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EL-SAEED COMPANY FOR CONTRACTING AND REAL ESTATE INVESTMENT "SCCD" (S.A.E) SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023 TOGETHER WITH LIMITED REVIEW REPORT

El-Saeed Company for Contracting and Real Estate Investment SCCD (S.A.E)

Separate Interim Financial Statements
For The Six Months Ended 30 June 2023
Contents

Translation Of Review Report
Originally Issued in Arabic

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Limited review report on separate interim financial statements

To: The Board of Directors of El-Saeed Company for Contracting and Real Estate Investment"SCCD" (S.A.E)

Introduction

We have reviewed the accompanying separate interim financial position of **El-Saeed Company for Contracting and Real Estate Investment ''SCCD'' (S.A.E)** as of 30 June 2023, as well as the related separate interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these separate interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these separate interim financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not give a true and fair view, in all material respects, of the separate interim financial position of **El-Saeed Company for Contracting and Real Estate Investment 'SCCD' (S.A.E)** as of 30 June 2023 and its separate interim financial performance and its separate interim cash flows for the period then ended in accordance with Egyptian Accounting Standards.

Cairo: 15 August 2023

M. Kassim

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SEPARATE INTERIM STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2023

	Notes	30 June 2023 EGP	31 December 2022 EGP
ASSETS			
Non-current assets			
Fixed assets	(3)	**97,132,026**	91,717,745
Right– of – use assets	(24-1)	**6,728,145**	7,448,029
Investments in subsidiaries and Associate	(4)	**50,749,980**	50,749,980
Total Non-Current Assets		**154,610,151**	149,915,754
Current Assets			
Inventory	(5)	**125,225,968**	87,510,128
Trade and notes receivables	(6)	**1,762,520,966**	1,481,323,361
Housing and development projects	(7)	**125,468,531**	145,507,166
Investments at fair value through profit or loss	(8)	**1,027,495**	7,515,267
Prepayments and other debit balances	(9)	**539,188,856**	428,808,731
Due from Related Parties	(10)	**428,314,961**	412,333,659
Cash on hand and at banks	(11)	**309,162,701**	246,207,161
Total current assets		**3,290,909,478**	2,809,205,473
TOTAL ASSETS		**3,445,519,629**	2,959,121,227
EQUITY AND LIABILITIES			
EQUITY			
Capital	(12)	**730,065,763**	754,785,221
Treasury stocks	(13)	**(2,930,658)**	(15,169,286)
Legal Reserve		**32,433,664**	27,396,293
Finance Reserve for Real estate Projects		**293,362**	293,362
Capital Reserve		**1,588,983**	1,588,983
Foreign currency translation reserve	(1)	**(15,659,641)**	(17,508,768)
Retained earnings		**360,628,383**	270,736,242
Profit for the period / year		**67,919,059**	100,747,424
TOTAL EQUITY		**1,174,338,915**	1,122,869,471
LIABILITIES			
Non-Current Liabilities			
Deferred Tax Liabilities	(14)	**6,700,523**	8,069,334
Non-current portion of lease liabilities	(24-2)	**2,703,309**	3,680,437
Total non-current liabilities		**9,403,832**	11,749,771
Current liabilities			
Provisions	(15)	**403,306**	403,306
Credit facilities	(16)	**1,515,779,751**	1,104,565,415
Trade payable, Constructors and notes payable	(17)	**439,377,426**	377,848,588
Accruals and other credit balances	(18)	**65,183,731**	70,003,400
Advances from customers	(19)	**216,436,116**	228,911,655
Taxes Liabilities	(20)	**22,271,423**	40,468,362
Current portion of lease liabilities	(24-2)	**1,925,125**	1,901,255
Dividend Creditors		**400,004**	400,004
Total current liabilities		**2,261,776,882**	1,824,501,985
TOTAL LIABILITIES		**2,271,180,714**	1,836,251,756
TOTAL LIABILITIES AND EQUITY		**3,445,519,629**	2,959,121,227

Chief Financial Officer	Managing Director	Managing Director
Ayman Abd El Sattar Abd El Gawad	Tariq Abdel Jalil	Essam Sayed El-Shimi

- The accompanying notes from (1) to (31) form an integral part of these separate interim financial statements
- "Limited review report attached"

SEPARATE INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Note	**For the six months ended 30 June 2023**	For the six months ended 30 June 2022	**For the three months ended 30 June 2023**	For the three months ended 30 June 2022
		EGP	EGP	**EGP**	EGP
Revenues	(21)	**1,310,506,170**	1,028,794,403	**582,569,231**	541,148,898
Cost of Revenues	(22)	**(1,071,469,201)**	(856,709,711)	**(475,837,650)**	(450,340,968)
GROSS PROFIT		**239,036,969**	172,084,692	**106,731,581**	90,807,930
General and administrative Expenses	(23)	**(34,072,217)**	(35,013,511)	**(12,571,980)**	(9,638,127)
Expected Credit Loss in Trade and notes receivable	(6)	**(3,540,702)**	(2,170,000)	**(2,445,654)**	(1,320,000)
Expected Credit Loss in due from related parties balance	(10)	**(218,698)**	-	**(324,000)**	-
Other Operating income		**5,969,481**	11,530,056	**3,921,374**	4,947,877
Board of Directors' remunerations and allowances		**(3,541,500)**	(2,597,238)	**(1,778,175)**	(1,355,863)
operating Profit		**203,633,333**	143,833,999	**93,533,146**	83,441,817
Finance Cost	(25)	**(138,063,406)**	(43,797,705)	**(76,560,464)**	(25,469,410)
Finance Income		**4,320,222**	1,814,228	**2,681,462**	574,670
Investment at fair value through profit or loss valuation difference	(8)	**13,440**	5,376	**(88,360)**	5,376
Gain from sale of investment at Fair Value through profit or loss	(8)	**389,101**	-	**-**	-
Foreign exchange difference		**19,356,719**	6,890,703	**1,175,100**	1,167,085
Profit before Income Taxes For the period		**89,649,409**	108,746,601	**20,740,884**	59,719,538
Income Taxes	(14)	**(21,730,350)**	(28,661,829)	**(5,054,739)**	(15,545,724)
(Profit) For the period		**67,919,059**	80,084,772	**15,686,145**	44,173,814
Earnings per share for the period Basic and Diluted	(26)	**0.08**	0.092	**0.015**	0.048

Chief Financial Officer	**Managing Director**	**Managing Director**
Ayman Abd El Sattar Abd El Gawad	**Tariq Abdel Jalil**	**Essam Sayed El-Shimi**

- The accompanying notes from (1) to (31) form an integral part of these separate interim financial statements.

SEPARATE INTERIM STATEMENT OF COMPIREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2023

	For the six months ended 30 June 2023	For the six months ended 30 June 2022	**For the three months ended 30 June 2023**	For the three months ended 30 June 2022
	EGP	EGP	**EGP**	EGP
Profit For the period	**67,919,059**	80,084,772	**15,686,145**	44,173,814
Foreign currency translation reserve	**1,849,127**	3,966,939	**664,391**	1,004,177
Total comprehensive income for the Period	**69,768,186**	84,051,711	**16,350,536**	45,177,991

-The accompanying notes from (1) to (31) form an integral part of these separate interim financial statements.

SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Capital	Treasury Shares	Legal Reserve	Finance Reserve from Real estate Projects	Capital Reserve	Net Exchange Translation F.S	Retained Earnings	(Profit) for the period	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balances as of 1 January 2023	754,785,221	(15,169,286)	27,396,293	293,362	1,588,983	(17,508,768)	270,736,242	100,747,424	1,122,869,471
Transferred to Retained Earnings and legal reserve	-	-	5,037,371	-	-	-	95,710,053	(100,747,424)	-
Dividends for year 2022	-	-	-	-	-	-	(15,368,084)	-	(15,368,084)
Write-off treasury stocks	(24,719,458)	15,169,286	-	-	-	-	9,550,172	-	-
Purchasing of Treasury Shares	-	(2,930,658)	-	-	-	-	-	-	(2,930,658)
Foreign currency translation reserve	-	-	-	-	-	1,849,127	-	-	1,849,127
Profit for the period	-	-	-	-	-	-	-	67,919,059	67,919,059
Balance as of 30 June 2023	**730,065,763**	**(2,930,658)**	**32,433,664**	**293,362**	**1,588,983**	**(15,659,641)**	**360,628,383**	**67,919,059**	**1,174,338,915**
Balances as of 1 January 2022	761,915,221	(9,596,533)	23,343,194	293,362	1,588,983	(23,213,525)	202,819,785	81,061,988	1,038,212,475
Transferred to Retained Earnings and legal reserve	-	-	4,053,099	-	-	-	77,008,889	(81,061,988)	-
Dividends for the year 2021	-	-	-	-	-	-	(11,532,746)	-	(11,532,746)
Retired treasury stocks	(7,130,000)	4,689,686	-	-	-	-	2,440,314	-	-
Purchasing Of Treasury Shares	-	(3,707,808)	-	-	-	-	-	-	(3,707,808)
Foreign currency translation reserve	-	-	-	-	-	3,966,939	-	-	3,966,939
Profit for the period	-	-	-	-	-	-	-	80,084,772	80,084,772
Balance as of 30 June 2022	754,785,221	(8,614,655)	27,396,293	293,362	1,588,983	(19,246,586)	270,736,242	80,084,772	1,107,023,632

-The accompanying notes from (1) to (31) form an integral part of these separate interim financial statements.

