

Translated

Egypt Kuwait Holding Company
Condensed consolidated interim financial statements
For the financial period ended at June 30, 2023
and independent auditor's report on review of condensed
consolidated interim financial statements

Translated

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Independent auditor’s report on review of condensed consolidated interim financial statements
To the Board of Directors of Egypt Kuwait Holding Company

Introduction

We have reviewed the accompanying June 30, 2023 condensed consolidated interim financial statements of Egypt Kuwait Holding Company – An Egyptian Joint Stock Company–, (“the Company”), which comprises:

- The condensed consolidated statement of financial position as at June 30, 2023;
- The condensed consolidated statement of income for the three-month and six-month periods ended June 30, 2023;
- The condensed consolidated statement of comprehensive income for the three-month and six-month periods ended June 30, 2023;
- The condensed consolidated statement of changes in equity for the six-month period ended June 30, 2023;
- The condensed consolidated statement of cash flows for the six-month period ended June 30, 2023; and
- Notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with Egyptian Accounting Standard “EAS” (30), ‘Interim Financial Reporting’, Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our limited review.

Scope of Limited Review

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

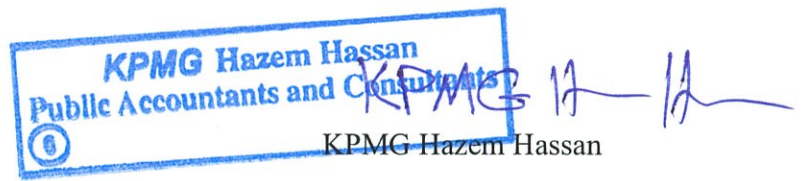


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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying June 30, 2023 condensed consolidated interim financial statements is not prepared in all material respects, in accordance with EAS (30), 'Interim Financial Reporting'.


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

Cairo, August 14 , 2023

Egypt Kuwait Holding Company
(An Egyptian Joint Stock Company)
Condensed consolidated interim statement of financial position as of June 30, 2023

All numbers are in US Dollars	Note No.	30/06/2023	31/12/2022
Assets			
Non-current assets			
Property, plant and equipment and projects under construction	(15)	287 947 428	296 857 837
Goodwill	(16)	46 483 369	49 559 875
Right of use assets	(17)	6 671 453	9 738 726
Intangible assets	(18)	487 849	626 299
Biological assets	(19)	2 068 167	3 034 020
Exploration & development assets	(20)	170 776 858	181 889 557
Equity - accounted investees (associates companies)	(21)	21 640 964	20 821 082
Investments at fair value through other comprehensive income	(22)	37 641 329	105 099 669
Financial assets at amortized cost	(23)	150 280 819	215 298 315
Trade & notes receivables	(27)	11 337 955	6 249 347
Total non-current assets		735 336 191	889 174 727
Current assets			
Inventories	(24)	105 324 477	92 543 672
Work in progress	(25)	37 399 287	34 306 476
Investments at fair value through other comprehensive income	(22)	66 277 511	114 464 356
Financial assets at amortized cost	(23)	198 418 367	98 063 725
Investments at fair value through profit or loss	(26)	100 662 798	27 919 831
Trade & notes receivables	(27)	149 824 800	133 048 067
Other current assets	(28)	93 590 282	102 303 632
Cash and cash equivalents	(29)	411 859 276	453 556 610
		1 163 356 798	1 056 206 369
Non-current assets held for sale	(30)	14 900 000	14 900 000
Total current assets		1 178 256 798	1 071 106 369
Total assets		1 913 592 989	1 960 281 096
Equity and Liabilities			
Equity of the Parent Company :			
Issued & paid up capital	(31)	281 721 321	281 721 321
Set aside for issued & paid up capital increase		-	-
Legal reserve	(32)	133 896 975	129 587 671
Other reserves	(33)	(457 186 234)	(298 863 362)
Retained earnings		447 954 026	452 510 010
Treasury shares		(396 886)	(738 390)
Total equity of the Parent Company		405 989 202	564 217 250
Non-controlling interests	(12)	199 465 997	278 846 545
Total equity		605 455 199	843 063 795
Liabilities			
Non-current liabilities			
Deferred tax liabilities	(34)	10 328 391	9 004 509
Lease contracts liabilities	(17)	7 154 229	8 238 615
Suppliers, contractors, notes payable and other creditors	(35)	11 739 824	9 544 931
Loans & Bank facilities	(36)	605 865 849	413 464 914
Total non-current liabilities		635 088 293	440 252 969
Current liabilities			
Provisions	(37)	61 175 547	64 250 985
Insurance policyholders' rights	(38)	71 135 998	83 548 189
Lease contracts liabilities	(17)	2 021 605	2 033 858
Suppliers, contractors, notes payable and other creditors	(35)	275 531 059	284 362 751
Accrued income tax		32 177 087	26 931 621
Loans & Bank facilities	(36)	231 008 201	215 836 928
Total current liabilities		673 049 497	676 964 332
Total liabilities		1 308 137 790	1 117 217 301
Total equity and liabilities		1 913 592 989	1 960 281 096

* The accompanying notes on pages from (6) to (45) are an integral part of these consolidated financial statements and to be read therewith.

-1-

Group Chief Financial Officer
Medhat Hamed Bonna

Managing Director
Sherif Al Zayat

Chairman
Loay Jassim Al-Kharaif

*Independent auditor's report on review of condensed consolidated interim financial statements "attached"

Egypt Kuwait Holding Company
(An Egyptian Joint Stock Company)

Condensed Consolidated interim statement of income for the financial period ended June 30, 2023

All numbers are in US Dollars	Note No.	The six months ended 30/6/2023		The six months ended 30/6/2022	
		From 1/4/2023	From 1/1/2023	From 1/4/2022	From 1/1/2022
		To 30/6/2023	To 30/6/2023	To 30/6/2022	To 30/6/2022
Revenues	(3)	150 403 771	365 420 025	274 609 512	549 109 425
Cost of revenues	(4)	(94 284 914)	(211 152 716)	(133 009 296)	(269 080 119)
Gross profit		56 118 857	154 267 309	141 600 216	280 029 306
Investments income	(5)	11 475 837	20 814 250	9 743 732	25 870 393
Other income	(6)	4 938 570	6 211 481	1 293 166	16 317 162
Selling and distribution expenses	(7)	(803 315)	(2 101 843)	(2 001 657)	(4 170 494)
General and administrative expenses		(12 774 163)	(33 247 855)	(11 683 363)	(29 663 040)
Reversal (charges) of expected credit losses	(8)	(943 017)	(819 267)	(882 640)	2 366 651
Other expenses	(9)	(637 469)	(954 156)	(1 939 960)	(2 412 014)
Net operating profit		57 375 300	144 169 919	136 129 494	288 337 964
Finance income (costs)					
Finance income		20 286 258	39 143 153	1 294 300	2 370 898
Finance costs		(16 060 416)	(29 965 516)	(7 532 238)	(22 654 496)
Net finance income (cost)	(10)	4 225 842	9 177 637	(6 237 938)	(20 283 598)
Company's share of profit of equity - accounted investees (associates Companies)		316 740	814 953	424 125	1 014 546
Net profit for the period before income tax		61 917 882	154 162 509	130 315 681	269 068 912
Income tax	(11)	(12 151 085)	(33 269 184)	(28 447 151)	(53 183 468)
Net profit for the period		49 766 797	120 893 325	101 868 530	215 885 444
Net profit attributable to:					
Shareholders of the Parent Company		40 445 111	100 468 714	72 386 361	143 442 805
Non-controlling interests	(12)	9 321 686	20 424 611	29 482 169	72 442 639
Net profit for the period		49 766 797	120 893 325	101 868 530	215 885 444
Basic / Diluted earnings per share of profits (US cent / Share)	(13)	3.10	7.75	5.94	11.43

* The accompanying notes on pages from (6) to (45) are an integral part of these condensed consolidated interim financial statements and to be read therewith.

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Egypt Kuwait Holding Company
(An Egyptian Joint Stock Company)

Condensed Consolidated Interim statement of comprehensive income for the financial period ended June 30, 2023

All numbers are in US Dollars

	The six months ended 30/6/2023		The six months ended 30/6/2022	
	From 1/4/2023	From 1/1/2023	From 1/4/2022	From 1/1/2022
	To 30/6/2023	To 30/6/2023	To 30/6/2022	To 30/6/2022
Net profit for the period	49 766 797	120 893 325	101 868 530	215 885 444
Other comprehensive income (loss)				
Items that will not be reclassified to statement of income				
Financial assets at fair value through other comprehensive income	(671 046)	(603 127)	(5 738 032)	(6 050 094)
	(671 046)	(603 127)	(5 738 032)	(6 050 094)
Items may be reclassified subsequently to statement of income				
Financial assets at fair value through other comprehensive income	383 325	(5 673 442)	(5 806 826)	(14 052 364)
Foreign currency translation differences	(2 949 217)	(98 810 032)	(13 928 565)	(92 235 563)
	(2 565 892)	(104 483 474)	(19 735 391)	(106 287 927)
Total other comprehensive loss for the year after deducting tax	(3 236 938)	(105 086 601)	(25 473 423)	(112 338 021)
Total comprehensive income	46 529 859	15 806 724	76 395 107	103 547 423
Total comprehensive income attributable to:				
Shareholders of the Parent Company	39 399 662	8 480 851	48 780 169	43 787 529
Non-controlling interests	7 130 197	7 325 873	27 614 938	59 759 894
Total comprehensive income	46 529 859	15 806 724	76 395 107	103 547 423

* The accompanying notes on pages from (6) to (45) are an integral part of these condensed consolidated interim financial statements and to be read therewith.

