EFG Holding Company

(Previously EFG - Hermes Holding Company)

(Egyptian Joint Stock Company)

Separate financial statements
for the year ended December 31, 2023
&
Auditor’s Report

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KPMG

Hazem Hassan
Public Accountants & Consultants

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Auditor's Report

To the shareholders of EFG Holding Company (Previously EFG - Hermes Holding Company)

Report on the separate Financial Statements

We have audited the accompanying separate financial statements of EFG Holding Company (Previously EFG - Hermes Holding Company) (Egyptian Joint Stock Company) which comprise the separate statement of financial position as at December 31, 2023 and the separate statements of income, comprehensive income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the financial position of EFG Holding Company (Previously EFG - Hermes Holding Company) as of December 31, 2023 and of its financial performance and its cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these financial statements.

Report on Other Legal and Regulatory Requirements

The Company maintains proper books of account, which include all that is required by law and by the statutes of the Company and the financial statements are in agreement thereto.

The financial information included in the Board of Directors' report, prepared in accordance with Law No. 159 of 1981 and its executive regulations, is in agreement with the Company's books of account.

KPMG Hazem Hassan

Cairo, March 20 , 2024

KPMG Hazem Hassan

KPMG Hazem Hassan
Public Accountants and Consultants
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EFG Holding company
(Previously EFG Hermes Holding Company)
(Egyptian Joint Stock Company)
Separate statement of financial position

(in EGP Thousands)	Note no.	31/12/2023	31/12/2022
Assets			
Non - current assets			
Loans to subsidiaries	(11,29)	-	71 883
Investments at fair value through OCI	(12)	1 087 568	1 150 987
Investment property	(13)	93 457	113 501
Investments in subsidiaries	(14)	6 694 340	6 629 578
Fixed assets	(15)	225 807	226 798
Intangible assets	(16)	10 793	18 883
Total non - current assets		8 111 965	8 211 630
Current assets			
Cash and cash equivalents	(3)	1 351 067	1 424 806
Investments at fair value through profit and loss	(4)	3 944 733	2 632 996
Investments at fair value through OCI	(12)	957 547	315 669
Due from subsidiaries & related parties	(5)	4 517 674	3 879 867
Other debit balances	(6)	158 856	75 139
Total current assets		10 929 877	8 328 477
Total assets		19 041 842	16 540 107
Equity			
Issued & paid - in capital	(17)	7 298 030	5 838 424
Legal reserve		972 345	867 455
Other reserves		1 530 590	1 582 327
Retained earnings		985 308	2 304 346
Equity settled share- based payment	(17,20)	419 947	289 009
Total equity		11 206 220	10 881 561
Liabilities			
Non - current liabilities			
Deferred tax liabilities	(23)	795 051	628 751
Finance lease liabilities	(27)	-	62 397
Total non - current liabilities		795 051	691 148
Current liabilities			
Current portion of finance lease liabilities	(27)	63 823	72 748
Banks' overdraft	(8)	3 748 639	3 031 590
Due to subsidiaries & related parties	(7)	1 921 450	790 608
Creditors and other credit balances	(9,29)	1 042 716	828 509
Claims provision	(10)	263 943	243 943
Total current liabilities		7 040 571	4 967 398
Total liabilities		7 835 622	5 658 546
Total equity and liabilities		19 041 842	16 540 107

The accompanying notes and accounting policies from page (6) to page (48) are an integral part of these financial statements and are to be read therewith.

Mona Zulficar
Chairperson

Karim Awad
Group Chief Executive Officer

" Auditor's report attached "

A.Z
A.A

(in EGP Thousands)	**Note no.**	**For the year ended 31/12/2023**	**For the year ended 31/12/2022**
Revenues			
Dividends income	(19)	182 005	2 967 012
Custody activity income		53 287	28 714
Net changes in the fair value of investments at fair value through profit and loss	(4)	1 307 845	909 068
Treasury bills and bonds interest	(12)	324 490	261 196
Interest income	(29)	99 165	86 683
Gain from sale fixed asset		-	80
Gains from sale investment property		56 438	-
Other income	(24,29)	119 431	79 887
Foreign currencies exchange differences		210 160	701 486
Gains on sale / redemptions of financial investments	(25)	80 002	264 827
Total revenues		2 432 823	5 298 953
Expenses			
Finance cost	(29)	(675 382)	(387 000)
General administrative expenses	(20)	(1 023 539)	(779 689)
Fixed assets depreciation	(15)	(24 320)	(24 715)
Investment property depreciation	(13)	(6 306)	(6 306)
Intangible assets amortization	(16)	(8 634)	(9 082)
Impairment loss on assets	(3)	(307)	(4 391)
Bad debt		-	(1 530 838)
Provisions	(10)	(20 000)	(46 000)
Total expenses		(1 758 488)	(2 788 021)
Profit before tax		674 335	2 510 932
Current income tax		(66 437)	(52 627)
Deferred tax	(23)	(181 012)	(360 510)
Profit for the year		426 886	2 097 795
Earnings per share (EGP)	(26)	0.29	1.44

The accompanying notes and accounting policies from page (6) to page (48) are an integral part of these financial statements and are to be read therewith.

EFG Holding Company

(Previously EFG Hermes Holding Company)

(Egyptian Joint Stock Company)

Separate statement of comprehensive income

(in EGP Thousands)	**For the year ended 31/12/2023**	**For the year ended 31/12/2022**
Profit for the year	426 886	2 097 795
Other comprehensive income:		
Investments at fair value through OCI - net change in fair value	(65 386)	(107 840)
Tax related to comprehensive income items	14 712	24 264
Other comprehensive income	(50 674)	(83 576)
Total comprehensive income for the year	376 212	2 014 219

The accompanying notes and accounting policies from page (6) to page (48) are an integral part of these financial statements and are to be read therewith.