SEPARATE INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Note	For the six months ended 30 June 2023 EGP	For the six months ended 30 June 2022 EGP
Cash flows from operating activities			
Profit for the period before income taxes		**89,649,409**	108,746,601
Depreciation of fixed assets	(3)	**7,861,469**	6,773,206
Amortization of right-of-use assets	(24)	**719,884**	747,004
Expected Credit Loss in Trade and notes receivable	(6)	**3,540,702**	2,170,000
Expected Credit Loss in due from related parties balance	(10)	**218,698**	-
Investment at fair value through profit or loss valuation difference	(8)	**(13,440)**	(5,376)
Gain from sale of investment at Fair Value through profit or loss	(8)	**(389,101)**	-
Finance Cost		**138,063,406**	43,797,705
Finance Income		**(4,320,222)**	(1,814,228)
Operating profit (loss) before changes in working capital		**235,330,805**	160,414,912
Changes in Inventory	(5)	**(37,715,840)**	(71,702,360)
Changes in Housing & Development Projects	(7)	**20,038,635**	28,280,046
Changes in Trade and Notes Receivable	(6)	**(284,738,307)**	(303,471,793)
Changes in Due from Related Parties	(10)	**(16,200,000)**	(56,080,802)
Changes in Investments at fair value through profit or loss	(8)	**6,890,313**	(231,811)
Changes in Prepayments and other debit balances	(9)	**(110,310,706)**	(2,221,584)
Changes in Trade payable, Constructors and notes payable	(17)	**61,528,838**	(22,569,573)
Changes in Accruals and other credit balances	(18)	**(4,819,669)**	5,668,978
Changes in Advances from customers	(19)	**(12,475,539)**	11,633,509
Income taxes paid	(20)	**(40,468,362)**	(27,444,591)
Net cash flows provided from (used in) operating activities		**(182,939,832)**	(277,725,069)
Cash flows from investing activities			
Payments to acquire fixed assets	(3)	**(13,272,442)**	(5,826,646)
Finance income received		**4,250,803**	1,882,091
Net cash flow (used in) investing activities		**(9,021,639)**	(3,944,555)
Cash flows from finance activities			
Proceeds from credit facilities		**411,214,336**	319,541,523
Payments of treasury stocks	(13)	**(2,930,658)**	(3,707,808)
Finance Cost paid		**(138,063,406)**	(43,797,705)
Payments of Lease Liabilities		**(953,258)**	(1,440,748)
Dividend paid		**(15,368,084)**	(11,070,860)
Net cash flows (used in) provided from financing activities		**253,898,930**	259,524,402
Net changes in cash and cash equivalent during the period		**61,937,459**	(22,145,222)
Foreign currency translation reserve		**1,018,081**	3,910,507
Cash and cash equivalent – beginning of the Period		**246,207,161**	117,013,029
Cash and cash equivalent – end of the period	(11)	**309,162,701**	98,778,314

- The accompanying notes from (1) to (31) form an integral part of these separate interim financial statements.

1- Background

El Saeed Contracting and Real Estate Investment Company 'SCCD' was established by Ministerial Resolution No. 322 of March 9, 1964 under the name of El Saeed Contracting Company, established in accordance with the work of the laws in force in the Arab Republic of Egypt and subject to the provisions of the Joint Stock Companies Law No. 159 of 1981 amended by Law No. 3 of 1998 and its executive regulations, as well as the provisions of Law No. 95 of 1992 issuing The Capital Market Law and its executive regulations. The company's address is 5, 26th of July Street, Abdeen, Cairo.

The company was registered under in the Commercial Register under No. 31822- on 4 October 1997 at the South Giza Office.

The company is a member of the Egyptian Union of Construction and Building Contractors and is registered with it under No. (22) And classified as First Class.

The company was listed on the stock exchange on 7 December 1997.

The company is currently engaged in carrying out public and private contracting works, utilities and covered banks, managing, operating and extracting building materials and stone materials (gravel, sand, sand, marble, granite ... etc.) Buying and selling lands, units, division operations, tourist villages, land reclamation, cultivation and sale, and the necessary infrastructure work. Doing everything related to the purpose of the company in terms of industries and services, and carrying out import and export business. And carrying out building works, integrated regular construction works, foundation works, metal construction works, and complementary (specialized) works. Carrying out the work of water and sewage stations and networks, gas and fuel networks, water desalination plants, carrying out public works, and hydro and thermal power stations. Carrying out the implementation of roads, bridges, railways, airports and infrastructure projects. Carrying out tunnels and wells of all kinds. Carrying out marine, river and dredging works, which are represented in the implementation of (sea ports, river anchors, bumpers, construction and expansion of waterways and converting them into navigational channels, marine and river dredging works and purification of drains). Carrying out electromechanical and electronic works, supplying and installing light current, carrying out works for implementing industrial and petroleum projects, digging wells and laying pipelines in various fields, carrying out trade in all building materials, executing projects and contracting assigned by third parties, considering the provisions of the laws and regulations in force, and provided that the necessary licenses are obtained to practice the activity. It has an interest or participates in any way with entities that carry out business similar to its business or that assist it in achieving its purpose in Egypt or abroad. It may also merge with, purchase or affiliate with the aforementioned organizations, in accordance with the provisions of Law No. 159 of 1981 and its regulations executive.

The separate interim financial statements for the six months ended 30 June 2023 were approved by the board of Directors resolution on 15 August 2023.

The parent company is Pioneers Properties for Urban Development Company (Egyptian Joint Stock Company).

Company branch

The company has a branch in the Kingdom of Saudi Arabia, and the financial statements of the branch are included in the financial statements of the company, and the translation differences are included in a separate item within the statement of comprehensive income in equity.

2- Significant Accounting Policies

2-1 Basis of preparation the financial statements

The financial statements have been prepared under the going concern assumption on a historical cost basis, except for financial assets and Investments at fair value through profit or loss, and Investments at fair value through comprehensive income measured at fair value.

Statement of compliance

The financial statements of the Company have been prepared in accordance with the Egyptian Accounting Standards and the applicable laws and regulations.

Changes in accounting policies

Accounting policies applied this period is the same as in the previous periods.

As of 6 March 2023, the Prime Minister issued decree No. (883) for the year 2023, to amend some Egyptian Accounting Standards, given that these adjustments did not affect the financial statements issued as of 30 June 2023 as explained in note (31).

Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the values of revenues, expenses, assets, and obligations included in the financial statements and the accompanying disclosures, as well as the disclosure of potential liabilities at the date of the financial statements. Uncertainty surrounding these assumptions and estimates may result in outcomes that require a material adjustment to the carrying amount of the affected assets and liabilities in future periods.

Estimates and associated assumptions are reviewed on an ongoing basis. Amendments to accounting estimates are recognized in the year in which the estimates are revised.

The following are the main judgments and estimates that have a material impact on the company's financial statements:

2-2-1 Judgments

Recognition of revenue arising from the sale of products

When making its own judgments, the management considered the detailed requirements for recognizing revenue arising from the sale of products as set out in Egyptian Accounting Standard No. (48) Revenue from Customers, especially with regard to what If the company has transferred significant risks and rewards to the buyer Contracts arising from the ownership of real estate units.

2-2-2 Estimates

Impairment of customer and other debit balances

An estimate of the collectible amount of customer and other debit balances is made when collection of the full amount is no longer expected. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the time that has elapsed since the due date, based on historical recovery rates.

2-2 Significant accounting judgments and estimates (continue)

2-2-2 Estimates (continue)

The useful life of fixed assets

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

Tax

The company for the income tax imposed in Egypt. Significant judgments must be made in determining the total provisions for current and deferred taxes. The company has made the provisions, based on reasonable estimates, considering the potential consequences of the examinations conducted by the tax authorities in Egypt. The amount of this provision is based on several factors, including experience with previous tax examinations and differing interpretations of tax regulations by the Company and the responsible tax authority. Such differences of interpretation may arise in several subjects, according to the prevailing conditions in Egypt at the time.

Deferred tax assets are recognized for unused and carried forward tax losses so that they are likely to be offset by taxable profits that these losses can be used to cover. It is imperative that significant management judgment determines the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits together with planning strategies tax future.

Impairment of non-financial assets

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

2-3 Summary of significant accounting policies

2-3-1 Recognition of revenue from contracts with clients

The Egyptian Accounting Standard "Revenue from Contracts with Customers" No. (48) Establishes a five-step model that is applied to revenue arising from contracts with customers as follows:

Step 1: Define the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates Enforceable rights and obligations it clarifies the foundations and criteria that must be met for each contract

Step 2: Determine the performance obligations in the contract a performance obligation is a commitment stipulated in the contract a contract with the customer to transfer a good or service to the customer

Step3: Determine the transaction price: It represents the transaction price the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer, except for amounts collected on behalf of third parties.