Condensed Consolidated Interim Statement of changes in equity for the financial period ended June 30, 2023

All numbers are in US Dollars

	Issued & paid up capital	Legal reserve	Special reserve - Share premium	General reserve	Other reserves			Retained earnings	Treasury shares	Total equity of the parent Company	Non-controlling interests	Total equity
					Fair value reserve	Translation reserve	Total other reserves					
Balance as of January 1, 2022	281 721 321	128 055 146	57 954 547	8 380 462	7 819 806	(159 612 609)	(85 447 794)	325 705 751	-	650 034 424	235 193 878	885 228 302
Total comprehensive income												
Net profit for the period	-	-	-	-	-	-	-	143 442 805	-	143 442 805	72 442 639	215 885 444
Other comprehensive loss	-	-	-	-	(17 060 186)	(63 595 090)	(99 655 276)	-	-	(99 655 276)	(12 682 745)	(112 338 021)
Total comprehensive income (loss)	-	-	-	-	(17 060 186)	(62 595 090)	(99 655 276)	143 442 805	-	43 787 529	59 759 894	103 547 423
Transactions with owners of the Company												
Transferred to legal reserve	-	1 532 525	-	-	-	-	-	(1 532 525)	-	-	-	-
Shareholders' dividends	-	-	-	-	-	-	-	(78 881 970)	-	(78 881 970)	-	(78 881 970)
Employees and board members' dividends	-	-	-	-	-	-	-	(25 440 713)	-	(25 440 713)	(9 102 656)	(30 543 369)
Non-controlling interests in subsidiaries' dividends	-	-	-	-	-	-	-	-	-	-	(20 625 571)	(20 625 571)
Total transactions with owners of the Company	-	1 532 525	-	-	-	-	-	(105 865 208)	-	(104 322 683)	(25 728 227)	(130 050 910)
Other changes												
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-
Total other changes	-	-	-	-	-	-	-	-	-	-	-	-
Balance as of June 30, 2023	281 721 321	129 587 671	57 954 547	8 380 462	(9 240 386)	(642 197 699)	(185 103 070)	363 293 348	-	589 499 270	267 413 728	856 913 998
Total comprehensive income												
Net profit for the period	-	-	-	-	-	-	-	453 510 010	(738 390)	564 217 250	278 846 545	843 063 795
Other comprehensive loss	-	-	-	-	(6 223 771)	(83 764 092)	(91 987 863)	100 468 714	-	100 468 714	20 624 611	120 893 325
Total comprehensive income (loss)	-	-	-	-	(6 223 771)	(85 764 092)	(91 987 863)	100 468 714	-	100 468 714	(13 098 739)	(105 036 601)
Transactions with owners of the Company												
Transferred to legal reserve	-	4 309 304	-	-	-	-	-	(4 309 304)	-	-	-	-
Shareholders' dividends	-	-	(57 954 547)	(8 380 462)	-	-	(66 335 009)	(57 622 173)	-	(133 957 382)	-	(123 957 382)
Employees and board members' dividends	-	-	-	-	-	-	-	(29 231 028)	-	(29 231 028)	(4 814 650)	(34 045 678)
Proceeds treasury shares	-	-	-	-	-	-	-	116 956	738 390	855 346	-	855 346
Purchasing treasury shares	-	-	-	-	-	-	-	-	(396 886)	(396 886)	-	(396 886)
Non-controlling interests in subsidiaries' dividends	-	-	-	-	-	-	-	-	-	-	(22 158 523)	(22 158 523)
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	-	(13 978 949)	-	(13 978 949)	(62 536 448)	(76 515 397)
Total transactions with owners of the Company	-	4 309 304	(57 954 547)	(8 380 462)	-	-	(66 335 009)	(105 024 698)	341 504	(166 708 899)	(89 510 021)	(256 218 920)
Other changes												
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-
Total other changes	-	-	-	-	-	-	-	-	-	-	-	-
Balance as of June 30, 2023	281 721 321	133 896 975	-	-	(12 333 941)	(644 852 293)	(487 186 234)	447 954 026	(396 886)	405 989 232	199 465 997	605 465 199

* The accompanying notes on pages from (6) to (45) are an integral part of these condensed consolidated interim financial statements and to be read therewith.

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Egypt Kuwait Holding Company
(An Egyptian Joint Stock Company)

Condensed consolidated interim statement of cash flows for the financial period ended June 30, 2023

All numbers are in US Dollars	Note No.	The six months ended 30/6/2023	The six months ended 30/6/2022
<u>Cash flows from operating activities</u>			
Net profit for the period before income tax		154 162 509	269 068 912
<u>Adjustments for:</u>			
Depreciation & amortization		30 091 507	25 834 538
Company's share of profit of equity - accounted investees (associates Companies)		(814 953)	(1 014 546)
Changes in fair value of financial assets at fair value through profit or loss		127 149	(2 380 706)
Income from sale of Financial assets at fair value through other comprehensive income		(688 500)	-
Capital gain		(17 075)	(110 379)
Other income		(47 952)	(22 314 459)
Foreign currency translation differences		(13 130 236)	7 102 034
Forward foreign exchange contracts' losses (profit)		-	3 698 376
Income from financial assets at fixed return		(19 366 334)	(18 864 033)
Expected credit losses		819 267	(2 366 651)
Financing expenses		29 965 516	15 947 216
Interest income		(9 573 739)	(2 370 898)
		<u>171 527 159</u>	<u>272 229 404</u>
<u>Change in:</u>			
Financial assets at fair value through profit or loss		(72 870 116)	24 886 572
Trade & notes receivables		(21 863 817)	(21 616 628)
Other current assets		9 162 144	36 709 797
Inventories		(12 732 853)	(11 764 880)
Work in progress		(3 092 811)	346 654
Lease contracts liabilities		(1 809 494)	1 084 663
Suppliers, contractors, notes payable & other credit balances		(49 925 497)	10 512 357
Insurance policyholders' rights		(12 412 191)	(17 296 754)
Time deposits		135 198 021	46 384 454
Provisions		(483 348)	977 403
Cash from operating activities		<u>140 697 197</u>	<u>342 453 042</u>
Income taxes paid		(25 971 256)	(38 245 440)
Net cash from operating activities		<u>114 725 941</u>	<u>304 207 602</u>
<u>Cash flows from investing activities</u>			
Collected interest		9 820 698	7 205 929
Payments for additions of property, plant & equipment, and projects under construction	(14)	(10 945 457)	(37 055 885)
Payments for additions of biological assets		(246 844)	(220 900)
Payments for additions of exploration & development assets		(5 571 140)	(16 052 744)
Proceeds from sale of property, plant and equipment		288 953	124 474
Net Proceeds from other investments		67 772 996	228 262 615
Net cash from (used in) investing activities		<u>61 119 206</u>	<u>182 263 489</u>
<u>Cash flows from financing activities</u>			
Proceeds from loans and bank facilities		286 541 038	114 289 962
Payments of loans and bank facilities		(71 153 594)	(170 302 790)
Payments of financing expenses		(28 048 788)	(15 870 610)
Non-controlling interests		(70 010 589)	(30 592 637)
Restricted Cash		(193 722 222)	-
Proceeds from selling treasury shares		855 346	-
Payments for the purchase of treasury shares		(396 886)	-
Paid dividends		(145 226 132)	(126 709 621)
Net cash (used in) from financing activities		<u>(221 161 827)</u>	<u>(229 185 696)</u>
Foreign currency translation differences of accumulated financial statements		(92 463 196)	(69 260 818)
Net change in cash and cash equivalents during the year		(137 779 876)	188 024 577
Cash and cash equivalents at beginning of the year		369 546 703	253 572 583
Cash and cash equivalents at end of the year	(29)	<u>231 766 827</u>	<u>441 597 160</u>

* The accompanying notes on pages from (6) to (45) are an integral part of these condensed consolidated interim financial statements and to be read therewith.

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
Notes to the condensed consolidated interim financial statements (Cont.)
for the financial Period ended June 30, 2023
All amounts are in US Dollars unless otherwise is mentioned.

Translated

1- Company's background and activities

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

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

On March 6, 2002, the General Investment Authority gave permission to the Company to use the excess funds in investing outside the Arab Republic of Egypt by participating in establishing companies & contributing to projects & portfolios of marketable securities managed abroad.

- The registered office of the Company is located at 14 Hassan Mohamed El Razaz St.-Dokki-Egypt. Mr. Loay Jassim Al-Kharafi is the Chairman of the Company.
- The Company is listed in the Egyptian Stock Exchange of the Arab Republic of Egypt and Kuwait Stock Exchange.
- The financial statements prepared in accordance with the Egyptian Accounting Standards are published on the Egyptian Stock Exchange and the financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) are published on the Kuwait Stock Exchange.
- The condensed consolidated interim financial statements comprise of the financial statements of Egypt Kuwait Holding Company (the Parent Company) & its subsidiaries (referred to as the "Group") and the Group's share in the profit or loss of associates is also included. The Group is involved in several activities which are represented in investment activities, selling & supplying of natural gas activity, drilling, petroleum, petrochemicals services activity, fertilizers activity, exploration and exploitation of oil, natural gas activity, chill technology by natural gas activity, communications and selling & distributing of chemicals & plastic activity, manufacturing of Formica chips & MDF of all types and sizes, the activity of services insurance in general, real estate development and Microfinance and consumer finance.

