OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)
STANDALONE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 March 2023
TOGETHER WITH AUDITORS' LIMITED REVIEWED REPORT

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

Standalone Financial Statements for the three months ended 31 March

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Limited Review Report of Standalone Interim Financial Statements

To The members of the Board of Directors of Obour Land for Food Industries (S.A.E.)

Introduction

We have reviewed the accompanying standalone interim financial position of **Obour Land for Food Industries (S.A.E.)** as of 31 March 2023, as well as the related standalone statements of profit or loss, comprehensive income, changes in equity and cash flows for the related three months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these separate interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these standalone interim financial statements based on our limited review.

Scope of Review

We conducted our review in accordance with Egyptian Standard on Review Engagements No. 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying standalone interim financial statements does not give a true and fair view, in all material respects, of the standalone financial position of the entity as of 31 March 2023, and of its standalone financial performance and its standalone cash flows for the three months then ended in accordance with Egyptian Accounting Standards.

Cairo on: 30 May 2023

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Auditing, Tax, Advisory & Financial Services
10, Street 213, Maadi

M. Kassim

Mohamed Abu Elkassim
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OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF FINANCIAL POSITION

As of 31 March 2023

	Note	**31 March 2023 EGP**	31 December 2022 EGP
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	(4)	**563,008,244**	582,713,887
Projects under construction	(5)	**14,282,045**	12,705,846
Investment in subsidiary	(6)	**196,000,000**	196,000,000
TOTAL NON-CURRENT ASSETS		**773,290,289**	791,419,733
CURRENT ASSETS			
Inventory	(7)	**1,052,732,688**	828,137,737
Accounts and notes receivable	(8)	**84,009,507**	72,418,698
Due From related parties	(19)	**133,687**	-
Prepaid expenses and other debit balances	(9)	**204,729,388**	255,153,949
Advance payments for fixed assets		**2,031,529**	2,931,426
Treasury bills	(10)	-	239,017,398
Letters of credit	(11)	**5,396,908**	4,323,883
Cash on hand and at banks	(12)	**362,982,798**	473,538,702
TOTAL CURRENT ASSETS		**1,712,016,505**	1,875,521,793
TOTAL ASSETS		**2,485,306,794**	2,666,941,526
EQUITY AND LIABILITIES			
EQUITY			
Paid up capital	(13)	**400,000,000**	400,000,000
Legal reserve		**110,669,994**	87,535,595
Retained earnings		**140,451,560**	140,875,657
Profits for the period/year		**115,382,627**	462,687,981
TOTAL EQUITY		**766,504,181**	1,091,099,233
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term loan	(14)	**24,061,100**	19,277,221
Notes payable (finance lease) liabilities	(33)	**34,278,429**	25,264,918
Deferred tax liabilities	(15)	**11,573,595**	19,041,392
TOTAL NON-CURRENT LIABILITIES		**69,913,124**	63,583,531
CURRENT LIABILITIES			
Long term loan – current portion	(14)	**24,061,100**	38,554,445
Provision for expected claims	(16)	**123,774**	4,064,808
Credit facilities	(17)	**612,444,019**	388,215,995
Accounts and notes payable	(18)	**598,139,091**	675,504,739
Notes payable (finance lease) – current portion	(33)	**40,641,889**	44,876,062
Due to related parties	(19)	**106,640,159**	110,057,005
Accrued expenses and other credit balances	(20)	**83,210,059**	65,472,996
Taxes payable	(21)	**3,804,997**	6,127,099
Advances from customers		**21,321,083**	53,496,667
Income taxes payable		**158,388,502**	125,808,946
Fixed assets creditors		**114,816**	80,000
TOTAL CURRENT LIABILITIES		**1,648,889,489**	1,512,258,762
TOTAL LIABILITIES		**1,718,802,613**	1,575,842,293
TOTAL LIABILITIES AND EQUITY		**2,485,306,794**	2,666,941,526

Board Member **Chairman**

عبور لاند
OBOUR LAND
للصناعات الغذائية ش.م.م

M. H. Sherif

- The accompanying notes from (1) to (35) form an integral part of these standalone financial statements.
- Auditors' review report attached.

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF PROFIT OR LOSS

For the period ended 31 March 2023

	Note	**For the three months ended 31 March 2023 EGP**	For the three months ended 31 March 2022 EGP
Sales		**1,470,313,930**	923,803,971
Cost of sales		**(1,133,772,539)**	(723,539,522)
GROSS PROFIT		**336,541,391**	200,264,449
Selling and marketing expenses	(22)	**(47,964,982)**	(49,839,940)
General and administrative expenses	(23)	**(30,458,416)**	(15,846,994)
Expected credit loss	(8)	**(705,810)**	(23,482)
Reversal of Expected credit loss	(8)	**2,478,721**	-
Losses of financial securities	(27)	**(548,222)**	-
Foreign exchange currency differences		**(99,583,383)**	(19,889,697)
Other income	(24)	**9,814,217**	1,424,062
Provision for expected claims		**(1,000,000)**	-
Interest income	(25)	**5,415,099**	7,086,542
Interest expenses	(26)	**(23,977,496)**	(5,502,648)
PROFITS BEFORE INCOME TAXES		**150,011,119**	117,672,292
Income taxes	(15)	**(34,628,492)**	(27,004,743)
PROFITS FOR THE PERIOD		**115,382,627**	90,667,549
Earnings per share – basic and diluted	(29)	**0,25**	0,19

- The accompanying notes from (1) to (35) form an integral part of these standalone financial statements.

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF PROFIT OR LOSS

For the period ended 31 March 2023

	For the three months ended 31 March 2023 EGP	For the three months ended 31 March 2022 EGP
PROFITS FOR THE PERIOD	**115,382,627**	90,667,549
TOTAL COMPREHENSIVE INCOME	**115,382,627**	90,667,549

- The accompanying notes from (1) to (35) form an integral part of these standalone financial statement.

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2023

	Paid up capital	Legal reserve	Retained earnings	Profits for the Period	Total
	EGP	EGP	EGP	EGP	EGP
Balance on 1 January 2023	**400,000,000**	**87,535,595**	**140,875,657**	**462,687,981**	**1,091,099,233**
Transferred to legal reserve and retained earnings	-	**23,134,399**	**439,553,582**	**(462,687,981)**	-
Dividends	-	-	**(439,977,679)**	-	**(439,977,679)**
Profits for the period	-	-	-	**115,382,627**	**115,382,627**
Balance on 31 March 2023	**400,000,000**	**110,669,994**	**140,451,560**	**115,382,627**	**766,504,181**
Balance on 1 January 2022	400,000,000	69,996,288	180,397,764	350,786,136	1,001,180,188
Transferred to legal reserve and retained earnings	-	17,539,307	333,246,829	(350,786,136)	-
Dividends	-	-	(300,700,000)	-	(300,700,000)
Profits for the period	-	-	-	90,667,549	90,667,549
Balance on 31 March 2022	400,000,000	87,535,595	212,944,593	90,667,549	791,147,737

- The accompanying notes from (1) to (35) form an integral part of these standalone financial statements.

