

**EDITA FOOD INDUSTRIES (S.A.E.)  
AND ITS SUBSIDIARIES**

Condensed Consolidated Interim  
Financial Information  
For the period ended September 30, 2023

**EDITA Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**  
**For the period ended September 30, 2023**

**Table of contents**

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	<b>Page(s)</b>
Report on review of condensed consolidated interim financial information	1
Condensed consolidated statement of financial position	2
Condensed consolidated statement of profit or loss	3
Condensed consolidated statement of comprehensive income	4
Condensed consolidated statement of changes in equity	5 – 6
Condensed consolidated statement of cash flows	7
Notes to the condensed consolidated interim financial information	8 – 18

**Report on review of the condensed  
consolidated interim financial information  
To the Shareholders of Edita Food Industries (S.A.E.)**

**Introduction**

We have reviewed the accompanying condensed consolidated statement of financial position of Edita Food Industries (S.A.E.) (“the Company”) and its subsidiaries (collectively referred to as “the Group”) as at September 30, 2023, and the related condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the nine months’ period then ended, and explanatory notes.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of condensed consolidated 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 International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34.



**GRANT THORNTON**

**Dr. Osama El Bakry**  
**Registration No. 935**  
**Dubai, United Arab Emirates**


**November 5, 2023**

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Condensed consolidated statement of financial position**  
**As at September 30, 2023**

	Notes	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	3,099,590,380	2,542,701,504
Right-of-use assets		120,784,435	96,235,414
Intangible assets and goodwill		225,192,408	229,226,565
		<u>3,445,567,223</u>	<u>2,868,163,483</u>
<b>Current assets</b>			
Inventories		1,615,431,141	981,499,151
Trade and other receivables		618,884,818	545,215,216
Financial assets at amortized cost – treasury bills	6	900,515,962	894,641,441
Cash and cash equivalents	7	531,174,606	494,387,411
		<u>3,666,006,527</u>	<u>2,915,743,219</u>
<b>TOTAL ASSETS</b>		<u><b>7,111,573,750</b></u>	<u><b>5,783,906,702</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		144,611,688	144,611,688
Legal reserve		72,536,290	78,953,630
Cumulative translation reserve		(75,158,386)	(42,273,721)
Transactions with non-controlling interests		(32,132,098)	(32,132,098)
Treasury shares		(266,012,536)	(160,827,557)
Retained earnings		3,430,335,474	2,633,270,813
<b>Equity attributed to the Owners of the Parent</b>		<u>3,274,180,432</u>	<u>2,621,602,755</u>
Non-controlling interests		44,070,453	40,579,768
<b>Total equity</b>		<u><b>3,318,250,885</b></u>	<u><b>2,662,182,523</b></u>
<b>Non-current liabilities</b>			
Borrowings	9	781,380,051	739,496,389
Deferred government grants		16,849,948	16,912,608
Employee benefit obligations		36,513,850	33,396,656
Deferred tax liabilities – net		204,711,225	194,682,549
Lease liabilities		130,856,324	102,209,569
		<u>1,170,311,398</u>	<u>1,086,697,771</u>
<b>Current liabilities</b>			
Provisions		93,173,519	72,714,382
Bank overdraft		696,049,094	501,662,588
Trade and other payables		1,140,929,731	1,006,229,685
Current portion of borrowings	9	361,464,563	244,539,007
Current income tax liabilities		318,283,876	197,610,283
Lease liabilities		13,110,684	12,270,463
		<u>2,623,011,467</u>	<u>2,035,026,408</u>
<b>Total liabilities</b>		<u><b>3,793,322,865</b></u>	<u><b>3,121,724,179</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>7,111,573,750</b></u>	<u><b>5,783,906,702</b></u>

This condensed consolidated interim financial information was approved and authorised for issue by the Board of Directors on November 5, 2023 and were signed on their behalf by:

  
 Mr. Sameh Naguib  
 Vice President – Finance

  
 Eng. Hani Berzi  
 Chairman

The accompanying notes from 1 to 16 form an integral part of this condensed consolidated interim financial information.

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Condensed consolidated statement of profit or loss**  
**For the period ended September 30, 2023**