2- Bases of preparation of the condensed consolidated interim financial statements

2-1 Accounting framework of the preparation of the condensed consolidated interim financial statements

- The condensed consolidated interim financial statements for the six months ended June 30, 2023 have been prepared in accordance with Egyptian Accounting Standard No. (30) "Interim Financial Statements" as a condensed version comparing to the Company's annual consolidated financial statements and in the light of applicable Egyptian laws and the related regulations.
- These condensed consolidated interim financial statements do not include all the required information needed for preparing the full set of annual financial statements and should be read in conjunction with the last annual consolidated financial statements as at December 31, 2022
- During the year 2022, the group's management applied the special accounting treatment to deal with the effects of the liberalization of exchange rates contained in Appendix (C) of the Egyptian Accounting Standard No. (13), amended in 2015, "The Effects of Changes in Foreign Exchange Rates" (Note No. 46), where it was recognized within the cost of projects under construction at the date of the financial statements to apply this special accounting treatment in addition to the currency differences resulting from translating the balance of a loan in foreign currency that was used to finance the purchase of projects under constructions.
- The condensed consolidated interim financial statements were authorized for issuance by the Board of Directors of the Company on August 13, 2023.

2-2 Bases of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis, except for the following:

- Financial assets and liabilities that are recorded at fair value through profit or loss.
- Financial assets and liabilities that are recorded at fair value through other comprehensive income.
- Financial assets and liabilities are recognized at amortized cost.

For the presentation purposes, the current and non-current classification has been used in the condensed consolidated interim statement of financial position, the expenses are shown in the condensed consolidated interim statement of income according to its function, the indirect method was used in presenting condensed consolidated interim statements of cash flows.

2-3 Functional and presentation currency

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

2-4 Use of estimates and judgments

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

Information about estimates, assumptions and personal judgment used in applying accounting

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
Notes to the condensed consolidated interim financial statements (Cont.)
for the financial Period ended June 30, 2023
All amounts are in US Dollars unless otherwise is mentioned

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Information about estimates, assumptions and personal judgment used in applying accounting policies that have a significant impact on the values presented in condensed consolidated interim financial statements are included in the following notes:

- Measure expected credit losses.
- Deferred tax liabilities.
- Lease contract
- The useful lives of fixed assets and other assets.
- Equity accounted investees (associate companies).
- Biological assets.
- Provisions and contingent liabilities.
- The impairment in the value of non-financial assets
- Estimate the net realizable value of the inventory.
- Revenue recognition.
- The goodwill

2-5 Measurement of fair values

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

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs of the quoted prices included in level (1) that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- The Group recognizes transfers between levels of the fair value hierarchy at the end of the financial period during which the change has occurred.

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
Notes to the condensed consolidated interim financial statements (Cont.)
for the financial Period ended June 30, 2023
All amounts are in US Dollars unless otherwise is mentioned

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3- Revenues

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Fertilizer's activity	55 109 020	132 259 992	132 927 072	256 571 560
Chemicals and plastic activity	25 587 190	85 814 873	58 963 766	113 114 632
Gas and electricity supplies activity	29 395 451	61 251 660	31 909 283	73 269 336
Drilling and petroleum services activity	29 145 447	60 902 863	35 702 712	70 881 660
Insurance activity	8 331 564	18 902 718	11 869 579	28 442 479
Cooling technology by natural gas activity	375 471	490 009	985 123	3 382 550
Other activity	2 459 628	5 797 910	2 251 977	3 447 208
	150 403 771	365 420 025	274 609 512	549 109 425

4- Cost of revenue recognition

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Fertilizer's activity	37 522 249	82 662 098	47 289 158	98 463 931
Chemicals and plastic activity	13 307 978	36 189 132	38 279 680	67 502 163
Gas and electricity supplies activity	20 034 740	41 526 282	21 114 724	47 924 257
Drilling and petroleum services activity	17 316 262	33 550 658	13 516 515	26 067 640
Insurance activity	6 064 579	14 600 418	9 698 039	22 442 939
Cooling technology by natural gas activity	173 291	385 913	766 039	3 031 986
Other activity	(134 185)	2 238 215	2 345 141	3 647 203
	94 284 914	211 152 716	133 009 296	269 080 119

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
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5- Investments income

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Income from financial assets at fixed return	10 196 551	19 366 334	2 814 038	18 864 033
Income from investments at fair value through profit or loss	213 131	527 217	286 297	662 346
Income from investments at fair value through other comprehensive income	63 078	63 078	(319 139)	182 321
Change in fair value of investments at fair value through profit or loss	807 252	(127 149)	(1 579 863)	(2 380 706)
(Loss) gain from sale of investments at fair value through other comprehensive income	(1 452)	688 500	-	-
Return on sale of investments at amortized cost	197 277	296 270	-	-
Others	-	-	8 542 399	8 542 399
	11 475 837	20 814 250	9 743 732	25 870 393

6- Other income

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Drawback and exports subsidies revenues	269 569	612 568	538 643	976 513
Provisions no longer required	926 759	1 192 485	372 849	869 479
The change in the fair value of biological assets	37 371	37 371	-	-
Capital gain	9 347	17 075	6 326	110 379
Other	3 695 524	4 351 982	375 348	14 360 791
	4 938 570	6 211 481	1 293 166	16 317 162

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
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7- Selling and distribution expenses

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Chemicals and plastic activity	664 485	1 783 383	1 758 361	3 712 793
Fertilizers activity	99 224	182 544	156 712	275 068
Cooling technology by natural gas activity	(23 369)	8 427	48 908	94 460
Other	62 975	127 489	37 676	88 173
	803 315	2 101 843	2 001 657	4 170 494

8- Reversal (Charges) of expected credit losses

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Reversal (Charges) of expected credit losses	(943 017)	(819 267)	(882 640)	2 366 651
	(943 017)	(819 267)	(882 640)	2 366 651

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

9- Other expenses

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Provision formed	637 469	954 156	1 939 960	2 412 014
	637 469	954 156	1 939 960	2 412 014

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
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10-Net finance income (costs)

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
<u>Financing income</u>				
Interest income	5 015 252	9 573 739	1 294 300	2 370 898
Net income from foreign currencies translation differences	15 271 006	29 569 414	-	-
	20 286 258	39 143 153	1 294 300	2 370 898
<u>Finance costs</u>				
Finance costs	(16 060 416)	(29 965 516)	(7 662 482)	(15 947 216)
Net income (loss) from foreign currencies translation differences	-	-	130 244	(6 707 280)
	(16 060 416)	(29 965 516)	(7 532 238)	(22 654 496)
Net finance income (costs)	4 225 842	9 177 637	(6 237 938)	(20 283 598)

11- Income tax

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Current income tax expense	10 752 601	32 121 404	27 480 264	54 781 038
Deferred income tax expense (benefit)	1 398 484	1 147 780	966 887	(1 597 570)
	12 151 085	33 269 184	28 447 151	53 183 468

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
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13-Basic / diluted earnings per share

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

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Net profit for the period (owners of the parent Company)	40 445 111	100 468 714	72 386 361	143 442 805
Employees and board member's share in profit -parent Co.	(2 288 520)	(5 588 878)	(2 795 441)	(6 777 494)
Employees and board member's share in profit in subsidiaries - proposal	(3 288 222)	(7 552 962)	(2 697 562)	(7 838 020)
Shareholders' share in net profit for the period	<u>34 868 369</u>	<u>87 326 874</u>	<u>66 893 358</u>	<u>128 827 291</u>
Weighted average number of outstanding shares during the period	1 126 488 587	1 126 488 587	1 126 885 287	1 126 885 287
Basic/diluted earnings per share (US cent / Share)	<u>3.10</u>	<u>7.75</u>	<u>5.94</u>	<u>11.43</u>

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

	The six-months ended 30/6/2023		The six-months ended 30/6/2022	
	From 1/4/2023 To 30/6/2023	From 1/1/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022	From 1/1/2022 To 30/6/2022
Issued shares at the beginning of the period	1 126 320 287	1 126 320 287	1 126 885 287	1 126 885 287
Treasury shares sold during the period	565 000	565 000	-	-
Treasury shares purchased during the period	(396 700)	(396 700)	-	-
Weighted average number of outstanding shares at the end of the period	<u>1 126 488 587</u>	<u>1 126 488 587</u>	<u>1 126 885 287</u>	<u>1 126 885 287</u>

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
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14-Adjustments:

For the purpose of preparing the condensed consolidated interim statement of cash flows for the financial period ended as of June 30, 2023 the effect of the following amounts have been excluded from investment activities as they represent non-cash transactions:

3 234 093	Additions to property, plant and equipment – recorded in suppliers, contractors, notes payable and other creditors.
5 315 000	Additions to property, plant and equipment and projects under construction represented in the value of capitalizing differences from translation of balances in foreign currencies from loan proceeds (Note No. 15).