EFG Holding Company

(Previously EFG Hermes Holding Company)

(Egyptian Joint Stock Company)

Separate statement of changes in equity

	Attributable to owners of the Company								
	Issued & paid- in capital	Legal reserve	Other reserves: General reserve	Other reserves: Share premium	Other reserves: Fair value- Investments at fair value through OCI	Other reserves: Revaluation surplus of fixed assets transferred to investment property	Retained earnings	Equity settled share- based payment	Total equity
(in EGP Thousands)									
Balance as at 31 December, 2021	4 865 353	840 273	158	1 668 624	(18 329)	15 450	1 273 141	149 647	8 794 317
Total comprehensive income									
Profit for the year	-	-	-	-	-	-	2 097 795	-	2 097 795
Other comprehensive income items	-	-	-	-	(83 576)	-	-	-	(83 576)
Total comprehensive income	-	-	-	-	(83 576)	-	2 097 795	-	2 014 219
Transactions with owners of the Company		-							
Equity settled share- based payment	-		-	-	-	-	-	139 362	139 362
Transferred to legal reserve	-	27 182	-	-	-	-	(27 182)	-	-
Dividends	973 071	-	-	-	-	-	(1 039 409)	-	(66 338)
Balance as at 31 December, 2022	5 838 424	867 455	158	1 668 624	(101 905)	15 450	2 304 345	289 009	10 881 560
Total comprehensive income									
Profit for the year	-	-	-	-	-	-	426 886	-	426 886
Other comprehensive income items	-	-	-	-	(50 674)	-	-	-	(50 674)
Total comprehensive income	-	-	-	-	(50 674)	-	426 886	-	376 212
Transactions with owners of the Company	-								
Equity settled share- based payment	-	-	-	-	-	-	-	130 938	130 938
Transferred to legal reserve	-	104 890	-	-	-	-	(104 890)	-	-
Dividends	1 459 606	-	-	-	-	-	(1 642 096)	-	(182 490)
change revaluation surplus of investment property	-	-	-	-	-	(1 063)	1 063	-	-
Balance as at 31 December, 2023	7 298 030	972 345	158	1 668 624	(152 579)	14 387	985 308	419 947	11 206 220

The accompanying notes and accounting policies from page (6) to page (48) are an integral part of these financial statements and are to be read therewith.

EFG Holding Company
(Previously EFG Hermes Holding Company)
(Egyptian Joint Stock Company)
Separate statement of cash flows

(in EGP Thousands)	Note no.	For the year ended 31/12/2023	For the year ended 31/12/2022
Cash flows from operating activities			
Profit before tax		674 335	2 510 932
Adjustments for :			
Gain from sale of fixed assets		-	(80)
Gain from sale investement property		(56 438)	-
Fixed assets depreciation	(15)	24 320	24 715
Investment property depreciation	(13)	6 306	6 306
Intangible assets amortization	(16)	8 634	9 082
Impairment loss on assets		307	4 391
Provisions used		-	(508)
Provisions formed		20 000	46 000
Net changes in the fair value of investments at fair value through profit and loss		(1 307 845)	(909 068)
Gains on sale / redemptions of financial investememt		(80 002)	(264 827)
Treasury bills and bonds interests		(324 490)	(261 196)
Interest income		(99 165)	(86 683)
Finance cost		668 000	379 748
Foreign currencies exchange differences		(210 160)	(701 486)
Equity settled share- based payment		37 771	38 488
		(638 427)	795 814
Change in			
Investments at fair value through profit and loss		(3 749)	(2 943)
Due from subsidiaries and related parties		(372 879)	(1 728 533)
Other debit balances		(55 537)	292 326
Due to subsidiaries and related parties		1 008 414	128 235
Creditors and other credit balances		101 584	453 603
Income tax paid		(36 503)	(56 072)
Net cash provided from (used in) operating activities		2 903	(117 570)
Cash flows from investing activities			
Payments to purchase fixed assets		(23 329)	(20 894)
Proceeds from sale fixed assets		-	445
Proceeds from sale investement property		50 000	-
Payments to purchase intangible assets		(544)	(6 841)
Proceeds from interest income		270 239	366 274
Payments for loans to subsidiaries		(700 922)	(2 089 559)
Proceeds from loans to subsidiaries		791 352	2 766 916
Proceeds from loans from subsidiaries		250 000	-
Payments from loans from subsidiaries		(252 270)	-
Payments to purchase Investments at fair value through OCI		(674 857)	(1 384 445)
Proceeds from sale of Investments at fair value through OCI		180 686	1 849 115
Payments to purchase investments in subsidiaries		(36 201)	(628 760)
Proceeds from investments in subsidiaries		144 609	651 699
Net cash (used in) provided from investing activities		(1 237)	1 503 950
Cash flows from financing activities			
Dividends payout		(105 314)	(87 083)
Payments for finance expense		(665 217)	(378 770)
Payments for finance lease liabilities		(71 836)	(65 206)
Net cash used in financing activities		(842 367)	(531 059)
Net change in cash and cash equivalents during the year		(840 701)	855 321
Cash and cash equivalents at the beginning of the year	(21)	(1 556 453)	(2 461 995)
Cash and cash equivalents at the end of the year	(21)	(2 397 154)	(1 606 674)

Non-cash transactions:
An amount of EGP Thousands 20 176 has been eliminated from both proceeds from sale investement property and change in other debit balances

The accompanying notes and accounting policies from page (6) to page (48) are an integral part of these financial statements and are to be read therewith.

1- Description of business

1-1 Legal status

EFG Holding (Previously EFG - Hermes Holding Company) S.A.E "the company" is an Egyptian Joint Stock Company subject to the provisions of the Capital Market Law No.95 of 1992 and its executive regulations. The Company's registered office is located in Smart Village building No. B129, phase 3, KM 28 Cairo Alexandria Desert Road, 6 October, Egypt.

The name of the company have been changed to EFG Holding based of the General Assembly's approved dated May 24, 2023 and was reflected in the commercial register on June 14, 2023.

1-2 Purpose of the company

- EFG Holding (Previously EFG - Hermes Holding Company), is a premiere financial services corporation that offers diverse investment banking services including securities brokerage, investment banking, asset management and private equity, in addition to its non-banking financial products, including leasing, micro-finance, factoring, securitization, collection and Sukuk.
- The purpose of the company includes participation in the establishment of companies that issues securities or in increasing their share capital, custody activities and margin trading.

2- Basis of preparation

2-1 Statement of compliance

- These financial statements have been prepared in accordance with the Egyptian Accounting Standards and relevant Egyptian laws and regulations.
- The financial statements were authorized for issue in accordance with a resolution of the board of directors on 19 March 2024.