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF CASH FLOWS

For the period ended 31 March 2023

	Note	For the three months ended 31 March 2023 EGP	For the three months ended 31 March 2022 EGP
CASH FLOWS FROM OPERATING ACTIVITIES			
Profits before income taxes		**150,011,119**	117,672,292
Adjusted to:			
Depreciation of fixed assets	(4)	**16,353,614**	16,513,809
Expected credit loss	(8)	**705,810**	23,482
Reversal of Expected credit loss	(8)	**(2,478,721)**	-
Interest income	(25)	**(5,415,099)**	(7,086,542)
Interest expense	(26)	**23,977,496**	5,502,648
Gain from sale of fixed assets	(4)	**(6,448,776)**	(597,250)
Charged of provision for expected claims		**1,000,000**	-
		177,705,443	132,028,439
Change in inventories	(7)	**(224,594,951)**	(155,209,376)
Change in accounts and notes receivables	(8)	**(9,817,898)**	(13,133,166)
Change in due from related parties	(19)	**(133,687)**	-
Change in prepaid expenses and other debit balances	(9)	**50,424,561**	(9,794,945)
Change in letter of credit	(11)	**(1,073,025)**	(14,879,776)
Change in accounts and notes payable	(18)	**(77,365,648)**	(19,314,099)
Change in due to related parties	(19)	**(3,416,846)**	(3,279,068)
Change in accrued expenses and other credit balances	(20)	**(13,758,560)**	(12,163,851)
Change in customers advanced payments		**(32,175,587)**	125,231
Change in taxes payable	(21)	**(2,322,102)**	(2,903,133)
CASH FLOWS (USED IN) FROM OPERATING ACTIVITES		**(136,528,300)**	(98,523,744)
Provision (used in) for expected claims used during the year		**(4,941,034)**	-
Interest expense paid	(26)	**(23,977,496)**	(5,502,648)
Income taxes paid		**(9,516,732)**	(6,128,246)
NET CASH FLOWS OPERATING ACTIVITIES		**(174,963,562)**	(110,154,638)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income received	(25)	**5,415,099**	7,086,542
Payments to purchasing fixed assets	(4)	**(342,025)**	(133,148)
Proceeds from sale of fixed assets	(4)	**10,142,832**	1,620,442
Payments to purchasing projects under construction	(5)	**(1,576,199)**	(1,191,246)
Payments / proceeds from Advance payments for fixed assets		**899,897**	252,117
Payments / proceeds to fixed assets creditors		**34,816**	32,205
Payments for current accounts and retained time deposits	(12)	**(4,783)**	(4,572)
NET CASH FLOWS (USED IN)/ PROVIDED FROM INVESTING ACTIVITIES		**14,569,637**	7,662,340
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment liabilities (Notes payable finance lease)	(33)	**4,779,338**	17,958,418
Payment for Long term Loan - current portion	(14)	**(9,709,466)**	(4,336,111)
Payment liabilities (finance lease)	(33)	**-**	(9,463,215)
Proceeds from Credit facilities	(17)	**224,228,024**	96,156,869
Proceeds from treasury bills	(10)	**239,017,398**	289,829,751
Dividends paid		**(408,482,056)**	(279,748,236)
NET CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES		**49,833,238**	110,397,476
NET CHANGE IN CASH AND CASH EQUIVALENT		**(110,560,687)**	7,905,178
Cash and cash equivalent - beginning of the period	(12)	**472,848,116**	18,374,001
CASH AND CASH EQUIVALENT - END OF THE PERIOD	(12)	**362,287,429**	26,279,179
Cash and cash equivalent:			
Cash on hand and at banks	(12)	**362,982,798**	26,804,339
Retained time deposits	(12)	**(544,233)**	(525,160)
Retained current accounts	(12)	**(151,136)**	-
CASH AND CASH EQUIVALENT - END OF THE YEAR	(12)	**362,287,429**	26,279,179

- The accompanying notes from (1) to (35) form an integral part of these standalone financial statements.

1 BACKGROUND

Obour Land for Food Industries Company (S.A.E) (the Company) was established according to law No. 159 for 1981 and its Executive Regulations.

The Company was registered in the Commercial Register under No. 304035 on 4 May 1997.

The Company's registered location is area (7,8, 12,13,14,15,16) block 13012, El Obour city first industrial zone.

The age of company is 50 years starts from 04\05\1997 till 03\05\2047

The Company's main purpose is manufacturing all dairy products including packing and pasteurization of liquid dairies, cream, natural butter and all types of white cheese, dry cheese and cooked cheese and all types of yogurt, in addition to any other manufacturing that fall under the dairy products and all kinds of ice cream, ice cream biscuits, manufacturing and mixing stabilizers of ice cream and natural fruit juices, also importing all production requirements related to the Company's business, along with exporting the Company's products.

The production of manufactured ghee, and all types of sweets, while complying with all active laws and regulations, subject to the issuance of required operational permits. The Company may also maintain vested interest in and/or venture with other Companies with similar business operations and/or operating in similar industries that might add value to the Company, in Egypt or abroad, and may also merge into these entities and/or acquire them according to the respective Egyptian laws and executive regulations.

On 18 October 2017 Extraordinary General Assembly was held, and they agreed to add the livestock breeding activity for dairy production and fattening to the Company and amending article (3) of the Company's articles of association.

These standalone financial statements for the three months ended 31 March 2023 were authorized for issuance in accordance with the resolution of the board of directors on 30 May 2023.

2 SIGNIFICANT ACCOUNTING POLICIES

2-1 BASIS OF PREPARATION OF THE STANDALONE FINANCIAL STATEMENTS

The Standalone financial statements prepared under the going concern assumption on a historical cost basis.

The Standalone financial statements are prepared and presented in Egyptian pound, which is the Company's functional currency.

Statement of compliance
The periodic Standalone financial statements are prepared in accordance with the Egyptian Accounting Standards and the applicable laws and regulations.

2-2 Changes in accounting policies

The accounting policies applied in this period are consistent with those applied in the previous period.
As Shown in disclosure 35, on 6 March 2023, Council of Minister's was issued decision No. 883 of 2023 to amend some provisions of Egyptian Accounting Standards, and these amendments did not affect on the company's financial statements on 31 March 2023.

2-3 Significant accounting judgments and estimates

The preparation of these standalone financial statements requires management to make judgments and estimates that affect the values of revenues, expenses, assets, and liabilities included in the standalone financial statements and the accompanying disclosures, as well as the disclosure of potential liabilities at the date of the standalone financial statements. The uncertainty surrounding these assumptions and estimates may result in results that require the introduction of material adjustments to the carrying amount of the affected assets and liabilities in future years.
Estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised.
The following are the main judgments and estimates that materially affect the company's standalone periodic financial statements:

2 SIGNIFICANT OF ACCOUNTING POLICIES APPLIED (CONTINUED)

2-3 Significant accounting judgments and estimates (Continued)

2-3-1 Judgments

Recognition of revenue from the sale of products
In making its judgments, management has considered the detailed requirements for recognizing revenue arising from the sale of products as set out in Egyptian Accounting Standard No. (11) "Revenue", regarding whether the Company has transferred to the buyer the significant risks and rewards arising from ownership of the goods This usually occurs when the goods are delivered, and the invoice is issued.

2-3-2 Estimates

Decreased value of customer balances and notes receivable

An estimate of the collectible amount is made from customer balances and notes receivable when collection of the full amount is no longer expected. For individually significant amounts, the estimation is made on an individual basis. As for amounts that are not individually significant, but which are past their due date, they are assessed collectively, and a provision is made according to the period that has elapsed since their maturity date based on historical recovery rates.

Useful life of fixed assets

The company's management determines the estimated useful life of fixed assets for the purpose of calculating depreciation. This estimate shall be determined after considering the expected useful life of the asset or the physical depreciation of the assets. Management periodically reviews the estimated useful life and the method of depreciation to ensure that the method and duration of depreciation are consistent with the expected pattern of economic benefits arising from these assets.

Taxes

The company is subject to income tax imposed in Egypt. Important judgments are required to determine the total provisions for current and deferred taxes. The company has made provisions, based on reasonable estimates, bearing in mind the potential consequences of the examinations conducted by the tax authorities in Egypt. The amount of this provision is based on several factors, including experience with previous tax checks and differing interpretations of tax regulations by the company and the responsible tax authority. Such differences in interpretation may arise in several issues according to the conditions prevailing in Egypt at the time.
Deferred tax assets are recognized for unused and carried forward tax losses so that it is probable that they will be offset by taxable profits that these losses can be used to offset. Substantial management judgments 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.

Depreciation of non-financial assets

The company assesses whether there are indications of impairment of non-financial assets in each of the reporting years. Non-financial assets are tested for impairment when there are indications that the carrying value may not be recoverable. When calculating value in use, management estimates the expected future cash flows from the asset or cash-generating unit and chooses the appropriate discount rate to calculate the present value of those cash flows.

2-4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2-4-1 Foreign currency translation

Transactions in foreign currencies are initially recorded at the rate prevailing at the date of the transaction.
Monetary assets and liabilities denominated in foreign currencies are retranslated using the exchange rates prevailing at the balance sheet date. All differences are recognized in the standalone statement of profit or loss.
Nonmonetary items that are measured at historical cost in foreign currencies are translated using the exchange rates prevailing at the date of the initial recognition.
Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates prevailing at the date when the fair value is determined.

2 SIGNIFICANT OF ACCOUNTING POLICIES APPLIED (CONTINUED)

2-4SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4-2 Fixed assets

Fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the fixed assets when that cost is incurred if the recognition criteria are met. Likewise, when a major improvement is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the standalone statement of profit or loss as incurred.
Depreciation of an asset begins when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is computed using the straight-line method according to the estimated useful life of the asset as follows:

	Years
Buildings	50
Machines	10
Motor vehicles	10
Offices furniture	16
Equipment and tools	8
Computers and software	3

Fixed assets are derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognizing the asset is included in the standalone statement of profit or loss when the asset is derecognized.

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

The Company assesses at each balance sheet date whether there is an indication that fixed assets may be impaired. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the standalone statement of profit or loss.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the standalone statement of profit or loss.

2-4-3 Assets under construction

Assets under construction represent the amounts that are incurred for the purpose of constructing or purchasing fixed assets until it is ready to be used in the operation, upon which it is transferred to fixed assets. Assets under construction are valued at cost less impairment.

2-4-4 Investments

Investing in a subsidiary

Investments in a subsidiary are investments in companies in which the company has control. Control is assumed when the holding company owns, directly or indirectly, through its subsidiaries, more than half of the voting rights in the investee company, except for those exceptional cases in which it is clearly shown that such ownership does not represent control.
The investment in a subsidiary company is accounted for at cost, including the cost of acquisition, and in the event of impairment in the value of those investments, the book value is adjusted by the

value of this impairment and included in the standalone statement of profits or losses for each investment separately. The value of the loss resulting from the impairment of the value shall be refunded in the standalone statement of profits or losses in the year in which the refund occurred.