Egypti Kuwait Holding Co. (An Egyptian Joint Stock Company)
 Notes to the condensed consolidated interim financial statements (Cont.)
 for the financial period ended June 30, 2023
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15- Property, plant and equipment and projects under construction

Cost	Lands	Buildings and constructions	Vehicles and transportation	Furniture and office equipment	Machinery and equipment	Tools and supplies	Stations, generators and electric transformers	Computer, software and decorations	Leasehold improvements	Irrigation network	Projects under construction	Total
Cost as of 1/1/2022	27 488 211	54 268 458	11 754 643	7 726 422	357 574 049	1 868 935	71 312 923	11 201 427	1 422 610	2 747 975	80 944 436	628 353 899
Additions	5 016 642	8 088 239	1 265 734	1 206 131	1 983 881	156 389	13 018 758	2 099 517	109 349	817 270	-	35 762 010
Change in projects under construction	-	-	-	-	-	-	-	-	-	-	61 546 487	61 546 487
Disposals	-	(876 603)	(194 036)	(63 937)	-	-	(534 535)	-	-	-	-	(1 669 111)
Foreign currency translation differences	(5 878 122)	(2 617 288)	(2 627 819)	(2 347 636)	(14 636 320)	(13 944)	(26 951 802)	(1 970 361)	(53 598)	(1 184 028)	(29 799 165)	(88 089 081)
Cost as of 31/12/2022	26 626 731	58 862 906	10 198 522	6 521 080	344 921 610	2 011 380	56 844 744	11 330 883	1 478 361	2 381 217	112 735 760	633 912 894
Additions	18 430	3 895 873	-	378 498	41 252 414	1 49 728	2 891 895	-	109 847	-	-	49 607 731
Change in projects under construction	-	-	-	-	-	-	-	-	-	-	(30 113 181)	(30 113 181)
Disposals	-	-	(15 268)	(5 755)	(1 745 650)	-	(2 108 039)	-	-	-	-	(3 874 732)
Foreign currency translation differences	(3 297 698)	(2 271 221)	(779 932)	(1 016 180)	(5 102 193)	(108 790)	(10 545 893)	(758 937)	(15 442)	(474 085)	731 222	(23 439 150)
Cost as of 30/6/2023	23 347 463	60 487 558	9 847 896	5 877 643	379 316 180	2 052 318	47 282 687	11 038 118	1 572 766	1 987 132	83 353 801	626 093 562
Accumulated depreciation and impairment losses as of 1/1/2022	-	35 272 817	9 307 284	5 945 222	252 127 549	1 570 723	17 158 248	8 452 102	1 185 503	825 163	123 039	331 968 259
Depreciation	-	2 050 349	886 974	1 023 368	18 230 010	178 462	3 105 560	1 176 132	42 319	309 307	-	26 993 481
Accumulated depreciation of disposals	-	(31 540)	(231 016)	(63 937)	-	-	(534 535)	-	-	-	-	(861 028)
Foreign currency translation differences	-	(1 686 377)	(1 719 560)	(2 023 297)	(9 079 564)	(149 691)	(5 058 017)	(1 135 997)	(53 598)	(478 501)	336 956	(21 046 646)
Accumulated depreciation and impairment losses as of 31/12/2022	-	35 605 249	8 243 682	4 881 356	261 277 995	1 599 494	14 671 856	8 494 237	1 174 224	646 969	459 995	337 055 057
Depreciation	-	1 032 163	284 463	231 956	8 993 462	73 897	1 206 537	628 294	34 599	142 258	-	12 627 629
Accumulated depreciation of disposals	-	-	(47 307)	(208)	(1 447 280)	-	(2 108 039)	-	-	-	-	(3 692 854)
Foreign currency translation differences	-	(634 399)	(504 524)	(630 571)	(3 363 688)	(71 011)	(1 998 339)	(586 895)	(15 442)	(128 809)	-	(7 933 698)
Accumulated depreciation and impairment losses as of 30/6/2023	-	36 003 013	7 976 314	4 482 533	265 460 489	1 602 310	11 771 975	8 535 636	1 193 381	660 418	459 995	338 146 134
Net book value as of December 31, 2022	26 626 731	23 257 657	1 954 840	1 639 724	83 643 615	-11 886	42 172 888	2 836 346	304 137	1 734 248	112 275 765	296 857 837
Net book value as of June 30, 2023	23 347 463	24 484 545	1 871 582	1 395 110	113 865 691	449 938	35 510 712	2 502 482	379 385	1 246 714	82 893 806	287 947 428

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16-Goodwill

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

	<u>31/12/2022</u>	<u>Translation differences</u>	<u>30/6/2023</u>
National Gas Co. (NatGas)	5 015 087	(998 476)	4 016 611
Sprea Misr For Production of chemicals and plastic	7 073 796	(1 408 347)	5 665 449
El Fayoum Gas	1 030 488	(205 163)	825 325
Alex Fertilizer	34 107 324	-	34 107 324
Delta Insurance	2 333 180	(464 520)	1 868 660
	<u>49 559 875</u>	<u>(3 076 506)</u>	<u>46 483 369</u>

17-Right of use assets

	<u>30/6/2023</u>	<u>31/12/2022</u>
<u>Cost</u>		
Cost at the beginning of the period	12 413 959	14 026 851
Additions	302 672	2 169 299
Translation differences	(3 099 346)	(3 782 191)
Cost at the end of the period	<u>9 617 285</u>	<u>12 413 959</u>
<u>Accumulated depreciation</u>		
Accumulated depreciation at the beginning of the period	(2 675 233)	(1 935 312)
Depreciation	(495 866)	(1 069 433)
Translation differences	225 267	329 512
Accumulated depreciation at the end of the period	<u>(2 945 832)</u>	<u>(2 675 233)</u>
Net carrying amount	<u>6 671 453</u>	<u>9 738 726</u>

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

	<u>30/6/2023</u>	<u>31/12/2022</u>
Short-term lease contracts liabilities	2 021 605	2 033 858
Long-term lease contracts liabilities	7 154 229	8 238 615
	<u>9 175 834</u>	<u>10 272 473</u>

Egypt Kuwait Holding Co. (An Egyptian Joint Stock Company)
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18-Intangible assets

	<u>1/1/2023</u>	<u>Amortization</u>	<u>Translation differences</u>	<u>30/6/2023</u>
Deferred revenue charges*	126 299	(31 669)	18 219	112 849
Other assets**	500 000	(125 000)	-	375 000
	<u>626 299</u>	<u>(156 669)</u>	<u>18 219</u>	<u>487 849</u>

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

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

19-Biological assets

	<u>30/6/2023</u>	<u>31/12/2022</u>
Tree forests	222 526	387 582
Wages, salaries, and consultations	772 567	879 407
Fertilizers and pesticides	142 966	168 513
Tools rent	105 845	137 490
Right of use assets depreciation	131 542	165 939
Usufruct benefit	267 112	307 460
Property plant and equipment depreciation	709 141	709 762
Other	276 919	277 867
Change in fair value less cost to sell	(560 451)	-
	<u>2 068 167</u>	<u>3 034 020</u>

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

As the group's management reclaimed and cultivated an area of 2,652 acres with tree forests, the following assumptions used in measuring the fair value of the biological assets, as well as the significant unobservable inputs used:

- All crops are still in the experimental cultivation stage.
- Sesbania trees are still in the first of the agricultural cycle.
- Based on the technical opinion on the expected optimum productivity of the acre at the expected date of the harvest.

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- Lack of an active market for all the mentioned trees.
- It is not possible to determine a comparative price.

Measurement of fair values

- The fair value measurements for biological assets have been categorized as level 3 fair values based on the inputs to the valuation techniques used.
- The total losses and gain recognized in respect of that categorization included in other income in condensed consolidated interim statement of income.
- During the six months ended 30 June 2023, Camphor & Casuarina amounting to USD 902 660 was transferred to inventories.

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20- Exploration and development assets

Cost	Producing wells	Exploration wells	Development wells	Equipment / field services	Pipelines	Projects under construction	Total
As of 1/1/2022	257,253,511	57,991,760	105,830,089	191,159,481	159,832,556	61,940,068	834,007,465
Additions	31,919,126	44,714,381	-	287,081	-	4,719,059	81,639,647
Contractual agreements	26,416,036	-	-	-	-	-	26,416,036
Change in projects under constructions	-	-	-	-	-	(61,940,068)	(61,940,068)
As of 31/12/2022	315,588,673	102,706,141	105,830,089	191,446,562	159,832,556	4,719,059	890,123,080
As of 1/1/2023	315,588,673	102,706,141	105,830,089	191,446,562	159,832,556	4,719,059	890,123,080
Additions	74,116	-	-	804,114	-	-	878,230
Disposals	-	-	(499,180)	-	-	-	(499,180)
Change in projects under constructions	-	-	-	-	-	5,284,576	5,284,576
As of 30/6/2023	315,662,789	102,706,141	105,330,909	192,250,676	159,832,556	10,003,635	885,786,706
<u>Accumulated amortization, depletion, and impairment losses</u>							
As of 1/1/2022	212,095,974	28,149,707	104,780,635	162,757,736	159,832,556	-	667,616,608
Amortization and depletion	20,409,575	4,125,186	-	6,082,154	-	-	30,616,915
As of 31/12/2022	232,505,549	32,274,893	104,780,635	168,839,890	159,832,556	-	698,233,523
As of 1/1/2023	232,505,549	32,274,893	104,780,635	168,839,890	159,832,556	-	698,233,523
Amortization and depletion	10,369,837	2,665,321	550,274	3,190,893	-	-	16,776,325
As of 30/6/2023	242,875,386	34,940,214	105,330,909	172,030,783	159,832,556	-	715,009,848
Net book value as of 31/12/2022	83,083,124	70,431,248	1,049,454	22,606,672	-	4,719,059	181,889,557
Net book value as of 30/6/2023	72,787,403	67,765,927	-	20,219,893	-	10,003,635	170,776,858

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21-Equity-accounted investees (associates companies)

	Direct & indirect Ownership	30/6/2023	31/12/2022
	%		
<u>Investments listed in stock exchange</u>			
El-Mohandas Insurance Company (S.A.E)	24.99	21 306 324	20 491 371
<u>Investments not listed in stock exchange</u>			
Inayah Egypt for Medical Care Programs Management Co. (S.A.E)	12.65	334 640	329 711
Egyptian Tankers Co. (S.A.E)	30	17 128 175	17 128 175
Building Materials Industries Company (S.A.E)	38.32	34 175 480	34 175 480
		72 944 619	72 124 737
Impairment losses		(51 303 655)	(51 303 655)
		21 640 964	20 821 082

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

	Al Mohandas Insurance Co.	Inayah Egypt Co.	Egyptian Tankers Co.*	Building Materials Industries Co.*
<u>30 June 2023</u>				
Total assets	96 077 818	2 770 411	73 745 273	70 033 928
Total Liabilities	67 192 278	(872 614)	46 505 801	81 348 108
Equity (100%)	28 885 540	1 897 797	27 239 472	(11 314 180)
The group share in net equity	7 218 496	240 071	8 171 842	-
Revenues	17 446 092	775 218	14 085 275	26 307 845
Net profit	3 261 116	457 777	2 800 325	3 506 781
Group's share of net profit	814 953	57 910	840 098	1 345 201