2-2 Functional and presentation currency

These financial statements are presented in Egyptian Pounds (EGP), which is the Company's functional currency and all the financial data presented are in Egyptian Pounds (EGP).

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

2-3 Use of estimates and judgments

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

- Estimates and assumptions about them are re-viewed on regular basis.
- The change in accounting estimates is recognized in the period where the estimate is changed whether the change affects only that period, or in the period of change and the future periods if the change affects them both.

2-4 Consolidated financial statements

The Company has subsidiaries and according to the Egyptian Accounting Standard No. 42 "consolidated financial statements" and the article No. 188 of the executive regulation of law No. 159-1981, the Company is required to prepare consolidated financial statements which present fairly the financial position, the result of operations and cash flows for the group as a whole.

3- Cash and cash equivalents

	31/12/2023	31/12/2022
Cash on hand	549	475
Banks - current accounts	684 172	1 017 139
Banks - time deposits	616 764	407 303
Checks under collection	50 000	--
Total	1 351 485	1 424 917
Deduct: Impairment loss	(418)	(111)
Balance	1 351 067	1 424 806

4- Investments at fair value through profit and loss

	31/12/2023	31/12/2022
Mutual fund certificates	3 941 159	2 629 796
Equity securities	3 574	3 200
Balance	3 944 733	2 632 996

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

5- Due from subsidiaries & related parties

	31/12/2023	31/12/2022
EFG- Hermes Advisory Inc.	733 347	416 140
Fleming CIIC Holding	29 387	28 718
EFG- Hermes IB Limited	2 516 434	2 476 189
EFG- Hermes IFA Financial Brokerage	653	1 627
EFG- Hermes KSA	1 789	1 533
EFG Hermes Fund Management (Egyptian Fund Management Group "Previously	73 601	49 038
EFG- Hermes Holding – Lebanon	3 977	3 187
EFG- Hermes Private Equity	1 132	842
TANMEYA for micro finance	347	--
EFG- Hermes USA	671	831
EFG- Hermes Jordan	--	724
EFG – Hermes Brokerage Holding Ltd. (EFG Hermes ("Frontier Holding Company "Previously)	520 426	133 233
EFG- Hermes Brokerage – UAE LLC.	10 436	8 203
OLT Investment International S.A.B	636	252
EFG Hermes FI Limited	47 277	405 061
Beaufort Asset Management Company	--	19 790
EFG securitization (EFG-Hermes Securitization "Previously")	--	22
EFG Hermes PE Holding LLC	60 112	--
EFG- Hermes – UAE Limited Company	20 432	10 681
EFG Finance Holding	576 246	391 832
EFG-Hermes SP Limited	--	11 270
Fleming CIIC Securities	--	105
Fleming AL Mansour Securities	--	105
Hermes portfolio fund management	1 194	2 043
EFG IB Investco Limited	796	164
EFG IB Holdco Limited	771	387
EFG- Hermes Global CB Holding Limited	103	--
EFG Hermes for Sukuk	6	--
EFG Mena Securities Ltd.	11	--
Total	4 599 784	3 961 977
Impairment*	(82 110)	(82 110)
Balance	4 517 674	3 879 867

* The impairment amount deducted represents the impairment in Fleming CIIC Holding and EFG Hermes Fund Management (Egyptian Fund Management Group "Previously").

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

6- Other debit balances

	31/12/2023	31/12/2022
Accrued revenues	21 746	9 099
Taxes withheld by others	4 643	3 557
Deposits with others	1 484	1 459
Prepaid expenses	13 923	15 266
Employees advances	4 106	4 551
Down payments to suppliers	10 837	39 261
Sundry debtors	102 117	1 946
Balance	158 856	75 139

7- Due to subsidiaries & related parties

	31/12/2023	31/12/2022
Arab Visual Company	1 251	1 251
Hermes Corporate Finance Co.	8 491	8 656
EFG- Hermes Fixed Income	5 715	5 620
EFG- Hermes Regional Investments Ltd.	283 324	79 567
EFG Hermes securitization (Financial Group for Securitization "Previously")	2 828	3 462
EFG- Hermes Syria LTD	7 912	7 912
EFG- Hermes – Lebanon – S.A.L.	170 726	136 831
EFG-Hermes International Securities Brokerage	201 389	201 007
EFG - Hermes Promoting & Underwriting	45 546	184 575
EFG - Hermes Int. Fin Corp	14 631	4 967
EFG Hermes for Sukuk	--	8 628
EFG- Hermes Private Equity – BVI	--	879
EFG securitization (EFG-Hermes Securitization "Previously")	5 781	--
Bayonne Enterprises Ltd.	978 770	33 695
EFG Hermes PE Holding LLC	--	38 593
EFG- Hermes Global CB Holding Limited	--	569
Hermes securities brokerage	187 215	74 396
EFG Hermes SP Limited	6 523	--
EFG Hermes IB Holding Limited	1 348	--
	1 921 450	790 608

8- Bank overdraft

Banks overdraft include the credit facilities granted from one of the banks which represents the following:

- A pledged governmental bond contract has been signed to obtain a credit facility. The balance of facility as of 31 December 2023 is EGP Thousands 1 066 632.

- A pledged Treasury bills contract has been signed to obtain a credit facility. The balance of facility as of 31 December 2023 is EGP Thousands. 741 052.