2-4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2 SIGNIFICANT OF ACCOUNTING POLICIES APPLIED (CONTINUED)

2-4-5 Non-current assets held for sale.

Long-term assets or the group disposed include assets and liabilities classified as held for sale if there is a significant possibility that the value will be recovered mainly from sale and not continuing to be used.
Prior to classification as held for sale or distribution, those assets or components of the group disposed are remeasured according to the other accounting policies of the company. Later, in general, the assets or group disposed are measured at the book value or fair value, whichever is less, deducting the cost of sale from it. Losses are charged to the excluded group. They are charged proportionally to the assets and liabilities for a period in which they are excluded, except that losses are not loaded on the stock, financial assets, deferred tax assets, employee benefit assets, real estate investment, or biological assets that continue to be measured according to the other company's policies.
Losses of impairment at classification of assets held for sale and subsequent gains and losses upon remeasurement are recognized in profit and loss. They are not quoted excessively at any accumulated impairment losses.
Once classified as assets held for sale, these intangible assets and fixed assets are not depreciated or amortized, nor are they held accountable for any assets by way of equity in this way.

2-4-6 Inventories

The inventory elements are valued as follows:

a) Raw materials, spare parts, and supplies: at the lower of cost (using the moving average method) or net realizable value.
b) Finished goods: at the lower of the cost of production (based on the costing sheets) or net realizable value.

Cost includes direct materials, direct labor and allocated share of manufacturing overhead excluding borrowing cost.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

The amount of any write down of inventories to net realizable value and all losses of inventories shall be recognized in cost of sales in the statement of income in the period the write down or loss occurs. The amount of any reversal of any write down of inventories, arising from an increase in net realizable value, shall be recognized as reduction from cost of sales in standalone statement of profit or loss in the period in which the reversal occurs.
The refund of the decrease in the inventory resulting from the increase in the net selling value is recognized in the standalone statement of profit or loss as a reduction from the cost of sales in the year in which this response occurred.

2-4-7 Accounts and notes receivables, prepaid expenses, and other debit balances

Accounts receivable and notes receivables are stated at original invoice amount net of any impairment losses.
Impairment losses are measured as the difference between the accounts and notes receivables carrying amount and the present value of estimated future cash flows. The impairment loss is recognized in the statement of profit or loss. Reversal of impairment losses are recognized in the standalone statement of profit or loss in the period in which it occurs.

2-4-8 Accounts and notes payable, accrued expenses and other credit balances.

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

2-4-9 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation because of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.
Provisions are reviewed at the standalone financial position date and adjusted to reflect the current best estimate.

2 SIGNIFICANT OF ACCOUNTING POLICIES APPLIED (CONTINUED)

2-4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4-9 Provisions (continued)

Where the effect of the time value of money is material, the amount of a provision should be the present value of the expected expenditures required to settle the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance expense in the periodic standalone statement of profit or loss.

2-4-10 Social insurance

The Company makes contributions to the Social Insurance Authority calculated as a percentage of the employees' salaries. The Company's obligations are limited to these contributions, which are expensed when due.

2-4-11 Legal reserve

According to the Company's articles of association, 5% of the net profits of the year is transferred to the legal reserve until this reserve reaches 50% of the issued capital. The reserve is used upon a decision from the general assembly meeting based on the proposal of the board of directors.

2-4-12 Borrowings

Borrowings are initially recognized at the value of the consideration received. Amounts maturing within one year are classified as current liabilities, unless the Company has the right to postpone the settlement for a period exceeding one year after the periodic standalone financial statements date, then the loan balance should be classified as non-current liabilities.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the periodic standalone statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by considering any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance expenses in the periodic standalone statement of profit or loss.

2-4-13 Income taxes

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

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority.

Deferred income tax

Deferred income tax is recognized using the liability method on temporary differences between the amount attributed to an asset or liability for tax purposes (tax base) and its carrying amount in the balance sheet (accounting base) using the applicable tax rate.

Deferred tax asset is recognized when it is probable that the asset can be utilized to reduce future taxable profits and the asset is reduced by the portion that will not create future benefit.

Current and deferred tax shall be recognized as income or an expense and included in the standalone statement of profit or loss for the period, except to the extent that the tax arises from a transaction or an event which is recognized, in the same or a different period, directly in equity.

2 SIGNIFICANT OF ACCOUNTING POLICIES APPLIED (CONTINUED)

2-4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4-14 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue.

can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and value added taxes or duty.
The following specific recognition criteria must also be met before revenue is recognized:

- **Sale of goods**
Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and an invoice is issued.

- **Interest income**
Interest income is recognized as interest accrues using the effective interest "EIR" method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

2-4-15 Expenses

All expenses including cost of sales, selling and marketing expenses, general and administrative expenses and other expenses are recognized and charged to the standalone statement of profit or loss for the three months ended 31 March 2023, in which these expenses were incurred.

2-4-16 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2-4-17 Finance Leases

Lease contracts are classified as non-current finance lease assets in accordance to amended EAS 49.

2-4-18 Related party transactions

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the board of directors.

2-4-19 Contingent Liabilities and Assets

Contingent liabilities are not recognized in the standalone financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized in the standalone financial statements but disclosed when an inflow of economic benefits is probable.

2 SIGNIFICANT OF ACCOUNTING POLICIES APPLIED (CONTINUED)

2-4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4-20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or the most advantageous market for the asset or liability.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.
A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
For assets traded in an active market, fair value is determined by reference to quoted market bid prices.
The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.
For unquoted assets, fair value is determined by reference to the market value of a similar asset or is based on the expected discounted cash flows.
The Company uses valuation techniques that are appropriate in the circumstances and for which.
sufficient data are available to measure fair value, maximizing the use of relevant observable inputs.
and minimizing the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest.
level input that is significant to the fair value measurement as a whole:

- Level 1 – Fair value measurements are those derived from quoted prices in an active market (that are unadjusted) for identical assets or liabilities.
- Level 2 – Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.
To fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.
The preparation of the standalone financial statements in accordance with Egyptian Accounting Standards requires management to make estimates and assumptions that affect the values of assets, liabilities, income, and expenses during the financial years. Actual results may differ from those estimates.

2-4-21 Impairment

Impairment of financial assets
The Company assesses at each financial position date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment because of one or more events that has occurred after the initial recognition of the asset and has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.
The Company assesses at each balance sheet date whether there is an indication that an asset may be impaired. Where the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the periodic standalone statement of profit or loss.
A previously recognized impairment loss is only reversed if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the periodic standalone statement of profit or loss.

2 SIGNIFICANT OF ACCOUNTING POLICIES APPLIED (CONTINUED)

2-4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4-22 Statement of cash flows
The statement of cash flows is prepared using the indirect method.

2-4-23 Cash and cash equivalent
For preparing the periodic standalone statement of cash flows, the cash and cash equivalent comprise cash on hand, current accounts with banks and time deposits maturing within the period after deduct bank credit balances.

2-4-24 Financial instruments

A. Classification and measurement of financial assets and financial liabilities
Egyptian Accounting Standard No. 47 "Financial Instruments" contains three basic categories of financial assets: measured at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss. The classification of financial assets under Egyptian Accounting Standard No. 47 "Financial Instruments" generally depends on the business model in which a financial asset is managed and its contractual cash flow characteristics.
On initial recognition, the financial assets are classified as: at amortized cost, fair value through other comprehensive income or fair value through profit or loss.
- Financial assets are classified according to the business model in which those financial assets are managed and their contractual cash flows. The financial asset is measured at amortized cost if the following two conditions are met, and it is not measured at fair value through profit or loss.
1- The asset is held within a business model that aims to hold assets to collect contractual cash flows.
2. The contractual terms of the financial assets give rise to cash flows on specified dates that are only payments of principal and interest on the principal amount repayable.

- Debt instruments are measured at fair value through other comprehensive income items only if they meet the following two conditions and are not measured at fair value through profit and loss:
1- The asset is kept within a business model whose objective has been achieved through the collection of contractual cash flows and the sale of financial assets
2. The contractual terms of the financial assets give rise to cash flows on specified dates that are only payments of principal and interest on the principal amount repayable.