2-3 Summary of significant accounting policies(continued)

2-3-1 Recognition of revenue from contracts with clients(continued)

Step 4: Allocate the transaction price to the performance obligations in the contract. For contracts that contain more than one performance obligation, the Group will allocate the transaction price to each performance obligation in the amount to which the Group expects to be entitled in return for satisfying each performance obligation.

Step5: Recognize revenue when the entity fulfills the performance obligation.

The company fulfills the performance obligation and recognizes revenue over a period of time if one of the controls is met next:

A. no performance of the Company creates and the Company has an enforceable right to payment for performance completed to date

B. the Company's performance creates or improves the asset that the customer controls at the same time that the asset is built and improved.

C. The customer simultaneously receives and consumes the benefits provided by the entity's performance as long as the firm performs. For performance obligations, if any of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Contracting revenue

Revenues from construction contracts include the initial value of each construction contract in addition to order changes, incentives, or subsequent claims, provided that sufficient expectation exists for the realization of that value and the reliability of its estimate.

Where the results of the contract can be reliably estimated, revenues from construction contracts are recognized in accordance with the percentage of completion method according to the nature of the contract as follows:

- Long-term contracts: The percentage of completion is determined according to limitation of the executed works method. The contract costs incurred to meet this revenue are recognized.
- Short-term contracts: Short-term contract revenue is recognized in accordance with accounting for the work performed method and the actual costs incurred to meet the revenue.

Where a contract revenue cannot be reliably estimated, revenue is recognized within the limit of the actual cost incurred and is expected to be recovered.

Any expected loss of the contract is recognized as an expense in the event that the expected total cost of the contract is likely to exceed the total revenue of the contract irrespective to the percentage of completion of the contract.

Any increase (decrease) in the value of income calculated according to the percentage of completion than the actual bill of progress issued to the client is charged to the clients' account.

2-3-2 Borrowings

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in the statement of income.

2-3-3 Cost of borrowings

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

Capitalization cost of borrowing expenses should be stopped during the periods which the contract process for the assets is postponed.

2-3-4 Income Taxes

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

Current income taxes

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

Deferred income taxes

Deferred income tax is recognized using the liability method on temporary differences between the amount attributed to an asset or liability for tax purposes (tax base) and it's carrying amount in the statement of financial position (accounting base) using the applicable tax rate.

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

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

2-3-5 Fixed assets

Fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses, Such cost includes the cost of replacing part of the Fixed assets when the cost is incurred, if the recognition criteria are met, likewise, when a major improvement is performed, its cost is recognized in the carrying amount of the Fixed assets as a replacement if the recognition criteria are satisfied, all other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

Depreciation of an asset begins when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is computed using the straight-line method according to the estimated useful life of the assets as follows:

	The years
Buildings, constructions and facilities	10-50
Machinery and equipment	5-20
Transportation & vehicles	10-20
Furniture and office supplies	10-17
Wood	2.5-10
Tools	2.5- 20

Fixed assets are derecognized upon disposal or when no future economic benefits are expected from its use or disposal, any gain or loss arising on derecognizing of the asset is included in the statement of profit or loss when the asset is derecognized. The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end.

The Company assesses at each reporting date whether there is an indication that Fixed assets may be impaired, Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, impairment loss is recognized in the statement of profit or loss.

2-3 Summary of Significant Accounting Policies (continued)

2-3-5 Fixed assets (continued)

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

2-3-6 Projects under construction

Projects under construction represent the amounts that are incurred for the purpose of constructing or purchasing assets until it is ready to be used in the operation, upon which it is transferred to relevant asset category. Projects under construction are valued at cost less decline in value.

2-3-7 Impairment

Impairment of financial assets

The Company assesses at each statement of financial position date whether there is any objective evidence that a financial asset or a group of financial assets is impaired, a financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Impairment of non-financial assets.

The Company assesses at each reporting date whether there is an indication that an asset may be impaired, where the carrying amount of an asset or cash-generating unit's (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, impairment losses are recognized in the statement of profit or loss.

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

2-3-8 Cash and cash equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalents include cash in hand, current accounts in banks and time deposits that mature within three months.

2-3-9 Accounts payable and other credit balances

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

2-3-10 Provisions

Provisions are recognized when the company has a current legal or constructive obligation as a result of a past event, and with it it is expected that this will require an outflow of economic resources to settle the obligation, with the ability to make a reliable estimate of the amount of the obligation, and the provisions are reviewed on the date of the balance sheet and adjusted to show the current best estimate and when If the effect of the time value of money is material, the amount recognized as a provision should be the present value of the expenditure expected to be required to settle the obligation.

2-3 Summary of significant accounting policies(continued)

2-3-11 Foreign Currency Translation

- The financial statements are prepared and presented in Egyptian pound, which is the Company's functional currency.
- Transactions in currencies other than Egyptian pound are initially recorded using the prevailing exchange rates on the transaction date.
- Monetary assets and liabilities denominated in currencies other than Egyptian pound are retranslated using the exchange rates prevailing at the statement of financial position date, all differences are recognized in the statement of profit or loss.
- Nonmonetary items that are measured at historical cost in currencies other than Egyptian pound are translated using the exchange rates prevailing at the date of the initial recognition.
- Nonmonetary items measured at fair value in currencies other than Egyptian pound are translated using the exchange rates prevailing at the date when the fair value is determined.

2-3-12 Related parties' transactions

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

2-3-13 **Statement of cash flows**

The statement of cash flows is prepared using the indirect method.

2-3-14 Expenses

All expenses including operating expenses, general and administrative expenses and other expenses are recognized and charged to the statement of profit or loss in the financial year in which these expenses were incurred.

2-3-15 Inventory

Inventory items are valued as follows:

A - Raw materials and packaging materials at cost using the weighted average method) or net realizable value, whichever is less.

B - Spare parts at actual cost using the weighted average method or net realizable value, whichever is less.

C - Fuel and supplies at cost using the weighted average method (weighted average or net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost necessary to complete the sale.

A decrease in the value of inventories to net value is recognized in the cost of sales in the statement of profit or loss in the year in which the decline or loss occurred. The refund of the decrease in the inventory resulting from the increase in the net realizable value is recognized in the profit or loss statement as a reduction from the cost of sales in the year in which the refund occurred.

2-3 Summary of significant accounting policies(continued)

2-3-16 Housing and Development projects (incomplete - complete)

Incomplete projects

It includes the cost of acquiring land for use in construction and housing projects, in addition to all costs related to the development and development of that land, as well as the construction cost of units that have not reached the completion stage.

Completed projects

It includes the cost of acquiring the land and the cost of preparing, developing, developing and providing it with facilities, as well as the cost of construction that may be built on it and other costs incurred by the facility to bring it to a condition that makes it usable. On the date of the financial position, housing and construction projects are evaluated according to cost or net realizable value, whichever is less, and charge the profit or loss statement with the value of impairment for cost, if any.

2-3-17 Accounts receivable and other debit balances

Accounts and other receivables are stated at original invoice amount net of any impairment losses.

Impairment losses are measured as the difference between the accounts and other receivables carrying amount and the present value of estimated future cash flows, the impairment loss is recognized in the statement of profit or loss, reversal of impairment is recognized in the statement of profit or loss in the year in which it occurs.

2-3-18 Investments

Investments at fair value through profit or loss

Investments at fair value through profit or loss are financial assets classified according to fair value model, as either held for trading acquired for the purpose of selling in the near term or financial assets designated upon initial recognition at fair value through profit or loss.

Investments at fair value through profit and loss are initially recognized at fair value.

Investments at fair value through profit and loss are carried in the financial position at fair value with gains or losses recognized in the statement of profit or loss.

Gains or losses from sale of an investments at fair value through profit or loss shall be recognized in the statement of profit or loss.

Investments in subsidiaries

Investments in subsidiaries are investments in entities which the company has control, Control is presumed to exist when the parent has direct or indirect control through subsidiaries on the investee having the power to control the financial and operating policies of the company to benefit from its operations, unless, in exceptional circumstances, it can be clearly demonstrated that this is not the case.

Investments in subsidiaries are accounted for in the separate financial statements at cost inclusive transaction cost and in case the investment is impaired, the carrying amount is adjusted by the value of this impairment and is charged to the separate statement of profit or loss for each investment separately.

Investments in associate companies

Investments in associate companies are investments in companies in which the company has significant influence, but it is not a subsidiary company nor is it a share in a joint venture. Significant influence is assumed when the company owns, directly or indirectly through its subsidiaries, 20% or more of the voting rights of the investee, except where it is clearly demonstrated that such ownership does not constitute significant influence.