9- Creditors and other credit balances

	31/12/2023	31/12/2022
Social Insurance Authority	990	809
Accrued expenses	426 096	376 890
Clients' coupons - custody activity	276 572	205 685
Unearned revenues (Note no. 29)	16 306	43 649
Dividends payable prior years	142 451	65 275
Medical Takaful Insurance Tax	6 040	13 249
Sundry credit balances	119 210	101 353
Tax Authority	55 051	21 599
Balance	1 042 716	828 509

10- Claims provision

	31/12/2023	31/12/2022
Balance at the beginning of the year	243 943	198 450
Amounts used during the year	--	(507)
Amounts formed during the year	20 000	46 000
Balance at the end of the year	263 943	243 943

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

11- Loans to subsidiaries

Company's name	Currency	Loan Value	Loan date	Maturity date	Balance in 31/12/2023	Balance in 31/12/2022
EFG- Hermes Jordan	USD	500 thousand	1/3/2020	28/2/2024	--	12 342
,,	USD	500 thousand	1/3/2020	28/2/2024	--	12 342
,,	USD	1.4 million	1/9/2020	31/8/2024	--	34 856
EFG- Hermes Brokerage – UAE LLC.	USD	500 thousand	28/7/2020	28/7/2025	--	12 343
Total					--	71 883
current portion of loans to subsidiaries					--	--
Non- current portion of loans to subsidiaries					--	71 883
					--	71 883

12- Investments at fair value through OCI

	31/12/2023	31/12/2022
Non- current investments		
Equity securities	17 290	17 290
Mutual fund certificates	99 148	89 651
Debt instruments – bond *	971 130	1 044 046
	1 087 568	1 150 987
Current investments		
Debt instruments – treasury bills *	957 547	315 669
Balance	2 045 115	1 466 656

Investments at fair value through OCI are represented in the following:

Quoted investments	1 014 659	1 083 212
Non- quoted investments	1 030 456	383 444
	2 045 115	1 466 656

* Note no (8).

13- Investment property

	Buildings
Cost	
Balance as at 1/1/2022	157 640
Total cost as at 31/12/2022	157 640
Total cost as at 1/1/2023	157 640
Cost of disposal	(20 203)
Total cost as at 31/12/2023	137 437
Accumulated depreciation	
Accumulated depreciation as at 1/1/2022	37 833
Depreciation for the year	6 306
Accumulated depreciation as at 31/12/2022	44 139
Accumulated depreciation as at 1/1/2023	44 139
Depreciation for the year	6 306
Accumulated depreciation of disposals	(6 465)
Accumulated depreciation as at 31/12/2023	43 980
Net carrying amount	
Net carrying amount as at 31/12/2022	113 501
Net carrying amount as at 31/12/2023	93 457

- Investment property represents the area owned by EFG Holding Company (EFG - Hermes Holding Company "previously") in Nile city building. The fair value of the investment amounted to EGP Thousands 513 600 as of 31 December, 2023.

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

14- Investments in subsidiaries

Company's name	Nationality	Share percentage. %	Currency of payment	Carrying amount	
				31/12/2023	31/12/2022
EFG- Hermes International Securities Brokerage	Egyptian	99.87	EGP	64 026	56 630
Hermes Securities Brokerage	Egyptian	97.58	EGP	267 138	255 774
Hermes Corporate Finance Co.	Egyptian	99.47	EGP	5 976	5 976
EFG - Hermes Promoting & Underwriting	Egyptian	99.88	EGP	66 038	52 454
EFG- Hermes Fixed Income	Egyptian	99	EGP	9 900	9 900
EFG- Hermes Private Equity	Egyptian	96.3	EGP	1 249	1 249
EFG- Hermes – UAE Limited Company	Emirates	100	USD	758 619	736 261
EFG- Hermes Holding Lebanon – S.A.L.	Lebanon	99	USD	154	154
EFG- Hermes – KSA	Saudi	100	USD	131 275	96 129
EFG- Hermes – Lebanon – S.A.L.	Lebanon	99	USD	27 565	27 565
EFG- Hermes Regional Investments Ltd.	Cayman Islands	100	USD	399 214	396 303
EFG- Hermes Advisory Inc. (14-1)	BVI	100	USD	--	--
Etkan for Inquiry and Collection and Business processes (14-1),(14-4)	Egyptian	0.002	EGP	--	--
EFG - Hermes Int. Fin Corp (14-1)	Cayman Islands	100	USD	--	--
Bayonne Enterprises Ltd. (14-1)	BVI	100	EGP	--	--
EFG- Hermes Jordan (14-2)	Jordanian	100	USD	--	33 610
EFG Hermes securitization (Financial Group for Securitization "Previously")	Egyptian	99.999	EGP	5 000	5 000
EFG-Direct Investment Fund	Egyptian	64	EGP	640	640
EFG- Hermes IB Limited	Cayman Islands	100	USD	921 560	921 560
EFG – Hermes Brokerage Holding Ltd. (EFG Hermes Frontier Holding Company "Previously")	Emirates	100	USD	66 253	48 749
EFG – Hermes USA (14-3)	American	100	USD	16 265	45 320
EFG Finance Holding S.A.E (14-4)	Egyptian	99.82	EGP	723 957	721 944
EFG-Hermes PE Holding	Emirates	100	USD	629 656	634 022
EFG- Hermes Global CB Holding Limited	Cayman Islands	100	USD	575	575
OLT Investment International S.A.B	Bahrain	99.9	BHD	63 720	63 720
EFG Hermes for Sukuk	Egyptian	90	EGP	9 000	9 000
EFG Hermes Fund Management (Egyptian Fund Management Group "Previously")	Egyptian	88.512	EGP	29 747	21 307
Hermes portfolio fund management	Egyptian	78.81	EGP	18 722	15 734
Fleming CIIC Holding	Egyptian	100	EGP	100 000	100 000
Arab Investment Bank	Egyptian	51	EGP	2 551 049	2 551 049
EFG Hermes IB Holding Limited (14-5)	Emirates	100	USD	8 089	--
Total				6 875 387	6 810 625
Impairment (14-6)				(181 047)	(181 047)
Balance				6 694 340	6 629 578

(14-1) The company owns investment in subsidiary with amount less than one EGP thousand as follows:

- EFG- Hermes Advisory Inc. with amount by EGP 6.
- Etkan for Inquiry and Collection and Business processes with amount by EGP 100.
- EFG - Hermes Int. Fin Corp with amount by EGP 16.
- Bayonne Enterprises Ltd. with amount by EGP 6.

(14-2) During the year, EFG Hermes - Jordan was sold for USD Thousands 3 011, equivalent to EGP Thousands 92 750.

(14-3) During the year, the capital of Hermes USA was reduced by USD Thousands 1 750, equivalent to EGP Thousands 53 900.