- The entity shall classify all financial liabilities as being subsequently measured at amortized cost, except for the following:
1- Delineation of the fair value of sales. This value, including the operating derivatives, is subsequently measured by the previous value.
2- Financial donations that start out of 42.5 out of 42. In accordance with the Egyptian accounting standards on those financial values.
3- Financial guarantee contracts. After initial acceptance, the contract complies with future Egyptian.
accounting standards:
A- The amount of a loss that is determined in accordance with Egyptian accounting standards.
B- Or the amount initially recognized, minus, when appropriate, the aggregate amount of income that is recognized in accordance with the principles of Egyptian Accounting Standard No. (48).
4- Commitments to provide a loan at an interest rate lower than the market rate. The issuer of such a link, in accordance with Egyptian Accounting Standards, must subsequently measure it by any of the two amounts greater:
A. The amount of the impairment loss that is determined in accordance with the Egyptian accounting standards.
B. Or the amount initially recognized minus, when appropriate, the aggregate amount of income that is recognized in accordance with the principles of Egyptian Accounting Standard No. (48).
5- The potential consideration that was recognized by the acquiring entity within a business combination to which Egyptian Accounting Standard No. (29) applies Subsequent measurement of such contingent consideration should be made at fair value, with the changes recognized in profit or loss.
- An entity may, upon initial recognition, irrevocably designate a financial liability to be measured at fair value through profit or loss when this is permitted under Egyptian accounting standards or when doing so results in more relevant information either because:
A- Substantively eliminates or reduces measurement or recognition uncertainty (sometimes referred to as an "accounting inconsistency") that would otherwise arise from measuring assets or liabilities or recognizing gains and losses from them on various bases.

2 SIGNIFICANT OF ACCOUNTING POLICIES APPLIED (CONTINUED)

2-4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4-24 Financial instruments (CONTINUED)

A. Classification and measurement of financial assets and financial liabilities (CONTINUED)

B- There is a group of financial obligations or financial assets and financial obligations that are managed and their performance is evaluated on the basis of fair value in accordance with a documented strategy for risk management or investment, and information about the group is provided internally on that basis to the members of the senior management of the enterprise (as defined in the Standard Egyptian Accounting No. (15) "disclosure of related parties", for example, the board of directors of the facility and the CEO.

Egyptian Accounting Standard No. 47 "Financial Instruments"

Items of financial statements	Classification according to Egyptian Accounting Standard No. "47"
Cash on hands and at banks	Amortized cost
Treasury bills	Amortized cost
Account and notes receivable	Amortized cost
Due from related parties	Amortized cost
Prepaid expense and other debit balance	Amortized cost
Due to related parties	Amortized cost
Accrued expense and other credit balance	Amortized cost
Lease liabilities	Amortized cost

Financial assets and financial liabilities - reclassification.
Financial instruments are reclassified only when the business model for managing the portfolio changes.

B. Impairment of financial assets

The 'Expected Credit Loss' model is applied. on financial assets measured at amortized cost, contract assets and debt investments at fair value through other comprehensive income but not on equity investments. The Company evaluates all available information, including on a prospective basis, about the expected credit losses associated with assets carried at amortized cost. The method of impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there has been a significant increase in credit risk, the risk of default as on the date of preparing the financial statements is compared with the risk of default as on the date of initial recognition based on all available information and reasonable, supporting future information. For trade receivables and amounts due from a related party, cash and cash equivalents only, the company recognizes the expected credit losses for trade receivables based on the simplified methodology under Egyptian Accounting Standard No. (47). The simplified approach to recognizing expected losses does not require the company to track changes in credit risk. Instead, the company recognizes a loss allowance based on permanent expected credit losses at the date of preparing each periodic financial statement from the date of trade receivables.
Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default, or delinquency in the payment of profits or principal, the possibility of bankruptcy or other financial reorganization, and where observable data indicate a measurable deficiency. in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with a default. Trade receivables are qualitatively reviewed on a case-by-case basis to determine whether they need to be written off.
The company measures expected credit losses by considering the risks of default during the term of the contract and includes forward-looking information in its measurement.

C. Financial Instruments Clearing

Financial assets and financial liabilities are offset, and the net amount is included in the standalone statement of financial position only when there is a legally binding right to set off the recognized amounts and when there is an intention to settle on a net basis, or to sell the assets and pay the liabilities simultaneously.

2 SIGNIFICANT ACCOUNTING POLICIES APPLIED (continued)

2-4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4-24 Financial instruments (continued)

D. Derecognition of financial assets and liabilities

A financial asset is derecognized when the rights to receive cash flows from the asset expire or 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 "spot" arrangement; Either the company has transferred all of the risks and rewards of the asset, or the company has not transferred or retained all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities are derecognized when the obligation is released, canceled, or expires. When existing financial obligations are replaced by others from the same lender on substantially different terms, or the terms of existing obligations are substantially modified, such exchange or modification is treated as derecognized of the original obligations and the recognition of new obligations, and the difference in the related carrying amount is recognized in the periodic standalone statement of profit or loss.

2-4-25 Revenue from contracts with customers

The new Egyptian Accounting Standard "Revenue from contracts with customers" No. 48 establishes a new five-step model, which will be applied to revenue arising from contracts with customers as follows:

Step 1: Define the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations. It outlines the bases and criteria that must be met for each contract.

Step 2: Identify the performance obligations in the contract: A performance obligation is an undertaking in the contract to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration the company expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations stipulated in the contract. For contracts that have more than one performance obligation,
the Group will allocate a transaction price to each performance obligation in the amount to which the Group expects to be entitled in exchange for meeting each performance obligation.

Step 5: Recognize revenue when the entity fulfills the performance obligation.

The company fulfills the performance obligation and recognizes revenue over a period, if one of the following conditions is met:

A. It does not create performance for the company and that the company has an enforceable right to a payment for the performance completed to date.

B. The performance of the company creates or improves the asset that the customer controls while the asset is being built and improved.

C. The customer receives the benefits provided by the performance of the facility and consumes them at the same time as the company performs.

For performance obligations, if any of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

If the company fulfills the performance obligation by providing the services that were promised, this leads to the creation of an asset based on a contract in exchange for the consideration gained from the performance. If the consideration received by the customer exceeds the amount of revenue that has been recognized, this may create a contract obligation.

Revenue is measured at the fair value of the consideration received or receivable, after considering the contractual terms of payment, and after excluding taxes and fees.

The Company reviews its revenue arrangements against specific criteria to ascertain whether it is acting as principal or agent.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and that the revenue and costs, if applicable, can be measured reliably.

A. The provision of services

Revenue from providing services is recognized when services are provided, and this is done based on contracts with customers.

2 SIGNIFICANT ACCOUNTING POLICIES APPLIED (continued)

2-4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. financing income

Finance income is recognized using the effective commission rate, which represents the rate at which estimated future cash receipts are discounted over the expected life of the financial instrument or less, whichever is appropriate to the net book value of the financial asset.

C. Dividends

Revenue is recognized when the company's eligibility to receive it is recognized, which is usually done by the distribution decision issued by the general assemblies of the investee companies.

2-4-26 Financial leasing

Egyptian Accounting Standard No. (49) provides for lessees a single model for accounting for lease contracts in the standalone statement of financial position. The lessee recognizes a right-of-use asset that represents its right to use the related asset in addition to a lease liability that represents its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low-value assets. The lessor's accounting method remains similar to the current standard, i.e., lessors continue to classify leases as finance or operating leases.
Egyptian Accounting Standard No. (49) replaces the current requirements for the recognition of lease contracts, including Egyptian Accounting Standard No. (20) The standard is effective for years beginning on or after July 1, 2020, and in accordance with the decision of the Financial Supervisory Authority to postpone the application to the beginning of 2021, with early application allowed if it is Applying the Egyptian Accounting Standard No. (48) "Revenue from contracts with customers" at the same time, the company can choose the following:

- Applying the definition of Egyptian Accounting Standard No. (49) of the lease contract to all its contracts.
- Applying a practical method and not re-evaluating whether the contract represents a lease or includes a lease.

A company can apply the standard either:

- Retroactive.
- Modified retrospective with optional process modes.

3 SEGMENT INFORMATION

Currently the Company's main business segment is manufacturing and selling cheese products, and the production and sale of milk and juice and the production and sale of cooked cheese and livestock production. The company's revenues for the three months ended 31 March 2023 were reported under three segments in the standalone financial statements.

4-FIXED ASSETS

				Right to use assets					
	Lands EGP	Buildings EGP	Machines EGP	Machines EGP	Motor Vehicles EGP	Office Furniture EGP	Equipment and tools EGP	Computers and software EGP	Total EGP
Cost									
1 January 2023	74,273,416	183,266,064	352,219,786	157,572,750	89,316,891	153,822	19,174,696	20,274,081	896,251,506
Additions	-	-	342,025	-	-	-	-	-	342,025
Disposals	-	-	-	-	(7,687,677)	-	(605,766)	(2,550)	(8,295,993)
31 March 2023	74,273,416	183,266,064	352,561,811	157,572,750	81,629,214	153,822	18,568,930	20,271,531	888,297,538
Accumulated depreciation									
1 January 2023	-	(17,381,294)	(179,489,030)	(45,704,242)	(43,879,169)	(87,930)	(9,884,896)	(17,111,056)	(313,537,617)
Depreciation for the period	-	(933,165)	(8,313,613)	(3,892,861)	(2,028,491)	(1,990)	(557,443)	(626,051)	(16,353,614)
Disposals	-	-	-	-	4,317,047	-	282,341	2,549	4,601,937
31 March 2023	-	(18,314,459)	(187,802,643)	(49,597,103)	(41,590,613)	(89,920)	(10,159,998)	(17,734,558)	(325,289,294)
Net book value as on 31 March 2023	74,273,416	164,951,605	164,759,168	107,975,647	40,038,601	63,902	8,408,932	2,536,973	563,008,244

There is no mortgage or restriction on fixed assets except for the finance lease (Note 33)

Borrowing costs have not been capitalized during the period.