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	Al Mohandas Insurance Company	Inayah Egypt Co.	Egyptian Tankers Co. (S.A.E.)	Building Materials Industries Co.
<u>31 December 2022</u>				
Total assets	58 253 220	3 435 172	76 669 370	79 326 791
Total Liabilities	(37 744 154)	(1 585 962)	(52 230 223)	(99 440 723)
Equity (100%)	20 509 066	1 849 210	24 439 147	(20 113 932)
The group share in net equity	5 125 216	233 814	7 331 744	-
Revenues	41 067 097	1 396 349	16 817 526	39 208 036
Net profit	8 881 930	430 994	2 664 781	(59 006 575)
Group's share of net profit	2 219 594	54 495	799 434	-

* The financial information of the above-mentioned companies are based on the management reports for the financial period ended June 30,2023 since the preparation of financial statements for the financial period ended June 30,2023 have not been completed yet

22-Investments at fair value through other comprehensive income

	30/6/2023	31/12/2022
Government debt securities	192 838 607	308 437 765
Local companies' stocks listed in (EGX)	1 629 578	1 349 660
Foreign companies' stocks listed on foreign stock exchanges	1 374 452	1 378 939
	195 842 637	311 166 364
Expected credit losses	(91 923 797)	(91 602 339)
	103 918 840	219 564 025
<u>Classified as follows: -</u>		
Non-current	37 641 329	105 099 669
Current	66 277 511	114 464 356
	103 918 840	219 564 025

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

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23- Financial assets at amortized cost

	<u>30/6/2023</u>	<u>31/12/2022</u>
Governmental bonds	112 018 203	136 939 120
Treasury bills	183 526 930	87 387 610
Designated governmental bonds in Insurance Sector	45 932 927	57 358 017
Designated bank investment certificates in Insurance Sector	5 988 993	28 419 563
Government bonds in Insurance Sector	2 723 668	3 064 457
Investment certificates at local banks in Insurance Sector	-	1 576 395
Designated investment fund in banks in Insurance Sector	187 145	-
	<u>350 377 866</u>	<u>314 745 162</u>
Expected credit losses	(1 678 680)	(1 383 122)
	<u>348 699 186</u>	<u>313 362 040</u>
<u>Classified as follows: -</u>		
Current	198 418 367	98 063 725
Non-current	150 280 819	215 298 315
	<u>348 699 186</u>	<u>313 362 040</u>

24- Inventories

	<u>30/6/2023</u>	<u>31/12/2022</u>
Spare parts, consumables, and tools	25 816 044	34 163 465
Suppliers and consumables	51 381 314	31 602 134
Fuel and oil	15 157 056	15 950 129
Finished goods and work in process	12 135 966	11 400 608
Letters of credit and goods in transit	1 361 207	2 398
	<u>105 851 587</u>	<u>93 118 734</u>
Inventory write down	(527 110)	(575 062)
	<u>105 324 477</u>	<u>92 543 672</u>

25- Work in progress

	<u>30/6/2023</u>	<u>31/12/2022</u>
Land and buildings under development	37 063 792	34 111 088
Others	335 495	195 388
	<u>37 399 287</u>	<u>34 306 476</u>

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26- Investments at fair value through profit or loss

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

	<u>30/6/2023</u>	<u>31/12/2022</u>
Portfolios managed by investment managers	4 168 126	4 368 941
Egyptian Companies' stocks (listed in the Egyptian Stock Exchange)	240 369	180 628
Investments in investment funds	4 049 492	4 041 066
Governmental bonds	92 204 811	19 329 196
	<u>100 662 798</u>	<u>27 919 831</u>

27- Trade and notes receivable

	<u>30/6/2023</u>	<u>31/12/2022</u>
Trade receivables	90 849 455	69 968 489
Egyptian General Petroleum Corporation*	58 919 394	49 800 555
	<u>149 768 849</u>	<u>119 769 044</u>
Notes receivable	14 877 964	23 013 952
Expected credit losses	(3 484 058)	(3 485 582)
	<u>161 162 755</u>	<u>139 297 414</u>
<u>Classified as follows:</u>		
Current (due within one year)	149 824 800	133 048 067
Non-current (due after one year)	11 337 955	6 249 347
	<u>161 162 755</u>	<u>139 297 414</u>

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

	<u>30/6/2023</u>	<u>31/12/2022</u>
National Gas Co. (NatGas)	-	2 112 981
Al Nubaria Co.	912 312	1 185 725
NSCO Co.	58 007 082	46 501 849
	<u>58 919 394</u>	<u>49 800 555</u>

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28- Other current assets

	<u>30/6/2023</u>	<u>31/12/2022</u>
Deposits with others	17 833 342	7 915 901
Suppliers-advanced payments	17 577 094	15 833 467
Accrued revenue	12 607 086	28 896 523
Tax Authority	10 653 789	16 300 962
Uncollected issued bills	10 129 555	2 143 199
Accounts receivables from insurance	6 655 411	11 404 062
Prepaid expenses	3 036 675	1 979 219
Due from building materials industries Co.	2 095 291	3 288 359
Insurance and reinsurance Companies	1 740 540	1 909 018
Deposits at the customs authority	1 516 754	490 797
Due from Sudapet Co.	1 411 896	1 411 896
Debtors- west Jabal al-Zeit	1 142 656	1 142 656
Dividends debtors	565 442	1 517 666
Due from Egyptian Hydrocarbon Co.	500 000	500 000
Imprests and employee's custodies	491 795	233 394
Loans guaranteed by individuals' insurance policies	159 777	195 664
Refunded networks costs from the corporation	24 862	625 175
Other debit balances	8 692 529	10 455 639
	<u>96 834 494</u>	<u>106 243 597</u>
Expected credit losses	(3 244 212)	(3 939 965)
	<u>93 590 282</u>	<u>102 303 632</u>

29- Cash and cash equivalents

	<u>30/6/2023</u>	<u>31/12/2022</u>
Banks – current accounts	100 165 150	83 047 698
Banks – time deposits (less than three months)	120 588 538	237 058 341
Banks – time deposits (more than three months)	270 552	135 468 573
Restricted time deposits (*)	193 722 222	-
Cash on hand	534 020	443 455
	<u>415 280 482</u>	<u>456 018 067</u>
Expected credit losses	(3 421 206)	(2 461 457)
	<u>411 859 276</u>	<u>453 556 610</u>

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

	<u>30/6/2023</u>	<u>30/6/2022</u>
Cash & cash equivalents	415 280 482	382 604 247
Investments in treasury bills - during three months	10 479 119	59 362 099
Time deposits (more than three months)	(270 552)	(369 186)
Restricted cash	(193 722 222)	-
	<u>231 766 827</u>	<u>441 597 160</u>

(*) Represents in restricted time deposits to guarantee bank facilities.

30-Non-current assets held for sale

	<u>30/6/2023</u>	<u>31/12/2022</u>
Egyptian Hydrocarbon Co.*	14 900 000	14 900 000
	<u>14 900 000</u>	<u>14 900 000</u>

*Assets related to the Egyptian Hydrocarbon Company – financial assets at fair value through other comprehensive income are presented as non-current held for sale as of June 30, 2023, during year 2017 one of the group's subsidiaries signed an agreement for sale 10% Egyptian Hydrocarbon Company shares to a party outside the group, An amount of USD 2 million was obtained as a selling advance during year 2017, which is recognized in the credit balances, and the contract with the buyer was renewed until the rest of the contract value is paid. And during July 2023, the management of the Egyptian Hydrocarbon Company signed a contract with an investment bank to evaluate the company and manage the sale of its shares to an external investor.

31-Share capital

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

32-Legal reserve

Legal reserve as of June 30, 2023 amounted to USD 133 896 975 (USD 129 587 671 as of December 31, 2022), which is formed according to the Companies' Law and the Parent Company's article of association, the Company is required to set aside 5% of the annual net profit of the Holding Company to form the legal reserve. The transfer to legal reserve ceases once the reserve reach 50% of the issued share capital of the Holding Company. The reserve is not distributable. However, it can be used to increase the share capital or offset losses.

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33- Other reserves

	<u>30/6/2023</u>	<u>31/12/2022</u>
Share premium reserve	–	57 954 547
General reserve	–	8 380 462
Fair value reserve	(12 333 941)	(6 110 170)
Translation difference reserves	(444 852 293)	(359 088 201)
	<u>(457 186 234)</u>	<u>(298 863 362)</u>

Share premium reserve

The balance is represented in the remaining amount of the share premium of the issued share capital increase of a number of 136 363 636 shares during year 2014 after deducting the amount of USD 17 045 454 credited to the legal reserve. and on March 30, 2023, the general assembly of shareholders decided to use the entire balance in dividends.

General reserve

The balance on December 31, 2022, represents the amounts set aside from the Holding Company's profits in previous years according to the resolutions of the General Assembly Meeting of shareholders of the holding Company. This reserve shall be used by a resolution from the General Assembly of shareholders based on a proposal from the holding Company's board of directors in matters that could be favorable to the Company's interests. And on March 30, 2022, the general assembly of shareholders decided to use the entire balance in dividends

Fair value reserve

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

Translation differences reserve

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

34- Deferred tax liabilities

	<u>31/12/2022</u>	<u>Income tax benefit</u>	<u>Translation difference</u>	<u>30/6/2023</u>
Property, plant and equipment, projects under constructions and other assets	9 004 509	(1 147 780)	2 471 662	10 328 391
	<u>9 004 509</u>	<u>(1 147 780)</u>	<u>2 471 662</u>	<u>10 328 391</u>

Deferred tax assets – not recognized

Deferred tax assets related to tax losses and deductible temporary differences have not been recognized due to the lack of an appropriate degree to ensure that there are sufficient future tax profits through which these assets can be utilized.