(14-4) The Company owns 99.82% of EFG Finance Holding S.A.E Co., which owns 95.2% in Etkan for Inquiry and Collection and Business processes Co. hence, it has full control of the operational and financial policies and EFG Finance Holding S.A.E Co. is considered a subsidiary.

- Investments in subsidiaries are represented in non - quoted investments.

(14-5) During the year, EFG Hermes IB Holding Limited Company was established with an amount of USD Thousands 50, equivalent to EGP Thousands 1 540.

(14-6) Impairment items represent in EFG Hermes Fund Management (Egyptian Fund Management Group "Previously"), Fleming CIIC Holding, EFG-Hermes Regional Investments Ltd and EFG-Hermes Fixed Income.

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

15- Fixed assets

	Land*	Buildings*	Office furniture & equipment	Computer Equipment	Vehicles & transportation means	Fixtures	Total
Cost							
Balance as at 1/1/2022	18 597	244 160	40 201	103 651	13 913	6 848	427 370
Additions during the year	--	--	2 008	18 887	--	--	20 895
Disposals during the year	--	--	(2 237)	(3 974)	--	--	(6 211)
Total cost as at 31/12/2022	18 597	244 160	39 972	118 564	13 913	6 848	442 054
Balance as at 1/1/2023	18 597	244 160	39 972	118 564	13 913	6 848	442 054
Additions during the year	--	--	4 849	13 967	3 800	713	23 329
Total cost as at 31/12/2023	18 597	244 160	44 821	132 531	17 713	7 561	465 383
Accumulated depreciation							
Accumulated depreciation as at 1/1/2022	--	72 920	27 684	79 162	10 967	5 655	196 388
Depreciation during the year	--	7 862	3 990	10 209	2 125	529	24 715
Accumulated depreciation for disposal	--	--	(2 197)	(3 650)	--	--	(5 847)
Accumulated depreciation as at 31/12/2022	--	80 782	29 477	85 721	13 092	6 184	215 256
Accumulated depreciation as at 1/1/2023	--	80 782	29 477	85 721	13 092	6 184	215 256
Depreciation during the year	--	7 862	4 045	10 978	952	483	24 320
Accumulated depreciation as at 31/12/2023	--	88 644	33 522	96 699	14 044	6 667	239 576
Net carrying amount							
Net carrying amount as at 31/12/2022	18 597	163 378	10 495	32 843	821	664	226 798
Net carrying amount as at 31/12/2023	18 597	155 516	11 299	35 832	3 669	894	225 807

* Land and buildings items represent the headquarter of the Company in Smart Village Building according to the signed sale and lease contract for the whole land and building of the company in Smart Village between EFG Holding Company (EFG - Hermes Holding Company "previously") and both True Finance Lease Company (Emirates NBD Leasing Company previously) and EFG Corp -Solutions (EFG Hermes Corp-Solutions "previously") (Note no. (27)).

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

16- Intangible assets

	Software license
Cost	
Balance as at 1/1/2022	42 144
Additions during the year	6 841
Total cost as at 31/12/2022	48 985
Balance as at 1/1/2023	48 985
Additions during the year	544
Total cost as at 31/12/2023	49 529
Accumulated amortization	
Accumulated amortization as at 1/1/2022	21 020
Amortization during the year	9 082
Accumulated amortization as at 31/12/2022	30 102
Accumulated amortization as at 1/1/2023	30 102
Amortization during the year	8 634
Accumulated amortization as at 31/12/2023	38 736
Net carrying amount	
Net carrying amount as at 31/12/2022	18 883
Net carrying amount as at 31/12/2023	10 793

17- Share capital

- The company's authorized capital amounts EGP 6 billion and issued capital amounts EGP Thousands 3 843 091 distributed on 768 618 223 shares of par value EGP 5 per share which is fully paid.
- The company's General Assembly approved in its session held on May 20, 2021 to increase the company's issued capital from EGP Thousands 3 843 091 to EGP Thousands 4 611 709 distributed on 922 341 868 shares with an increase amounting to EGP Thousands 768 618 by issuing 153 723 645 shares with par value EGP 5 through the issuance of one free share for every five shares. This increase is transferred from the company's retained earnings presented in December 31, 2020 financial statements. The required procedures had been taken to register the increase in the Commercial Register.
- On September 28, 2021, the Company's General Assembly approved the increase in issued capital from EGP Thousands 4 611 709 to EGP 4 865 353 Thousands representing an increase of EGP Thousands 253 644 distributed on 50 728 803 shares having a par value of EGP 5 per share, The issuance of the capital increase shares were financed from the share premium reserve for the purpose of the Remuneration & Incentive Program of the Employees, Managers & Executive Board Members of the Company and its subsidiaries. The commercial register was updated and the issued shares were allocated under the Remuneration & Incentive Program of the Employees of the Company, and the Beneficiary of the program will be entitled to attend the Ordinary and Extraordinary General Shareholders of the Company and to vote on its resolutions upon the transfer of ownership of the Granted Shares to the Beneficiary.
- The company's General Assembly approved in its session held on May 19, 2022 to increase the company's issued capital from EGP Thousands 4 865 353 to EGP Thousands 5 838 424 distributed on 1 167 684 806 shares with an increase amounting to EGP Thousands 973 071 by issuing 194 614 135 shares with par value EGP 5 through the issuance of one free share for every five shares. This increase is transferred from the company's retained earnings presented in December 31, 2021 financial statements. The required procedures had been taken to register the increase in the Commercial Register.
- The company's General Assembly approved in its session held on May 24, 2023 to increase the company's authorized capital from EGP 6 billion to EGP 30 billion and increase the company's issued capital from EGP Thousands 5 838 424 to EGP Thousands 7 298 030 distributed on 1 459 606 008 shares with an increase amounting to EGP Thousands 1 459 606 distributed on 291 921 202 shares with par value EGP 5 through the issuance of one free share for every four shares. This increase is transferred from the company's retained earnings presented in December 31, 2022 financial statements. The required procedures had been taken to register the increase in the Commercial Register.

18- Contingent liabilities & commitments

The Company guarantees its subsidiaries – EFG-Hermes International Securities Brokerage, Hermes Securities Brokerage and EFG- Hermes Jordan– against the credit facilities granted from banks and EFG- Hermes Brokerage – UAE against the Letters of Guarantee granted from banks amounting to AED Thousands 93 670 (equivalent to EGP Thousands 785 517).