	Note	Three-month period ended September 30, 2023 (Unaudited) EGP	Three-month period ended September 30, 2022 (Unaudited) EGP	Nine-month period ended September 30, 2023 (Unaudited) EGP	Nine-month period ended September 30, 2022 (Unaudited) EGP
Revenue	10	3,116,192,430	2,015,568,078	8,753,978,329	5,147,710,451
Cost of sales		(2,082,111,236)	(1,334,080,177)	(5,926,737,212)	(3,390,870,107)
<b>Gross profit</b>		<b>1,034,081,194</b>	<b>681,487,901</b>	<b>2,827,241,117</b>	<b>1,756,840,344</b>
Distribution cost		(256,784,580)	(193,725,528)	(761,051,535)	(606,118,395)
Administrative expenses		(183,440,195)	(115,374,078)	(537,565,698)	(316,723,464)
Provision for employee benefit Obligations		(2,250,000)	(1,500,000)	(6,750,000)	(4,500,000)
Inventory write-down Provision		(4,032,020)	(975,000)	(8,965,540)	(2,925,000)
Other income		5,879,130	13,122,316	63,462,426	32,206,996
Other losses		(17,543,850)	(10,950,136)	(55,797,588)	(26,715,590)
Finance income		54,777,584	28,299,337	162,975,200	73,397,995
Finance cost		(61,346,445)	(29,204,284)	(149,120,523)	(78,862,119)
Foreign exchange gains		3,611,458	3,746,195	46,531,062	1,154,586
Share of net gains of a joint venture accounted for using the equity method		-	-	-	27,625,410
Loss on financial assets measured at fair value through profit or loss		-	-	-	(22,172,000)
<b>PROFIT BEFORE INCOME TAX</b>		<b>572,952,276</b>	<b>374,926,723</b>	<b>1,580,958,921</b>	<b>833,208,763</b>
Income tax expense		(148,069,742)	(88,865,289)	(398,543,627)	(203,030,733)
<b>NET PROFIT FOR THE PERIOD</b>		<b>424,882,534</b>	<b>286,061,434</b>	<b>1,182,415,294</b>	<b>630,178,030</b>
<i>Profit attributable to:</i>					
Owners of the Parent		430,637,267	286,970,365	1,190,647,321	631,694,509
Non-controlling interest		(5,754,733)	(908,931)	(8,232,027)	(1,516,479)
<b>Net profit for the period</b>		<b>424,882,534</b>	<b>286,061,434</b>	<b>1,182,415,294</b>	<b>630,178,030</b>
<b>Earnings per share (EGP per share)</b>					
Basic and diluted earnings per share	11	0.62	0.40	1.70	0.88

The accompanying notes from 1 to 16 form an integral part of this condensed consolidated interim financial information.

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Condensed consolidated statement of comprehensive income**  
**For the period ended September 30, 2023**

	Three-month period ended September 30, 2023 (Unaudited) EGP	Three-month period ended September 30, 2022 (Unaudited) EGP	Nine-month period ended September 30, 2023 (Unaudited) EGP	Nine-month period ended September 30, 2022 (Unaudited) EGP
<b>Profit for the period</b>	<b>424,882,534</b>	<b>286,061,434</b>	<b>1,182,415,294</b>	<b>630,178,030</b>
<b>Other comprehensive loss:</b>				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translation of foreign operations	<b>(7,188,891)</b>	<b>(11,782,979)</b>	<b>(21,161,953)</b>	<b>(30,742,865)</b>
<b>Total other comprehensive loss for the period</b>	<b>(7,188,891)</b>	<b>(11,782,979)</b>	<b>(21,161,953)</b>	<b>(30,742,865)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>417,693,643</b>	<b>274,278,455</b>	<b>1,161,253,341</b>	<b>599,435,165</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Parent	<b>425,101,808</b>	<b>276,174,386</b>	<b>1,157,762,656</b>	<b>601,948,492</b>
Non-controlling interest	<b>(7,408,165)</b>	<b>(1,895,931)</b>	<b>3,490,685</b>	<b>(2,513,327)</b>
	<b>417,693,643</b>	<b>274,278,455</b>	<b>1,161,253,341</b>	<b>599,435,165</b>

The accompanying notes from 1 to 16 form an integral part of this condensed consolidated interim financial information.

**Edita Food Industries (S.A.E.) and its subsidiaries  
Condensed Consolidated Interim Financial Information**

**Condensed consolidated statement of changes in equity  
For the period ended September 30, 2023**

	Equity attributable to the owners of the Parent							Total equity EGP	
	Share capital EGP	Legal reserve EGP	Cumulative translation reserve EGP	Transactions with non-controlling interest EGP	Treasury shares EGP	Retained earnings EGP	Total EGP		Non-controlling interest EGP
<b>Balance as at January 1, 2023 (audited)</b>	144,611,688	78,953,630	(42,273,721)	(32,132,098)	(160,827,557)	2,633,270,813	2,621,602,755	40,579,768	2,662,182,523
<b>Total comprehensive income:</b>									
Net profit for the period	-	-	-	-	-	1,190,647,321	1,190,647,321	(8,232,027)	1,182,415,294
Other comprehensive (loss) /income for the period	-	-	(32,884,665)	-	-	-	(32,884,665)	11,722,712	(21,161,953)
<b>Total comprehensive income for the period</b>	-	-	(32,884,665)	-	-	1,190,647,321	1,157,762,656	3,490,685	1,161,253,341
<b>Transactions with shareholders:</b>									
Acquisition of treasury shares	-	-	-	-	(105,184,979)	-	(105,184,979)	-	(105,184,979)
Dividend distributed during the period (Note 14)	-	-	-	-	-	(400,000,000)	(400,000,000)	-	(400,000,000)
Reclassifications	-	(6,802,452)	-	-	-	6,802,452	-	-	-
Transfer to legal reserve	-	385,112	-	-	-	(385,112)	-	-	-
<b>Total transactions with Shareholders</b>	-	(6,417,340)	-	-	(105,184,979)	(393,582,660)	(505,184,979)	-	(505,184,979)
<b>Balance as at September 30, 2023 (Unaudited)</b>	<b>144,611,688</b>	<b>72,536,290</b>	<b>(75,158,386)</b>	<b>(32,132,098)</b>	<b>(266,012,536)</b>	<b>3,430,335,474</b>	<b>3,274,180,432</b>	<b>44,070,453</b>	<b>3,318,250,885</b>

The accompanying notes from 1 to 16 form an integral part of this condensed consolidated interim financial information.