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Deferred tax liabilities - not recognized

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

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

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

35- Suppliers, contractors, notes payable and other creditors

	<u>30/6/2023</u>	<u>31/12/2022</u>
Suppliers and contractors	32 934 848	38 154 224
Notes payable	15 384 978	9 238 097
Accrued expenses	53 322 710	49 122 297
Customers – Advanced payments	44 118 547	51 067 788
Nile Pet Company	26 523 918	34 703 437
National Egyptian Authority for Petroleum*	17 610 763	10 077 503
Deposits from others	11 553 998	10 733 261
Insurance and reinsurance Companies	10 230 772	12 305 576
Employees payable	10 090 840	2 128 561
Financing from non- controlling interests	9 526 894	8 998 865
Operating companies	8 599 859	8 599 859
The Kuwait foundation for the advancement of sciences	4 305 676	3 990 170
Deferred revenue	3 337 779	3 318 895
Tax authority	3 069 851	4 195 240
Dividends payable-non-controlling interests	2 866 998	5 870 426
Property, plant and equipment creditors	2 608 023	1 232 873
Insured current account	1 766 003	1 297 432
Dividends payable	1 196 640	1 196 641
Collected installments	1 045 773	989 595
Other credit balances	27 176 013	36 686 942
<u>Classified as follows:</u>	<u>287 270 883</u>	<u>293 907 682</u>
Current (due within one year)	275 531 059	284 362 751
Non-current (due after one year)	11 739 824	9 544 931
	<u>287 270 883</u>	<u>293 907 682</u>

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*National Egyptian Authority for Petroleum balance concerning the following companies: -

	<u>30/6/2023</u>	<u>31/12/2022</u>
National Gas Co. (Natgas)	5 411 420	-
El Fayoum Gas Co.	12 199 343	10 077 503
	<u>17 610 763</u>	<u>10 077 503</u>

36- Loans and bank facilities

The movement of loans and bank facilities during the period is as follows:

	<u>30/6/2023</u>	<u>31/12/2022</u>
Balance at the beginning of the period	629 301 842	701 124 220
Proceeds from loans and bank facilities	286 541 038	175 630 136
Payment of loans and bank facilities	(71 153 594)	192 797 990
Translation differences of capitalized foreign currency balances on fixed assets and projects under construction	5 315 000	8 772 324
Foreign currency translation differences - unrecognized	(13 130 236)	-
Settlement of a subsidiary company loan	-	(63 426 848)
Balance at the end of the period	<u>836 874 050</u>	<u>629 301 842</u>

Classified as follows:

	<u>30/6/2023</u>	<u>31/12/2022</u>
Current	231 008 201	215 836 928
Non-current	605 865 849	413 464 914
	<u>836 874 050</u>	<u>629 301 842</u>

37- Provisions

	<u>Balance as of 1/1/2023</u>	<u>Provisions formed</u>	<u>Provisions used</u>	<u>Provisions no longer required</u>	<u>Translation differences</u>	<u>Balance as of 30/6/2023</u>
Retention provisions	25 686	-	-	(78 538)	109 707	56 855
Other provisions*	64 225 299	1 545 822	(245 019)	(1 113 947)	(3 293 463)	61 118 692
	<u>64 250 985</u>	<u>1 545 822</u>	<u>(245 019)</u>	<u>(1 192 485)</u>	<u>(3 183 756)</u>	<u>61 175 547</u>

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

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- The provisions formed during the period includes an amount of USD 591 666 is represented in the finance costs of the present value of the provisions to bring the asset to its first intended condition recognized in the exploration and development assets item (USD 613 972 during year 2022).

38- Insurance policyholders' rights

	<u>30/6/2023</u>	<u>31/12/2022</u>
Technical provisions for individual's insurance	17 437 609	59 576 087
Technical provisions for property and liability insurance	49 154 891	19 120 862
Policyholders' rights for investments units	4 168 126	4 368 941
Provision for outstanding claims	375 372	482 299
	<u>71 135 998</u>	<u>83 548 189</u>

39- Subsidiaries Companies

Main subsidiaries are represented in the following:

	Sector	Company Nature	Country of Incorporation	Direct & indirect Ownership %	
				<u>30/6/2023</u>	<u>31/12/2022</u>
<u>Companies under direct control</u>					
International Financial Investments Co. S.A. E	Other	Diversified Investment	Egypt	100	100
Bawabat Al Kuwait Holding Co.- S.A.K *	Fertilizers and chemicals	Diversified Investment	Kuwait	84.84	69.67
Delta Insurance Co.*	Insurance	Insurance	Egypt	63.39	63.22
Globe for Communication & Information Technology Co.	Other	Telecommunications Services	Egypt	99	99
Globe Telecom Co.	Other	Telecommunications Services	Egypt	100	100
ECO for Industrial Development Co	Other	Industrial development	Egypt	100	100
MAT Company for Trading	Other	Trade and agencies	Egypt	100	100
EKHN B.V.	Other	Diversified Investment	Netherlands	100	100
Global MDF Industries B.V.	Wood manufacturing	Diversified Investment	Netherlands	83.8	83.8

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	Sector	Company Nature	Country of Incorporation	Direct & indirect Ownership %	
				30/6/2023	31/12/2022
EK Microfinance	Other	Investing in non-banking financial services	Netherlands	100	100
Mega Me for Trade Co.	Other	Trade and retail	Egypt	100	100
OGI Capital - Limited Liability Co.- Free Zone - Jebel Ali	Other	Diversified Investment	United Arab of Emirates	100	100
Egypt Kuwait Advanced for Operating and Maintenance	Energy	Gas distribution and delivery	KSA	100	-
Advanced Gas Pipelines Company	Energy	Gas distribution and delivery	KSA	51	-

Subsidiaries Companies of International Financial Investments Co.

Sprea Misr for Production of Chemicals & Plastics Co. S.A. E	Fertilizers and chemicals	Chemicals and plastics production	Egypt	100	100
Egyptian Company for Petrochemicals S.A.E	Fertilizers and chemicals	Chemicals and plastics	Egypt	100	100
National Energy Co – S.A. E	Energy	Investment in energy sector	Egypt	100	100
El Fayoum Gas Holding Company	Energy	Investment in energy sector	Virgin Islands	100	100
Midor Suez Oil Refining Co. (Under liquidation)	Energy	Investment in energy sector	Egypt	100	100
NSCO INVESTMENT LIMITED Company	Energy	Investment in Natural gas exploration and production	Cayman Islands	99.9993	99.9993
BKH Megan	Other	Diversified Investment	Cayman Islands	100	100
National Gas Company (NATGAS) S.A. E	Energy	Gas distribution and delivery	Egypt	83.98	83.98
Nahood International Limited Co.	Other	Cement Investment	United Arab of Emirates	60	60

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	Sector	Company Nature	Country of Incorporation	Direct & indirect Ownership %	
				30/6/2023	31/12/2022
Solidarity Mena Limited Co.	Other	Diversified Investment	United Arab of Emirates	100	100
Solidarity International Limited Co.	Other	Diversified Investment	United Arab of Emirates	100	100
Solidarity group limited Co.*	Other	Diversified Investment	United Arab of Emirates	100	100
MEA Investments Co.	Other	Diversified Investment	United Arab of Emirates	100	100
Africa Netherlands	Other	Diversified Investment	Netherlands	100	100
IFIC Petrochemicals Co.	Other	Diversified Investment	Cayman Islands	100	100
Ekuity Holding International - Limited by Shares	Other	Diversified Investment	Cayman Islands	100	100
Henosis for Construction & Real-Estate Development Co.	Other	Logistic services	Egypt	100	100
Capital Investment Limited Luxembourg Co.	Other	Diversified Investment	Luxembourg	100	100
AD ASTRA REAL ESTATE, S.L. Co.	Other	Real estate investment	Spain	100	100
AD ASTRA PROYECTO MISR, S.L. Co.	Other	Real estate investment	Spain	100	100
AD ASTRA PROYECTO ALCAZAR, S.L. Co.	Other	Real estate investment	Spain	100	100
AD ASTRA PROYECTO CAIRO, S.L. Co.	Other	Real estate investment	Spain	100	100
SISTEMAS INDUSTRIALES SALGAR II S.L Co.	Other	Real estate investment	Spain	100	100
AD ASTRA PROYECTO MEDINA, S.L. Co.	Other	Real estate investment	Spain	100	100
Gas Serve Co.	Energy	Gas services	Egypt	100	100
Shield Gas Co.	Energy	Gas distribution services	United Arab of Emirates	100	100

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	Sector	Company Nature	Country of Incorporation	Direct & indirect Ownership %	
				30/6/2023	31/12/2022
EEK Investment Holding LTD Co.	Energy	Investment in Gas distribution services	United Arab of Emirates	100	100
International Fertilizer trading Co.	Other	Cement Investments	Cayman Islands	100	100
NSCO Investment INC Co.	Energy	Investment in Natural gas exploration and production	Panama	100	100
IFIC Global Co.	Energy	Gas Investments	Cayman Islands	100	100
<u>Subsidiary of Solidarity group Ld.</u>					
MOG Energy group Companies *	Energy	Petrol and gas	Egypt	80.31	78.80
<u>Subsidiary of Globe Telecom Co.</u>					
Globe for Trading & Agencies Co.	Other	Trade and agencies	Egypt	100	100
<u>Subsidiaries of National Gas Co. Natgas</u>					
Al Watania for Electric Technology Co (Kahraba) S.A.E.	Energy	Electricity generation and distribution	Egypt	96.16	91.95
Al Nubaria for Natural Gas Co. S.A.E.	Energy	Gas distribution	Egypt	83.98	83.98
Egypt Kuwait Investments Holding Limited Co.	Energy	Diversified Investment	United Arab of Emirates	83.98	83.98
Kahraba Future Co.	Energy	Electricity generation and distribution	Egypt	96.16	91.95
Gas Line Co.	Energy	Gas distribution & delivery	Egypt	83.98	83.98
<u>Subsidiaries of BKH Megan Co.</u>					
Middle East for River Transport Co.- S.A.E	Other	River Transportation	Egypt	100	100
Mert Holding	Other	River Transportation	Cayman Islands	100	100