19- Dividend income

	For the year ended 31/12/2023	For the year ended 31/12/2022
Income from investments at fair value through OCI	16 893	--
Income from investments at fair value through profit and loss	24	17
Income from investments in subsidiaries	165 088	2 966 995
Total	182 005	2 967 012

20- General administrative expenses

	For the year ended 31/12/2023	For the year ended 31/12/2022
Wages, salaries and similar items*	754 331	581 607
Consultancy	33 568	17 118
Travel, accommodation, and transportation	18 207	6 148
Leased line and communication	25 703	9 166
Rent and utilities expenses	20 365	17 270
Other expenses	171 365	148 380
Total	1 023 539	779 689

***Share-based payments**.

The Company introduced an Employees Share Ownership plan (ESOP) in accordance with the shareholder's approval at the extraordinary general assembly meeting by issuing Free shares representing 5.5% of the issued capital of the Company shall be granted to employees, managers and executive board members of the Company and its subsidiaries.

The duration of this program is five years starting as of 1 January 2021 till 31 December 2025, the vesting period is 3-4 years starting from 1 January 2021 till 31 December 2024. The beneficiary entitled to shares granted to 4 equal installments.

The equity instruments for share-based payment are recognized at fair value on the grant date and are recorded in the income statement with a corresponding increase in equity. The value of expenses charged to the income statement during the year of 2023 amounted EGP Thousands 37 771 in return for an increase in shareholders' equity by the same amount.

Equity instruments during the year represents the following:

	For the year ended 31/12/2023 Number of shares	**For the year ended 31/12/2022 Number of shares**
Shares granted at the beginning of the year	56 204 722	48 504 101
Free shares distributed during the year	13 657 274	9 700 821
Shares forfeited to employees of the holding company	(707 616)	(94 352)
Shares forfeited to employees of subsidiary companies	(1 097 083)	(1 905 848)
Total at the end of the year	68 057 297	56 204 722

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

21- Cash and cash equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalents are represented in the following:

	For the year ended 31/12/2023	For the year ended 31/12/2022
Cash and cash equivalents as presented in the statement of financial position	1 351 485	1 424 917
Banks overdraft	(3 748 639)	(3 031 590)
Effect of exchange rate changes	--	50 220
Cash and cash equivalents (adjusted)	(2 397 154)	(1 556 453)

22- Reconciliation of effective tax rate

	31/12/2023	31/12/2022
Profit before tax	674 335	2 510 932
Add / (deduct):		
Depreciation and amortization	8 136	9 750
Capital gain (losses)	1 616	(80)
Effect of provisions	20 306	50 391
Equity settled share- based payment	37 771	38 488
Cost of financing and investment opposite to exempted revenues	294 494	60 780
Foreign currencies exchange differences	491 326	(701 039)
Tax exemptions	(165 088)	(2 966 995)
Medical Takaful Insurance Tax	6 040	13 249
Boards of directors presence payment	-	21 055
Other additions	76 656	368 916
Other deductibles	(1 740 949)	(1 284 827)
Net tax base	(295 357)	(1 879 380)
Tax due	--	--
Tax on separate taxable income	66 437	52 627
Current income tax	66 437	52 627
Effective tax rate	10%	2.10%

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

23- Deferred tax liabilities

Deferred tax liabilities are attributable to the following:

	31/12/2023	31/12/2022
	Liability (Asset)	**Liability (Asset)**
(A) Deferred tax		
Fixed assets' (depreciation)	4 773	4 123
Investment property (depreciation)	6 319	4 256
Intangible assets (amortization)	(6 668)	(5 080)
Investment property (revaluation reserve)	(1 867)	(1 867)
Foreign currencies exchange differences	47 286	157 835
Investments at fair value	594 011	303 575
Net deferred tax liabilities	643 854	462 842

(B) Deferred tax recognized directly in equity

	31/12/2023	31/12/2022
Investments at fair value through OCI *	151 197	165 909
Balance	795 051	628 751

* Directly deducted from changes in the investments at fair value through OCI item presented in the statement of changes in equity.

24- Other income

Other income item presented in the income statement includes the value of rental for some affiliated companies, (Note 29) also includes the value of rental spaces owned by the Company in Nile City building.

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

25- Gains on sale / redemptions of investments

	For the year ended 31/12/2023	For the year ended 31/12/2022
Investments in subsidiaries	80 002	264 827
Total	80 002	264 827

26- Earnings per share

	For the year ended 31/12/2023	For the year ended 31/12/2022
Profit for the year	426 886	2 097 795
Weighted average number of shares	1 459 606	1 459 606
Earnings per share (EGP)	0. 29	1. 44

27- Finance lease liabilities

	31/12/2023	31/12/2022
Current portion of finance lease liabilities	63 823	72 748
Non- Current portion of finance lease liabilities	--	62 397
Total	63 823	135 145

* Note no. (15).

28- Tax status

- As to Income Tax, for the years from the start of operations until 2019, the competent Tax Inspectorate inspected the parent company's books and all the disputed points have been settled with the Internal Committee. And as to years 2020/2022 have not been inspected yet.
- As to Salaries Tax, the parent company's books had been examined till 2020 and all the disputed points have been settled with the Internal committee and as to years 2021 till December 2023, the company paid tax till and have not been inspected yet.
- As to Stamp Tax, the parent company's books had been examined from year 1998 till 2018 and all the disputed points have been settled with the competent Tax Inspectorate and as to years 2019 till 2023, they have not yet been inspected.
- As to Property Tax, for Smart Village building, the company paid tax till December 31, 2023 and as for Nile City building, the company paid tax till December 31, 2023.

29- Related party transactions

The related parties transactions are represented in the following:

- Other income item an amount of EGP Thousands 34 237 which represents the value of rental spaces for some affiliated companies.
- Interest income item presented in the income statement includes an amount of EGP Thousands 513 represent the interest on subordinated loan to EFG-Hermes UAE, an amount of EGP Thousands 156 represents the interest on subordinated loan to Hermes Securities Brokerage and an amount of EGP Thousands 6 823 represents the interest on subordinated loan U Consumer finance (Valu "previously").
- Finance cost item presented in the income statement includes an amount of EGP Thousands 2 270 represent the interest on subordinated loan from EFG Corp - Solutions (EFG Hermes Corp-Solutions "previously").
- The company grants support loans to some companies for purpose of providing financial leverage (Note no. 11).
- Creditors and other credit balances item includes an amount of EGP Thousands 5 741 presented the unearned revenue which the value of rental spaces for some subsidiaries companies (Note no. 9).

