

Elsewedy Electric Company
(An Egyptian Joint Stock Company)
Condensed Consolidated Interim Financial Statements
for the Nine Month Ended 30 September 2024
and Limited Review Report

Translated from Arabic

**Elsewedy Electric Company
(An Egyptian Joint Stock Company)
Condensed Consolidated interim Financial Statements
for the Nine Months ended 30 September 2024**

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Translation from Arabic

Limited Review Report on The Condensed Interim Consolidated Financial Statements To The Board of Directors of El Sewedy Electric company(S.A.E.)

Introduction

We have performed a limited review on the accompanying September 30, 2024, condensed interim consolidated financial statements of El Sewedy Electric company “an Egyptian joint stock company” and its subsidiaries “the Group”, which comprises:

- The condensed consolidated statement of financial position as of September 30, 2024.
- The condensed consolidated statements of profit or loss for the three months and Nine months periods ended September 30, 2024;
- The condensed consolidated statements of comprehensive income for the three months and Nine months periods ended September 30, 2024;
- The condensed consolidated statements of changes in equity for Nine months period ended September 30, 2024;
- The condensed consolidated statements of cash flows for Nine months period ended September 30, 2024;
- The notes to the condensed interim consolidated financial statements.

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

Scope of Limited Review

we conducted our limited review in accordance with the Egyptian Standard on Review Engagements number (2410), "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these condensed interim consolidated financial statements.



Hazem Hassan

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2024, condensed interim consolidated financial statements do not present fairly, in all material respects, in accordance with Egyptian Accounting Standard number (30) "Interim Financial Reporting".

KPMG Hazem Hassan

**KPMG Hazem Hassan
Public Accountants & Consultants**

Cairo, 14 November 2024



Elsewedy Electric Company
(An Egyptian Joint Stock Company)
Condensed Consolidated interim Statement of Financial Position

EGP	Note	30 September 2024	31 December 2023
Assets			
Property, plant and equipment	(17)	26 472 728 806	18 009 166 367
Right of use assets	(19)	1 282 187 739	880 980 101
Investment property	(18)	60 394 720	61 033 092
Equity- accounted investees	(20)	6 601 911 059	3 802 844 269
Due from related parties	(38)	173 493 567	111 110 144
Trade and other receivables	(21)	2 311 467 813	2 770 745 661
Intangible assets and goodwill	(22)	1 139 777 616	1 261 762 247
Deferred tax assets	(14-1)	1 434 676 837	726 284 664
Non-current assets		39 476 638 157	27 623 926 545
Inventories	(23)	53 486 250 022	30 881 822 082
Contract assets	(25)	18 288 595 428	16 179 633 722
Work in progress	(24)	1 782 811 714	1 218 260 843
Trade and other receivables	(26)	80 622 439 583	46 591 885 092
Due from related parties	(38)	1 868 041 084	2 553 915 781
Investment in debt securities at amortized cost	(27)	1 205 045 145	847 165 963
Cash and cash equivalents	(28)	33 279 491 073	25 552 044 800
Current assets		190 532 674 049	123 824 728 283
Total assets		230 009 312 206	151 448 654 828
Equity			
Issued and paid-up capital	(29)	2 140 777 876	2 170 777 876
ESOP shares issued not granted		(1 422 160)	(1 422 160)
Reserves	(30)	8 761 224 484	3 942 000 468
Treasury shares	(31)	-	(254 137 884)
Retained earnings		41 172 417 537	29 867 247 832
Equity attributable to owners of the parent company		52 072 997 737	35 724 466 132
Non-controlling interests	(41)	4 486 839 868	2 384 013 396
Total equity		56 559 837 605	38 108 479 528
Liabilities			
Loans and borrowings	(32)	7 535 218 184	6 815 681 966
Deferred tax liabilities	(14-2)	3 238 995 966	1 809 916 821
Due to related parties	(38)	122 067 725	81 722 342
Provisions	(35)	1 159 662 296	752 369 068
Other liabilities	(42)	1 347 501 937	774 053 299
Non-current liabilities		13 403 446 108	10 233 743 496
Loans and borrowings	(32)	49 495 701 425	34 950 810 105
Trade and other payables	(33)	50 985 905 899	31 938 122 060
Contract liabilities	(34)	45 726 025 166	25 060 328 092
Due to related parties	(38)	1 850 529 926	3 106 746 671
Provisions	(35)	11 987 866 077	8 050 424 876
Current liabilities		160 046 028 493	103 106 431 804
Total liabilities		173 449 474 601	113 340 175 300
Total equity and liabilities		230 009 312 206	151 448 654 828