Edita Food Industries (S.A.E.) and its subsidiaries  
Condensed Consolidated Interim Financial Information

Condensed consolidated statement of changes in equity (continued)  
For the period ended September 30, 2023

	Equity attributable to the owners of the Parent							Total equity EGP
	Share capital EGP	Legal reserve EGP	Cumulative translation reserve EGP	Transactions with non-controlling interest EGP	Treasury shares EGP	Retained earnings EGP	Non-controlling interest EGP	
Balance as at January 1, 2022 (audited)	144,611,688	78,953,630	1,190,318	(32,132,098)	-	1,866,823,044	590,046	2,060,036,628
<i>Total comprehensive income:</i>								
Net profit for the period	-	-	-	-	-	631,694,509	(1,516,479)	630,178,030
Other comprehensive loss for the period	-	-	(29,746,017)	-	-	(29,746,017)	(996,848)	(30,742,865)
Total comprehensive income for the period	-	-	(29,746,017)	-	-	631,694,509	(2,513,327)	599,435,165
<i>Transactions with shareholders:</i>								
Acquisition of new subsidiary with non-controlling interest	-	-	-	-	-	-	20,005,036	20,005,036
Dividend distributed during the period (Note 14)	-	-	-	-	-	(200,000,000)	-	(200,000,000)
Acquisition of treasury shares	-	-	-	-	(58,891,581)	-	-	(58,891,581)
Capital contribution	-	-	-	-	-	-	14,986,994	14,986,994
Other adjustments	-	-	-	-	-	-	(79,415)	(79,415)
Total transactions with Shareholders	-	-	-	-	(58,891,581)	(200,000,000)	(34,912,615)	(223,978,966)
Balance as at September 30, 2022 (Unaudited)	144,611,688	78,953,630	(28,555,699)	(32,132,098)	(58,891,581)	2,298,517,553	32,989,334	2,435,492,827

The accompanying notes from 1 to 16 form an integral part of this condensed consolidated interim financial information.



**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Condensed consolidated statement of cash flows**  
**For the period ended September 30, 2023**

	Nine-month period ended September 30, 2023 (Unaudited) EGP	Nine-month period ended September 30, 2022 (Unaudited) EGP
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period before income tax	1,580,958,921	833,208,763
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	187,505,608	151,487,645
Depreciation of right-of-use asset	14,224,918	9,120,415
Amortisation of intangible assets	5,656,826	4,148,630
Share of net gains of joint venture accounted for using the equity method	-	(27,625,410)
Fair value loss on financial assets at fair value through profit or loss	-	22,172,000
Gain on sale of property, plant and equipment	(1,786,770)	(7,800,407)
Grant income	(3,401,171)	(3,601,372)
Provision for employee benefit obligation	6,750,000	4,500,000
Provision for slow moving inventory	8,965,540	2,925,000
Other provisions	18,070,771	2,884,057
Interest income	(162,975,200)	(73,397,995)
Interest expense	136,433,043	70,859,939
Interest expenses on lease	12,687,480	8,002,180
Unrealized foreign currency gains	(49,212,025)	(23,764,658)
Operating cash flows before changes in working capital	1,753,877,941	973,118,787
<i>Changes in working capital</i>		
Inventories	(637,619,778)	(302,286,943)
Trade and other receivables	(37,043,874)	(133,364,335)
Trade and other payables	118,888,766	305,572,791
Provision utilised	(5,228,720)	(68,952)
Staff terminal benefits paid	(3,632,806)	(865,644)
<b>Cash flows from operations</b>	<b>1,189,241,529</b>	<b>842,105,704</b>
Interest paid	(117,432,777)	(73,134,731)
Income tax paid	(288,599,095)	(42,184,209)
<b>Net cash flow from operating activities</b>	<b>783,209,657</b>	<b>726,786,764</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(284,754,627)	(299,502,596)
Acquisition of intangible assets	(547,661)	-
Proceeds from sale of property plant and equipment	1,866,819	36,096,726
Finance income received	138,185,519	78,521,671
Payment for purchase of treasury bills	(3,821,558,313)	(1,428,957,504)
Proceeds from sale of treasury bills	3,840,473,473	1,435,628,330
Consideration paid for acquisition of subsidiary - net of cash acquired	(256,766,966)	-
Proceeds from sale of financial assets at fair value through profit or loss	-	67,219,121
<b>Net cash used in investing activities</b>	<b>(383,101,756)</b>	<b>(110,994,252)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid to the shareholders	(400,000,000)	(200,000,000)
Advance against shares to be issued to non-controlling interest	-	14,986,994
Lease payment	(22,671,910)	(12,721,469)
Acquisition of treasury shares	(105,184,979)	(58,891,581)
Proceeds from borrowings	(497,463,842)	(138,141,063)
Repayment of borrowings	464,109,761	169,423,531
<b>Net cash flow used in financing activities</b>	<b>(561,210,970)</b>	<b>(225,343,588)</b>
<b>Net change in cash and cash equivalents</b>	<b>(161,103,069)</b>	<b>390,448,924</b>
Cash and cash equivalents at the beginning of the period	(7,275,177)	(241,111,348)
Effects of exchange rate on cash and cash equivalents	3,503,758	1,804,854
<b>Cash and cash equivalents at the end of the period (Note 7)</b>	<b>(164,874,488)</b>	<b>151,142,430</b>

The accompanying notes from 1 to 16 form an integral part of this condensed consolidated interim financial information.