Depreciation expense is allocated as follows:

	31 March 2023 EGP
Cost of sales	7,960,000
Selling and marketing expenses (Note.22)	2,329,979
General and administrative expenses (Note.23)	6,063,635
Total depreciation expenses	16,353,614

Gain from sale of fixed assets as follows:

	EGP	EGP
Proceeds from sale of fixed assets		10,142,832
Cost of disposed assets	(8,295,993)	
Accumulated depreciation of disposed fixed assets	4,601,937	
Net book value of disposed assets		(3,694,056)
Gain from sale of fixed assets		6,448,776

4 FIXED ASSETS (CONTINUED)

	Lands	Buildings	Machines	Right to use assets Machines	Motor Vehicles	Office Furniture	Equipment and tools	Computers and software	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost									
1 January 2022	74,273,416	182,151,448	347,329,927	157,572,750	94,175,508	153,822	20,917,213	20,143,584	896,717,668
Additions	-	-	879,162	-	-	-	-	141,577	1,020,739
Transferred from projects under construction	-	1,114,616	3,971,611	-	-	-	-	-	5,086,227
Transferred from fixed held for sale	-	-	39,086	-	-	-	-	-	39,086
Disposals	-	-	-	-	(4,858,617)	-	(1,742,517)	(11,080)	(6,612,214)
31 December 2022	74,273,416	183,266,064	352,219,786	157,572,750	89,316,891	153,822	19,174,696	20,274,081	896,251,506
Accumulated depreciation									
1 January 2022	-	(13,605,016)	(146,029,728)	(29,929,672)	(38,128,270)	(79,859)	(8,155,361)	(13,223,670)	(249,151,576)
Depreciation for the year	-	(3,776,278)	(33,459,304)	(15,774,570)	(8,981,499)	(8,071)	(2,418,067)	(3,897,318)	(68,315,107)
Disposals	-	-	-	-	3,230,600	-	688,532	9,932	3,929,064
31 December 2022	-	(17,381,294)	(179,489,032)	(45,704,242)	(43,879,169)	(87,930)	(9,884,896)	(17,111,056)	(313,537,619)
Net book value as of 31 December 2022	74,273,416	165,884,770	172,730,754	111,868,508	45,437,722	65,892	9,289,800	3,163,025	582,713,887

- There is no mortgage or restriction on fixed assets except for the finance lease (note 33).
- No borrowing cost capitalized during the year.

Depreciation expense is allocated as follows:

		31 December 2022
		EGP
Cost of sales		39,184,947
Selling and marketing expenses	(Note.22)	11,534,179
General and administrative expenses	(Note.23)	17,595,981
Total depreciation expenses		68,315,107

Gain from sale of fixed assets and assets held for sale as follows:

	EGP	EGP
Proceeds from sale of fixed assets and held for sale		6,581,651
Cost of disposed assets	(6,612,214)	
Cost of current assets held for sale	(22,916)	
Accumulated depreciation of disposed fixed assets	3,929,064	
Net book value of disposed assets		(2,706,066)
Gain from sale of fixed assets and held for sale		3,875,585

5 PROJECTS UNDER CONSTRUCTION

	31 March 2023 EGP	31 December 2022 EGP
Buildings	**13,588,072**	12,527,322
Equipment and tools	**693,973**	178,524
	14,282,045	12,705,846

The movement of projects under construction during the period / year is as follows:

	31 March 2023 EGP	31 December 2022 EGP
Beginning balance	**12,705,846**	1,788,715
Additions during the period / year	**1,425,750**	12,611,010
Transferred from inventory	**150,449**	3,392,348
Transferred to fixed assets during the period / the year	**-**	(5,086,227)
Ending balance	**14,282,045**	12,705,846

6 INVESTMENT IN SUBSIDARY

Subsidiary Name	Country of Incorporation	Value of Investments EGP	Contribution Percentage
Obour Pharm Company for Agricultural Investment and Animal Production	Egypt	**196,000,000**	**%98**

7 INVENTORIES

	31 March 2023 EGP	31 December 2022 EGP
Raw materials	**460,921,363**	431,370,761
Spare parts and supplies	**35,391,634**	34,587,880
Finished goods	**95,334,307**	33,888,201
Work in Progress	**1,493,600**	1,506,271
Goods in transit	**459,591,784**	326,784,624
	1,052,732,688	828,137,737

8 ACCOUNTS AND NOTES RECEIVABLES

	31 March 2023 EGP	31 December 2022 EGP
Accounts receivable	**74,609,436**	61,016,550
Notes receivable	**12,307,721**	16,082,709
	86,917,157	77,099,259
Expected credit loss	**(2,907,650)**	(4,680,561)
	84,009,507	72,418,698

8 ACCOUNTS AND NOTES RECEIVABLES (Continued)

Expected credit loss.

	31 March 2023 EGP	31 December 2022 EGP
Beginning balance	**(4,680,561)**	(1,125,126)
Expected credit loss	**(705,810)**	(5,458,538)
Reversal of Expected credit loss	**2,478,721**	1,903,103
Ending balance	**(2,907,650)**	(4,680,561)

On 31 March 2023 and 31 December 2022, the aging analysis of accounts receivables is as follows:

	Total EGP	Less 3 months EGP	From 4-6 Months EGP	From 7-9 months EGP	More than 9 months EGP
31 March 2023	**74,609,436**	**71,259,397**	**2,428,860**	**19,953**	**901,226**
31 December 2022	61,016,550	57,009,473	2,941,099	114,028	951,950

9 PREPAID EXPENSES AND OTHER DEBIT BALANCES

	31 March 2023 EGP	31 December 2022 EGP
Prepaid expense	**42,609,402**	47,281,492
Suppliers – advanced payments	**155,567,075**	131,884,031
Margin letter of guarantee *	**262,276**	262,276
Insurance held with others	**6,290,635**	75,726,150
	204,729,388	255,153,949

***CONTINGENT LIABILITIES**

The letter of guarantee issued at the Company's request by Banque du Cairo in favor of third parties as of 31 March 2023 amounted to EGP 250,000 and the cash cover margin amounted to EGP 262,276.

10 TREASURY BILLS

	31 March 2023 EGP	31 December 2022 EGP
Treasury bills (Par value)	-	240,850,000
Total Credit interest	-	(2,119,210)
Paid from treasury bills	-	238,730,790
Credit interest charged to statement of profit or loss	-	358,260
Accrued with holding payable on credit interest charged to statement of profit or loss	-	(71,652)
Treasury bills balances Credit interest to statement of profit or loss	-	239,017,398

11 Letters of credit

	31 March 2023 EGP	31 December 2022 EGP
Letters of credit	**5,396,908**	4,323,883
	5,396,908	4,323,883

12 CASH ON HAND AND AT BANK

	31 March 2023 EGP	31 December 2022 EGP
a) Egyptian pound		
Cash on hand	**5,061,572**	25,941,706
Current accounts	**315,883,868**	389,433,381
Checks under collection	**1,658,973**	881,518
Time deposits (maturity within 3 months) *	**544,233**	539,450
	323,148,646	416,796,055

b) foreign currencies	31 March 2023 EGP	31 December 2022 EGP
Cash on hand (US Dollars)	**882,282**	3,777,383
Current accounts (US Dollars)	**38,913,793**	52,935,185
Current accounts (Euro)	**38,077**	30,079
	39,834,152	56,742,647
	362,982,798	473,538,702

* Current accounts include retained amounts of EGP 151,136 and most current accounts carry interest credits

* Time deposits are restricted completely for covered letter of guarantee is issuing based on request from company for third party (Note 9).

13 CAPITAL

On 22 September 2015 the Extraordinary General Assembly approved the increase of authorized capital by LE 850,000,000 to reach LE 1,000,000,000 and approved the increase of issued capital by LE 100,000,000 (including LE 30,000,000 as bonus shares) divided over 200,000 shares at par value LE 1,000 each to reach LE 200,000,000. Accordingly, the issued and paid up capital as of 31 December 2015 amounted to LE 200,000,000. On 16 may 2016 the Extraordinary General Assembly decided to split the shares from 200 thousand shares to 200 million shares and notarized in the Commercial Register on 21 September 2016.