The notes from no.(1) to (43) are an integral part of these condensed consolidated interim financial statements.

Group Chief Financial Officer

Mr/ Ahmed Shokry

Limited review report "Attached"

Managing Director

Eng/ Ahmed Ahmed Sadek El Sewedy

Chairman

Mr/ Sadek Ahmed Sadek El Sewedy

Elsowedy Electric Company
(An Egyptian Joint Stock Company)
Condensed Consolidated Statement of Profit or Loss

EGP	Note	For the Nine months ended 30 September		For the three months ended 30 September	
		2024	2023	2024	2023
Revenue	(5)	164 822 040 599	108 804 085 041	62 195 834 721	39 166 297 131
Cost of revenue	(6)	(131 764 346 217)	(88 242 493 164)	(51 825 625 595)	(31 481 973 892)
Gross profit		33 057 694 382	20 561 591 877	10 370 209 126	7 684 323 239
Other income	(9)	1 938 629 735	481 667 980	1 222 389 491	319 934 407
Selling and distribution expenses	(7)	(2 978 941 750)	(1 832 463 654)	(1 052 171 022)	(622 260 818)
General and administrative expenses	(8)	(5 541 925 884)	(3 952 011 369)	(1 817 365 810)	(1 406 672 682)
Net impairment loss on trade and other receivables	(10)	(587 749 122)	(223 492 921)	(104 360 899)	(135 527 214)
Other expenses	(11)	(4 263 857 316)	(2 257 699 463)	(745 032 039)	(738 463 582)
Operating profit		21 623 850 045	12 777 592 450	7 873 668 847	5 101 333 350
Finance income	(12)	4 052 425 055	3 068 901 202	545 339 893	79 671 002
Finance costs	(12)	(5 251 037 051)	(3 519 489 021)	(1 751 724 366)	(1 347 905 721)
Net finance cost	(12)	(1 198 611 996)	(450 587 819)	(1 206 384 473)	(1 268 234 719)
Group share of profit of equity-accounted investees, net of tax	(20)	785 306 261	338 326 744	334 746 024	145 720 215
Profit for the Period before tax		21 210 544 310	12 665 331 375	7 002 030 398	3 978 818 846
Income tax expense	(13)	(6 856 747 651)	(3 759 192 787)	(1 757 669 891)	(1 230 257 016)
Profit for the period after tax		14 353 796 659	8 906 138 588	5 244 360 507	2 748 561 830
Profit attributable to:					
Owners of the parent company		13 252 178 931	8 070 304 820	4 816 281 887	2 506 045 018
Non-controlling interests		1 101 617 728	835 833 768	428 078 620	242 516 812
		14 353 796 659	8 906 138 588	5 244 360 507	2 748 561 830
Basic earning per share	(40)	5.49	3.31	1.93	0.97
Diluted earning per share	(40)	5.48	3.31	1.92	0.97

The notes from no.(1) to (43) are an integral part of these condensed consolidated interim financial statements.