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information**  
**For the period ended September 30, 2023**

**1 Legal status and principal activities**

Edita Food Industries S.A.E. (the “Company”) was established in July 9, 1996, under the investment Law No. 230 of 1989, which had been replaced by Law No. 8 of 1997, and the Money Market Law No. 95 of 1992 and is registered in the Commercial Register under number 692, Cairo, Egypt.

The registered address of the Company is Edita Group Building, Plot no. 13 - Central Pivot, P.O Box No. 64, ZIP Code No. 12588, El Sheikh Zayed, Cairo, Egypt.

The Company’s shares are listed on the Egyptian Exchange Market and its global depository receipts (each representing five ordinary shares) are also listed on the London Stock Exchange.

The details of Company’s principal subsidiaries, as at September 30, are set out below:

Subsidiaries	Place of business/ country of incorporation	Ownership interest		Ownership interest held by non-controlling interest	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Edita Participation Limited	Cyprus	100%	100%	-	-
Edita Holding for Investment	Egypt	100%	100%	-	-
Edita Frozen Foods Industries S.A.E. (formerly Fancy Foods S.A.E.) (Note 5)	Egypt	100%	-	-	-
Edita for Trading and Distribution (formerly ‘Digma for Trading’)	Egypt	99.8%	99.8%	0.2%	0.2%
Edita Confectionery Industries	Egypt	99.98%	99.98%	0.02%	0.02%
Edita Food Industries Morocco	Morocco	77%	77%	23%	23%

This condensed consolidated interim financial information as at September 30, 2023 includes the consolidated financial performance and position of the Company and its subsidiaries (collectively referred to as “the Group”).

The Group provides manufacturing, producing and packing of all food products and producing and packing of juices, jams, readymade food, cakes, pastry, milk products, meat, vegetables, fruits, chocolate, vegetarian products and other food products with all necessary ingredients.

The Group has prepared and published a separate set of consolidated interim financial statements in accordance with Egyptian Accounting Standards for the nine-months period ended September 30, 2023, which does not constitute part of this condensed consolidated interim financial information.

**2 Basis of preparation and summary of significant accounting policies**

**a Basis of preparation**

The condensed consolidated interim financial information of the Group has been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*. The condensed consolidated interim financial information does not include all of the information required for full annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2022. Accounting policies, related adjustments, estimates and assumptions adopted for the preparation of this condensed consolidated interim financial information are same as those applied in the preparation of the audited consolidated financial statements for the year ended December 31, 2022.

The condensed consolidated interim financial information has been prepared on the historical cost basis except for defined benefit obligations.

## **Edita Food Industries (S.A.E.) and its subsidiaries**

### **Condensed Consolidated Interim Financial Information**

#### **Notes to the condensed consolidated interim financial information (continued)**

##### **For the period ended September 30, 2023**

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## **2 Basis of preparation and summary of significant accounting policies (continued)**

### **b Basis of consolidation**

This condensed consolidated interim financial information incorporates the financial information of the Company and entities controlled by the Company. Control is achieved where the Company has the power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns.

### **c Functional and presentation currency**

The condensed consolidated interim financial information is presented in Egyptian Pounds ("EGP"), which is the Group's functional and presentation currency except for Edita Participation Limited and Edita Food Industries Morocco, the functional currencies of which are Euro and Moroccan Dirhams, respectively.

### **d Significant accounting estimates and judgments**

The preparation of the condensed consolidated interim financial information in conformity with IAS 34, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in preparation of the consolidated financial statements of the Group as at and for the year ended December 31, 2022.

#### **2.1 New Standards, Interpretations and Amendments adopted as at January 1, 2023**

Certain accounting pronouncements which have become effective from January 1, 2023 and have therefore been adopted, do not have significant impact on the Group's financial results or position.

#### **2.2 Standards, Amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the Group**

As at the date of authorization of this condensed consolidated interim financial information, several new but not yet effective, Standards, Amendments and Interpretations to existing standards have been published by International Accounting Standards Board ("IASB"). These amendments have neither been adopted early by the Group nor are these expected to have a significant impact on this condensed consolidated interim financial information in the period of initial application.

## **3 Financial risk management**

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements of the Group as at and for the year ended December 31, 2022.

## **4 Property, plant and equipment**

During the period ended September 30, 2023, the Group acquired various property, plant and equipment amounting to EGP 269,406,204 (the period ended September 30, 2022: EGP 299,502,596).

Depreciation charge on property and equipment for the period ended September 30, 2023, amounted to EGP 187,505,608 (the period ended September 30, 2022: EGP 151,487,645).