2-3-18 Investments (Continue)

Investments in associate companies are accounted for in the independent financial statements using Acquisition cost. According to the equity method, the investment in any associate company is initially recorded at cost, then the investment balance is increased or decreased to record the company's share of the investee company's profits or losses after acquisition, and the company's share in the investee company's profits or losses is recognized within the company's profits or losses the investment balance is reduced by the value of the dividends obtained from the investee company.

2-3-19 Lease contracts

Contract is defined to be (or include) a lease contract based on its contents, The contract is a lease contact or include a lease contract if it transfers the control over the use of the asset described for a period for a price.

At the commencement of the contract, lease is classified as a financial lease or operating lease; where the contract is classified as a financial lease if it transfers in a material respect mostly all the risks and rewards from owning the contractual asset and classified as an operating lease if it doesn't transfer in a material respect mostly all the risks and rewards from owning the contractual asset.

At the commencement of the contract, asset is measured (right of use) at cost, where cost includes all initiation costs incurred to prepare the asset to the condition required as per the contract.

The lease liability is measured by the fair value of the unpaid lease payments at the date, deducting the lease payments using the imbedded interest in the contract, if it can be easily measured, or using interest on extra lending for the lessor if it can't be measured, in addition to any other variable payments, expected payments, and price for the right of purchasing the asset, according to the contract.

Interest on lease payments, or any variable payments not included in the measurement of the lease liability is included in the statement of profits or losses.

If the lease contract transfers the ownership of the asset, or the asset cost reflects the right of purchasing the asset, the asset is amortized over its useful life (right of use), and except for that, the asset is amortized (right of use) starting from the contract commencing date till its useful life (right of use) or the end of the contract date, whichever is shorter.

The Company assesses at each reporting date whether there is an indication that asset may be impaired, Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, impairment loss is recognized in the statement of profits or losses.

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

2-3 Summary of Significant Accounting Policies (Continue)

2-3-20 Social insurance

The company makes contributions to the General Pension and Social Security Authority and is calculated as a percentage of the employees' salaries. The company's obligations are limited to these contributions, which are charged to expenses when due.

2-3-21 Legal reserve

According to the Company's articles of association, 5% of the profits are transferred to the legal reserve until this reserve reaches 50 % of the capital, the reserve is used upon a decision from the general assembly meeting according to board of directors' suggestion.

2-3-22 Fair value measurement

Fair value is the price that a company would receive to sell an asset or the consideration paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the principal market for the asset or liability or the market in which the asset or liability has the most interest.

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

Measurement at the fair value of a non-financial asset considers the market participant's ability to generate economic benefits by using the asset to the maximum extent acceptable or by selling it to another market participant who would use the asset to its maximum potential.

For assets traded in an active market, fair value is determined by reference to quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for similar items with similar terms and risk characteristics.

As for unlisted assets, the fair value is determined by reference to the market value of a similar asset or based on the expected discounted cash flows.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are classified into material categories on the fair value measurement as a whole:

• Level 1: using trading prices (unadjusted) for identical assets or liabilities in active markets

. Level 2: Using inputs other than the trading prices given in Level 1, but observable for the asset or liability directly (ie prices) or indirectly (ie derived from prices).

Level 3: using valuation techniques that include inputs to the asset or liability that are not based on observable market data.

2-3 Summary of Significant Accounting Policies (Continue)

2-3-22 Fair value measurement (Continue)

With regard to assets and liabilities that are recognized in the financial statements on a recurring basis, the entity determines whether transfers have occurred between the three levels of the hierarchy by

Re-evaluating the classification at the end of the reporting period.

For the purposes of fair value disclosures, the company has developed categories of assets and liabilities based on their nature, characteristics, risks associated with each of them and the level at which they are classified in the fair value hierarchy as shown above.

Preparing the financial statements in accordance with Egyptian accounting standards requires management to make estimates and assumptions that affect the values of assets, liabilities, revenues and expenses during the financial years, and the actual results may differ from those estimates.

2-3-23 Financial Instruments

A- Initial Recognition

The institution is to recognize in the balance sheet the financial asset, or liability only when the institution is a contractual part in a financial instrument.

At initial recognition the financial asset, or liability is measured at fair value if they are classified as financial assets, or liabilities at fair value through profits or losses.

At initial recognition, the financial assets classified as financial assets at fair value through other comprehensive income, and financial assets at amortized cost are recognized at fair value plus the transaction cost.

At initial recognition, the financial liabilities classified as amortized cost are recognized at fair value minus the transaction cost

B- Classification and measurement of financial assets and liabilities

The Egyptian standard number (47) – Financial Instruments include three main categories based on the subsequent measurement for the financial assets, as follows:

- Financial assets by amortized cost.
- Financial assets at fair value through other comprehensive income.
- Financial assets through profits or losses.

In general, the classification of the financial assets as per the Egyptian standard number 47 – Financial Instruments is based on the business model managing the financial asset and related contractual cash flows.

Financial assets are classified based on amortized cost, or fair value through other comprehensive income, or fair value through profits or losses.

The financial asset is classified based on the business model managing the financial asset and related contractual cash flows.

Financial assets are measured by amortized cost, if two conditions were met, and if was not measure by fair value through profits or losses.

2-3 Summary of Significant Accounting Policies (Continue)

2-3-23 Financial Instruments (Continue)

- The asset is included in a business model planning to keep the asset for its contractual future cash flows.
- The asset contractual conditions generate cash flows in specific dates, based on only the asset and related interest payments for the principal amount due.
- The debt instrument is measured at fair value through other comprehensive income, if two conditions were met, and if was not measured by fair value through profits or losses.
- The asset is included in a business model. Its goal is to collect contractual cash flows and sale of the financial asset.

The asset contractual conditions generate cash flows in specific dates, based on only the asset and related interest payments for the principal amount due.

- The financial asset must be measured at fair value through profits or losses, if not measured by the amortized cost, or at fair value through comprehensive income.

The institution can, without recourse, assign a financial asset to be measured at fair value through profits or losses, if this would materially result in reducing the volatility of measurement and recognition.

The institution must classify all its assets to be subsequently measure at amortized cost, except for the following:

- Financial liabilities at fair value through profits or losses, where those kinds of liabilities and related derivatives represent these liabilities, subsequently, at fair value.
- Financial liabilities resulting from financial asset not qualified to be disposed from books, or when continuous interference is not applicable, in accordance with the Egyptian accounting Standards, like those financial liabilities.
- Financial guarantee contracts: after initial recognition, the issuer must subsequently measure the contract in accordance with the Egyptian Accounting Standards, by the lager one of the two following amounts:
  A. Impairment loss in accordance with Egyptian accounting standard.
  B. Or the recognized balance- initially minus, when it is applicable, the consolidated income balance recognized in accordance with the Egyptian Accounting Standard number (48).
- Granting loans engagements with a lower interest than the market: the issuer must in accordance with the Egyptian Accounting Standards, by the lager one of the two following amounts:
  A. Impairment loss in accordance with Egyptian accounting standard.
  B. Or the recognized balance- initially minus, when it is applicable, the consolidated income balance recognized in accordance with the Egyptian Accounting Standard number (48).
- Expected return recognized by the acquirer through consolidation applied by the Egyptian accounting Standard number (29), where subsequent measurement for such return must be in fair value, with changes are to be recognized through profits and losses.
- The institution can, without recourse, assign a financial asset to be measured at fair value through profits or losses, when applicable by the Egyptian Accounting Standards, or when it results in better information, for:
  A. Eliminate, or materially reduce – the measurement or recognition non-steadiness (shown as – sometimes- as "accounting non uniformness"), resulting from, except from that, measuring the assets and liabilities, or profits or losses recognition, from it, on different bases.

2-3-23 Financial Instruments (continue)

B. There were other financial liabilities, or financial assets, managed and performance valuated based on fair value bases, in accordance with the approved strategy for managing risks and investments; and internally, information is presented for this group on this base to the top management of the institution (also as defined in the Egyptian accounting standard number (15) "Disclosing the Related Party", example, the institution board of directors and the managing president.

Classification of the financial assets and liabilities for the company in accordance with the Egyptian accounting standard number (47) "Financial Instruments".

Financial Statements items	Classification as per Standard number "47"
Cash on hand and at banks	Amortized cost
Investments at fair value through profit or loss	Fair value
Due to/from related parties	Amortized cost
Prepayments and other debit balances	Amortized cost
Accruals and other credit balances	Amortized cost
Lease liability	Amortized cost
Loans and Credit Facilities	Amortized cost

Financial Assets and Liabilities – re-classification:

Financial instruments are re-classified only when the financial model of the portfolio as a total change.

C. Impairment of financial assets value

The "Expected Credit Loss" model is applied on the financial assets measured at amortized cost, and contractual assets, and debt investments, at fair value through other comprehensive income, but not based on investments in equity.

The company evaluates all available information, including future-based information for the expected credit losses related to the included assets at amortized cost.

The "Expected Credit Loss" model is based on whether there is an increase in the expected credit losses. And to valuate if there is a material increase in credit risk, the failure to pay risk, at the separate financial statements date, is compared with the failure to pay risk at the initial recognition date, according to all the available information, and reasonable supporting future information.