30- Measurement of fair value

- Countless group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
- When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

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

• Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

• Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
- Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, bond and equity prices, foreign currency exchange rates.
- The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position:

31 December 2023

Financial assets	**Note no**	**Level 1**	**Level 2**	**Level 3**	**Total**
Mutual fund certificates	(4,12)	43 529	--	3 996 780	4 040 309
Equity securities	(4,12)	1 168	--	19 696	20 864
Treasury bills	(12)	--	957 547	--	957 547
Debt instruments	(12)	971 130	--	--	971 130
		1 015 827	957 547	4 016 476	5 989 850

31 December 2022

Financial assets	**Note no**	**Level 1**	**Level 2**	**Level 3**	**Total**
Mutual fund certificates	(4,12)	39 165	--	2 680 282	2 719 447
Equity securities	(4,12)	795	--	19 695	20 490
Treasury bills	(12)	--	315 669	--	315 669
Debt instruments	(12)	1 044 046	--	--	1 044 046
		1 084 006	315 669	2 699 977	4 099 652

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

31- Classification of financial assets and financial liabilities

31 December 2023

Financial assets	**Note no**	**Amortized Cost**	**FVTPL**	**FVTOCI**
Mutual fund certificates	(4,12)	--	3 941 159	99 148
Equity securities	(4,12)	--	3 574	17 290
Treasury bills	(12)	--	--	957 547
Debt instruments	(12)	--	--	971 130
Cash and cash equivalents	(3)	1 351 067	--	--
Due from subsidiaries and related parties	(5)	4 517 674	--	--
Other debit balances	(6)	158 856	--	--
		6 027 597	3 944 733	2 045 115
Financial Liabilities				
Banks overdraft	(8)	3 748 639	--	--
Due to subsidiaries and related parties	(7)	1 921 450	--	--
Finance lease liabilities	(27)	63 823	--	--
Creditors and other credit balances	(9,29)	1 042 716	--	--
		6 776 628	--	--

31 December 2022

Financial assets	**Note no**	**Amortised Cost**	**FVTPL**	**FVTOCI**
Mutual fund certificates	(4,12)	--	2 629 796	89 651
Equity securities	(4,12)	--	3 200	17 290
Treasury bills	(12)	--	--	315 669
Debt instruments	(12)	--	--	1 044 046
Cash and cash equivalents	(3)	1 424 806	--	--
Loans to subsidiaries	(11,29)	71 883	--	--
Due from subsidiaries and related parties	(5)	3 879 867	--	--
Other debit balances	(6)	75 139	--	--
		5 451 695	2 632 996	1 466 656
Financial Liabilities				
Banks overdraft	(8)	3 031 590	--	--
Due to subsidiaries and related parties	(7)	790 608	--	--
Finance lease liabilities	(27)	135 145	--	--
Creditors and other credit balances	(9,29)	828 509	--	--
		4 785 852	--	--

32- Financial instruments and management of related risks:

The Company's financial instruments are represented in the financial assets and liabilities. Financial assets include cash balances with banks, investments and debtors while financial liabilities include loans and creditors. Notes to financial statements includes significant accounting policies applied regarding basis of recognition and measurement of the important financial instruments and related revenues and expenses by the company to minimize the consequences of such risks.

32/1 Market risk

A. Foreign currencies risk

- The foreign currencies exchange risk represents the risk of fluctuation in exchange rates, which in turn affects the Company's cash inflows and outflows as well as the value of its assets and liabilities in foreign currencies.
- As at the financial position date the Company has assets and liabilities in foreign currencies equivalent to EGP Thousands 5 994 681 and EGP Thousands 1 657 286 respectively. The Company's net exposures in foreign currencies as at the financial position date are as follows:

	Surplus EGP Thousands
USD	4 029 841
EURO	302 016
AED	4 184
GBP	723
CHF	568
SAR	63

The company has used the prevailing exchange rates to revaluate assets and liabilities at financial position date as disclosed in note (34-1-1) "foreign currencies transactions".

B. Interest rate risk

The cash flows of the Company affected by the changes in market rates of interest. To mitigate interest rate risk, the company maintains banks deposits for short-term periods renewed monthly, and are negotiated in the re-pricing date comparing to interest rates announced by the central bank or LIBOR.

C. Price risk

The Company is exposed to market price risk for equity instruments, According to the company's investment policy, the following procedures are undertaken to reduce the effect of this risk:

- Performing the necessary studies before investment decision to verify that investment is made in potential securities.
- Diversification of investments in different sectors and industries.
- Performing continuous studies required to follow up the Company's investments and their development.

32/2 Credit risk

Financial institutions that the Company deals with are only those enjoying high credit quality. The Company has policies that limit the amount of credit exposure to any one financial institution.

32/3 Liquidity risk

Liquidity risk is represented in the factors, which may affect the Company's ability to pay part of or full amount of its liabilities. According to the Company's policy, sufficient cash balances are retained to meet the Company's current liabilities which minimize the liquidity risk.

32/4 Capital risk

The goal of the Company's management of capital management is to maintain the Company's ability to continue to achieve returns for shareholders and benefits for other parties that use financial statements. The management company also aims to provide and maintain the best capital structure which would lead to lower capital costs.

32/5 Financial instruments' fair value

The financial instruments' fair value does not substantially deviated from its book value at the financial position date.

32/6 Derivative financial instruments and hedge accounting

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value according to the valuation basis applied, in accounting policies to derivative financial instrument.

33- Subsequent events:

- On March 6, 2024, the Central Bank of Egypt decided to raise the overnight deposit and lending rates by 600 basis points to reach 27.25% and 28.25%, respectively. Also, the credit and discount rate was raised by also 600 points to reach 27.75 with allowing the use of a flexible exchange rate driven by market mechanisms, which led to an increase in the average official exchange rate of US dollars during the first week of the Central Bank's decision date, to reach between 49 to 50 EGP/USD.