## **5 Investment in Edita Frozen Foods Industries S.A.E. (formerly Fancy Foods S.A.E.)**

During the period ended September 30, 2023, the Group acquired 100% ownership interest in Edita Frozen Foods Industries S.A.E. (formerly Fancy Foods S.A.E.) ("Frozen Foods"), a non-listed company based in Egypt and specialising in manufacturing of food products, in exchange for cash. The acquisition was mainly made as part of the Group's strategy for expansion of operations in Egypt. The acquisition is also expected to provide the Group with synergies benefits such as reduced costs through economies of scale, increased productivity, increase in capacity etc.

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)**  
**For the period ended September 30, 2023**

**5 Investment in Edita Frozen Foods Industries S.A.E. (formerly Fancy Foods S.A.E.) (continued)**

Details of the fair value of net assets acquired and goodwill arising on acquisition, are as follows:

	EGP
Fair value of net assets acquired (A)	257,206,978
Consideration paid - cash	257,206,978
Provisional goodwill arising on acquisition	-

**A. Fair value of net assets acquired as at the date of acquisition**

	Book values EGP	Adjustments EGP	Fair Values EGP
<b>Assets acquired</b>			
Property, plant and equipment	205,253,176	189,661,804	394,914,980
Right-of-use assets	2,318,978	-	2,318,978
Inventories	2,513,350	-	2,513,350
Trade and other receivables	10,833,971	-	10,833,971
Cash and cash equivalents	440,012	-	440,012
<b>Total assets acquired</b>	<b>221,359,487</b>	<b>189,661,804</b>	<b>411,021,291</b>
<b>Liabilities assumed</b>			
Borrowings and bank overdrafts	(96,985,258)	-	(96,985,258)
Lease liabilities	(1,570,288)	-	(1,570,288)
Deferred tax liabilities	(7,937,479)	(19,153,700)	(27,091,179)
Amounts due to related parties	(136,417,857)	136,280,072	(137,785)
Trade and other payables	(25,072,313)	-	(25,072,313)
Provisions	(2,957,490)	-	(2,957,490)
<b>Total liabilities assumed</b>	<b>(270,940,685)</b>	<b>117,126,372</b>	<b>(153,814,313)</b>
<b>Net assets/(liabilities) acquired</b>	<b>(49,581,198)</b>	<b>306,788,176</b>	<b>257,206,978</b>

As the transaction has been conducted near the period end, the Group is in process of identification of identifiable assets and liabilities and determining the fair values thereof. Therefore, the amount of goodwill and fair values of the net assets acquired, as disclosed above, have been reported in this condensed interim financial information on a provisional basis and may change substantially pursuant to completion of the initial accounting for the acquisition of the Frozen Foods.

**6 Financial assets at amortised cost - Treasury Bills**

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
Upto 91 days maturity	660,000,000	771,000,000
266-364 days maturity	260,000,000	150,000,000
	<b>920,000,000</b>	<b>921,000,000</b>
Unearned interest	(66,791,700)	(48,876,540)
Amount of Treasury Bills paid	853,208,300	872,123,460
Interest income recognised in profit or loss	47,307,662	22,517,981
	<b>900,515,962</b>	<b>894,641,441</b>

The average effective interest rate related to Treasury Bills is 20.64% (December 31, 2022: 14.07%).

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)**  
**For the period ended September 30, 2023**

**6 Financial assets at amortised cost - Treasury Bills (continued)**

The Group has adopted 12-month ECL model, based on management assessment, there is an immaterial impact on treasury bills as they are issued and guaranteed by the Government of Egypt, there is no history of default and incorporating forward-looking information would not result in any significant increase in expected default rate.

**7 Cash and cash equivalents**

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
Cash at banks and in hand	259,553,317	277,975,166
Time deposit - Foreign currency	271,621,289	216,412,245
<b>Cash and cash equivalents (excluding bank overdrafts)</b>	<b>531,174,606</b>	<b>494,387,411</b>

For the purpose of preparation of the consolidated interim statement of cash flows, cash and cash equivalents consist of:

	September 30, 2023 (Unaudited) EGP	September 30, 2022 (Unaudited) EGP
Cash and bank balances	531,174,606	524,192,529
Bank overdraft	(696,049,094)	(373,050,099)
<b>Total</b>	<b>(164,874,488)</b>	<b>151,142,430</b>

**8 Related Parties**

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
<b>Amount due from a related party</b>		
La Marocaine De Distribution De Logistiques (other related party)	16,266,842	62,072,443

During the period ended September 30, 2023, the Group incurred an amount of EGP 160,946,186 as benefits to the key management members (September 30, 2022: EGP 98,712,703).