As for only trading debtors' balances, due from related parties, and cash and cash equivalent, the company recognize the expected credit losses according to simple approach as per Egyptian Accounting Standard number (47).

The simple approach for recognizing expected credit losses, don't require the company to track the credit risk changes, but it can recognize impairment losses according to the permanent expected credit losses, at the preparation date of the separate financial statements.

The impairment in the credit losses value guide may include indicators showing that debtors or group of debtors are facing material financial problems, or failure, or delay in profits or principal payment, or liquidation problem, or any other financial restructuring, and as the observable information are showing a measurable impairment in the expected future cash flows, like, delays variables, or economic conditions related to payment failure. The trading debtors are audited in kind, depending on each situation, to detect if there is any reason for disposal.

The company measures the expected credit losses through considering payment failure risks during the contractual period, and includes, during measurement, the future information.

D- Disposing of the financial asset from the books

The institution is to dispose of the financial assets from the books, only when:

- The contractual rights of the financial asset cash flows are over, or
- The institution transfers the financial asset.

The institution must dispose of the financial assets from the books (or part of the financial liability) from the balance sheet, when only it is reconciled – meaning that, the liability is paid to the contractual exact time, or canceled, or expired.

3- Fixed Assets (Net)

	Buildings	Machinery and Equipment	Vehicles	Furniture	Woods	Tools	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost							
1 January 2023	11,861,756	77,958,488	14,252,100	12,299,573	35,999,690	17,854,690	170,226,297
Additions	-	-	-	525,561	8,946,251	3,800,630	13,272,442
Foreign currency translation reserve	-	-	-	714,274	-	976,510	1,690,784
June 30, 2023	11,861,756	77,958,488	14,252,100	13,539,408	44,945,941	22,631,830	185,189,523
Accumulated depreciation							
1 January 2023	(3,698,128)	(32,703,906)	(9,478,228)	(6,639,762)	(17,143,178)	(8,845,350)	(78,508,552)
Depreciation for the period	(252,840)	(2,460,794)	(349,473)	(418,288)	(3,536,646)	(843,428)	(7,861,469)
Foreign currency translation reserve	-	-	-	(710,997)	-	(976,479)	(1,687,476)
June 30, 2023	(3,950,968)	(35,164,700)	(9,827,701)	(7,769,047)	(20,679,824)	(10,665,257)	(88,057,497)
Net book value							
As of 30 June 2023	**7,910,788**	**42,793,788**	**4,424,399**	**5,770,361**	**24,266,117**	**11,966,573**	**97,132,026**

- There is no mortgage over the ownership fixed assets.
- The depreciation has been loaded with the profit or loss statement as follows:

	For the six months ended 30 June 2023	For the six months ended 30 June 2022
	EGP	EGP
Cost Of Contracting and Concrete Stations (Note 22)	**7,727,829**	6,413,008
General and administrative Expenses (Note 23)	**133,640**	360,198
	7,861,469	6,773,206

2- Fixed Assets (cont'd)

	Buildings	Machinery and Equipment	Vehicles	Furniture	Woods	Tools	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost							
1 January 2023	11,267,816	64,577,104	13,243,840	10,289,066	29,451,366	13,687,330	142,516,522
Transfer Right-of-Use Assets (Note 24)	-	10,985,534	-	-	-	-	10,985,534
Additions during the Period	593,940	2,395,850	1,110,260	982,392	6,548,324	2,761,784	14,392,550
Disposals during the Period	-	-	(102,000)	-	-	-	(102,000)
Foreign currency translation reserve	-	-	-	1,028,115	-	1,405,576	2,433,691
31 December 2022	11,861,756	77,958,488	14,252,100	12,299,573	35,999,690	17,854,690	170,226,297
Accumulated Depreciation							
1 January 2022	(3,230,068)	(25,443,513)	(8,842,476)	(4,832,958)	(10,995,804)	(6,134,889)	(59,479,708)
Transfer Right-of-Use Assets (Note 24)	-	(2,609,064)	-	-	-	-	(2,609,064)
Depreciation during the period	(468,060)	(4,651,329)	(715,312)	(789,824)	(6,147,374)	(1,310,037)	(14,081,936)
Depreciation for Disposals during the Period	-	-	79,560	-	-	-	79,560
Foreign currency translation reserve	-	-	-	(1,016,980)	-	(1,400,424)	(2,417,404)
31 December 2022	(3,698,128)	(32,703,906)	(9,478,228)	(6,639,762)	(17,143,178)	(8,845,350)	(78,508,552)
Net book value							
As of December 31, 2023	8,163,628	45,254,582	4,773,872	5,659,811	18,856,512	9,009,340	91,717,745

4- Investments in subsidiaries and Associate

	Number of shares	Share	**30 June 2023 EGP**	31 December 2022 EGP
Gamm Urban Development	4899998	%99.9999	**48,999,980**	48,999,980
U.S.G Construction	700000	%35	**1,750,000**	1,750,000
			50,749,980	50,749,980

- During the year 2020, the capital of Maryland For Real Estate Investment Company was increased, as the issued and fully paid capital 49,000,000 L.E and the commercial register was marked on December 31, 2020.

- On July 26, 2022, the Extraordinary General Assembly decided to amend Article (2) of the Company's Articles of Association by amending the name of the company from Maryland For Real Estate Investment (S.A.E.) to Gama Urban Development (S.A.E) and the commercial register was marked on 1 August 2022.

- On February 4, 2021, the company subscribed to USG Construction Company (SAE) at 35% of the total capital of the company, as the number of shares 700,000 shares, 7,000,000 L.E (the nominal value of the share is 10 pounds), 25% of the nominal value of the share was paid at the beginning of the subscription and 1,750,000 L.E, considering it as Associate company if there is representation on the Board Member.

5- Inventory

	30 June 2023 EGP	31 December 2022 EGP
Main Raw Materials	**123,109,906**	86,159,389
Fuel	**1,682,684**	301,746
Tools	**433,378**	1,048,993
	125,225,968	87,510,128

6- Trades and notes receivables

	30 June 2023 EGP	31 December 2022 EGP
Account Receivable - Housing & Development	**71,330,790**	66,059,063
Account Receivable - Construction	**1,710,788,764**	1,431,571,942
	1,782,119,554	1,497,631,005
Less – Deferred installments Interest	**(2,168,095)**	(2,417,853)
Less - Expected Credit Losses	**(17,430,493)**	(13,889,791)
	1,762,520,966	1,481,323,361

- **Expected Credit Losses Movement:-**

	For the six months ended 30 June 2023 EGP	For the six months ended 30 June 2022 EGP
Balance at 01/01/ 2023	**13,889,791**	12,427,892
Additions	**3,540,702**	2,170,000
Balance as at 30/06/2023	**17,430,493**	14,597,892

7- Housing and development projects

	June 30, 2023	December 31, 2022
	EGP	EGP
Housing & Development Projects - incomplete	125,468,531	145,507,166
	125,468,531	145,507,166

8- Investments at fair value through profit or loss

	June 30, 2023	December 31, 2022
	EGP	EGP
Investments Listed On The Stock Exchange Of Securities	969,301	955,861
Investments Inlisted On The Stock Exchange Of Securities	58,194	6,559,406
	1,027,495	7,515,267

* The company's management believes that there is no Material difference between the book value and the fair value of investments.

- For the purpose of preparing the separate statement of cash flows, represented as follows:

	For the six months ended 30 June 2023	For the six months ended 30 June 2022
	EGP	EGP
Balance at 01/01/ 2023	7,515,267	7,338,643
Investment at fair value through profit or loss valuation difference	13,440	5,376
Gain from sale of investment at Fair Value through profit or loss	389,101	-
Balance as at 30/06/2023	(1,027,495)	(7,575,830)
	6,890,313	(231,811)

9- Prepayments and other debit balances

	30 June 2023	31 December 2022
	EGP	EGP
Prepayments Expenses	2,632,765	1,114,127
Contractors storage	15,102,728	19,176,014
Employee's custodies and trusts	256,781	199,234
Deposits with others	37,861,024	32,121,440
Cover Letter of Guarantee and Documentary Credits (Note – 28)	32,962,292	29,183,203
Other Debitors	3,341,953	3,308,793
Withholding Tax Receivables	9,115,996	9,156,584
Accrued interest	219,988	150,569
* Financial Group for Securitization Co.	6,977,037	10,246,611
Business guarantee Customers - contracting	403,733,913	321,704,486
Other debit balances	26,984,379	2,447,670
	539,188,856	428,808,731

9- Prepayments and other debit balances (Continue)

* The company signed a securitization contract for the portfolio of some clients of the Stone Residence - Fifth Settlement project to Financial Group for Securitization in December 2021, with a total value of 39,018,488 L.E, including a current value deduction of 7,304,255 L.E.

* In return, the company obtained an amount of 29,252,050 L.E, after deducting administrative expenses amounting to EGP 948,028 and set aside for a credit enhancement amounting to 1,514,155 L.E.

