income	620,525,737	246,982,107

- Auditor's Report Attached.

Chief Financial Officer	Chief Executive Officer	Chairman
Mo'men Gomaa	Omar Abdul Gawad	Abd El , Aziz Ali Abd El , Aziz

- Attached notes are from (1) to (34) an integral part of the standalone financial statements.

Ibnsina Pharma Company (S.A.E)

Standalone Statement of change in equity
For the Financial year Ended 31 December 2024

Translation of Financial Statements
Originally Issued in Arabic

	Issued and Paid-up Capital EGP	Share Premium EGP	Legal Reserve EGP	General Reserve EGP	Treasury Stocks reserve EGP	Treasury Stocks EGP	Retained earning EGP	Total equity EGP
Balance on 1 January 2023	**279,041,877**	**277,500,000**	**77,093,363**	**3,079,334**	**(12,949,932)**	**(185,735,156)**	**833,353,686**	**1,271,383,172**
Transferred to the legal reserve	--	(40,087,884)	48,906,637	--	--	--	(8,818,753)	--
Dividends	--	--	--	--	--	--	(23,598,057)	(23,598,057)
Write off treasury stocks	(27,041,877)	--	--	--	--	185,735,156	--	158,693,279
(losses) from write off treasury stocks	--	--	--	--	(158,693,280)	--	--	(158,693,280)
Net profit for the year	--	--	--	--	--	--	246,982,107	246,982,107
Balance on 31 December 2023	**252,000,000**	**237,412,116**	**126,000,000**	**3,079,334**	**(171,643,212)**	--	**1,047,918,983**	**1,494,767,221**
Dividends	--	--	--	--	--	--	(32,490,885)	(32,490,885)
Net profit for the year	--	--	--	--	--	--	620,525,737	620,525,737
Balance on 31 December 2024	**252,000,000**	**237,412,116**	**126,000,000**	**3,079,334**	**(171,643,212)**	--	**1,635,953,835**	**2,082,802,073**

- Auditor's Report Attached.

Chief Financial Officer	Chief Executive Officer	Chairman
Mo'men Gomaa	Omar Abdul Gawad	Abd El , Aziz Ali Abd El , Aziz

- Attached notes are from (1) to (34) an integral part of the standalone financial statements.

Ibn Sina Pharma Company (S.A.E)

Standalone Statement of cash flows
For the year Ended 31 December 2024

Translation of Financial Statements
Originally Issued in Arabic

		31/12/2024 EGP EGP	31/12/2023 EGP EGP
Cash flows from operating activities			
Net profit for the year before income taxes		710,366,950	305,410,826
Adjustments to reconcile net profit to cash flows from operating activities			
Depreciation of fixed assets	(3)	122,994,496	105,364,479
Amortization of Intangible assets	(5)	21,713,462	5,109,292
Depreciation of Right of use assets	(15)	101,340,963	66,924,888
Expected credit losses in receivables	(8)	200,374,437	83,845,217
Expected credit losses in other debit balances	(9)	15,000,000	--
Formation of expected claims provision	(20)	8,000,000	5,000,000
Capital (Gain)		(353,768)	(466,199)
(Gain) from sale of assets held for sale	(25)	(2,000,000)	(909,509)
Financing expenses		1,681,269,598	1,042,051,595
Net operating profit before changes in working capital		**2,858,706,138**	**1,612,330,589**
Change in inventory		(3,379,781,113)	(581,635,836)
Change in accounts and notes receivable		(6,615,379,654)	(4,052,503,166)
Change in suppliers' advance payments		(62,821,920)	(96,815,987)
Change in debtors and other debit balance		(456,821,693)	(275,034,700)
Change in due from related parties		(172,221,436)	(65,269,119)
Change in suppliers and notes payable		8,133,247,582	4,366,197,919
Change in creditors and other credit balance		91,506,369	83,242,153
Change in customers' advance payment		963,245	7,821,437
Cash flows provided from operating activities		**397,397,518**	**998,333,290**
(Paid) from financing Expenses		(1,375,244,894)	(949,740,293)
Used from Provisions		--	(318,769)
Net cash flows (used in) provided from operating activities		**(977,847,376)**	**48,274,228**
Cash flows from investment activities			
(Payments) to acquire fixed assets and projects under construction		(217,124,827)	(298,351,569)
(Payments) to acquire intangible assets		(22,887,568)	(4,429,051)
Proceeds from intangible assets		--	26,077
Proceeds from salling fixed assets		2,341,434	1,291,921
(Payments) in assets held for sales		(1,976,106)	--
Proceeds from selling assets held for sale		20,000,000	78,966,915
Net cash flows (used in) investing activities		**(219,647,067)**	**(222,495,707)**
Cash flows from financing activities			
Dividends paid		(25,620,772)	(22,938,409)
(Payment) from short and long-term loans		(488,265,245)	(329,187,868)
(Payment) from credit facilities		1,213,857,112	875,513,451
(Paid) for Lease liabilities		(386,135,552)	(130,669,828)
Increase in "finance" Lease liabilities		577,293,972	362,570,371
Net cash flows provided from financing activities		**891,129,515**	**755,287,717**
Net change in cash and cash equivalents during the year		**(306,364,928)**	**581,066,238**
Cash and cash equivalents at beginning of the year	(10)	**1,117,288,752**	**536,222,514**
Cash and cash equivalents at end of the year	(10)	**810,923,824**	**1,117,288,752**

- Auditor's Report Attached.

Chief Financial Officer	Chief Executive Officer	Chairman
Mo'men Gomaa	Omar Abdul Gawad	Abd El , Aziz Ali Abd El , Aziz

- Attached notes are from (1) to (34) an integral part of the standalone financial statements.

1- Company background

Ibn Sina Pharma Company (the "Company") was established in accordance with Law No. 159 of 1981 and its executive regulations, taking into account the provisions of Law No. 95 of 1992 and the executive regulations for the purpose of buying, selling wholesale and distributing all pharmaceutical and semi-pharmaceutical products manufactured locally or imported, buying, selling wholesale and distributing any other products and tools related to health and health care, exporting and importing all products, equipment and tools, manufacturing and packaging all products, equipment and tools related to health and medical care, owning, maintaining and supplying information and consultations.Which is related to the field of medicine, carrying out training and supplying the necessary materials for training in all fields and activities, obtaining economic income, carrying out commercial and scientific advertising for all aspects of the drug market, as well as all activities, obtaining commercial agencies from foreign and local companies specialized in the manufacture and distribution of pharmaceutical and semi-pharmaceutical products, equipment, tools and reagents related to health and medical care, storage of pharmaceutical and semi-pharmaceutical products, equipment, tools, reagents, advertising andmarketing offers about Pharmaceutical, semi-pharmaceutical products and reagents by all means, co llecting, manufacturing and packaging human, vital and veterinary medicines, cosmetics, nutritional supplements and disinfectants of all kinds, manufacturing with others for all the company's products, laboratory and hospital supplies, drug production supplies, practicing services related to all types of forms, owning pharmaceutical and semi-pharmaceutical items, publicizing the aforementioned products with the provisions, packaging and packaging of products, tools, equipment, pharmaceutical and semi-pharmaceutical reagents related to health and intensive care with the company's pledge By extracting all the necessary permits in this regard for practicing each activity and observing all laws and regulations in carrying out these activities, the date of the beginning of the activity of the company was considered on January 8, 2002 according to what was stated in the commercial register, and the name of the company was amended during 2007 from Ibn **Sina Laborex** to become **Ibn Sina Pharma** This company has added some activities.

On 5 March 2017, the Extraordinary General Assembly decided to amend the Company's purpose to become as follows:
Buying, selling wholesale, distribution, manufacturing, manufacturing with others, packaging, transporting, storing, importing, exporting, owning, carrying out commercial and scientific advertising and marketing offers for all human, biological, veterinary and semi-pharmaceutical products, chemicals, cosmetics, food, nutritional supplements, pesticides and disinfectants of all kinds, medical and prosthetic devices, laboratory and hospital supplies, equipment, tools and materials for laboratory reagents, packaging and advertising materials - whether locally manufactured or imported, in addition to the skilled products The aforementioned seals, as well as carrying out training, providing information, systems and consulting programs related to the aforementioned fields, rental and sale services for administrative and storage spaces, with the company's pledge to extract all the necessary permits in this regard for practicing each activity and taking into account all laws and regulations in carrying out these activities, and it was noted in the commercial register on September 12, 2017.

On 5 March 2019 the Extraordinary General Assembly decided to amend the purpose of the Company to become as follows:
Buying, selling wholesale, distribution, repair, manufacturing with others, packaging, transporting, storing, importing, exporting, owning and carrying out commercial and scientific advertising and marketing offers for all varicose products, human, biological, veterinary, semi-pharmaceutical preparations, chemicals, cosmetics, song, nutritional supplements, pesticides, disinfectants of all kinds, medical and prosthetic devices, laboratory and hospital supplies, equipment, tools and materials for laboratory reagents, packaging and advertising materials, whether locally manufactured or imported, in addition to foals products The aforementioned seals, as well as carrying out training and providing information and systems programs and consultations related to the aforementioned areas and services for renting and selling administrative and storage spaces and may have an interest or participate in any way with capital companies that engage in business similar to their business or that may help them to achieve their purpose in Egypt or abroad as they may merge into these companies or buy or attach them to them in accordance with the provisions of the law and its executive regulations, with a pledge The company to extract all the necessary permits in this regard for practicing each activity and observing all laws and regulations in carrying out these activities and was marked in the commercial register on June 19, 2019.