On 9 September 2018 the Extraordinary General Assembly Meeting decided to increase the issued capital from LE 200,000,000 to LE 400,000,000 with the increase of LE 200,000,000 divided over 200,000,000 shares at par value LE 1 per share from retained earnings and the Company completely paid all the increased amount of capital, reflected in the commercial register dated 6 November 2018.

	Ownership %	No. of shares	Issued and paid capital EGP
Mr. Mohamed Hamed Mohamed Sherif	21.33	85,327,044	85,327,044
Mr. Ashraf Mohamed Hamed Sherif	15.75	62,987,690	62,987,690
Mr. Ayman Mohamed Hamed Sherif	11.02	44,095,500	44,095,500
Ms. Samya Elshafei Sadek Elkafrawy	3.24	12,969,264	12,969,264
Ms. Ghada Mohamed Hamed Sherif	3.24	12,969,264	12,969,264
Ms. Rasha Mohamed Hamed Sherif	3.24	12,969,264	12,969,264
Ms. Abeer Mohamed Hamed Sherif	3.24	12,969,264	12,969,264
Other shareholders	38.94	155,712,710	155,712,710
	100	**400,000,000**	**400,000,000**

14 LONG TERM LOANS

	31 March 2023 EGP	31 December 2022 EGP
Long term loans	24,061,100	19,277,221
Long term loans - current portion	24,061,100	38,554,445
	48,122,200	57,831,666

The company was granted a long-term loan by the European bank for Reconstruction and Development amounted to USD 7,000,000 with instalments payable semi-annually starting from 10/2/2020 till 12/02/2024 There are no guarantees given to the bank.

15 INCOME TAX

	For the three months ended 31 March 2023 EGP	For the three months ended 31 March 2022 EGP
Current tax	(42,096,289)	(32,566,999)
Deferred tax	7,467,797	5,562,256
	(34,628,492)	(27,004,743)

Adjustment OF THE INCOME TAX RATE

		For the three months ended 31 March 2023 EGP		For the three months ended 31 March 2022 EGP
Profits before income taxes		150,011,119		117,672,292
Fixed assets		10,436,420		5,405,210
Non-deductible Costs		3,848,290		2,330,786
Attendance allowance		45,000		18,000
Expected credit loss		705,810		23,482
Reversal expected credit loss		(2,478,721)		-
Foreign currency exchange differences		29,975,476		19,889,697
Gain from sale of fixed assets		(6,448,776)		(597,250)
Provision for expected claims		1,000,000		-
Taxable base		187,094,618		144,742,217
Income tax according to enacted tax rate (22.5%)		(42,096,289)		(32,566,999)
Deferred tax liability		7,467,797		5,562,256
Income taxes on the enacted income tax rate	%23.08	(34,628,492)	%22.95	(27,004,743)

Deferred tax	Statement of financial position		Statement of profit or loss	
	31 March 2023 EGP	31 December 2022 EGP	For the three months ended 31 March 2023 EGP	For the three months ended 31 March 2022 EGP
Fixed assets	(40,283,806)	(41,181,026)	897,220	1,081,791
Expected credit loss	654,222	1,053,127	(398,905)	5,283
Foreign currency exchange differences	27,667,722	20,923,240	6,744,482	4,475,182
Provision for expected claims	388,267	163,267	225,000	-
Deferred tax (Liability)	(11,573,595)	(19,041,392)	7,467,797	5,562,256

16 PROVISION FOR EXPECTED CLAIMS

	Balance as of 1 January 2023	**Charged during the period**	**No longer required during the period**	**Used during the period**	**Balance as of 31 March 2023**
	EGP	**EGP**	**EGP**	**EGP**	**EGP**
Provision for expected claims	**4,064,808**	1,000,000	-	**(4,941,034)**	**123,774**
	4,064,808	**1,000,000**	-	**(4,941,034)**	**123,774**

	Balance as of 1 January 2022	Charged during the year	No longer required during the year	Used during the year	Balance as of 31 December 2022
	EGP	EGP	EGP	EGP	EGP
Provision for expected claims	5,557,981	-	-	(1,493,173)	4,064,808
	5,557,981	-	-	(1,493,173)	4,064,808

The information usually required by accounting standards is not disclosed because the management believes that to do so would seriously prejudice the outcome of the negotiation with the parties involved in the conflict. These provisions are reviewed by management annually and they are adjusted based on latest developments, discussions and agreements with those parties.

17 CREDIT FACILITIES

	31 March 2023	31 December 2022
	EGP	EGP
Credit Facilities	**612,444,019**	388,215,995
	612,444,019	388,215,995

The company was granted overdraft facility in EGP from (Arab African bank – Attjari wafa bank- credit agricole bank- CIB – NBD – FAB – QNB- NBE) with an annual interest rate of (18,25%). The balance of the facilities as of 31 March 2023 amounted to EGP 612,444,019 and there are no guarantees granted to others

18 ACCOUNTS AND NOTES PAYABLE

	31 March 2023	31 December 2022
	EGP	EGP
Accounts payable	**521,707,366**	634,835,986
Notes payable	**76,431,725**	40,668,753
	598,139,091	675,504,739

19 RELATED PARTY DISCLOSURES

Transactions with related parties

For the purpose of preparing the periodic standalone financial statements, a party is considered related to the company if the company has the ability to control or has influential influence, directly or indirectly, in making financial and operational decisions or vice versa, or if the company and this party are under the joint control of other individuals or companies.

The following were dealings with related parties during the year that occurred during the normal course of business according to the agreements between the parties:

	Nature of relationship	Nature of transaction	31 March 2023	31 March 2022
			EGP	EGP
Foody For Import Company	Under common control	Purchases	23,313,000	13,067,390
Best Trade For Import And Export Company	Under common control	Purchases	494,000	3,765,761
Mora Plast Company	Under common control	Purchases	6,979,942	5,013,565
Andulas for printing	Under common control	Purchases	8,556,302	7,457,053
Foula Company	Under common control	Sales	601,432	94,271
Obour Pharm Company for Agricultural Investment and Animal Production	Subsidiary	Financing	2,476,144	3,279,068

- It is expected that the operation of the Obour Farm Company for Agricultural Investment and Animal Production will start operating during the next year
- The legal requirements for these transactions are fulfilled in accordance with the Joint Stock Companies Law.

	31 March 2023		31 December 2022	
	Due From EGP	Due to EGP	Due From EGP	Due to EGP
Obour Pharm Company for Agricultural Investment and Animal Production	-	106,640,159	-	104,164,014
Best Trade For Import And Export Company	-	-	-	16,850
Mora Plast Company	-	-	-	2,874,727
Andulas for printing	-	-	-	3,001,414
Foula Company	133,687	-	-	-
	133,687	106,640,159	-	110,057,005

20 ACCRUED EXPENSES AND OTHER CREDIT BALANCES

	31 March 2023	31 December 2022
	EGP	EGP
Accrued expenses	25,822,353	29,687,224
Other credit balances	57,387,706	35,785,772
	83,210,059	65,472,996

21 TAXES PAYABLE

	31 March 2023	31 December 2022
	EGP	EGP
Tax authority – value add tax	1,188,620	395,177
Tax authority - withholding taxes	2,179,057	3,152,435
Tax authority – salary taxes	437,320	2,579,487
	3,804,997	6,127,099

22 SELLING AND MARKETING EXPENSES

	For the three months ended 31 march 2023 EGP	For the three months ended 31 march 2022 EGP
Wages and social insurance	**10,420,376**	15,662,748
Marketing and advertisement	**18,975,875**	18,706,992
Car expenses	**9,001,038**	9,431,267
Fees and other subscriptions	**7,237,714**	3,124,576
Fixed assets depreciation	**2,329,979**	2,914,357
	47,964,982	49,839,940

23 GENERAL AND ADMINSTRATIVE EXPENSES

	For the three months ended 31 march 2023 EGP	For the three months ended 31 march 2022 EGP
Wages and social insurance	**7,620,453**	4,628,577
Allowance for attendance	**45,000**	18,000
Fees and subscriptions	**16,729,328**	5,178,145
Fixed assets depreciation*	**6,063,635**	6,022,272
	30,458,416	15,846,994

* Fixed assets depreciation includes an amount of EGP 1,912,200 which represents the depreciation of fixed assets not fully utilized yet.