* The company signed a securitization contract for the portfolio of some clients of the Stone Residence - Fifth Settlement project to the Financial Group Company for Securitization in July 2022, with a total value of 42,430,011 L.E, including a current value deduction of 11,315,602 L.E.

* In return, the company obtained an amount of 28,212,304 L.E, after deducting administrative expenses of 1,241,290 L.E and set aside for a credit enhancement amount of 1,660,815 L.E.

* The company signed a securitization contract for the portfolio of some clients of the Stone Residence - Fifth Settlement project to the Financial Group Company for Securitization in November 2022, with a total value of 75,915,401 L.E, including a current value deduction of 27,253,507 L.E.

In return, the company obtained an amount of 37,449,577 L.E after deducting administrative expenses amount of 2,015,157 L.E and set aside for credit enhancement in the amount of 2,220,123 L.E, leaving the company with an amount of 6,977,037 L.E.

10- Due from Related Parties

	Relationship Status	**30 June 2023 EGP**	31 December 2022 EGP
Gamma Urban Development	Subsidiaries Co.	**434,176,341**	417,976,341
Expected Credit Losses on Due from Related Party		**(5,861,380)**	(5,642,682)
		428,314,961	412,333,659

Transactions with related Parties during the year represent amounts paid to finance the company's activities.

The Amounts of transactions during the year was as follows:

	transaction status	**For the six months ended 30 June 2023 EGP**	For the six months ended 30 June 2022 EGP
Gamma Urban Development	finance	**26,105,00**	59,535,652
Gamma Urban Development	paid	**9,905,000**	3,454,850

10- Due from Related Parties(Continue)

- Expected Credit Loss in due from related parties balance: -

	For the six months ended 30 June 2023 EGP	For the six months ended 30 June 2022 EGP
Balance at 1/1/ 2023	**5,642,682**	-
Expected Credit Loss in due from related parties balance	**218,698**	-
Balance as at 30/6/2023	**5,861,380**	-

11- Cash on hand and at banks

	30 June 2023 EGP	31 December 2022 EGP
A. Local Currency: -		
Current Accounts	**100,322,611**	152,687,080
Time deposits	**50,955,403**	28,070,435
	151,278,014	180,757,515
B. Foreign Currency: -		
Cash on Hand	**30,427**	24,297
Current Accounts	**157,630,677**	65,246,496
Time deposits	**223,583**	178,853
	157,884,687	65,449,646
	309,162,701	246,207,161

* The Amount of deposits owned by the company with banks includes an amount of EGP 25,987,352 held as collateral for letters of guarantee (as of December 31, 2022, the amount of EGP 27,864,082) (Note 28).

12- Capital

	30 June 2023 EGP	31 December 2022 EGP
Authorized Capital	**1,000,000,000**	1,000,000,000
Issued and paid-up capital	**730,065,763**	754,785,221
Number Of Shares	**730065763**	754785221

The current capital structure for represented as follow:

	Percentage	Number Of Shares	Value EGP
El Safwa Consulting and Development	%34.97	255301382	255,301,382
Pioneers Urban Development	%17.29	126248350	126,248,350
Other Shareholders	%47.74	348516031	348,516,031
	%100	**730065763**	**730,065,763**

On April 06, 2023, the Extraordinary General Assembly agreed to write-off treasury stocks that were purchased more than a year ago, amounting to 24,719,458 Egyptian pounds, for 24,719,458 shares, with a nominal value of one Egyptian pound per share. Legal measures were taken, and an entry was made in the commercial register on the 18th. May 2023.

13- Treasury stocks

On April 06, 2023, the Extraordinary General Assembly agreed to Write-off treasury stocks that were purchased more than a year ago, amounting to 24,719,458 Egyptian pounds, for 24,719,458 shares, with a nominal value of one Egyptian pound per share. Legal measures were taken, and an entry was made in the commercial register on the 18th. May 2023.

During the period, 4,834,078 shares were purchased, at a value of 2,930,658 Egyptian pounds, and the balance of treasury stocks on June 30, 2023 amounted to 2,930,658 Egyptian pounds for the number of shares of 4834078 shares (on December 31, 2022, the amount of 15,169,286 Egyptian pounds for the number of shares was 24,719458 shares).

14- Income Taxes

Deferred Taxes: -	**30 June 2023**	31 December 2022
	EGP	EGP
(beginning) Deferred Tax Liabilities	**8,069,334**	10,702,151
Deferred Tax for The Period) (Expense / Revenue	**(541,073)**	(2,500,901)
Foreign currency translation reserve	**(827,738)**	(131,916)
Deferred Tax Liabilities	**6,700,523**	8,069,334

Profit or loss Statement: -	**For the six months ended**	For the six months ended
	30 June 2023	30 June 2022
	EGP	EGP
Deferred income tax – Revenue (Expense)	**(541,073)**	2,086,687
Income Tax (Note 20).	**22,271,423**	26,575,142
	21,730,350	28,661,829

Reconciliation of effective income tax: -	**For the six months ended**	For the six months ended
	30 June 2023	30 June 2022
	EGP	EGP
Net Accounting Profit	**89,649,409**	108,746,601
Accounting Depreciation	**7,861,469**	6,773,206
Tax Depreciation	**(11,283,746)**	(5,464,956)
Other adjustments	**12,756,971**	8,056,891
Profit or loss Tax	**98,984,103**	118,111,742
Income Tax	**22,271,423**	26,575,142
Tax rate	**%24.84**	%24.44

15- Provisions

	30 June 2023	31 December 2022
	EGP	EGP
Provision for legal	**173,306**	173,306
Provision for Claims	**230,000**	230,000
	403,306	403,306

16- Credit Facilities

	30 June 2023	31 December 2022
	EGP	EGP
Credit facilities - Local Currency	**1,515,779,751**	1,104,565,415
	1,515,779,751	1,104,565,415

* Credit facilities granted by banks with an average interest rate of .25% - .75% above the CORRIDOR price, with the guarantee of waiver of operations related to the facility.

17- Trade payable, Constructors and notes payable

	30 June 2023	31 December 2022
	EGP	EGP
Trade payable and Constructors	**386,147,094**	318,570,989
Notes Payable	**53,230,332**	59,277,599
	439,377,426	377,848,588

18- Accruals and Other Credit Balances

	30 June 2023	31 December 2022
	EGP	EGP
Accrued Expenses	**4,060,315**	7,545,117
Occupants Union	**20,762,463**	20,744,095
Egyptian Housing Finance Company	**4,918,961**	9,119,989
Egyptian Arab Land Bank	**28,971,091**	16,990,122
Other - Tax Authority	**3,430,439**	2,500,021
Accrued Costs of Works	**2,455,899**	6,000,000
Other Credit balances	**584,563**	7,104,056
	65,183,731	70,003,400

* The company signed two right transfer contracts during the months of January and March 2021 for the portfolio of some clients of the Stone Residence project - Fifth Settlement to the Egyptian Company for Real Estate Finance, with a total value of 40,092,271 L.E, including interest of 6,679,073 L.E, and the interest balance on March 31, 2023 amounted to 2,666,755 L.E.

  In return, the Egyptian Company for Real Estate Finance paid an amount of 33,177,112 L.E, after deducting administrative expenses in the amount of 236,086 L.E, to El-Saeed Company for Contracting and Real Estate Investment.

  And the last check is collected March 27, 2027

* On January 19, 2022, the company signed an agreement to purchase a real estate portfolio for some customers, the Stone Residence project - Fifth Settlement, to the Egyptian Arab Land Bank, with a total value of 33,735,561 L.E, including interest of 5,984,271 L.E. The interest balance on June 30, 2023 amounted to 4,719,867 L.E.
* In exchange, the Egyptian Arab Land Bank paid an amount of 27,473,778 L.E after deducting administrative expenses of 277,513 L.E to El-Saeed Company for Contracting and Real Estate Investment.

  And the last check is collected July 10, 2029
* On April 30, 2023, the company signed a purchase agreement to acquire a real estate portfolio from some clients of the Stone Residences Project - Fifth Settlement. The agreement was made with the Egyptian Arab Real Estate Bank for a total amount of 27,594,955 Egyptian pounds, inclusive of interest amounting to 10,121,360 Egyptian pounds. As of June 30, 2023, the interest balance reached 10,112,911 Egyptian pounds.

* In exchange, the Egyptian Arab Real Estate Bank paid the amount of 17,298,859 Egyptian pounds to the General Upper Egypt Contracting and Real Estate Investment Company, after deducting administrative expenses of 174,736 Egyptian pounds.

  The final check will be collected on April 15, 2029.