On 5 March 2022, the Extraordinary General Assembly decided to amend the Company's purpose to become as follows:
Buying, selling wholesale, distribution, manufacturing, manufacturing with others, packaging, packaging, transporting, storing, importing, exporting, owning and carrying out commercial and scientific advertising, marketing offers, public supplies and electronic trade for all pharmaceutical, human, biological, veterinary products, semi-pharmaceutical preparations, chemicals, cosmetics, food, nutritional supplements, slaves, disinfectants of all kinds, medical and compensatory devices, laboratory and hospital supplies, equipment, tools and materials Laboratory reagents, packaging and advertising materials, whether locally manufactured or imported, in addition to the foals of the aforementioned products with seals, as well as carrying out training, information supply, systems programs, consulting the region in the aforementioned fields, rental and sale of administrative and storage spaces, and it may have an interest or share any aspect of existence with companies that engage in business similar to their business or that may help them achieve their offer in Egypt or abroad, as they may merge into these companies or You buy it and entitle it to it, in accordance with the provisions of the law and itsexecutive regulations, with the company's pledge to extract all the necessary permits in this regard for practicing each activity and taking into account all laws and regulations in carrying out these activities, and it was noted in the commercial register on 21 April, 2022.

Approval of financial statements
The Company's Standalone financial statements for the year ended 31 December 2024 have been authorized on 24 February 2025 in accordance with the resolution of the Board of Directors held on that date.

2- 1 Principles of preparing financial statements

Compliance with standards and laws

The Company's Standalone financial statements have been prepared in accordance with Egyptian Accounting Standards and applicable laws and regulations.

Basis of measurement

The Company's standalone financial statements have been prepared in accordance with the going concern assumption and the historical cost principle.

Currency of dealing and presentation

The standalone financial statements have been prepared and presented in Egytian pounds, which is the company's currency of dealing.

2.2 Changes in accounting policies

The accounting policies applied in this year are those applied in the financial previous year .

2.3 Summary of significant accounting policies

Revenue recognition

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customer in an amount that reflects the consideration that the company expects to receive for those goods or services, Revenue is not recognized In case of doubts regarding the recovery of the consideration due, revenue is measured at the fair value of the consideration received or due in net taking into account the contractual terms specified after deducting any trade discount, quantity discount, sales taxes or fees. The company recognizes the revenue as principal and not as an agent.

Sale of goods

The revenue generated by the sale of goods is recognized at a point in time which is when the company transfers control to the buyer and this usually occurs when the goods are delivered.

Logistics

Revenue resulting from the provision of warehousing logistics to customers is recognized over a period of time during the period of service provision to customers and revenue from transportation services is recognized to customers when the service is provided to them.

Financing income

Interest income is recognized on an accrual basis using the effective interest rate method The effective interest rate is the rate used to discount future cash payments expected to be repaid or collected during the expected life of the financial instrument or a shorter period of time if appropriate to fully equal the carrying amount of a financial asset or liability.

Contract Lease

Company as a tenant:

Contract Lease Commitment: On the date of the beginning of the lease contract, the company measures the lease commitment to the current value of the unpaid lease payments on that date using the interest rate implied in the lease if that rate can be easily determined and otherwise using the interest rate on the additional borrowing of the company and later the company increases the book amount of the obligation to reflect the interest on the lease obligation and the book amount is reduced to reflect the rental payments.

Wrigh of right of use asstes: The principal of the right of use assets right on the date of the beginning of the lease contract is measured by the amount of the initial measurement of the obligation of the lease in addition to the initial direct expenses, advance payments paid to the lessor, and the rental incentives received from the lessor (if any) are subtracted and the costs that the company will incur in dismantling and removing the asset and restoring the site where the asset is located to the original condition or restoring the asset itself to the required condition in accordance with the terms and conditions of the lease contract are added.

After the date of the beginning of the lease contract, the company shall measure the principal of the right of use at cost minus any depreciation pool and any impairment loss complex and adjusted by any re-measurement of the lease obligation.

The depreciation of the right of use asset shall be made from the date of the beginning of the lease contract until the end of the useful life of the asset if the lease transfer the ownership of the asset subject to the contract to the company at the end of the lease term or if the company will exercise the purchase option, otherwise the company shall depreciate the original right of use asset from the date of the beginning of the lease contract to the end of the useful life of the right of use asset or the end of the lease term, whichever is earlier.

2.3 Summary of significant accounting policies - continued

Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of an enterprise and a financial obligation or equity instrument of another entity.

A. Financial assets

Recognition and initial measurement

The classification of financial assets at initial recognition is based on the characteristics of the contractual cash flows of the financial asset and the company's business model for its management. Except for client balances and assets arising from contracts that do not contain a significant financing element. The company measures the financial asset initially at its fair value plus transaction costs, in the case of a non-valued financial asset at fair value through profits or losses.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified into four categories:

- Financial assets at depreciated cost (debt instruments).
- Financial assets at fair value through other comprehensive income with the recycling of accumulated profits or losses (debt instruments).
- Financial assets classified at fair value through other comprehensive income with no recycled profits or losses accumulated upon disposal (equity instruments).
- Financial assets at fair value through profits or losses.

Financial assets at depreciated cost (debt instruments)

This category is most relevant to the company The company measures financial assets at depreciated cost if the following two conditions are met:

- A financial asset is held within a business model for the purpose of holding financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset lead on specific dates to cash flows which are only principal amount payments and interest on the outstanding principal amount.

Financial assets are subsequently measured at depreciated cost using the effective interest rate method and are subject to impairment. Profit and loss is recognized in the statement of profit or loss when an asset is excluded, adjusted or devalued.

The assets of the company valued at amortized cost include customers, other receivables and receivables.

Derecognition of financial assets

A financial asset (or part of a financial asset or part of a company with similar financial assets, when appropriate) is essentially excluded (i.e., excluded from the company's statement of financial position) when:

- Expiry of the right to receive cash flows from the asset.
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "transfer through" arrangement and either:
  A. The company has substantially transferred all the risks and benefits of the asset.
  B. The company did not transfer or hold significantly all the risks and benefits of the asset but transferred control of the asset.

2.3 Summary of significant accounting policies - continued

Financial Instruments - Continued

A. Financial Assets - Continued

Impairment of financial assets

The Company recognizes the provision for expected credit losses for all debt instruments not held at fair value through profit or loss. Projected credit losses are based on the difference between the contractual cash flows due under the contract and all cash flows expected by the company to receive, approximately deducted from the original effective interest rate Projected cash flows will include cash flows from the sale of retained collateral or other credit enhancements that are an integral part of the contractual terms.

For clients and assets arising from a contract, the Company applies the simplified approach to calculating expected credit losses. Therefore, the Company does not track changes in credit risk but instead recognizes a loss provision based on expected credit losses over a lifetime at the date of each report. The Company has created a provision matrix based on its historical experience in credit loss adjusted to customer forward-looking factors and the economic environment and would have been determined, after deduction or amortization, had the impairment loss not been recognized.

B. Financial obligations

Initial recognition and measurement

Upon initial recognition, financial obligations are classified, as financial obligations at fair value through profit or loss, loans and facilities, suppliers or as derivatives classified as hedging instruments in effective hedging, where appropriate.

All financial obligations are initially recognized at fair value, and in the case of loans, advances and creditbalances, costs directly related to the transaction are deducted.

The Company's financial obligations include suppliers and other credit balances,balances due to related parties, loans and facilities including bank overdrafts and other financial obligations.

Subsequent measurement

The measurement of financial liabilities is based on their classification as shown below:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for the purpose of trading or determined upon initial recognition of fair value through profit and loss.

Financial liabilities at amortized cost (loans and borrowings)

This is the category most relevant to the company. After the initial recognition, loans and advances are subsequently measured at amortized cost using the effective interest rate method. Profit and loss are recognized in the statement of profit or loss, when the recognition of obligations is cancelled through the effective interest rate amortization process. The amortized cost is calculated by taking into account any discount or premium upon acquisition and fees or costs that form an integral part of the effective interest rate. Effective interest rate amortization as financing costs is included in the profit statement or Losses This category generally applies to loans and facilities.

2.3 Summary of significant accounting policies - Continued

Financial Instruments - Continued

B. Financial Obligations - Continued

De-recognition of financial obligations

The recognition of financial obligations is revoked when the obligation under the obligation is exempted, canceled or expires. When an existing financial obligation is replaced by another from the same lender on vastly different terms, or the terms of an existing obligation are substantially modified, such exchange or adjustment is treated as an exclusion of the original obligation and recognition of a new obligation **The difference in relevant book values is recognized in the statement of profit or loss.**

Fixed assets

Fixed assets are shown at historical cost after deducting the accumulated depreciation and loss of impairment complex, and this cost includes the cost of replacing part of the fixed assets when that cost is realized and the conditions for recognition are met. Similarly, when comprehensive material improvements are made, their costs are recognized within the book value of fixed assets as a replacement if the recognition requirements are met and all other repair and maintenance costs are recognized in the statement of profit or loss when realized.