	September 30, 2023 (Unaudited)		September 30, 2022 (Unaudited)	
	Non-executive / independent board members	Key management personnel	Non-executive / independent board members	Key management personnel
Salaries and compensation	5,250,000	153,844,031	3,675,000	93,769,858
Allowances	-	1,646,100	-	1,081,800
Other benefit	-	206,055	-	186,045

The nature of transactions with related party during the period ended September 30, 2023 and September 30, 2022 are represented as follows:

	September 30, 2023 (Unaudited) EGP	September 30, 2022 (Unaudited) EGP
Sale of finished goods	259,656,391	88,972,237

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)**  
**For the period ended September 30, 2023**

**9 Borrowings**

	September 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Short-term	Long-term	Total	Short-term	Long-term	Total
	portion	portion		portion	portion	
	EGP	EGP	EGP	EGP	EGP	EGP
Borrowings	361,464,563	781,380,051	1,142,844,614	244,539,007	739,496,389	984,035,396

The break-up of the short-term borrowings is as follows:

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
Balance due within 1 year	344,454,442	237,632,559
Accrued interest	17,010,121	6,906,448
	<u>361,464,563</u>	<u>244,539,007</u>

**9.1 Loan obtained from International Finance Corporation ("IFC") by Edita Food Industries S.A.E. and Edita Participation Limited**

	September 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Short-term	Long-term	Total	Short-term	Long-term	Total
	portion	portion		portion	portion	
	EGP	EGP	EGP	EGP	EGP	EGP
IFC loan	122,857,593	198,080,545	320,938,138	43,305,344	257,608,000	300,913,344

The break-up of the short-term borrowings is as follows:

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
Balance due within 1 year	111,420,567	39,632,000
Accrued interest	11,437,026	3,673,344
	<u>122,857,593</u>	<u>43,305,344</u>

**Loan 1**

In June 2019, the Group signed an agreement with a financial institution to obtain a loan amounting to USD 20,000,000.

The Group is obligated to pay USD 20,000,000 in 10 equal semi-annual instalments, with each instalment amounting to USD 2,000,000 from May 2021 to November 2025.

The interest rate on the loan is 4% above the 6 months' USD Libor rate.

Fair value is approximately equal the carrying amount since the loan is bearing variable interest rate that approximate the market prevailing rates.

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)**  
**For the period ended September 30, 2023**

**9 Borrowings (continued)**

**9.2 Loans obtained by Edita Food Industries S.A.E.**

	September 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Short-term	Long-term	Total	Short-term	Long-term	Total
	portion	portion		portion	portion	
EGP	EGP	EGP	EGP	EGP	EGP	
Fourth loan	20,426,528	-	20,426,528	40,000,000	20,000,000	60,000,000
Seventh loan	45,585,350	23,995,034	69,580,384	34,762,943	40,702,977	75,465,920
Eighth loan	51,733,579	83,637,285	135,370,864	15,258,754	83,857,170	99,115,924
Ninth loan	41,630,009	39,795,159	81,425,168	14,122,163	75,209,377	89,331,540
Tenth loan	25,238,868	28,217,051	53,455,919	17,667,379	40,730,195	58,397,574
Eleventh loan	1,422,567	190,000,000	191,422,567	-	-	-
<b>Total</b>	<b>186,036,901</b>	<b>365,644,529</b>	<b>551,681,430</b>	<b>121,811,239</b>	<b>260,499,719</b>	<b>382,310,958</b>

The sixth loan is the IFC loan which is separately disclosed in Note 9.1.

The break-up of the short-term borrowings is as follows:

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
Balance due within 1 year	183,759,404	121,811,239
Accrued interest	2,277,497	-
	<b>186,036,901</b>	<b>121,811,239</b>

Type	Guarantees	Currency	Tenure	Interest rate
Fourth loan	Cross corporate guarantee Digma Trading Company amounted to EGP 220,000,000 and 6,000,000 Euro	EGP/ USD	7 years with first installment in May 2017	0.5% above mid corridor rate of Central Bank of Egypt and average 4% above USD Libor rate (6 months)
Seventh Loan	Cross corporate guarantee Digma Trading Company	EGP	7 years with first installment in November 2022	8%
Eighth loan	Cross corporate guarantee Digma Trading Company	EGP	7 years with first installment in June 2022	8 %
Ninth loan	Cross corporate guarantee Digma Trading Company	EGP	7 years with first installment in September 2023	8 %
Tenth loan	None	EGP	7 years with first installment in July 2023	8 %
Eleventh Loan	None	EGP	7 years with first installment in March 2024	0.5% above mid corridor rate of Central Bank of Egypt

**9.3 Loans obtained by Digma for Trading**

	September 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Short-term	Long-term	Total	Short-term	Long-term	Total
	portion	portion		portion	portion	
EGP	EGP	EGP	EGP	EGP	EGP	
First loan	36,500,924	16,681,106	53,182,030	36,466,982	50,043,317	86,510,299

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)**  
**For the period ended September 30, 2023**

**9 Borrowings (continued)**

**9.3 Loans obtained by Digma for Trading (continued)**

The break-up of the short-term borrowings is as follows:

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
Balance due within 1 year	33,362,212	33,362,211
Accrued interest	3,138,712	3,104,771
	<u>36,500,924</u>	<u>36,466,982</u>

The Group obtained a loan from a financial institution based on a cross corporate guarantee issued from Edita Food Industries S.A.E. amounting to EGP 155 million.

The Group is obligated to pay the loan in 9 semi-annual instalments amounting to EGP 16,681,106 and the first instalment is due on August 27, 2021 and the last instalment is due on February 27, 2025.

The interest rate is 1% above the Central Bank of Egypt's mid corridor rate.

The fair value of the loan approximately equals its carrying amount since the loan bears variable interest rate that approximates the prevailing market rates.