19- Advances from Customers

	30 June 2023	31 December 2022
	EGP	EGP
Construction	171,483,548	174,403,780
Housing & Development	44,952,568	54,507,875
	216,436,116	228,911,655

20- Taxes Liabilities

	30 June 2023	31 December 2022
	EGP	EGP
(beginning) Income Tax	40,468,362	27,444,591
Paid for The Period	(40,468,362)	(27,444,591)
Income Taxes for The Period (Note 14)	22,271,423	40,468,362
	22,271,423	40,468,362

21- Revenues

	For the six months ended 30 June 2023	For the six months ended 30 June 2022
	EGP	EGP
Construction	1,259,700,703	961,060,960
Housing & Development Projects	50,807,967	64,733,443
(Allowed Discount) Housing & Development Projects	(2,500)	-
	1,310,506,170	1,028,794,403

22- Cost of Revenues

	For the six months ended 30 June 2023	For the six months ended 30 June 2022
	EGP	EGP
Cost Of Construction & Mixing Stations	1,036,652,198	797,122,115
Cost Of Housing & Development Projects	34,817,003	59,587,596
	1,071,469,201	856,709,711

* The cost of contracting and Concrete stations during the year includes depreciation of fixed assets in the amount of 7,727,829 L.E on June 30, 2023 (30 June 2022 in the amount of 6,413,008 L. E) (Note 3) and it also includes depreciation of (Right to use) Assets on June 30, 2023 (Nothing) (30 June 2022 in the amount of 137,319 L.E) (Note 24).

23- General and Administrative Expenses

	For the six months ended 30 June 2023	For the six months ended 30 June 2022
	EGP	EGP
Salaries, wages	15,471,315	11,416,221
Materials	1,407,007	1,661,793
From Others Services	2,972,424	1,886,182
Taxes and Rents and Others	13,367,947	19,079,432
Depreciation of fixed assets (Note 3)	133,640	360,198
Amortization of right-of-use Assets (Note 24)	719,884	609,685
	34,072,217	35,013,511

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24- Lease Contract

a) In July 2021, the company signed a financial lease contract for fixed assets, according of Law No 95 of 1995, its regulations, and the provisions of Islamic Sharia.

lease assets	2 Toyota Corolla cars - 2 Subaru cars
Contract term	3 years starting from 07/27/2021 and ending on 04/27/2024
The rental value	1,959,172 Egyptian pounds only
The purchase price at the end of the lease	One Egyptian pound only and the remaining value (if available)
The interest rate change	It is agreed upon between the two parties that, in calculating the value of the lease provided for in the concluded financing lease contract, the change in the return rate linked to the average credit rate at the Central Bank of Egypt should be taken into consideration, by increase or decrease.

b) In Aug 2022, the company signed a financial lease contract for fixed assets, according of Law No 95 of 1995, its regulations, and the provisions of Islamic Sharia.

lease assets	Mercedes car model 2021
Contract term	5 years starting from 16/08/2021 and ending on 16/05 /2027
The rental value	3,424,540 Egyptian pounds only
The purchase price at the end of the lease	One Egyptian pound only and the remaining value (if available)
lease assets	It is agreed upon between the two parties that, in calculating the value of the lease provided for in the concluded financing lease contract, the change in the return rate linked to the average credit rate at the Central Bank of Egypt should be taken into consideration, by increase or decrease.

24-1- Right– of –use assets

	Buildings EGP	Vehicles EGP	Total EGP
Cost			
January 1, 2023	5,411,248	4,469,000	9,880,248
June 30,2023	5,411,248	4,469,000	9,880,248
Accumulated Amortization			
January 1, 2023	(2,164,500)	(267,719)	(2,432,219)
Amortization for the period	(541,124)	(178,760)	(719,884)
June 30,2023	(2,705,624)	(446,479)	(3,152,103)
Net book value at the end of the period	**2,705,624**	**4,022,521**	**6,728,145**

	Machinery and Equipment EGP	Buildings EGP	Vehicles EGP	Total EGP
Cost				
January 1, 2023	10,985,534	5,411,248	1,714,000	18,110,782
Additions during the Period	-	-	2,755,000	2,755,000
Transfer to Fixed assets(Note 3)	(10,985,534)	-	-	(10,985,534)
December 31,2022	-	5,411,248	4,469,000	9,880,248
Accumulated Amortization				
January 1, 2023	(2,471,745)	(1,082,250)	(57,133)	(3,611,128)
Amortization during the Year	(137,319)	(1,082,250)	(210,586)	(1,430,155)
Transfer to Fixed assets(Note 3)	2,609,064	-	-	2,609,064
December 31,2022	-	(2,164,500)	(267,719)	(2,432,219)
Net book value at the end of the period December 31,2023	-	3,246,748	4,201,281	7,448,029

24-2- Current portion of lease liabilities

	Financial Lease contracts	Operating Lease contracts	30 June 2023
	EGP	EGP	EGP
liability balance	2,531,126	2,097,308	**4,628,434**
Less:			
Current portion	(1,056,003)	(869,122)	**(1,925,125)**
	1,475,123	1,228,186	**2,703,309**

	Lease contracts	contracts Operating	31 December 2022
	EGP	EGP	EGP
liability balance	2,493,453	3,088,239	5,581,692
Less:			
Current portion	(817,365)	(1,083,890)	(1,901,255)
	1,676,088	2,004,349	3,680,437

* Divided on Amortization during the Period are as follows.

	For the six months ended 30 June 2023	For the six months ended 30 June 2022
	EGP	EGP
Cost Of Contracting and Concrete Stations (Note 22)	-	137,319
General and administrative Expenses (Note 23)	**719,884**	609,685
	719,884	747,004

25- Finance Cost

	For the six months ended 30 June 2023	For the six months ended 30 June 2022
	EGP	EGP
Borrowing cost during the period	**137,321,778**	42,963,380
Bank Expenses and Letters of guarantee	**377,000**	572,849
Lease Interest Expenses	**364,628**	261,476
	138,063,406	43,797,705

26- Earnings per share for the period Basic and Diluted

Proift per share is calculated based on the net Proift of the period using the weighted average number of outstanding shares during the period as follows:

	For the six months ended 30 June 2023	For the six months ended 30 June 2022
	EGP	EGP
Net Proift for the period	**67,919,059**	80,084,772
Employees share of profit	**(6,452,311)**	(7,608,053)
Share for the board of directors. (expected)	**(2,801,982)**	(3,834,127)
Net profits Divided to ordinary shareholder	**58,664,766**	68,642,592
Weighted average number of shares outstanding during the period	**729785307**	743670839
Gain per share (EGP / share)	**0,080**	0,092

26- Earnings per share for the period Basic and Diluted (Continue)

* The share of Employees in the Divided was calculated on the basis of a hypothetical Divided project for the period's profits, for the purpose of calculating the share of the profits, and the remuneration of the board of directors was not calculated, as the realized profits are less than 5% of the issued and paid-up capital, which means that there is no share for the board of directors.

27- Tax Statues

A corporate tax

- The Company submits its annual tax return on due dates in accordance and amendments and pays the due tax.
- From the start of the company's work to December 31, 2014 have been tax inspected and tax differences have been paid and settled.
- The years 2015 to 2019 have been tax inspected and tax differences have been paid and settled.

B Salary tax

- Starting the company's to 2019 have been tax inspected and tax differences have been paid and settled.
- The Company pays the monthly salary tax on due dates in accordance with the law.

C Stamp tax

- Tax inspection was carried out from Starting the company's to 2018, and tax differences have been fully paid.
- The Company submits stamp tax returns on a regular basis and tax differences have been paid and settled.

D value added tax.

- From the start of the company's work to 2019 have been tax inspected and tax differences have been paid and settled.
  - The years 2020 to 2022 The Company submits the value-add tax returns on a regular basis and pays the accrued taxes on due dates in accordance with the law.

28- Contingent Liabilities

	30 June 2023	31 December 2022
	EGP	EGP
Letter of Guarantee	**25,185,607**	29,183,203
Documentary Credits	**7,776,685**	-
	32,962,292	29,183,203

Letters of Guarantee

The balance of letters of guarantee issued at the company's request by banks for third parties as at 30 June 2023 amounted to EGP 431,967,684 (at 31 December 2022 the amount of 322,278,074 Egyptian pounds), while the cash cover for these letters was 25,185,607 Egyptian pounds (as at 31 December 2022 29,183,203 Egyptian pounds) (Note 9) and corresponding deposits of 25,987,352 Egyptian pounds as at 30 June 2023 (as at 31 December 2022 27,864,082 Egyptian pounds) (Note 11) as follows:

	June 30, 2023			
	Amount in Currency	Equivalent EGP	Cash Cover EGP	Deposits EGP
Letter of Guarantee EGP	375,824,472	375,824,472	22,949,822	25,763,769
Letter of Guarantee USD	1,813,493	56,143,212	2,235,785	223,583
		431,967,684	**25,185,607**	**25,987,352**

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28- Contingent Liabilities(Continue)

	December 31,2022			
	Amount in Currency	Equivalent EGP	Cash Cover EGP	Deposits EGP
Letter of Guarantee EGP	277,366,914	277,366,914	29,183,203	27,685,229
Letter of Guarantee USD	1,813,493	44,911,160	-	178,853
		322,278,074	29,183,203	27,864,082

Documentary Credits

The balance of documentary credits issued at the company's request by banks in favor of third parties on June 30, 2023 amounted to 7,776,685 Egyptian pounds, while the cash cover for these credits amounted to 7,776,685 Egyptian pounds (Note 9) as follows:

	Amount in Currency	Equivalent EGP	Cash Cover EGP
Documentary Credits USD	251,196	7,776,685	7,776,685

Contractual Obligations

It consists of contracting with subcontractors to carry out the work and the outstanding liabilities of subcontractors have been charged according to the company's approved completion level.