The depreciation of an asset begins when it is in the place and condition in which it becomes able to operate in the manner specified by management, and depreciation is calculated following the straight-line method according to the useful life of the asset as follows:

	Years
buildings	10-40
Machinery & Equipment	7-35
Vehicles	5
Computer	3-40
Furniture & Office Equipment	5

Fixed assets are excluded upon disposal or when no future economic benefits are expected from their future use or sale. Any profits or losses arising when the asset is excluded in the statement of profit or loss in the period in which the asset was discarded are recognized.

The residual values of assets, their useful lives and methods of depreciation are reviewed at the end of each fiscal year.

The company periodically determines at the date of each financial position whether there is an indication that a fixed asset has decayed when the carrying amount of the asset exceeds its redemption value, it is considered that there is impairment of the asset and therefore it is reduced to its redemption value and impairment losses are recognized in the statement of profits or losses.

Losses resulting from impairment are reimbursed only if there is a change in the assumptions used to determine the redemption value of the asset since the last impairment losses are recognized, and the refund of impairment losses is limited so that the carrying amount of the asset does not exceed its redemption value or exceed the book value that would have been determined (in net after depreciation) unless the losses resulting from impairment are recognized for the asset in previous years and the refund is recognized in the losses. resulting from the impairment of the value of the statement of profits or losses.

Projects under constructions

Projects under constructions are the amounts spent for the purpose of establishing or purchasing fixed assets until they are ready for use in operation, then they are transferred to fixed assets, and projects under constructions are valued at cost after deducting impairment (if any).

2.3 Summary of significant accounting policies - Continued

Intangible assets

Intangible assets acquired individually are initially recognized at cost.
After initial recognition, intangible assets are recognized at cost minus the depreciation pool and the impairment loss complex.
Intangible assets generated internally are not capitalized as an asset and expenses are recognized in the statement of profit or loss in the year in which the expenses were expended.
The shelf life of intangible assets is determined as age-specific or age-indefinite.
Intangible assets with useful lives determined on the economic life of the asset are depreciated,and an impairment measurement test is performed when there is an indication of the decay of the asset the depreciation and depreciation method of the intangible asset with a specific lifespan are reviewed at least at the end of each fiscal year.
Intangible assets are computer programs and licenses and are depreciated on a straight-line basis according to their lifespan.

Non-current assets held for the purpose of sale

Non-current assets or (groups being disposed of) are classified as assets held for the purpose of sale if their book value is expected to be recovered primarily from a sale transaction and the probability of selling them is high, and they are measured in net book value or fair value minus expected selling costs, whichever is lower, in accordance with Egyptian Accounting Standard No. (32).

Inventory

Inventory is valued at cost using the moving average or net selling value method, whichever is lower, and the net selling value is determined based on the expected price of the sale through the normal activity less the estimated cost of completion and the estimated cost required to complete the sale.
The decrease in the value of inventory to net selling value and all inventory losses are recognized within the cost of sales in the income statement in the period in which the decrease or loss occurred and the return of the decrease in inventory resulting from the increase in net selling value is recognized in the income statement as a reduction in the cost of sales in the period in which the response occurred.

Investments in subsidiaries

subsidiaries are companies controlled by the Group. The Group controls the investee company when it is exposed to - or is entitled to - variable returns through its contribution to the investee company and has the ability to influence those returns through its authority over the investee company The existence and impact of the currently exercising potential voting right or the right of transfer is taken into account when assessing whether the Group has control over another company.
Specifically, the Company controls the entity in which the investor is invested if and only if, the Company has:

- Authority over the investee enterprise (i.e. existing rights granted by the current ability to direct the relevant activities of the investee).
- Exposure to the variable returns resulting from the partnership in the investee entity, or its ownership of rights in these returns.
- The ability to use its authority over the investee company to influence the amount of returns therefrom.

In general, there is an assumption that owning a majority of voting rights leads to control to support this assumption and when a company has less than a majority of voting rights or similar rights of the entity invested, the company takes into account all relevant facts and circumstances in assessing whether it has authority over the investee entity, including:

2.3 Summary of significant accounting policies - Continued

Investments in subsidiaries companies - Continued

- Contractual arrangements with other voters of the investee company
- Right arising from other contractual arrangements
- Voting rights of the company and potential voting rights

The Company re-assesses whether or not the Company controls the entity invested, if facts and circumstances indicate changes in one or more of the three elements of authority.
Investments in subsidiaries are accounted for in the independent financial statements at cost, including the cost of acquisition, and in the event of a decline in the value of those investments, the book value is adjusted by the value of this impairment and is included in the list of profits or losses, for each investment separately.

Related Party Transactions:

The related parties are represented by the parent company and its subsidiaries, major shareholders,directors and senior management of the enterprise, and also represent companies controlled or subject to joint control or influence by those related parties, and the terms and pricing policies for transactions with related parties are approved by the Board of Directors in accordance with the procedures taken to approve those transactions.

Borrowing

Borrowing is initially recognized at the values received and the amounts due within a year are classified among the current obligations, unless the company has the right to postpone the repayment of the loan balance fo a period exceeding one year after the date of the financial position, the loan balance is displayed within the long-term liabilities.
Loans and interest-bearing borrowing are measured after initial recognition on the basis of amortized cost by the effective interest rate method. Gains and losses resulting from the disposal of liabilities as well as the depreciation process are included in the effective interest rate method in the profit or loss statement, the amortized cost is calculated taking into account any discount or premium when obtaining borrowing, fees or costs that are part of the effective interest rate and depreciation at the effective interest rate is included in the financing costs in the statement of profit or loss.

Borrowing cost

Borrowing costs directly related to the acquisition, creation or production of a qualifying asset that requires a long period of time to be prepared for use for the purposes specified for it or for its sale, are capitalized as part of the cost of the asset and other borrowing costs are charged as an expense in the period in which they are realized and borrowing costs are the interest and other costs spent by the company to borrow funds.

Income taxes

Income tax is calculated in accordance with the Egyptian tax law.

Current Income Taxes

Income tax assets and liabilities for the current and prior periods are recognized according to the amount expected to be recovered or reimbursed to the tax authority.

Deferred income taxes

Deferred income tax is recognized by following the liability method on temporary differences between the recognized value of the asset or liability for tax purposes (tax basis) and its value included in the financial position (accounting basis) using the applicable tax rate.

Deferred income tax is recognized as an asset when there is an expectation that this asset can be used to reduce future tax profits, and the asset is reduced by the value of the part from which it will not yield a future benefit.

2.3 Summary of significant accounting policies - Continued

Cash and cash equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalent include cash iN the fund, current accounts in banks and term deposits that mature within three months or less from the date of acquisition, as well as bank balances - overdrafts that are repaid on demand and which are an integral part of the company's money management system.

Suppliers, accrued expenses and other credit balances

Suppliers, accrued expenses and other credit balances are initially recognized at fair value including the direct cost of the transaction and are consequentially measured at amortized cost using the interest rate. Obligations are recognized with values that will be paid in the future for goods and services received whether or not the company receives invoices from suppliers.

Dividends

Dividends are recorded as liabilities in the financial period in which the announcement is made.

Employees' share of profits

The share of employees in profits is recognized as dividends in the statement of change in shareholders' equity and as an obligation during the financial period in which the shareholders of the company approved this distribution, the company pays 10% of the cash dividends as a share of employees in profits not exceeding the total annual wages of the company's employees No obligation is recognized for the share of employees in profits in respect of undistributed profits.

Provisions

Provisions are recognized when the company has a current legal or judgmental obligation as a result of a previous event, the provisions relate to an anticipated claim from certain third parties in relation to the company's activities.
This is expected to require an outflow of economic resources to settle the obligation, with the possibility of a reliable estimate of the amount of the obligation.
If the discount (present value) is used, the increase in the provision due to the passage of time is recognized in the statement of profit or loss within the financing costs.

Social insurance and end-of-service benefits

The company shall provide contributions to the Authority for the period of pensions and social security calculated as a percentage of the employees' salaries. The Company's obligations are limited to these contributions, which are charged to expenses when due.

Foreign Currency Translation

Foreign currency transactions are initially recorded using the exchange rate prevailing on the transaction date.
Assets and liabilities of a monetary nature are translated into foreign currency using the exchange rate prevailing at the date of the financial position, all differences are included in the statement of profit or loss.
Non-cash assets and liabilities are translated into foreign currency and are measured at historical cost using the exchange rates prevailing at the date of first recognition.
Non-cash assets and liabilities are translated in foreign currency and are measured at fair value using the prevailing exchange rates on the date on which the fair value was determined.

2.3 Summary of significant accounting policies - Continued

Potential liabilities and potential assets

Contingent liabilities are not recognized in the financial position Disclosed unless the potential outflow of sources embodied for economic benefit is excluded The potential asset is not recognized in the financial statements but is disclosed when the inflow of the economic benefit is foreseen.

Expenses

All expenses, including operating expenses, general and administrative expenses and other expenses, are recognized and included in the statement of profit or loss in the financial year in which such expenses were realized.

Customers, receivables and other debit balances

Customers, receivables and other debit balances are recognized at amortized cost less impairment losses, impairment losses are measured by the difference between the book value of customers and the present value of expected future cash flows, impairment losses are recognized in the statement of profits or losses, and impairment losses are refunded in the period in which they occurred.