**9.4 Loan obtained by Edita Confectionery Industries Company**

	September 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Short-term portion EGP	Long-term portion EGP	Total EGP	Short-term portion EGP	Long-term portion EGP	Total EGP
First loan	-	-	-	4,128,333	-	4,128,333

The break-up of the short-term borrowings is as follows:

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
Balance due within 1 year	-	4,000,000
Accrued interest	-	128,333
	-	<u>4,128,333</u>

The Group obtained a loan facility of EGP 40 million from one of the commercial banks. The Group utilised the whole loan.

The Group is obligated to pay the loan in 3 semi-annual instalments with the first instalment is due in June 2022 and last instalment due in June 2023. The interest rate is 0.5% plus the lending rate.

The fair value of the loan approximately equals its carrying amount since the loan bears variable interest rate that approximates the prevailing market rates.

**9.5 Loan obtained by Edita Food Industries Morocco**

	September 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Short-term portion EGP	Long-term portion EGP	Total EGP	Short-term portion EGP	Long-term portion EGP	Total EGP
First loan	16,069,145	200,973,871	217,043,016	38,827,109	171,345,353	210,172,462



**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)**  
**For the period ended September 30, 2023**

**9 Borrowings (continued)**

**9.5 Loan obtained by Edita Food Industries Morocco (continued)**

The break-up of the short-term borrowings is as follows:

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
Balance due within 1 year	15,912,259	38,827,109
Accrued interest	156,886	-
	<u>16,069,145</u>	<u>38,827,109</u>

Type	Guarantees	Currency	Tenure	Interest rate
First loan	Assets Pledge	MAD	7 years over 20 quarterly Instalments starting Aug 22	6.00%
Second loan	Sales Proceeds	MAD	21 months over 6 Instalments starting after 16 Month from 1 <sup>st</sup> withdrawal	5.75%
Third loan	Sales Proceeds	MAD	270 Days, Revolving	5.75%
Fourth loan	Backed by capital increase amount	MAD	3 months paid in full following capital increase	5.75%

The fair value of the loan approximately equals its carrying amount since the loan bears 5.75% interest rate that approximates the prevailing market rates.

**9.6 Deferred government grants**

The Group obtained a loan facility of EGP 441 million from commercial banks under the Central Bank of Egypt initiative to support the Egyptian manufacturing companies. According to the initiative, the loan was obtained at interest rate of 8% that is lower than the prevailing market rate of similar loans and recognised in profit or loss over the years necessary to match them with the costs that they are intended to compensate. The deferred government grants are recognised according to the following schedule:

	September 30, 2023 (Unaudited) EGP	December 31, 2022 (Audited) EGP
Edita Food Industries S.A.E. (A)	7,832,474	11,237,250
Edita Food Industries Morocco (investment subsidy)	12,420,056	9,786,843
	<u>20,252,530</u>	<u>21,024,093</u>

**A. Edita Food Industries S.A.E.**

	September 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Short-term portion EGP	Long-term portion EGP	Total EGP	Short-term portion EGP	Long-term portion EGP	Total EGP
Seventh loan	1,934,527	2,851,375	4,785,902	2,281,071	4,057,431	6,338,502
Eighth loan	737,437	859,785	1,597,222	861,078	1,415,991	2,277,069
Ninth loan	498,389	779,296	1,277,685	588,420	1,200,392	1,788,812
Tenth loan	171,665	-	171,665	380,916	451,951	832,867
<b>Total</b>	<u>3,342,018</u>	<u>4,490,456</u>	<u>7,832,474</u>	<u>4,111,485</u>	<u>7,125,765</u>	<u>11,237,250</u>

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)**  
**For the period ended September 30, 2023**

**10 Segment reporting**

The Group operates across six segments in the Egyptian snack food market offering ten distinct brands:

Segment	Brand	Product	Revenue		Gross profit		Operating profit	
			September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
			(Unaudited) EGP '000	(Unaudited) EGP '000	(Unaudited) EGP '000	(Unaudited) EGP '000	(Unaudited) EGP '000	(Unaudited) EGP '000
Cake	Tiger tail, Twinkies, Todo and Hohos	Traditional rolled filled and layered cake as well as brownies and packaged donut						
Croissants	Molto	Sweet and savoury croissants and strudels						
Rusks	Bake Rolz, Bake Stix	Baked wheat salty snack						
Wafer	Freska	Filled wafers						
Candy	Mimix	Hard, soft and jelly candy and lollipops						
Biscuits	Oniro	Lava chocolate and Lava vanilla						
Cake			4,464,273	2,507,679	1,550,046	847,293	901,750	445,308
Croissants			2,862,067	1,677,649	864,622	616,456	419,243	299,096
Rusks			382,299	275,923	106,972	81,651	54,059	35,419
Wafer			782,470	527,488	249,854	177,955	143,286	72,808
Candy			204,225	126,770	54,285	26,750	25,058	7,073
Biscuits			58,153	32,180	10,064	6,813	(3,423)	(35,937)
Others			491	21	(8,602)	(78)	(27,065)	2,806
<b>Total</b>			<b>8,753,978</b>	<b>5,147,710</b>	<b>2,827,241</b>	<b>1,756,840</b>	<b>1,512,908</b>	<b>826,573</b>