29- Financial Instruments Risk Management

Risk Management

The Company is exposed to the following risks arising from the use of financial instruments:

a) Interest rate risk
b) Credit risk
c) Currency risk
d) Risk of managing the capital
e) liquidity risk

This explanation provides information on the extent of exposure of the Company to each of the above risks, the Company's objectives, policy and operations in terms of measuring and managing these risks as well as how the Company manages its capital.

The Board of Directors of the Company is fully responsible for developing a framework for managing and overseeing the risks to which the Company is exposed. The company's senior management is responsible for developing and tracking risk management policies and reporting to the parent company on a regular basis.

The Company's current financial risk management framework is a combination of officially documented risk management policies in specific areas and undocumented risk management policies used in other areas.

a) Interest rate risk

Interest rate risks arise from the fluctuation of the fair value of the financial instrument's future cash flows as a result of changes in market interest rates. PIC's exposure to, or lack of, the risk of changing interest rates relates mainly to PIC's obligations to a common interest rate and interest-bearing deposits. Interest on floating-rate financial instruments shall be repriced from period to period and shall not exceed one year's interval.

29- Financial Instruments Risk Management (Continue)

b) Credit risk

Financial losses incurred by the Company in the event that the customer or counterparty fails to meet its obligations under the financial instrument contract. Hence, the company is exposed to credit risks mainly from customers, receivables, prepaid expenses, miscellaneous debtors, other debtor balances due from related parties as well as from its financial activities, including deposits with banks and financial institutions.

c) Currency risk

Currency risk is an acceptable potential change in US dollar and euro exchange rates, with all other variables remaining constant. The impact on the company's profits prior to taxation is due to changes in the value of assets and cash liabilities. It should be noted that changes in the exchange rates of all other foreign currencies are not important.

d) Capital Management

The main objective of the capital management is to ensure that the company maintains correct capital ratios in order to support its business and achieve the maximum increase for shareholders.

The company manages its capital structure and adjusts it in the light of changes in business conditions. There were no changes in objectives, policies and operations during the three months ended 31 March 2023 and the year ended 31 December 2022. The capital consists of equity shares, treasury shares, reserves and retained earnings and as at 31 March 2023 amounts to 1,119,567,451 Egyptian pounds (31 December 2022 1,019,680,936 Egyptian pounds).

e) liquidity risk

The management of the local company with the support of the parent company monitors cash flows, financing requirements and liquidity of the company. The company's objective is to strike a balance between continuity of financing and flexibility by obtaining loans from banks. PIC manages liquidity risks by maintaining adequate reserves and by obtaining loan facilities by continuously following up on anticipated and actual cash flows and reconciling accrual of assets with financia! obligations.

The company has sufficient cash to meet projected operating expenses and includes financial liability expenses.

30- Main sources of uncertain estimates

The company makes estimates and assumptions for the future. The results of the accounting estimates, as defined, rarely equal actual results. Estimates and assumptions with significant risks that may cause a material adjustment of the book values of assets and obligations during the following fiscal year are indicated below:

A. Estimate the net achievable value (net sales value) of real estate for development for sale

Real estate is measured for development at cost or net achievable value (net sales value), whichever is lower.

The net achievable value (net sales value) of the completed property is determined by reference to market conditions and rates at the date of the financial statements and determined by the company based on its similar transactions.

Net achievable value (net sales value) of the property under construction is determined by reference to market prices at the date of the financial statements of a similar completed property minus the estimated cost of completion of the establishment.

B. Productive ages of machinery and equipment

The company's management determines the expected productivity of real estate and equipment to calculate depreciation and this estimate is calculated after considering the expected duration of the use of the original and the nature of the corrosion and commercial ageing. The Department reviews on an annual basis the residual value and productive reconstruction and adjusts the future depreciation allocation when the Department believes that productive ages differ from previous estimates.

C. Income tax

The company is subject to money company tax. The company estimates the income tax allocation using an expert opinion and where there are any differences between actual and initial results these differences affect the income tax allocation and deferred tax in these periods.

31- Significant events:

New releases, 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. The following is a summary of the most important of these amendments.

New or reissued standards	Summary of the most important modifications	Potential impact on financial statements	Implementation date
Egyptian Accounting Standard No. (10) amended 2023 ''Fixed Assets " and Egyptian Accounting Standard No. (23) Amended 2023 ''Intangible Assets".	1- These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets. - This resulted in amendment of the paragraphs related to the use of the revaluation model option in some of the applicable Egyptian Accounting Standards, which are as follows: -Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". -Egyptian Accounting Standard No. (24) "Income Taxes" -Egyptian Accounting Standard No. (30) "Interim Financial Reporting" "Egyptian Accounting Standard No. (31) "Impairment of Assets" -Egyptian Accounting Standard No. (49) "Leasing Contracts" 2- In accordance with the amendments made to the Egyptian Accounting Standard No. (35) Amended 2023 "Agriculture", paragraphs (3), (6) and (37) of Egyptian Accounting Standard No. (10) "Fixed assets" have been amended, and paragraphs 22(a), 80(c) and 80(d) have been added to the same standard, in relation to agricultural produce harvested. -The Company is not required to disclose the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) For the current period, which is the period of the financial statements in which the Egyptian Accounting Standard No. (35) Amended 2023 and Egyptian Accounting Standard No. (10) Amended 2023 are applied for the first time in relation to agricultural produce harvested. However, the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) Should be disclosed for each comparative period presented. -The company may elect to measure an agricultural produce harvested item at its fair value at the beginning of the earliest period presented in the financial statements for the period in which the company have been applied the above-mentioned amendments for the first time and to use that fair value as its deemed cost on that date. Any difference between the previous carrying amount and the fair value in the opening balance should be recognized by adding it to the revaluation surplus account in equity at the beginning of the earliest period presented.	If using the IPSAS reassessment model option, the company's management should examine the possibility of changing the accounting policy, and assess the potential impact on the financial statements if using that option. In the event that the Administration applies the adjustments made to the Department, it assesses the potential impact on the financial statements.	Applying adjustments to the option of using the reassessment model to financial periods beginning on or after 1 January 2023 and retroactively, while demonstrating the cumulative effect of the initial application of the reassessment model by adding it to the reassessment surplus account as well as equity at the beginning of the financial period in which the company first applies this model. Apply adjustments for annual periods beginning on or after 1 January 2023, retrospectively, while demonstrating the cumulative effect of the accounting treatment of fruitful plants initially by adding it to the balance of profits or losses carried out at the beginning of the financial period in which the Company applies this model for the first time.

31- Significant events:(continued)

New or reissued standards	Summary of the most important modifications	Potential impact on financial statements	Implementation date
Egyptian Accounting Standard No. (34) amended 2023 ''Investment property	1 - This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property. 2- This resulted in amendment of some paragraphs related to the use of the fair value model option in some of the applicable Egyptian Accounting Standards, which are as follows: -Egyptian Accounting Standard No. (1) "Presentation of Financial Statements" -Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". -Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates" -Egyptian Accounting Standard No. (24) "Income Taxes" -Egyptian Accounting Standard No. (30) "Interim Financial Reporting" -Egyptian Accounting Standard No. (31) "Impairment of Assets" -Egyptian Accounting Standard No. (32) "Non-Current Assets Held for Sale and Discontinued Operations" -Egyptian Accounting Standard No. (49) "Leasing Contracts"	Management is currently studying the possibility of changing the applied accounting policy and using the fair value model option stated in the standard and assessing the potential impact on the financial statements in case of using this option.	Modifications to add the option of using the fair value model apply to financial periods beginning on or after 1 January 2023, retrospectively, while demonstrating the cumulative effect of applying the fair value model initially by adding it to the balance of profits or losses carried out at the beginning of the financial period in which the Company applies this model for the first time.
Egyptian Accounting Standard 50 "Insurance Contracts"	1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the company provides appropriate information that truthfully reflects those contracts. This information provides users of the financial statements with the basis for assessing the impact of insurance contracts on the company's financial position, financial performance, and cash flows. 2-Egyptian Accounting Standard No. (50) Replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". 3-Any reference to Egyptian Accounting Standard No. (37) In other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 4-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows: -Egyptian Accounting Standard No. (10) "Fixed Assets ". -Egyptian Accounting Standard No. (23) "Intangible Assets". -Egyptian Accounting Standard No. (34)" Investment property "	Management is currently evaluating the potential impact on the financial statements from the application of the standard.	Egyptian Accounting Standard No. 50 must be applied for annual financial periods beginning on or after 1 July 2024, and if Egyptian Accounting Standard No. 50 is applied for a period.