Fair Value Measurement

Fair value represents the price that can be obtained from the sale of an asset or that can be paid for the transfer / transfer of an obligation in a structured transaction between market participants at the measurement date and fair value measurement is based on the assumption that the transaction for the sale of the asset or transfer of obligation will occur in the main market of the asset, liability, or market that will yield the greatest benefit (the most beneficial market) to the asset or obligation.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing an asset or obligation, assuming that market participants will act in their economic interests.

Fair value measurement of a non-financial asset takes into account the ability of a market participant to generate economic benefits by using the asset with the best use or by selling it to another market participant who would make the best use of the asset.
For assets traded in an active market, fair value is determined by reference to the declared market prices.
The fair value of interest items is estimated based on discounted cash flows using interest rates on similar items with the same terms and the same risk characteristics.
For assets that are not listed in an active market, fair value is determined by reference to the market value of a similar asset or based on expected discounted cash flows.
The company uses appropriate valuation methods under ambient circumstances for which sufficient data are available to measure fair value, thereby maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.3 Summary of significant accounting policies – Continued

Fair Value Measurement - Continued

All assets and liabilities whose fair value is measured or disclosed in the financial statements are classified within the fair value sequence at the lowest level, which is essential for measuring fair value as a whole, as follows:

- **Level I:** Measure the fair value using the (unadjusted) trading prices of exactly identical assets or liabilities in active markets.
- **Level II:** Measure the fair value using inputs other than the trading prices listed in the first level but observable to the asset or commitment directly (i.e. prices) or indirectly (i.e. derived from prices).
- **Level III:** Measure fair value using valuation methods that include inputs to the asset or liability that are not based on observable market data (observable data).

With respect to assets and liabilities recognized in the financial statements on a recurring basis, the entity determines whether transfers have occurred between the three levels of the fair value sequence from the revaluation of the rating as at the date of the financial statements.

- For the purposes of fair value disclosures, the Company has established asset and liability classes based on their nature, characteristics, associated risks and the level at which they are classified in the fair value sequence as described above.

Statement of cash flows

The cash flow statement is prepared using the non-direct method.

2.4 Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the values of revenues, expenses, assets and liabilities included in the financial statements and the accompanying disclosures, as well as the disclosure of potential liabilities at the date of the financial statements.

Estimates and associated assumptions are reviewed on an ongoing basis and adjustments to accounting estimates are recognized in the period during which the estimates are reviewed.

2.4 Significant accounting judgments and estimates – Continued

The following are the main judgments and estimates that materially affect the Company's financial statements:

Judgments

Revenue recognition

Inmaking its judgment, management shall take into account the detailed requirements for revenue recognition as set out in Egyptian Accounting Standard No. (48) Revenue from Contracts with Customers, particularly with regard to whether the Company has transferred to the Buyer contro l associated with the ownership of the commodity.

Estimates

Expected credit losses on value of accounts and notes receivable and other debit balances

The amount collectible from customers, receivables and other debit balances is estimated when the full amount is no longer expected. For material amounts individually, the estimate is made on an individual basis and amounts that are not considered materially individually, but have exceeded their due date, are assessed in aggregate and provided for according to the period of time that has elapsed since their maturity based on the expected credit losses.

Estimation of the net selling value of inventory

Inventory is measured by cost or net selling value, whichever is lower.
The net selling value of inventory is determined by reference to market conditions and prices at the date of the financial statements and determined by the Company based on similar transactions minus the estimated cost of completing the sale.

Useful life of fixed assets and right of use assets

The company's management determines the estimated useful life of fixed assets and usufruct assets for the purpose of calculating depreciation. This estimate would be determined following consideration of the expected useful life of the asset or physical depreciation of assets, and management periodically reviews the estimated useful life and depreciation method in order to ensure that the method and duration of depreciation are consistent with the expected pattern of economic benefits arising from such assets.

Taxes

The Company is subject to income tax levied in Egypt and important provisions are imperative in order to determine the total provisions for current taxes and deferred taxes and the Company has made the provisions, based on reasonable estimates, taking into account the potential consequences of inspections conducted by the tax authorities in Egypt. The amount of this provision is based on several factors, including experience with previous tax reviews and different interpretations of tax regulations by the company and the tax authority, and such differences in interpretation may arise in several subjects according to the conditions prevailing in Egypt at the time.

Deferred tax assets are recognized when they are likely to be offset by taxable profits that these tax assets can be used to cover and substantial management provisions must determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits as well as future tax planning strategies.

2.4 Significant accounting judgments and estimates Continued

Impairment of non-financial assets

The Company assesses whether there are indications of impairment of non-financial assets in each financial statement period and non-financial assets are tested to assess impairment when there are indications that the book value may not be recoverable and when calculating the use value, management estimates the expected future cash flows from the asset or from the cash-generating unit and selects the appropriate discount rate in order to calculate the present value of those cash flows.

Measuring fair values

The fair value of financial instruments is determined on the basis of the market value of the financial instrument or similar financial instruments at the date of the financial statements without deducting any estimated future selling costs. The values of financial assets are determined at the current purchase prices of those assets in an active market, while the value of financial obligations is determined at the current prices at which those liabilities can be settled.

In the absence of an active market to determine the fair value of financial instruments, the fair value is estimated using various valuation methods taking into account the prices of recent transactions, guided by the present fair value of other substantially similar instruments – discounted cash flow method – or any other method of valuation that results in reliable values.

When discounted cash flows are used as a valuation method, future cash flows ar estimated on the basis of the best management estimates and the discount rate used is determined in light of the prevailing market price at the date of the financial statements of financial instruments that are similar in nature and conditions.

3- Fixed assets (net)

The balance of fixed assets (net) as of 31 December 2024 amounting to EGP 1,059,674,972 as follows:

Category	Cost as of 1/1/2024	disposals during The year	Additions during The year	transfered from projects under constructions during The year	Cost as of 31/12/2024	Accumlated Depreciation as of 1/1/2024	Accumlated Depreciations of disposels during the year	Depreciation During the year	Accumlated depreciations as of 31/12/2024	Net book value as of 31/12/2024	Net book value as of 31/12/2023
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Lands	93,753,808	--	--	--	93,753,808	--	--	--	--	93,753,808	93,753,808
Buildings	798,712,293	43,012	4,463,029	33,907,491	837,039,801	318,401,540	35,711	46,376,725	364,742,554	472,297,247	480,310,753
equipment	570,379,794	568,296	23,981,719	51,587,878	645,381,095	200,902,758	563,712	44,720,698	245,059,744	400,321,351	369,477,036
vehicles	69,618,097	6,693,320	12,123,645	--	75,048,422	34,658,921	4,859,345	14,927,127	44,726,703	30,321,719	34,959,176
Computer and software	121,149,434	2,127,833	31,303,700	56,300	150,381,601	80,744,772	1,986,027	14,666,153	93,424,898	56,956,703	40,404,662
Furniture and fixtures	28,105,681	12,311	318,363	334,994	28,746,727	20,431,101	12,311	2,303,793	22,722,583	6,024,144	7,674,580
	1,681,719,107	**9,444,772**	**72,190,456**	**85,886,663**	**1,830,351,454**	**655,139,092**	**7,457,106**	**122,994,496**	**770,676,48**	**1,059,674,972**	**1,026,580,015**

*The balance of fixed assets (net) as of 31 December 2023 (comparative year) to EGP 1,026,580,015 as follows:

Category	Cost as of 1/1/2023	disposals during The year	Additions during The year	transfered from projects under constructions during The year	Cost as of 31/12/2023	Accumlated Depreciation as of 1/1/2023	Accumlated Depreciations of disposels during the year	Depreciation During the year	Accumlated depreciations as of 31/12/2023	Net book value as of 31/12/2023	Net book value as of 31/12/2022
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Lands	93,753,808	--	--	--	93,753,808	--	--	--	--	93,753,808	93,753,808
Buildings	716,207,476	315,498	2,676,903	80,143,412	798,712,293	278,127,571	292,390	40,566,359	318,401,540	480,310,753	438,079,905
equipment	445,680,694	580,592	12,392,889	112,886,803	570,379,794	164,924,559	580,592	36,558,791	200,902,758	369,477,036	280,756,135
vehicles	48,217,872	1,350,000	3,622,965	19,127,260	69,618,097	24,812,774	854,361	10,700,508	34,658,921	34,959,176	23,405,098
Computer and software	103,817,449	1,166,212	16,768,392	1,729,805	121,149,434	66,405,343	859,238	15,198,667	80,744,772	40,404,662	37,412,106
Furniture and fixtures	26,941,083	17,247	207,147	974,698	28,105,681	18,108,193	17,246	2,340,154	20,431,101	7,674,580	8,832,890
	1,434,618,382	**3,429,549**	**35,668,296**	**214,861,978**	**1,681,719,107**	**552,378,440**	**2,603,827**	**105,364,479**	**655,139,092**	**1,026,580,015**	**882,239,942**

4- Projects under constructions

	31 Dec 2024 EGP	31 Dec 2023 EGP
Balance at 1 January 2024	**142,914,782**	**697,962,706**
Additions during the year*	144,934,371	262,034,114
Transferred to fixed and intangible assets	(85,886,663)	(402,059,987)
Transferred to right of use**	(2,030,511)	--
Transferred to assets held for sale	--	(415,022,051)
Balance at 31 December 2024	**199,931,979**	**142,914,782**

*The additions of projects under constructions during the year ending,31 December, 2024 amounted to 144,934,371 EGP, which included the value of buildings and lands amounted to EGP 42,620,058, and included payments under the computer software account amounted to EGP 17,854,624, and payments to acquire vehicles to enhance operation quality amounted to EGP 10,608,490, and the necessary equipment for the completion of company's branches amounted to EGP 73,851,199, these additions include capitalized interests.