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	Sector	Company Nature	Country of Incorporation	Direct & indirect Ownership %	
				30/6/2023	31/12/2022
BMIC Holding	Other	Cement Investments	Cayman Islands	100	100
<u>Subsidiaries of National Energy Company</u>					
Cooling Technology by Natural Gas Co. (Gas Chill) S.A.E.	Other	Natural gas refrigeration technology	Egypt	85.99	85.99
El Fayoum Gas Co. S.A.E.	Energy	Gas distribution	Egypt	77.99	77.99
Technology Gas Co. GoGas	Energy	Natural gas distribution & delivery	Egypt	99.20	99.20
<u>Subsidiaries of Bawabat Al Kuwait Holding Co.</u>					
Alex Fert Co. - S.A.E.	Fertilizers and chemicals	Cement manufacturing	Egypt	69.45	60.10
International Logistics Co. S.A.K	Fertilizers and chemicals	Cement Investments	Kuwait	84.84	69.67
Polar Star Investments Co.	Fertilizers and chemicals	Diversified Investment	United Arab of Emirates	69.45	60.10
<u>Subsidiary of Egyptian Company for Petrochemicals</u>					
El Shorouk for Melamine & Resins Co.	Fertilizers and chemicals	Production of melamine products and resins	Egypt	95.05	95.05
<u>Subsidiary of Global MDF Co.</u>					
Cairo Wood for Imports and Exports Co. (S.A.E.)	Wood Manufacturing	Wood trade	Egypt	83.8	83.8
Nile Waste Co.	Wood Manufacturing	Recycle agricultural waste	Egypt	83.8	83.8
Nile Wood Co. (S.A.E.)	Wood Manufacturing	Wood Manufacturing	Egypt	83.8	83.8

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	Sector	Company Nature	Country of Incorporation	Direct & indirect Ownership %	
				30/6/2023	31/12/2022
Eco for Agricultural Development	Wood Manufacturing	Reclamation and cultivation of tree forests	Egypt	83.8	83.8
<u>Subsidiaries of Sprea</u>					
<u>Misr for Production of Chemicals & Plastics Co.</u>					
Asprea for Chemicals Co. (S.A.E.)	Fertilizers and chemicals	Chemicals and plastics	Egypt	100	100
<u>Subsidiary of EKH</u>					
<u>Microfinance Co.</u>					
Bedayty for Small & Micro Projects Co.	Others	Financing micro projects	Egypt	100	100
Bedayaty for Consumer Finance Co.	Others	Consumer Financing	Egypt	100	100

* During the period, an additional 15.17 % in Bawabat Al Kuwait Holding Co.' capital share was acquired, and an additional 0.17% in Delta Insurance Co's capital share, the loss resulting from the acquisition was recorded in the balance of retained earnings in the condensed consolidated interim statement of equity.

40- Transactions with related parties

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

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

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41- Dividends approved, and board of directors' remuneration

- On February 28, 2017, the board of directors of the Parent Company unanimously decided to set an amount of 5% of the annual profits of the company to the chairman and managing director of the Company. The decision is effective from the 2016 results and decided to grant part of the said amount to the employees.

The shareholders of the Parent Company approved cash dividends for the financial year ended December 31, 2022, of 11 Cent/share with a total amount of USD 123 957 382, approved remunerations for the board of directors amounting to USD 14 086 066, approved employees' dividends amounting to USD 1 501 852. The approval was made by the shareholders general assembly meeting of the Parent Company held on March 30, 2023.

42- Financial instruments

Accounting classifications and fair values of financial assets

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

30/6/2023	Note No.	Book value	Fair Value			Total
			Level 1	Level 2	Level 3	
Financial assets at fair value						
Financial assets at fair value through other comprehensive income - debt instruments	(22)	100 914 810	100 914 810	-	-	100 914 810
Financial assets at fair value through other comprehensive income - equity instruments	(22)	3 004 030	3 004 030	-	-	3 004 030
Financial assets at fair value through profit or loss	(26)	100 662 798	100 662 798	-	-	100 662 798
Biological assets	(19)	2 068 167	-	-	2 068 167	2 068 167
		206 649 805	204 581 638	-	2 068 167	206 649 805

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Financial assets other than fair value						
Receivable and Notes Payable	(27)	161 162 755	-	-	-	-
Cash and cash equivalent	(29)	411 859 276	-	-	-	-
Financial assets at amortized cost	(23)	348 699 186	-	-	-	-
Other current assets	(28)	93 590 283	-	-	-	-
		1 015 311 500	-	-	-	-

Financial liabilities other than fair value						
Loans and bank facilities	(36)	836 874 050	-	-	-	-
Lease liabilities	(17)	9 175 834	-	-	-	-
Suppliers, contractors, notes payable and other creditors	(35)	287 270 883	-	-	-	-
		1 133 320 767	-	-	-	-

	Note No.	Book value	Fair Value			
			Level 1	Level 2	Level 3	Total
31/12/2022						
Financial assets at fair value						
Financial assets at fair value through other comprehensive income - debt instruments	(22)	216 835 426	216 835 426	-	-	216 835 426
Financial assets at fair value through other comprehensive income - equity instruments	(22)	2 728 599	2 728 599	-	-	2 728 599
Financial assets at fair value through profit or loss	(26)	27 919 831	27 919 831	-	-	27 919 831
Biological assets	(19)	3 034 020	-	-	-	-
		250 517 876	247 483 856	-	-	247 483 856

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Financial assets other than fair value

Receivable and Notes Payable	(27)	139 297 414	-	-	-	-
Cash and cash equivalent	(29)	453 556 610	-	-	-	-
Financial assets at amortized cost	(23)	313 362 040	-	-	-	-
Other current assets	(28)	102 303 632	-	-	-	-
		1 008 519 696	-	-	-	-

Financial liabilities other than fair value

Loans and bank facilities	(36)	629 301 842	-	-	-	-
Lease liabilities	(17)	10 272 473	-	-	-	-
Suppliers, contractors, notes payable and other creditors	(35)	293 907 682	-	-	-	-
		933 481 997	-	-	-	-

43- Capital commitments

Total capital commitments amounting to USD 40 427 871 as of June 30, 2023 (year 2022: an amount of USD 16 469 463), are represented in contributions in property, plant, and equipment and projects under constructions which have not been requested to be paid till the condensed consolidated interim statement of financial position date.

44- Contingent liabilities

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

- Uncovered letters of credit amounting to USD 21 956 254 (year 2022: an amount of USD 29 372 100).
- Letters of guarantee issued by banks in favor of the Group and others amounting to USD 21 226 716 (year 2022: an amount of USD 31 387 835).

45- Tax status

Corporate profit tax

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

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Salary tax

- The tax inspection for salary tax for the period from inception till 2019 was carried out and the final assessment was determined and resulting differences were settled.
- Period from 1/1/2020 to 30/06/2023, the withholding tax is paid monthly on the legal dates.

Stamp tax

- Inspection for the stamp tax from inception till 2016 was carried out and the final assessment was made, and the Company settled the resulting differences.
- Years 2017 till 2019 was carried out, notified and appeal was submitted.
- From 1/1/2020 to 30/06/2023, the tax due is paid on the legal dates.

Property tax

- The company has been notified by the accrued tax related to some properties owned by the company till year 2021 and the due tax is paid.

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

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

- An establishment that, prior to the abnormal exchange rate movements, may have acquired fixed assets, real estate investments, intangible assets (except for goodwill), exploration and development assets, and/or usufruct assets for lease contracts, funded by existing obligations. date in foreign currencies, to recognize within the cost of those assets the debit currency differences resulting from the settled part of these obligations during the financial period to apply this special accounting treatment, in addition to the currency difference resulting from translating the remaining balance of these obligations at the end of December 31, 2022 or at the end of the day of closing the financial statements for the fiscal period to apply this special accounting treatment which extended till December 31,2023.
- The application of this treatment has affected the consolidated financial statements for the fiscal year ending on December 31, 2022, as the additions to projects under construction during 2022 include an amount of \$8.77 million resulting from a revaluation of the balance of a loan in foreign currency that was used to finance the purchase of projects under construction, During the period additions to projects under construction and fixed assets include an amount of 5.32 million US Dollars resulting from a revaluation of the balance of a loan in foreign currency that was used to finance the purchase of these assets.

47- Significant accounting policies applied.

The accounting policies applied when preparing the condensed consolidated interim financial statements on June 30, 2023, are the same accounting policies applied when preparing the annual consolidated financial statements on December 31, 2022, and these policies have been consistently followed for all periods presented in those condensed consolidated interim financial statements on June 30, 2023.