**Edita Food Industries (S.A.E.) and its subsidiaries**  
**Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)**  
**For the period ended September 30, 2023**

**10 Segment reporting (continued)**

Operating profit is reconciled to net profit as follows:

	September 30, 2023 (Unaudited) EGP '000	September 30, 2022 (Unaudited) EGP '000
Operating profit	1,512,908	826,573
Other income	63,462	32,207
Other losses	(55,798)	(26,716)
Finance income	162,975	73,398
Finance cost	(149,121)	(78,862)
Foreign exchange gains	46,531	1,155
Share of net losses of a joint venture accounted for using the equity method	-	27,625
Loss on financial assets measured at fair value through profit or loss	-	(22,172)
Income tax expense	(398,544)	(203,031)
<b>Net profit</b>	<b>1,182,413</b>	<b>630,177</b>

The segment information disclosed in the table above represents the segment information provided to the Chief Operating Decision Makers of the Group.

Management has determined the operating segments based on the information reviewed by the chief operating decision makers of the Group for the purpose of allocating and assessing resources.

The Chief Operating Decision Makers consider the business from products perspective. Although Rusks, Wafer, and Candy do not meet the quantitative threshold required by IFRS 8 for reportable segments, management has concluded that these segments should be reported as it is closely monitored by the chief operating decision makers as it is expected to materially contribute to the Group revenue in the future.

The chief operating decision makers assesses the performance of the operating segments based on their operating profit.

There were no inter-segment sales during the period.

Finance income and finance cost are not allocated to segments, as this type of activity is driven by the central treasury function which manage the cash position of the Group.

**11 Basic and diluted earnings per share**

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Profit attributable to owners of the Parent (EGP)	1,190,647,321	631,694,509
<b>Weighted average number of ordinary shares in issue</b>		
Ordinary shares	723,058,439	723,058,439
Treasury shares	(23,044,783)	-
<b>Weighted average number of ordinary shares in issue</b>	<b>700,013,656</b>	<b>723,058,439</b>
<b>Basic and diluted earnings per share (EGP)</b>	<b>1.70</b>	<b>0.87</b>

## **Edita Food Industries (S.A.E.) and its subsidiaries**

### **Condensed Consolidated Interim Financial Information**

#### **Notes to the condensed consolidated interim financial information (continued)**

##### **For the period ended September 30, 2023**

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#### **12 Contingent liabilities**

##### ***Edita Food Industries Company***

Edita Food Industries Company has provided guarantees for Digma for Trading company and Edita Confectionary Industries against third parties in borrowing from Egyptian Banks.

Edita Food Industries Company had contingent liabilities in respect of letters of guarantee and letters of credit arising from ordinary course of business amounting to EGP 271,374,770 as at September 30, 2023 (December 31, 2022: EGP 320,653,365).

##### ***Digma for Trading Company***

Digma for Trading Company has provided guarantees for Edita Food Industries against third parties in borrowing from Egyptian Banks.

Digma for Trading Company had contingent liabilities in respect of letters of guarantee and letters of credit as at September 30, 2023 of EGP 1,500,000 (December 31, 2022: EGP 1,500,000).

##### ***Edita Confectionary Industries Company***

As at September 30, 2023, Edita Confectionary Industries Company had contingent liabilities in respect of letters of guarantee and letters of credit arising from ordinary course of business amounting to EGP 3,417,870 (December 31, 2022: EGP 5,837,326).

These contingent liabilities are not expected to result in material losses for the Group in the foreseen future and not consider it probable that there will be an outflow of economic resources with regard to these contingent liabilities.

#### **13 Capital commitments**

The Group has capital commitments of EGP 602,842,230 as at September 30, 2023 (December 31, 2022: EGP 96,587,976) in respect of capital expenditure.

#### **14 Dividends**

At the Annual General Meeting held on March 28, 2023, the Board of Directors proposed, and the shareholders of the Company approved a cash dividend of EGP 400,000,000 at EGP 0.566 per share for the year ended December 31, 2022 (at the Annual General Meeting held on April 15, 2022, Board of Directors proposed, and the shareholders approved a cash dividend of EGP 200,000,000 at EGP 0.277 per share for the year ended December 31, 2021).

#### **15 Reclassification of figures in condensed consolidated statement of profit or loss**

The following prior period amounts have been reclassified for consistency with the current period presentation and improve the quality of information presented.

- Provisions, earlier disclosed as a separate line item in the condensed consolidated statement of profit or loss, have been reclassified to other losses.
- Foreign exchange gains, earlier included in finance income, have been reclassified as a separate line item in the condensed consolidated statement of profit or loss.

As the result of these reclassifications, the comparative figures for operating segment note (Refer Note 10) have also been changed accordingly.

#### **16 Subsequent events**

The Board of Directors of the Company agreed, in its session held on October 10, 2023, to reduce the share capital of the Company from EGP 144,611,687 to EGP 140,002,731 by way of writing off 23,044,783 held as treasury shares.

The Board of Directors of the Company, in its session held on October 10, 2023, proposed interim cash dividend of EGP 299,700,000 at EGP 0.428 per share and decided to present it to next General Assembly Meeting for approval.