**Some devices and equipment amounting to EGP 2,030,511 has been transferred to right of use assets under "sale and leaseback" agreement.

The Items of the projects under implementation are as follows:

	31 Dec 2024 EGP	31 Dec 2023 EGP
Computers and peripherals	44,090,304	26,291,980
Buildings	71,023,963	63,618,946
Machinery and Equipment	53,731,829	34,272,090
Lands	19,794,310	18,486,760
Furniture	683,083	245,006
Vehicles	10,608,490	--
	199,931,979	**142,914,782**

5- Intangible assets (net)

Balance of Intangible assets (net) are computer software is represented as follows:

	31 Dec 2024 EGP	31 Dec 2023 EGP
Cost		
Balance at 1 January 2024	**221,277,740**	**29,676,757**
Disposals during the year	--	26,077
Trasnfered from projects under constructions	--	187,198,009
Additions during the year	22,887,568	4,429,051
Balance as of 31 December 2024	**244,165,308**	**221,277,740**
Accumlated Amortization		
Balance at 1 January 2024	**17,203,286**	**12,093,994**
Amortization of the year	21,713,462	5,109,292
Balance as of 31 December 2024	**38,916,748**	**17,203,286**
Net book value as of 31 December 2024	**205,248,560**	**204,074,454**

6- Investment in subsidiary

	Number of Stock	Nominal value per share EGP	Contribution Percentage	Investment Paid %	Cost as of 31 Dec 2024 EGP	Cost as of 31 Dec 2023 EGP
AIM Healthcare Investments & Consultancy Company (S.A.E)	299,999,980	1	99,99 %	40 %	119,999,920	119,999,920
					119,999,920	**119,999,920**

- **Capital Commitments in 31 December 2024 From investing in a company AIM Healthcare Investment & Consulting (S.A.E) in the unpaid value by 60% amount to 180,000,060 Egyptian pound (for an amount of 180,000,060 EGP on 31 Dec 2023).**

7- Inventory

	31 Dec 2024 EGP	31 Dec 2023 EGP
Goods for sale	5,517,217,667	2,515,856,950
Goods in transit	571,762,425	369,269,591
Returns	441,747,209	272,395,454
Spare Parts	42,579,326	36,003,519
	6,573,306,627	**3,193,525,514**

8- Accounts and notes receivables (net)

	31 Dec 2024 EGP	31 Dec 2023 EGP
Accounts receivable	13,354,396,361	7,656,837,571
Notes receivable short and long term	3,462,821,047	2,535,000,183
	16,817,217,408	**10,191,837,754**
Deduct:		
Expected credit losses in receivables	(611,182,011)	(410,807,574)
	16,206,035,397	**9,781,030,180**

- Accounts and notes receivable are classified in the statement of financial position as follows:

	31 Dec 2024 EGP	31 Dec 2023 EGP
Accounts and notes receivable short term “less than 12 months”	16,157,692,935	9,702,097,946
Notes receivable long term “more than 12 months”	48,342,462	78,932,234
	16,206,035,397	**9,781,030,180**

*** The movement of the expected credit losses in receivables is represented as follows:**

	31 Dec 2024 EGP	31 Dec 2023 EGP
Beginning balance	**410,807,574**	**326,962,357**
Formation of expected credit losses in receivables	200,374,437	83,845,217
Ending balance	**611,182,011**	**410,807,574**

9- Debtors and other debit balances (net)

	31 Dec 2024 EGP	31 Dec 2023 EGP
Suppliers under Settlement*	628,560,025	411,756,148
Tax Authority - Withholding tax	130,498,166	99,537,378
Advance payments to Tax Authority	16,152,416	60,569,487
Contract Assets – Expected Sales Returns	39,640,520	16,680,951
Refundable deposits	32,624,291	21,956,006
Prepaid expenses	19,001,608	24,449,876
Employees Impressts	11,723,808	10,694,178
Other debit balances	213,151,405	119,997,675
	1,091,352,239	**765,641,699**
Deduct:		
Expected credit losses in the value of other debit balances	(22,874,013)	(7,874,013)
	1,068,478,226	**757,767,686**

*The balance of suppliers under settlement represented in value of suppliers' compensation for sales price differences, discounts and free units.

10- Cash on hand and at banks

	31 Dec 2024 EGP	31 Dec 2023 EGP
Current Accounts Banks – Egyptian Pound	519,067,087	892,786,580
Current Accounts Banks – Foreign Currencies	284,582,976	212,900,256
Letters of guarantee cover	6,562,677	11,112,364
Cash on hand	711,084	489,552
	810,923,824	**1,117,288,752**

11- Assets held for sale

	31 Dec 2024 EGP	31 Dec 2023 EGP
Balance at 1 January 2024	**771,873,889**	**792,272,436**
Additions and assets transferred from customers	1,976,106	20,159,870
Transferred from projects under constructions	--	415,022,051
Transferred to right of use assets*	(524,551,940)	(377,523,062)
Disposals during the year**	(28,000,000)	(78,057,406)
Balance at 31 December 2024	**221,298,055**	**771,873,889**

*Some of the assets were transferred to right of use assets amounted to EGP 524,551,940, under finance lease contract "sale and leaseback"
**Some buildings were sold during the year for 28,000,000 EGP.

	31 Dec 2024 EGP	31 Dec 2023 EGP
Assets held for sale - less than 12 months	--	435,181,921
Assets held for sale - more than 12 months	221,298,055	336,691,968
	221,298,055	**771,873,889**

* The company's management decided to keep the assets held for sale to achieve a potential higher return in the future periods.

12- Capital, Share premium (Special reserve), Treasury stocks reserve and Treasury stocks

A. Capital

- The company's authorized capital was set at 50 million Egyptian pounds (fifty million Egyptian pounds only) and the company's issued and paid up capital was set at 35 million Egyptian pounds (thirty-five million Egyptian pounds only) distributed over 350.000 shares with a value of 100 Egyptian pounds each share (one hundred pounds only), all of which are cash shares.
- On 26 August 2005, the Extraordinary General Assembly of the Company decided to increase the issued and fully paid up capital to 50 million Egyptian pounds (fifty million Egyptian pounds only) distributed over 500.000 shares of 100 Egyptian pounds each share (one hundred pounds only), all cash shares.
- On 10 December 2006, an extraordinary general assembly was held, according to which the decision was taken to purchase the shares of the French side, whose nominal value represents 34,193,900 Egyptian pounds (thirty-four million one hundred ninety-three thousand nine hundred Egyptian pounds only) with a percentage of 68.38% of the total contribution by the old shareholders by 93.5% and employees by 6.5%, and the registration was completed by the end of 2007.
- On 17 September, 2008, the Extraordinary General Assembly was held, according to which it was agreed to amend Article (6) of the Company's Articles of Association by reducing the carry-over losses by 30 million Egyptian pounds (thirty million Egyptian pounds only) of the company's issued and paid up capital of 50 million Egyptian pounds (fifty million Egyptian pounds only) before the amendment, thus bringing the company's authorized capital to 50 million Egyptian pounds (fifty million Egyptian pounds only). The company's issued capital after the amendment becomes the amount of 20 million Egyptian pounds (twenty million Egyptian pounds only) distributed over 200,000 shares (two hundred thousand shares) the value of each share is 100 Egyptian pounds (one hundred Egyptian pounds only) all cash shares.
- On 27 May 2015, the Extraordinary General Assembly of the Company was held, according to which it was agreed to amend Article (6) of the Company's Bylaws by reducing the Company's authorized capital to 24 million Egyptian pounds (twenty-four Egyptian pounds only) instead of 50 million Egyptian pounds (fifty million Egyptian pounds only) and to become the company's issued and fully paid up capital after the amendment 24 million Egyptian pounds (twenty-four Egyptian pounds only) instead of The amount of 20 million Egyptian pounds (twenty million Egyptian pounds only) distributed over 240.000 shares (two hundred and forty thousand shares) the value of each share is 100 Egyptian pounds (one hundred Egyptian pounds only) all cash shares and was marked in the commercial register on 29 June 2015.
- On 5 March 2017, the Extraordinary General Assembly decided to increase the company's authorized capital by 144 million Egyptian pounds to become 168 million Egyptian pounds, as well as to increase the company's issued capital by 144 million Egyptian pounds to become 168 million Egyptian pounds, as financing from the general reserve balance on 31 December 2016, provided that (6) bonus shares of the company's increase shares are allocated against 1 share of the original shares of the company owned by the shareholders at the time of the meeting. Assembly and split of the nominal value of the share
- On 7 September 2017, the Extraordinary General Assembly decided to approve the split of the company's capital shares by amending the nominal value of the share from (1) Egyptian pounds to (0.25) Egyptian pounds, so that the company's issued capital of 168 million Egyptian pounds distributed over 672 million shares with a nominal value of (0.25) Egyptian pounds per share, was marked in the commercial register on 28 September 2017.
- On 17 January 2018, the Board of Directors of Ibnsina Pharma approved the increase of the issued capital from EGP 168 million to EGP 180.50 million, by subscribing to the old shareholders selling their shares in the public or private offering, where the capital was increased by issuing 50 million shares to be subscribed to at the final price of the offering of EGP 5.80, and accordingly, the issued and paid up capital of the company was increased by EGP 12.50 million to become the issued capital. The amount of EGP 180.50 million was paid, according to a bank deposit certificate for the capital increase from Arab African International Bank on 13 February 2018, and the value of the issuance premium for the increase shares amounted to EGP 277.50 million, which was noted in the company's commercial register on 22 March 2018.