24 OTHER INCOME

	For the three months ended 31 march 2023 EGP	For the three months ended 31 march 2022 EGP
Income (recycling and others)	**3,365,441**	826,812
Gain from sale of fixed assets and held for sale (Note 4)	**6,448,776**	597,250
	9,814,217	1,424,062

25 INTEREST INCOME

	For the three months ended 31 march 2023 EGP	For the three months ended 31 march 2022 EGP
interest income of current accounts	**2,017,399**	248,350
interest income of time deposits	**3,556**	4,572
interest income of Treasury bills	**3,394,144**	6,833,620
	5,415,099	7,086,542

26 INTEREST EXPENSES

	For the three months ended 31 march 2023 EGP	For the three months ended 31 march 2022 EGP
Debit interest	**21,487,041**	4,026,008
Financing Benefits – Leasing	**2,490,455**	1,476,640
	23,977,496	5,502,648

27 LOSSES OF FINANCIAL SECURITIES

	For the three months ended 31 March 2023 EGP	For the three months ended 31 March 2022 EGP
Purchase of securities listed on the Egyptian Exchange	**5,968,208**	-
Sale of securities listed on the Egyptian Exchange	**(5,419,986)**	-
	548,222	-

28 TAX SITUATION

1-Holding Company (Obour land company for food industries)

a. **Corporate Tax**
- The Company regularly submits the annual tax return at the legal times.
- The Company was inspected from the company's activities till year 2019 and the taxes due were paid.
- the company is being inspected for 2020, 2021 and 2022.

b. **Salary Tax**
- The Company is committed to deducting the tax on employees' salaries and paying them regularly on a monthly basis.
- The Company's records were inspected till the year 2019 and the taxes due were paid.
- No tax inspection took place for the Company's records from the year 2020, 2021 and 2022.

c. **Sales Tax - VAT**
- The company was registered with the Egyptian Tax Authority - Value Added Tax - the monthly tax returns were submitted till February 2023.
- The Company's records were inspected on VAT from the inception of the company's activities till year 2017 and the taxes due were paid.
- the company is being inspected for 2018, 2019 and 2020.
- No tax inspection took place for the Company's records for the years 2021 and 2022.

d. **Stamp Tax**
- The Company's records were inspected from the inception of the company's activities till 2020 and the taxes due were paid.
- No tax inspection took place for the Company's records for the years 2021 and 2022.

- **Withholding Tax**
- The Company regularly applies withholding tax laws under the tax calculation.
- The Company's records were inspected from the inception of the company's activities till the year 2020 and the taxes due were paid.
- Form No. (41) prepared and submitted for the first quarter of 2023.
-

29 Earnings per Share

Basic earnings per share amounts are calculated by dividing net profit attributable to the ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. The Company has no dilutive shares.

	For the three months ended 31 March 2023 EGP	For the three months ended 31 March 2022 EGP
Net profits for the period	**115,382,627**	90,667,549
Employees' share	**(10,961,350)**	(8,613,417)
Board of directors' share	**(5,480,675)**	(4,306,709)
Net profit attributable to the ordinary equity holders	**98,940,602**	77,747,423
Weighted average number of ordinary shares for basic and diluted earnings outstanding	**400,000,000**	400,000,000
EPS – basic and diluted	**0,25**	0,19

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

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

a) Credit risk,
b) Market risk, and
c) Liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's senior management are responsible for developing and monitoring the risk management policies and report regularly on their activities.

The Company's current financial risk management framework is a combination of formally documented risk management policies in certain areas and informal risk management policies in other areas.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk principally from its trade and notes receivable, other debit balances and from its financing activities, including deposits with banks and financial institutions.

Trade and notes receivable

The customer credit risk is established by the Company' policies, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis.

Other financial assets and cash deposits

With respect to credit risk arising from the other financial assets of the Company, which comprise mainly bank balances and cash, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

Credit risk from balances with banks and financial institutions is managed by Company's finance division. The Company limits its exposure to credit risk by only placing balances with international banks and local banks of good reputation. Given the profile of its bankers, management does not expect any counterparty to fail to meet its obligations.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as currency risk and interest rate risk, which will affect the Company's income. Financial instruments affected by market risk include interest-bearing loans and borrowings and deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company does not hold or issue derivative financial instruments.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's obligations with floating interest rates and interest-bearing time deposits. Interest on financial instruments having floating rates is re-priced at intervals of less than one year.

Exposure to interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of the Company's profit before tax (through the impact on floating rate borrowings

There is no impact on the Company's equity other than the profit impact stated below.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Exposure to interest rate risk (Continued)

	31 March 2023		31 March 2022	
	Change in interest rate	**Effect on profit before tax EGP**	Change in interest rate	Effect on profit before tax EGP
Financial asset	+1%	53,826	+1%	9,813
	- 1%	(53,826)	- 1%	(9,813)
Financial liability	+1%	1,087,997	+1%	266,062
	- 1%	(1,087,997)	- 1%	(266,062)

Interest rates on loans from financial institutions are disclosed in note 18.

Exposure to foreign currency risk

The foreign currency risk is the risk that the value of the financial assets and liabilities and the related cash inflows and outflows in foreign currencies will fluctuate due to changes in foreign currency exchange rates. The total assets in foreign currencies in 31 March 2023 amount to 6,084,911 (EGP188,271,150) whereas, the total liabilities in foreign currencies in 31 March 2023 amount to 23,161,099 (EGP716,527,829).

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

	Assets		**Liabilities**	
	Amount in Currency	EGP	Amount in Currency	EGP
USD	6,073,842	187,898,554	23,152,653	716,243,527
EUR	11,069	372,596	8,446	284,302

	Change in rate	**Effect on profit before tax EGP**	Change in Rate	Effect on profit before tax EGP
USD	+10%	52,834,496	+10%	15,552,630
	- 10%	(52,834,496)	- 10%	(15,552,630)
EUR	+10%	8,827	+10%	-
	- 10%	(8,827)	- 10%	-

C) Liquidity risk

The cash flows, funding requirements and liquidity of the Company are monitored by Company's management. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities. The Company manages liquidity risk by maintaining adequate reserves and credit facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

The table below Summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial liabilities

As at 31 March 2023	**Less than 3 Months**	**3 to 12 Months**	**1 to 5 Years**	**Over 5 years**	**Total**
Long term loans	-	-	24,061,100	-	24,061,100
Liabilities (Notes payable finance lease)	-	-	34,278,429	-	34,278,429
Long term loans – current portion	-	24,061,100	-	-	24,061,100
Provision for expected claims	-	123,774	-	-	123,774
Credit facilities	612,444,019	-	-	-	612,444,019
Accounts and notes payable	598,139,091	-	-	-	598,139,091
Notes payable (finance lease) – current portion	-	40,641,889	-	-	40,641,889
Due to related parties	31,640,159	75,000,000	-	-	106,640,159
Accrued expenses and other credit Balances	44,334,586	38,875,473	-	-	83,210,059
Taxes payable	3,804,997	-	-	-	3,804,997
Customers advances payments	21,321,083	-	-	-	21,321,083
Income tax payable	125,808,946	32,579,556	-	-	158,388,502
Fixed assets creditors	34,816	80,000	-	-	114,816
Total undiscounted financial Liabilities	**1,437,527,697**	**211,361,792**	**58,339,529**	**-**	**1,707,229,018**

C) Liquidity risk

As at 31 December 2022	Less than 3 Months	3 to 12 Months	1 to 5 Years	Over 5 years	Total
Long term liabilities	-	-	19,277,221	-	19,277,221
Liabilities (Notes payable finance lease)	-	-	25,264,918	-	25,264,918
Long term loans- current portion	38,554,445	-	-	-	38,554,445
Provisions for expected claims	-	4,064,808	-	-	4,064,808
Credit facilities	388,215,995	-	-	-	388,215,995
Accounts and notes payable	675,504,739	-	-	-	675,504,739
Notes Payable (finance lease) Current portion	-	44,876,062	-	-	44,876,062
Due to related parties	35,057,005	75,000,000	-	-	110,057,005
Accrued expenses and other credit balances	46,779,540	18,693,456	-	-	65,472,996
Taxes payables	6,127,099	-	-	-	6,127,099
Customers advances payments	53,496,667	-	-	-	53,496,667
Income taxes payables	-	125,808,946	-	-	125,808,946
Fixed assets creditors	-	80,000	-	-	80,000
Total undiscounted financial Liabilities	1,243,735,490	268,523,272	44,542,139	-	1,556,800,901

31 FAIR VALUES OF FINANCIAL INSTRUMENTS.

Financial instruments comprise financial assets and financial liabilities. Financial assets of the Company include accounts and notes receivable and due from related parties, cash on hand and at banks and other debit balances. Financial liabilities of the Company include long term liabilities, notes payable, provision for expected claims, credit facilities, accounts and notes payables, due to related parties, tax payable, accrued income taxes, accrued expenses and other credit balances.

The fair values of the financial assets and liabilities are nct materially different from their carrying value unless stated otherwise.