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48-Segment reporting

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

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

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

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

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

The following is a summary of the activities of each disclosed sector:

Sector	Location	Activity
Energy Sector	Egypt - Saudi Arabia - Emirates – others	Gas delivery activities and activities of extraction and development of natural gas wells. Oil exploration and production.
Fertilizers and petrochemicals Sector	Egypt	Production of urea and ammonia Production of formaldehyde flakes, and Formica flakes
Insurance Sector	Egypt	Life, property and liability insurance.
Wood Manufacturing Sector	Egypt	Wood manufacturing.
Others Sectors	Egypt – Spain - Others	Microfinance and consumer finance

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

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Information related to each sector is shown in the following table:

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48- Statement reporting (Contd)

	Energy sector		Chemicals & fertilizers sector		Insurance sector		Wood processing sector		Other operations		Total	
	30/6/2023	30/6/2022	30/6/2023	30/6/2022	30/6/2023	30/6/2022	30/6/2023	30/6/2022	30/6/2023	30/6/2022	30/6/2023	30/6/2022
Revenues	122 644 531	147 533 545	218 074 865	369 686 192	18 902 718	28 442 479	1 116 439	529 465	4 681 472	2 917 744	365 420 025	549 109 425
Net operating profit (loss)	49 577 392	77 246 247	121 715 954	177 597 177	6 297 255	6 873 080	(948 919)	(2 681 826)	(32 471 763)	29 303 286	144 169 919	288 337 964
Finance costs	(4 933 849)	(2 893 906)	(2 359 233)	(2 788 199)	-	-	(301 124)	(75 505)	(22 371 310)	(10 189 606)	(29 965 516)	(15 947 216)
Finance income	1 966 767	876 410	6 940 164	1 023 630	44 126	78 495	63 316	88 174	559 366	304 189	9 573 739	2 370 898
Company's share of profit of equity - accounted investees (associates Companies)	-	-	-	-	814 953	1 014 546	-	-	-	-	814 953	1 014 546
Net profit (loss) for the period before income tax	52 189 252	78 468 046	140 872 906	184 643 769	7 278 775	7 816 364	(3 068 423)	(2 093 274)	(43 110 001)	234 007	154 162 509	269 068 912
Income tax	(5 471 765)	(7 265 310)	(26 498 114)	(44 705 499)	(1 161 122)	(1 241 305)	(89 058)	(10 815)	(49 125)	39 461	(33 269 184)	(53 183 468)
Net profit (loss) for the period	46 717 488	71 202 736	114 374 792	139 938 270	6 117 653	6 575 059	(3 157 481)	(2 104 089)	(43 159 127)	273 468	120 893 325	215 885 444
	30/6/2023	31/12/2022	30/6/2023	31/12/2022	30/6/2023	31/12/2022	30/6/2023	31/12/2022	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Total assets	745 183 385	634 058 852	799 390 845	946 552 851	125 941 441	150 911 870	72 629 712	71 427 871	170 447 606	157 329 652	1 913 592 989	1 960 281 096
Equity - accounted investees (associates Companies)	-	-	-	-	21 640 964	329 711	-	-	-	20 491 371	21 640 964	20 821 082
Total liabilities	296 154 425	459 181 927	154 757 529	185 570 789	89 539 645	107 035 148	41 190 306	44 418 399	726 495 885	321 011 038	1 308 137 790	1 117 217 301
Depreciation and amortization	(18 769 742)	(14 658 725)	(10 328 604)	(10 371 972)	(9 318)	(117 252)	(591 505)	(499 103)	(392 338)	(187 486)	(30 091 507)	(25 834 538)

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49-New versions and amendments to the Egyptian Accounting Standards

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

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
<p>Egyptian Accounting Standard No. (10) amended 2023 "Fixed Assets " and Egyptian Accounting Standard No. (23) amended 2023 "Intangible Assets".</p>	<p>1-These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets.</p> <p>- This resulted in amendment of the paragraphs related to the use of the revaluation model option in some of the applicable Egyptian Accounting Standards, which are as follows:</p> <ul style="list-style-type: none"> -Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". -Egyptian Accounting Standard No. (24) "Income Taxes" -Egyptian Accounting Standard No. (30) "Interim Financial Reporting" -Egyptian Accounting Standard No. (31) "Impairment of Assets" -Egyptian Accounting Standard No. (49) "Leasing Contracts" <p>2-In accordance with the amendments made to the Egyptian Accounting Standard No. (35) amended 2023 "Agriculture", paragraphs (3), (6) and (37) of Egyptian Accounting Standard No. (10) "Fixed assets " have been amended, and paragraphs 22(a), 80(c) and 80(d) have been added to the same standard, in relation to agricultural produce harvested.</p> <p>-The Company is not required to disclose the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No.</p>	<p>Management is currently studying the possibility of changing the applied accounting policy and using the revaluation model option stated in those standards and assessing the potential impact on the financial statements in case of using this option.</p> <p>Management is currently assessing the potential impact on the financial statements from the application of amendments to the standard.</p>	<p>The amendments of adding the option to use the revaluation model are effective for financial periods starting <u>on or after January 1, 2023, retrospectively,</u> cumulative impact of the preliminary applying of the revaluation model shall be added to the revaluation surplus account in equity, at the beginning of the financial period in which the company applies this model for the first time.</p> <p>These amendments are effective for annual financial periods starting <u>on or after January 1, 2023, retrospectively,</u> cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested shall be added to</p>

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	<p>(5) for the current period, which is the period of the financial statements in which the Egyptian Accounting Standard No. (35) amended 2023 and Egyptian Accounting Standard No. (10) amended 2023 are applied for the first time in relation to agricultural produce harvested. However, the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) should be disclosed for each comparative period presented.</p> <p>-The company may elect to measure an agricultural produce harvested item at its fair value at the beginning of the earliest period presented in the financial statements for the period in which the company have been applied the above-mentioned amendments for the first time and to use that fair value as its deemed cost on that date. Any difference between the previous carrying amount and the fair value in the opening balance should be recognized by adding it to the revaluation surplus account in equity at the beginning of the earliest period presented.</p>		<p>the balance of retained earnings or losses at the beginning of the financial period in which the company applies this treatment for the first time.</p>
<p>Egyptian Accounting Standard No. (34) amended 2023 "Investment property".</p>	<p>1- This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property.</p> <p>2- This resulted in amendment of some paragraphs related to the use of the fair value model option in some of the applicable Egyptian Accounting Standards, which are as follows:</p> <p>-Egyptian Accounting Standard No. (1) "Presentation of Financial Statements"</p> <p>-Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors".</p> <p>-Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates"</p> <p>-Egyptian Accounting Standard No. (24) "Income Taxes"</p>	<p>Management is currently studying the possibility of changing the applied accounting policy and using the fair value model option stated in the standard and assessing the potential impact on the financial statements in case of using this option.</p>	<p>The amendments of adding the option to use the fair value model are effective for financial periods starting <u>on or after January 1, 2023,</u> <u>retrospectively,</u> cumulative impact of the preliminary applying of the fair value model shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the</p>

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	<p>-Egyptian Accounting Standard No. (30) "Interim Financial Reporting "</p> <p>-Egyptian Accounting Standard No. (31) "Impairment of Assets"</p> <p>-Egyptian Accounting Standard No. (32) "Non-Current Assets Held for Sale and Discontinued Operations"</p> <p>-Egyptian Accounting Standard No. (49) "Leasing Contracts"</p>		<p>company applies this model for the first time.</p>
<p>Egyptian Accounting Standard No. (36) amended 2023</p> <p>"Exploration for and Evaluation of Mineral Resources"</p>	<p>1- This standard was reissued in 2023, allowing the use of revaluation model when subsequent measurement of exploration and valuation assets.</p> <p>2- The company applies either the cost model or the revaluation model for exploration and valuation assets, the evaluation should carried out by experts specialized in valuation and registered in a register maintained for this purpose at the Ministry of Petroleum, and in the case of applying the revaluation model (whether the model stated in the Egyptian Accounting Standard (10) "Fixed Assets " or the model stated in Egyptian Accounting Standard (23) "Intangible Assets") should consistent with the classification of assets in accordance with paragraph No. (15) of Egyptian Accounting Standard No. (36) amended 2023.</p>	<p>Management is currently studying the possibility of changing the applied accounting policy and using the revaluation model option stated in the standard and assessing the potential impact on the financial statements in case of using this option.</p>	<p>The amendments of adding the option to use the revaluation model are effective for financial periods starting <u>on or after January 1, 2023,</u> <u>retrospectively,</u> cumulative impact of the preliminary applying of the revaluation model shall be added to the revaluation surplus account in equity, at the beginning of the financial period in which the company applies this model for the first time.</p>
<p>Egyptian Accounting Standard No. (35) amended 2023</p> <p>"Agriculture".</p>	<p>This standard was reissued in 2023, where paragraphs (1-5), (8), (24), and (44) were amended and paragraphs (5a) - (5c) and (63) were added, with respect to the accounting treatment of agricultural produce harvested, (Egyptian Accounting Standard (10) "Fixed assets " was amended accordingly).</p>	<p>Management is currently assessing the potential impact on the financial statements from the application of amendments to the standard.</p>	<p>These amendments are effective for annual financial periods starting <u>on or after January 1, 2023,</u> <u>retrospectively,</u> cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested shall be added to</p>

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			the balance of retained earnings or losses at the beginning of the financial period in which the company applies this treatment for the first time.
Egyptian Accounting Standard No. (50) "Insurance Contracts".	<p>1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the company provides appropriate information that truthfully reflects those contracts. This information provides users of the financial statements with the basis for assessing the impact of insurance contracts on the company's financial position, financial performance, and cash flows.</p> <p>2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts".</p> <p>3-Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50).</p> <p>4-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows:</p> <ul style="list-style-type: none"> -Egyptian Accounting Standard No. (10) "Fixed Assets ". -Egyptian Accounting Standard No. (23) "Intangible Assets". -Egyptian Accounting Standard No. (34) " Investment property ". 	Management is currently evaluating the potential impact on the financial statements from the application of the standard.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting <u>on or after July 1, 2024</u> , and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the company should disclose that fact.