12- Capital, Share premium (Special reserve),Treasury stocks reserve and Treasury stocks-

A- Capital – Continued:

- On May 19, 2022, the company's board of directors decided that the company will execute 3,823,492 treasury shares, bringing the number of shares issued on June 30, 2022 to 1,116,167,508 shares, in accordance with the provisions of Law 159 of 1981, where the company kept those shares for a year, which resulted in the execution process reducing the capital at the nominal value of those shares with a total amount of 958,123 EGP, and the necessary measures are being taken to register in the commercial register.
- On June 30, 2023, the company executed 14,100,000 shares of the treasury name, bringing the number of shares issued on June 30, 2023 to 1,102,067,508 shares, in accordance with the provisions of Law 159 of 1981, where the company kept those shares for a year, which resulted in the execution process reducing the capital at the nominal value of those shares with a total amount of 3,525,000 EGP, and the necessary procedures are being taken to register in the commercial register.
- On September 30, 2023, the company executed 74,758,900 shares from the name of the treasury, bringing the number of shares issued on September 30, 2023 to 1,027,308,608 shares, in accordance with the provisions of Law 159 of 1981, where the company kept those shares for a year, which resulted in the execution process reducing the capital at the nominal value of those shares with a total amount of 18,689,725 EGP, and the necessary procedures are taken to approve the general assembly and register.
- On December 4, 2023, the Extraordinary General Assembly held on July 30, 2023 approved and decided to reduce the issued and paid up capital by EGP 28,000,000 by executing the treasury shares that the company purchased, which amounted to 112,000,000 shares (10% of the company's shares) at the nominal value of those shares, so that the issued and paid up capital becomes EGP 252,000,000 distributed over 1,008,000,000 shares with a nominal value of 25 piasters per share, and this has been noted in the commercial register on 18 December 2023.

B- Share premium (Special reserve)

- On 20 April 2019, the Extraordinary General Assembly decided to increase the Company's issued capital from EGP 180.5 million to EGP 205 million, an increase of EGP 24.5 million by issuing 98 million bonus shares financed from the company's distributable net profits for the financial year ended 31 December 2018 by 0,1357340720 bonus shares each One original share of the company's issued capital before the increase of 722 million shares with Gabr Fractions in favor of small shareholders from smallest to largest until the quantity runs out, so that the company's issued capital after the increase is 205 million Egyptian pounds distributed over 820 million shares, the value of the share is 25, piasters. It was noted in the commercial register on 19 June, 2019, and it was decided to distribute the bonus shares as of 15 July 2019, taking into account the reparation of fractions in favor of small shareholders from smallest to largest until the quantity runs out, through Misr for Central Clearing, Depository and Registry, after the issuance of the Listing Committee's decision to approve the increase.
- On 31 March 2020, the AGM decided to increase the Company's issued capital to EGP 240 million, an increase of EGP 35 million, by issuing 140 million bonus shares financed from the company's distributable net profits for the fiscal year ended 31 December, 2019 at a rate of 0,170731707 bonus shares each. An original share of the company's issued capital shares before the increase of 820 million shares with reparation of fractions in favor of small shareholders from The smallest to the largest until the quantity runs out, so that the company's issued capital after the increase becomes 240 million Egyptian pounds distributed over 960 million shares, the value of the share is 25 piasters. It was marked in the commercial register on 30 August 2020, and it was decided to distribute the bonus shares as of 1 October 2020, after the issuance of the registration committee's decision to approve the increase.
- On 11 April 2022 the Extraordinary General Assembly decided to increase the issued capital of the company to 280 million Egyptian pounds with an increase of 40 million Egyptian pounds by issuing 160 million bonus shares financed from the company's distributable net profits for the fiscal year ending on 31 December 2020 distributed over 1.120 million cash shares and the nominal value of the share is 25 Egyptian piasters, and it was marked in the commercial register on 21 April 2022, It was also decided to distribute the bonus shares as of 1 May 2022, after the issuance of the decision of the Listing Committee to approve the increase.
- The company's management transferred an amount of 40,087,884 Egyptian pounds from the issuance premium item (special reserve) to the legal reserve to reach half of the issued capital, provided that the remaining balance is kept within a special reserve item, provided that this does not include distributing it as a profit, in accordance with Article (94) of the Executive Bylaws of the Joint Stock Companies Law promulgated by Law No. 159 of 1981.

12- Capital, Share premium (Special reserve),Treasury stocks reserve and Treasury stocks -

C-Treasury stocks and Treasury stocks reserve

- On March 21, 2021, the company's board of directors decided that the company will purchase treasury shares with a maximum of 9,600,000 shares at a rate of 1% of the company's capital to support the share price on the stock exchange and enhance investors' confidence and expectations regarding the company's future performance, provided that the sale is carried out at the market price through the open market. The company notified the EGX on 24 March 2021 of its desire to purchase part of its shares on the issued form during the period from 24 March 2021 to 21 June 2021, in accordance with the listing rules and executive procedures and their amendments, and the company purchased 4 million shares until the end of the specified period for the purchase of shares on 21 June 2021.
- On 27 March 2022, the company's board of directors decided to approve the start of selling the previously purchased 4 million treasury shares at market prices to comply with the listing rules issued by the decision of the Board of Directors of the Financial Regulatory Authority not to hold treasury shares for more than one year.
- On 28 March 2022, 47,508 shares were sold at a price of 2.8763 EGP and the total sale value reached 136,648 EGP, which resulted in losses of 83,213 EGP and according to Egyptian Accounting Standard No. (25), these losses in equity were classified.
- On 3 April 2022, 120,000 shares were sold at a price of 2,868 EGP per share and the total sale value reached 355,800 EGP, which resulted in losses of 154,122 EGP, and according to Egyptian Accounting Standard No. (25), these losses in equity were classified.
- On 19 May 2022, the company's board of directors decided to approve the execution of 3,832,492 shares of the remaining treasury shares bringing the number of shares issued on June 30, 2022 to 1,116,167,508 shares, in accordance with the provisions of Law 159 of 1981, where the company kept those shares for a year, which resulted in the execution process reducing the capital at the nominal value of those shares with a total amount of 958,123 EGP, and the necessary measures are being taken to register in the commercial register.
- On June 1, 2022, the company's board of directors decided that the company will purchase treasury shares with a maximum of 10% of the company's capital to support the share price on the stock exchange and enhance investors' confidence and expectations regarding the company's future performance, provided that the purchase is made at the market price through the open market. The company notified the EGX on June 2, 2022 of the desire to buy part of its shares on the issued form during the period from June 7, 2022 until 10% of the company's shares expire or the company announces the end of execution, in accordance with the listing rules and executive procedures and their amendments.
- On June 30, 2023, the company executed 14,100,000 shares from the name of the treasury, bringing the number of shares issued on June 30, 2023 to 1,102,067,508 shares, in accordance with the provisions of Law 159 of 1981, where the company kept those shares for a year, which resulted in the execution process reducing the capital at the nominal value of those shares with a total amount of 3,525,000 EGP, and the necessary measures are being taken to register in the commercial register.
- On September 30, 2023, the company executed 74,758,900 shares from the name of the treasury, bringing the number of shares issued on September 30, 2023 to 1,027,308,608 shares, in accordance with the provisions of Law 159 of 1981, where the company kept those shares for a year, which resulted in the execution process reducing the capital at the nominal value of those shares with a total amount of 18,689,725 EGP, and the necessary measures are being taken to approve the general assembly and register notation.
- On December 4, 2023, the Extraordinary General Assembly held on July 30, 2023 approved and decided to reduce the issued and paid up capital by EGP 28,000,000 by executing the treasury shares that the company purchased, which amounted to 112,000,000 shares (10% of the company's shares) at the nominal value of those shares, so that the issued and paid up capital becomes EGP 252,000,000 distributed over 1,008,000,000 shares with a nominal value of 25 piasters per share, and this has been noted in the commercial register on 18 December 2023.

The net treasury stock reserve (losses) resulting from the sale and execution of treasury stovks until 31 December 2024 amounted to 171,643,212 EGP.

13-Reserves

A- Legal Reserve

- According to the provisions of the Companies Law and the Company's Articles of Association, 5% of the previous year's net profit is transferred to the statutory reserve, and this annual transfer stops when the statutory reserve reaches 50% of the issued capital.