32-OPERTAING SEGMENT
For the three months ended 31 March 2023

	Cheese	Milk and Juice products	Total
	EGP	**EGP**	**EGP**
Segment's sales	**1,384,394,866**	**85,919,064**	**1,470,313,930**
Segment's cost of sales	**(1,066,705,618)**	**(67,066,921)**	**(1,133,772,539)**
Gross profit	**317,689,248**	**18,852,143**	**336,541,391**
Operating expenses less other operating income			**(167,967,875)**
Interest income			**5,415,099**
Interest expense			**(23,977,496)**
Profit before income taxes			**150,011,119**

	Cheese	Milk and Juice products	Total
31 March 2022	EGP	EGP	EGP
Segment's sales	868,428,167	55,375,804	923,803,971
Segment's cost of sales	(676,883,987)	(46,655,535)	(723,539,522)
Gross profit	191,544,180	8,720,269	200,264,449
Operating expenses less other operating Income			(84,176,051)
Interest income			7,086,542
Interest expense			(5,502,648)
Profit before income taxes			117,672,292

SEGMENTS' ASSETS

	Cheese	Milk and juice	Not Specified	Total
31 March 2023	**EGP**	**EGP**	**EGP**	**EGP**
Fixed assets	408,709,598	154,298,646	-	**563,008,244**
Projects under construction	14,282,045	-	-	**14,282,045**
Investment in subsidiary	-	-	196,000,000	**196,000,000**
Inventory	1,004,231,816	48,500,872	-	**1,052,732,688**
Accounts and notes receivable	-	-	84,009,507	**84,009,507**
Due from related parties	5,538	128,149	-	**133,687**
Prepayments and other debit balances	-	-	204,729,388	**204,729,388**
Advance payments for fixed assets	-	-	2,031,529	**2,031,529**
Letters of credit	-	-	5,396,908	**5,396,908**
Cash on hands and at banks	-	-	362,982,798	**362,982,798**
Total assets	**1,427,228,997**	**202,927,667**	**855,150,130**	**2,485,306,794**

	Cheese	Milk and Juice	Not specified	Total
31 December 2022	EGP	EGP	EGP	EGP
Fixed assets	423,017,503	159,696,384	-	582,713,887
Projects under construction	12,705,846	-	-	12,705,846
Investment in subsidiary	-	-	196,000,000	196,000,000
Non-current assets Held for sale	772,958,268	55,179,469	-	828,137,737
Inventory	-	-	72,418,698	72,418,698
Accounts and notes receivable	-	-	255,153,949	255,153,949
Prepayments and other debit balances	2,931,426	-	-	2,931,426
Advance payments for fixed assets	-	-	4,323,883	4,323,883
Treasury Bills	-	-	239,017,398	239,017,398
Cash on hands and at banks	-	-	473,538,702	473,538,702
Total assets	1,211,613,043	214,875,853	1,240,452,630	2,666,941,526

33 FINANCE LEASE

	Total Contractual amount	Paid Amount from contract	Bank Cheques	Unpaid amount from contract
	EGP	EGP	EGP	EGP
Equipment and Machines	161,336,848	27,578,816	133,758,032	-

The obligations of the notes payable financial lease in 31 March 2023 is amounted EGP 74,920,318 that is current portion EGP 40,641,889 and non-current portion amounted to EGP 34,278,429

The financial lease obligations have been recognized as follows:

1-Tetrabak machines contract amounted to 8,179,000 USD, and cheques received as installments quarterly payments started from 1 October 2019 to 1 July 2024
2-A contract for Tetrabak packing and packaging machines for an amount of EGP 15,873,360 and monthly checks were issued and delivered starting from 1 July 2021 until 1 June 2024.
3-A contract for a flat cheese machine for an amount of USD 750,584 and checks will be issued in quarterly installments starting from 31 March 2022 until 31 December 2026.

The company applied Standard No. (49) based on Paragraph C (C) -2-A, and the usufruct assets were recognized. From the start date of the finance lease contract within the company's assets, the lease obligation, which represents the current value of the unpaid lease payments, has also been recognized within the company's obligations.

34 CAPITAL COMMITMENTS

There are no Capital commitments on 31 March 2023

35 SIGNIFICANT MATTERS

on 6 March 2023, Council of Minister's was issued decision No. 883 of 2023 to amend some provisions of Egyptian Accounting Standards. The following is a summary of the most important of these amendments:

New or reissued standards	Summary of the most important modifications	Potential impact on the financial statements	Application date
Egyptian Accounting Standard No. (10) Amended 2023 "Fixed Assets and Their Depreciation" Egyptian Accounting Standard No. (23) Amended 2023 "Intangible Assets"	These standards were reissued in 2023, which were allowed to use the revaluation model for some of the prevailing accounting standards, and the following is a list of those standards: •Egyptian No. 5 "Accounting policies and changes in accounting estimates and errors" • Egyptian Accounting Standard No. 24 "Income Taxes" • Egyptian Accounting Standard No. 30 "Interim Financial Statements"	In case the option of the revaluation model included in those standards is used, the company's management must study the possibility of changing the accounting policy followed and evaluate the potential impact on the financial statements if that option is used.	Amendments application related to add the option of use the revaluation model beginning in or after 1 January 2023 retrospectively, in addition to mention the cumulative effect of applying the revaluation model initially by adding it to the revaluation surplus account in equity at beginning of the financial period which the company applied this model for the first time.

	• Egyptian Accounting Standard No. 31 "impairment of assets" • Egyptian Accounting Standard No. 49 "Lease Contracts". " 2- In line with the amendments in amended Egyptian Accounting Standard No. 35 in 2023 "Agriculture", paragraphs (3), (6), (37) of the Egyptian Accounting Standard No. 10 "Fixed Assets and their Depreciation" were amended, and addition Paragraphs 22 (A), 80 (C) and 80 (D) in the same standard, with related to bearing plants. -The company is not required to disclose the quantitative information required under Paragraph 28 (f) of the Egyptian Accounting Standard No. 5 for the current period, which is the period of the financial statements in which applied the standard for the first time the Egyptian Accounting Standard No. 35 Accelerated 2023, and the Egyptian Accounting Standard No. 10 Amendment 2023 with related to bearing plants. However, the quantitative information disclosure was required by paragraph 28(F) of IAS 5 for each prior period presented. The company may choose to measure an item of bearing plants at its fair value at the	If the management applied the amendments. the management must evaluate the potential impact on the financial statements."	The amendments will be applied for the annual periods that beginning of or after 1 January 2023 retrospectively, in addition to mention the cumulative effect of applying the accounting treatment of bearing plants initially by adding it to the profit or loss balance carried forward at the beginning of the financial period that the company will be apply this form for the first time.

	beginning of the earliest period presented in the financial statements for the period in which the company applied the above amendments for first time and use that fair value as its default cost at this date. Any difference between the previous carrying amount and fair value in the opening balance, recognize the difference in surplus revaluation account in equity at the beginning of the earliest period presented.		
Egyptian Accounting Standard No. 34 Amended 2023 "Real Estate Investment"	1- These standards were reissued in 2023 which were allowed the use of the fair value model in subsequent measurement of real estate investments. 2- as a result there was amendment to some of the paragraphs related to the use of the fair value model option in some prevailing Egyptian accounting standards, and the following is a statement of those standards: Egyptian Accounting - Standard No. 1 "Presentation of Financial Statements" - Egyptian Accounting Standard No. 5 "Accounting policies, changes in accounting estimates and errors" - Egyptian Accounting Standard No. 13 "The Effects of Changes in Foreign Exchange Rates" - Egyptian Accounting Standard No. 24 "Income Taxes".	Recently, the management studied the potential of change accounting policy and using fair value model option and evaluated the impact on financial statements if the management used this option	The amendments will be applied for the annual periods that beginning of or after 1 January 2023 retrospectively, in addition to mention the cumulative effect when applying at first time the fair value model and add it to profit or loss balance would be transferred at the beginning of financial period that the company applied this model for first time.

	- Egyptian Accounting Standard No. 30 "Interim Financial Statements" - Egyptian Accounting Standard No. 31 "impairment of assets" - Egyptian Accounting Standard No. 32 "Non-current assets held for sale and discontinuing operations." - Egyptian Accounting Standard No. 49 "Lease Contracts"		
Egyptian Accounting Standard No. 50 "Insurance Contracts"	1- This standard defines the principles of recognition insurance contracts that were in scope of this standard, and determines their measurement, presentation, and disclosure. The standard's objective is to ensure that the company provides appropriate information that fairly present those contracts. This information provides users of financial statements with the necessary basis for evaluating the impact of those insurance contracts on the company's financial position, financial performance, and cash flow. 2- Egyptian Accounting Standard No. 50 replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". 3- Any reference in other Egyptian Accounting Standards to Egyptian Accounting Standard No. (37) must be replaced by Egyptian	Recently, the management evaluated the potential impact on financial statements from applying this standard.	The Egyptian accounting standards No. 50 must be applied for the annual periods that beginning of or after 1 July 2024. If the Egyptian Accounting Standard No. 50 was applied for an earlier period, the company must disclose.

	Accounting Standard No. 50. 4- Amendments have been made to the following financial accounting standards to comply with the requirements of applying Egyptian Accounting Standard No. 50 Insurance Contracts", which are as follows: • Egyptian Accounting Standard No. 10 "Fixed Assets and Their Depreciation". • And Egyptian Accounting Standard No. 23 "Intangible Assets". •Egyptian Accounting Standard No. 34 "Real Estate Investment	-	-