34- Significant accounting policies applied

34-1 Basis of preparation

34-1-1 Translation of the foreign currencies' transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

34-2 Property, plant, and equipment

34-2-1 Recognition and measurement

Items of property, plant, and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of certain items of property, plant, and equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant, and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

34-2-2 Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

34-2-3 Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Assets	Estimated useful life
- Buildings	33.3 years
- Furniture, office and electrical appliances	5 years
- Computer equipment	5 years
- Vehicles & transportation means	5 years
- Fixtures	5 years

Improvements are depreciated in leased locations over the contract life or the useful life whichever is less.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

34-2-4 Re-classification to investment property

When the use of a property changes from owner-occupied to investment property.

34-2-5 Intangible assets

Intangible assets are recorded at historical cost less accumulated amortization and any impairment losses (note 34-5), intangible assets are amortized using the straight-line method and are recognized in profit or loss over their estimated useful lives.

34-3 Investments

34-3-1 Investments in subsidiaries

Investments in subsidiaries and associates are valued at cost, the book value is amended by any impairment concerning the value of these investments (note 34-5). The impairment value is to be charged to the income statement for every investment individually.

34-3-2 Investment property

Investment property is measured at cost on initial recognition.

Subsequent to initial recognition investment property is measured at cost less accumulated depreciation and impairment loss, if any. Investment property is depreciated on a straight-line basis over is useful life.

The estimated useful life of investment property is 33.3 years.

The profits or losses resulting from the disposal of the Investment property (calculated as the difference between the net proceeds from the disposal of the property and the net book value of it) in the profits or losses.

34-4 Financial instruments

34-4-1 Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

34-4-2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an instrument-by-instrument basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

34-4-3 Financial assets – Business model assessment

The Company assesses the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

34-4-4 Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

34-4-5 Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

34-4-6 Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

34-4-7 Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

34-4-8 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

34-4-9 Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Company designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or,

For other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Net investment hedges

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

34-5 Impairment

34-5-1 Non-derivative financial assets

Financial instruments and contract assets

The Company recognises loss allowances for Expected Credit Loss (ECLs) on:

- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI;
- contract assets.

The Company also recognises loss allowances for ECLs on loans receivables.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and

- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. unless it can be rebutted.

The Company considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due unless it can be rebutted.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

34-5-2 Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

34-5-3 Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- A breach of contract such as a default or being more than 90 days past due;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

34-5-4 Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

34-5-5 Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

34-5-6 Non-financial assets

- At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than, investment property, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.
- For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.
- The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.
- An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.
- Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.
- An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

34-6 Cash and cash equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalents includes the balances, whose maturity do not exceed three months from the date of acquisition and the balances included cash on hand, current accounts, time deposits with banks & treasury bills.

34-7 Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings on an effective interest basis.

34-8 Provisions

Provisions are recognized when the Company has a legal or constructive current obligation as a result of a past event and it's probable that a flow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Provisions are reviewed at the financial position date and amended (when necessary) to represent the best current estimate.

34-9 Legal reserve

The Company's statutes provides for deduction of a sum equal to 5% of the annual net profit for formation of the legal reserve. Such deduction will be ceased when the total reserve reaches an amount equal to half of the Company's issued capital and when the reserve falls below this limit, it shall be necessary to resume

34-10 Share capital

34-10-1 Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with EAS 24 income tax.

34-10-2 Re-purchase and reissue of ordinary shares (treasury shares)

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

34-11 Revenues

34-11-1 Gains (losses) on sale of investments

Gain (loss) resulted from sale of investments are recognized on transaction date and measured by the difference between cost and selling price less selling commission and expenses.

34-11-2 Dividend income

Dividend income is recognized when declared.

34-11-3 Custody fees

Custody fees are recognized when provide service and issue invoice.

34-11-4 Interest income

Interest income is recognized on time proportion basis to take into account effective yield on the asset.

34-12 Expenses

34-12-1 Borrowing costs

Borrowing costs are recognized as expenses in the income statement when incurred on an effective interest basis.

34-12-2 Employees' pension

The Company contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law. Under this law, the employees and the employers contribute into the system on a fixed percentage-of-salaries basis. The Company's liability is confined to the amount of its contribution. Contributions are charged to income statement using the accrual basis of accounting.

34-12-3 Income tax

Income tax on the income statement for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

34-13 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

34-14 Profit sharing to employees

The Company pays 10% of its cash dividends as profit sharing to its employees provided that it will not exceed total employees annual salaries. Profit sharing is recognized as a dividend distribution through equity and as a liability when approved by the Company's shareholders.

34-15 Employees benefits

34-15-1 Share based payments

Equity settled transactions

For equity-settled share-based payment transactions, the company measure the services received, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The fair value of those equity instruments is measured at grant date.

Vesting conditions, other than market conditions, are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognized for services received as consideration for the equity instruments granted are based on the number of equity instruments that eventually vest. Hence, on a cumulative basis, no amount is recognized for services received if the equity instruments granted do not vest because of failure to satisfy a vesting condition.

The company recognize an amount for the services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and revise that estimate, if necessary, if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date, the entity shall revise the estimate to equal the number of equity instruments that ultimately vested.

34-16 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in EAS 49.

34-16-1 As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

fixed payments, including in-substance fixed payments;

variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

amounts expected to be payable under a residual value guarantee; and the exercise price under a purchase option that the Comapny is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low – value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

34-16-2 As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand- alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Company applies EAS 11 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in EAS 47 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognizes lease payments received under operating leases as income on a straight- line basis over the lease term as part of 'other revenue'.

(In the notes all amounts are shown in EGP Thousands unless otherwise stated)

35- New Editions and Amendments to Egyptian Accounting Standards:

On March 6, 2023, the Prime Minister's Decree No. (883) of 2023 was issued amending some provisions of the Egyptian Accounting Standards, the following is a summary of the most significant amendments:

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (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).	Management is currently evaluating the potential impact on the financial statements from the application of the standard.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting **on or after July 1, 2024**, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the company should disclose that fact.

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	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".		