B- General Reserve

- On May 27, 2015 the company’s extraordinary general assembly was held and it was agreed to increase the company’s issued and paid-up capital to 24 million Egyptian pounds (twenty-four Egyptian pounds only) distributed over 240,000 shares (two hundred and forty thousand shares) instead of the amount of 20 One million Egyptian pounds (twenty million Egyptian pounds only) distributed over 200,000 shares (two hundred thousand shares). As a result of this increase, an issue premium amounted to 148 million Egyptian pounds (one hundred and forty-eight million Egyptian pounds only), Which is represented in the resulting difference between the nominal value of 40 thousand shares, which amounts to 100 Egyptian pounds (one hundred Egyptian pounds only) per share and the fair value of the share, which amounted to 3,800 Egyptian pounds (three thousand eight hundred Egyptian pounds only) at the date of this increase. This increase was subscribed to by 39,950 shares by the shareholder, the European Bank for Reconstruction and Development, and the rest for 50 shares by other shareholders, according to the approval of the Extraordinary General Assembly.
- Part of the issue premium was transferred to the general reserve to match the legal percentage of the capital and the remainder was transferred to the general reserve in accordance with Article 94 of the Companies Law (159) of 1981 and its amendments in accordance with Article (94).
- On March 5, 2017, the Extraordinary General Assembly decided to increase the company’s authorized capital by an amount of EGP 144,000,000 to become EGP 168,000,000, as well as to increase the company’s issued capital by EGP 144,000,000 to become EGP 168,000, in financing from the balance of the general reserve in 12/31/2016, the balance of the general reserve amounted to 3,079,334 Egyptian pounds.

14- Long term and short-term loans

	Credit Limit	Last maturity date	Outstanding balance December 31, 2024 EGP	Outstanding balance December 31, 2023 EGP
Commercial International Bank	420,000,000	15/3/2024	--	22,206,140
Commercial International Bank	730,000,000	29/4/2025	140,650,000	420,650,000
National Bank of Kuwait (NBK)	250,000,000	30/11/2025	83,285,172	166,570,344
Attijariwafa Bank	100,000,000	31/3/2024	--	7,135,714
Crédit Agricole Bank	50,000,000	1/6/2026	25,000,000	41,666,667
National Bank Of Egypt	200,000,000	1/6/2026	87,487,591	166,459,143
			336,422,763	**824,688,008**

*The movement in loans during the year is as follows:

	31 Dec 2024 EGP	31 Dec 2023 EGP
Beginning balance	**824,688,008**	**1,120,094,196**
Used during the year	--	222,966,056
Paid during the year	(488,265,245)	(518,372,244)
Ending balance	**336,422,763**	**824,688,008**

14- Long term and short-term loans - Continued

****Loans are classified as follows:**

	31 Dec 2024 EGP	31 Dec 2023 EGP
Long term loans with maturity date in more than 12 months	29,237,258	348,810,663
Short term loans with maturity date within 12 months	307,185,505	475,877,345
	336,422,763	**824,688,008**

Some loans are secured by all risk Insurance policies over the company's warehouses in favor of the banks. Financial commitment must also be fulfilled, as well as undertakings with some of the banks not to change the structure of the main shareholders or to transfer part of the company or sell the company assets without obtaining written approval from the bank, except for the sale of assets within the normal course of the company's activities. Additionally, profits should not be distributed until all due financial installments are paid.

15- Lease

	Finance Lease Contracts		Operating Lease Contracts		Total Lease Contracts	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	EGP	EGP	EGP	EGP	EGP	EGP
Right of use assets (net)	**971,444,238**	**401,495,657**	**345,178,872**	**276,848,210**	**1,316,623,110**	**678,343,867**
Lease liablities:						
Lease liablities - long term	786,017,333	342,252,155	326,418,932	261,606,424	**1,112,436,265**	**603,858,579**
Lease liablities – short term	125,498,115	41,186,292	95,391,711	72,985,387	**220,889,826**	**114,171,679**
Total lease liablities	**911,515,448**	**383,438,447**	**421,810,643**	**334,591,811**	**1,333,326,091**	**718,030,258**

The balances movement of right of use assets and lease liaibilities at 31 December 2024 and 2023 are as follows:

	Right of use assets (net)				Lease liablities
	buildings	Vehicles	Machinery & Equipment	Total	
	EGP	EGP	EGP	EGP	EGP
Balance 1 January 2024	**660,776,412**	**14,604,745**	**2,962,710**	**678,343,867**	**718,030,258**
Additions during the year*	552,800,474	54,544,100	132,275,632	739,620,206	734,864,907
Depreciation uring the year	(79,908,698)	(8,155,540)	(13,276,725)	(101,340,963)	--
Financing expenses	--	--	--	--	266,566,478
Payments during the year	--	--	--	--	(386,135,552)
Balance as of 31 December 2024	**1,133,668,188**	**60,993,305**	**121,961,617**	**1,316,623,110**	**1,333,326,091**

*** Additions of right of use assets during the year amounting to EGP 739,620,206, in the value of 608,093,371 finance lease contracts and the value of 131,526,835 operating lease contracts.**

	Right of use assets (net)				Lease liabilities
	Buildings	Vehicles	Machinery & Equipment	Total	
	EGP	EGP	EGP	EGP	EGP
Balance 1 January 2023	**254,636,187**	**22,492,651**	**4,150,239**	**281,279,077**	**350,093,122**
Additions during the year	463,989,678	--	--	463,989,678	440,077,342
Depreciation of the year	(57,849,453)	(7,887,906)	(1,187,529)	(66,924,888)	--
Financing expenses	--	--	--	--	58,529,622
Payments during the year	--	--	--	--	(130,669,828)
Balance as of 31 December 2023	**660,776,412**	**14,604,745**	**2,962,710**	**678,343,867**	**718,030,258**

16- Credit Facilities

	31 Dec 2024 EGP	31 Dec 2023 EGP
Ahli United Bank	1,384,539,526	885,978,895
Emirates Bank Dubai	425,911,396	161,540,859
Commercial International Bank	401,704,789	813,976,919
Nxt Bank	330,375,468	--
Crédit Agricole Bank	245,168,300	199,702,208
EG Bank	224,830,906	39,486,116
Banque du Caire	223,857,434	145,514,904
Arab African Bank	192,477,653	262,225,037
Agricultural Bank of Egypt	183,623,395	--
Attijariwafa Bank	153,392,851	133,085,931
Bank of Alexandria	127,301,290	57,294,172
First Abu Dhabi Bank	97,319,927	--
Mashreq Bank	87,606,426	12,161
Suez Canal Bank	81,273,248	97,546,457
The United Bank	73,226,474	16,388,220
Al-Ahli Bank of Kuwait (ABK)	44,240,018	--
HSBC Bank	35,194,173	209,311,146
National Bank of Egypt	28,125,196	62,385,195
Abu Dhabi Islamic Bank	24,917,146	21,604,217
National Bank of Kuwait (NBK)	8,503,839	39,483,500
Housing & Development Bank (HDB)	5,711,434	19,907,840
	4,379,300,889	**3,165,443,777**

17-Suppliers and notes payable

	31 Dec 2024 EGP	31 Dec 2023 EGP
Suppliers	5,825,898,780	3,660,365,873
Notes payable	14,084,326,484	8,116,611,809
	19,910,225,264	**11,776,977,682**

18-Creditors and other credit balances

	31 Dec 2024 EGP	31 Dec2023 EGP
Tax authority - withholding tax	83,350,750	44,233,193
Tax authority - value added tax	16,196,241	26,762,617
Tax authority - Salary tax	9,254,509	5,264,167
National Organization for Social Insurance	11,238,324	6,229,714
Accrued expenses	101,238,783	81,071,835
Contract Obligations - Expected Sales Returns	38,159,408	17,964,633
Dividends payable	6,870,113	659,648
Other credit balances	72,758,418	19,046,031
	339,066,546	**201,231,838**

19-Related Parties

Related parties are the parent company and subsidiaries, major shareholders, senior management and directors, and entities that have joint control or influence or are heavily associated with these parties, pricing policies (comparative free price) and the terms of these transactions are approved by management in accordance with the procedures taken to approve such transactions, transactions with related parties are represented in the following balances:

a) Due from related Parties (Net)

	31 December 2024 EGP	31 December 2023 EGP
Ramp Logistics	252,806,500	99,763,966
DIGI 360 for Software Company	33,685,037	19,873,862
AIM Healthcare Investments and Consultancy Company	20,561,133	19,003,923
Ibn Sina Trade for export	1,748,679	2,200,492
Ibn Sina for Import & Export Company	371,635	371,635
	309,172,984	**141,213,878**
Deduct:		
Impairment in the value of due from related parties	(371,635)	(371,635)
	308,801,349	**140,842,243**

b) Related Parties Transactions

Company	Nature of the relationship	Transaction Nature	31 December 2024 EGP	31 December 2023 EGP
AIM Healthcare Investments and Consultancy	Subsidiary	Payment on behalf	606,837	15,179,902
		Finance(from)/to	950,372	(6,643,372)
Ramp Logistics	subsidiary of (AIM)	Payment on behalf	99,398,341	6,699,698
		Finance	70,260,217	27,871,602
		Purchases	(47,370,686)	(16,021,791)
		Other Income	30,754,664	25,306,135
DIGI 360 for Software Company	subsidiary of (AIM)	Payment on behalf	1,501,684	549,285
		Finance	12,268,451	10,174,110
		Other Income	41,040	5,634
Ibn Sina Trade	subsidiary of (AIM)	Payment on behalf	71,620	1,155,130
		Finance(from)/to	(504,392)	973,339
		Purchase	(19,042)	--

c) Salaries and incentives of directors and members of the Board of Directors

	31 December 2024 EGP	31 December 2023 EGP
Salaries and incentives of directors	77,777,749	39,576,530
Rewards of Board Members	15,553,765	12,674,245
	93,331,514	**52,250,775**

20-Provisions

	January 1, 2024 EGP	Formed During the year EGP	December 31, 2024 EGP
Expected claims provision	6,856,946	8,000,000	14,856,946
	6,856,946	**8,000,000**	**14,856,946**

	January 1, 2023 EGP	Formed During the year EGP	(Used) During the year EGP	December 31, 2023 EGP
Expected claims provision	2,175,715	5,000,000	(318,769)	6,856,946
	2,175,715	**5,000,000**	**(318,769)**	**6,856,946**

-There are no significant potential liabilities other than those mentioned in the provisions note and what disclosed in Tax Position Note (29) and contingent liabilities note (31).

21-Net sales

	December 31, 2024 EGP	December 31, 2023 EGP
Net sales of pharmaceuticals and cosmetics	55,582,982,255	33,784,414,688
Warehousing and Transportation services	43,272,099	36,014,594
Marketing services and other	30,839,617	22,471,327
	55,657,093,971	**33,842,900,609**

22-Cost of sales

The cost of sales represented in the cost of "Pharmaceuticals and Cosmetics" amounted to EGP 51,280,255,026 during the year ended December 31, 2024 (compared to the year ended December 31, 2023 of EGP 31,313,285,399).

23-Selling and marketing expenses

	December 31, 2024 EGP	December 31, 2023 EGP
Salaries, travel and transportation expenses	756,131,770	482,990,685
Maintenance, services and utilities expenses	242,795,810	171,318,303
Rent, insurance, security and cleaning expenses	128,339,313	83,946,206
Other expenses	66,272,182	55,843,492
	1,193,539,075	**794,098,686**

24-General and administrative expenses

	December 31, 2024 EGP	December 31, 2023 EGP
Salaries, travel and transportation expenses	348,941,725	214,415,202
Fixed assets depreciation	122,994,496	105,364,479
Right of use assets depreciation	101,340,963	66,924,888
Bank charges	44,178,709	34,950,586
Maintenance, services and utilities expenses	23,378,416	13,704,065
Intangible assets amortization	21,713,462	5,109,292
Management remuneration and benefits	15,553,765	12,832,074
Rent, insurance, security and cleaning expenses	13,338,966	6,634,276
Other expenses	20,141,620	14,465,499
	711,582,122	**474,400,361**

25-Other Income

	December 31, 2024 EGP	December 31, 2023 EGP
Gain from sale of fixed assets	353,768	466,199
Gain from scrap sales	2,626,254	3,149,283
Gain from sale of assets held for sale	2,000,000	909,509
Miscellaneous income	3,679,956	5,492,201
	8,659,978	**10,017,192**

26-Financing Income

The financing income of 79,667,963 EGP is represented in the value of collected penalties on bounced cheques from customers during the year ended 31 December 2024 (compared to the year ended 31 December 2023 of 126,648,146 EGP).

27-Income taxes

	December 31, 2024 EGP	December 31, 2023 EGP
Current income tax	(202,032,661)	(87,106,667)
Deferred income tax	112,191,448	28,677,948
	(89,841,213)	**(58,428,719)**

* Balance of Income tax payable at 31 December 2024 is represented as follows:

	31 Dec 2024 EGP	31 Dec 2023 EGP
Current income tax	(202,032,661)	(87,106,667)
Tax authority debit balance	--	7,200,004
	(202,032,661)	**(79,906,663)**

Deffered Tax Assets / (Liability)	**Tax Base**	**Accounting Base**	**Temporary Diffrence**	**Tax Rate**	**31 December 2024 EGP**	**31 December 2023 EGP**
Fixed & Intangible assets	1,220,281,728	1,166,991,646	53,290,082	22.50%	11,990,268	1,667,122
Operating lease assets and liabilities	832,097,904	555,351,396	276,746,508	22.50%	62,267,964	12,848,387
ECL, Impairment and provisions	--	(649,284,605)	649,284,605	22.50%	146,089,036	93,640,311
Deffered tax Ending balance-Asset					**220,347,268**	**108,155,820**
Deffered tax Beginning balance-Asset					**108,155,820**	**79,477,872**
Deffered tax - revenue					**112,191,448**	**28,677,948**

28-Earning per share

	December 31, 2024	December 31, 2023
	EGP	EGP
Net profit of the year	620,525,737	246,982,107
Employees' and board of directors' share (estimated)	(117,899,890)	(46,926,600)
Net profit of the year applicable to distribute	**502,625,847**	**200,055,507**
Average number of shares	1,008,000,000	1,008,000,000
Earnings per share – (EGP / Share)	**0.50**	**0.20**

- Earning per share were calculated by dividing the net profit applicable to distribute to the shareholders of ordinary shares by dividing by the weighted average number of shares outstanding during the period, and the company does not have diluted shares.

29-Tax Position

First: Corporate Taxes

- Examined and settled until 2023.

Second: payroll tax

- Examined and setteled until 2022.

Third: Stamp Taxes

- Examined and setteled until 2022.

-Fourth: Value Added Taxes

- Examined and setteled until 2022.

-Fifth: withholding tax

- Examined and setteled until 2022.

30-Commitments

The company's contract commitments from existing projects under construction that are not included in the financial statements at the date of the financial position amounted to EGP 27,711,388 (2023: EGP 17,282,261).

31-Contingent liabilities

In addition to the amounts recognized within the financial position, there are contingent liabilities uncovered by the company at 31 December 2024 amounted to EGP 3,449,773,514 (2023: EGP 2,173,977,562), represented in letters of credit of EGP 1,867,650,763 (2023: EGP 746,402,580) and letters of guarantee in the amount of EGP 1,582,122,751 (2023: EGP 1,427,574,982).

32-Financial Instruments

During the exercise of its activities, the Company is exposed to the following risks resulting from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The company's financial instruments are financial assets (cash on hand and at banks, debtors, debit balances, due from related parties, accounts and notes receivable) as well as financial liabilities (creditors, credit balances, credit facilities, loans, suppliers, notes payable, lease liabilities and other long-term liabilities and due to related parties).

32-Financial Instruments - Continued

The overall responsibility for setting the company's risk management framework and following up on its implementation lies with the Board of Directors, and the Board of Directors is also responsible for developing and monitoring the implementation of the Company's risk management policies.
Risk management policies are developed with the aim of determining the risks facing the company, the limits of acceptable risk, the rules for monitoring those risks and ensuring that acceptable limits are adhered to.
Risk policies and regulations are reviewed periodically to reflect changes in market conditions and the company's activities, and the company aims, through its own training, management standards and procedures, to develop a disciplined control environment through which employees understand the role entrusted to them and their obligations.
The company's board of directors supervises how the management monitors compliance with risk policies and procedures, reviews the appropriateness of the risk system framework faced by the company, and the internal audit cooperates with the company's board of directors in carrying out a supervisory and control cycle, and the internal audit undertakes both the periodic review of risk management controls and procedures and submits a report on its results to management.

33-Important events

- On February 1, 2024, and in a direction contrary to the orientations of central banks around the world towards keeping interest rates unchanged, inflation in the pillars of the Egyptian economy led to the decision of the Monetary Policy Committee of the Central Bank to raise the return on deposit, borrowing and the official process rate by 200 points to reach 21.25%, 22.25% and 21.75%, respectively, with the aim of reducing inflation expectations and restricting monetary conditions to maintain the path of decline in inflation rates, as current developments indicate the continuity of pressures Inflation and its rise above its usual pattern, which is reflected in the inflation of both food and non-food commodities.
- On March 6, 2024, the Monetary Policy Committee decided at its extraordinary meeting to raise the rate of deposit and loan return and the price of the central bank's main transaction by 600 basis points to 27.25%, 28.25% and 27.75% respectively. The credit and discount rate was raised by 600 basis points to 27.75% in order to reduce the expected deviation of inflation from its target rate as well as the deviation of economic activity from its maximum productive capacity.
- This is in addition to expectations of continued pressure in light of fiscal consolidation measures, as well as continued supply-side pressures, as the higher rate of domestic liquidity growth than the historical average contributed to the escalation of inflationary pressures.

34- New publications and amendments to Egyptian accounting standards

- October 23, 2024, the Prime Minister issued Decree No. 3527 of 2024, a new accounting standard No. 51 of the Egyptian Accounting Standards. This standard applies to the independent and consolidated financial statements of any entity or enterprise whose restriction currency is in an economy with excessive inflation.
- In accordance with paragraph (6) of the Standard, a decision will be issued by the Prime Minister or by his or her delegate setting the date of start and end of the period or financial periods during which this criterion must be applied when the currency of registration is the local currency