Elsowedy Electric Company
(An Egyptian Joint Stock Company)
Condensed Consolidated Statement of Comprehensive Income

	For the Nine months ended 30 September		For the three months ended 30 September	
EGP	2024	2023	2024	2023
Profit for the period after tax	14 353 796 659	8 906 138 588	5 244 360 507	2 748 561 830
Other comprehensive income:				
Foreign operations translation differences	5 903 558 655	1 357 012 227	(598 622 223)	(749 703 484)
Other comprehensive income for the Period	5 903 558 655	1 357 012 227	(598 622 223)	(749 703 484)
Total comprehensive income for the Period	20 257 355 314	10 263 150 815	4 645 738 284	1 998 858 346
Total comprehensive income attributable to :				
Owners of the parent company	18 071 402 947	9 266 341 840	4 216 859 025	1 853 432 116
Non-controlling interests	2 185 952 367	996 808 975	428 879 259	145 426 230
	20 257 355 314	10 263 150 815	4 645 738 284	1 998 858 346

The notes from no.(1) to (43) are an integral part of these condensed consolidated interim financial statements.

(An Egyptian Joint Stock Company)

Condensed Consolidated Statement of Changes in Equity
For the nine months ended 30 September 2024

EGP	Issued and paid-up capital	ESOP shares issued not granted	Treasury shares	Reserves		Total reserves	Retained earnings attributable to owners of the parent company	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
				Legal reserve	Foreign operations translation differences reserve					
Balance as at 1 January 2023	2 170 777 876	(1 422 160)	(254 137 884)	436 836 000	2 079 301 847	2 516 137 847	21 578 808 504	26 010 164 183	1 635 139 443	27 645 303 626
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	8 070 304 820	8 070 304 820	835 833 768	8 906 138 588
Foreign operations translation differences	-	-	-	-	1 196 037 020	1 196 037 020	-	1 196 037 020	160 975 207	1 357 012 227
Total comprehensive income for the period	-	-	-	-	1 196 037 020	1 196 037 020	8 070 304 820	9 266 341 840	996 808 975	10 263 150 815
Transactions with owners of the parent company and others										
Contributions and distributions										
Dividends to employees and board of directors' remunerations	-	-	-	-	-	-	(1 461 286 766)	(1 461 286 766)	(53 010 275)	(1 514 297 041)
Total contributions and distributions	-	-	-	-	-	-	(1 461 286 766)	(1 461 286 766)	(16 007 634)	(1 514 297 041)
Total transactions with owners of the parent company and others	-	-	-	-	-	-	(1 461 286 766)	(1 461 286 766)	(16 007 634)	(1 514 297 041)
Balance as at 30 September 2023	2 170 777 876	(1 422 160)	(254 137 884)	436 836 000	3 275 338 867	3 712 174 867	28 187 826 558	33 815 219 257	2 615 940 784	36 394 157 400
Balance as at 1 January 2024	2 170 777 876	(1 422 160)	(254 137 884)	554 350 878	3 387 649 590	3 942 000 468	29 867 247 832	35 724 466 132	2 384 013 396	38 108 479 528
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	13 252 178 931	13 252 178 931	1 101 617 728	14 353 796 659
Foreign operations translation differences	-	-	-	-	4 819 224 016	4 819 224 016	-	4 819 224 016	1 084 334 639	5 903 558 655
Total comprehensive income for the period	-	-	-	-	4 819 224 016	4 819 224 016	13 252 178 931	18 071 402 947	2 185 952 367	20 257 355 314
Transactions with owners of the parent company and others										
Contributions and distributions										
Retirement of treasury shares	(30 000 000)	-	254 137 884	-	-	-	(224 137 884)	-	-	-
Dividends to shareholders	-	-	-	-	-	-	(1 069 677 858)	(1 069 677 858)	(57 047 236)	(1 126 725 094)
Dividends to employees and board of directors' remunerations	-	-	-	-	-	-	(653 193 484)	(653 193 484)	(26 078 659)	(679 272 143)
Total contributions and distributions	(30 000 000)	-	254 137 884	-	-	-	(1 947 009 226)	(1 722 871 342)	(83 125 895)	(1 805 997 237)
Total transactions with owners of the parent company and others	(30 000 000)	-	254 137 884	-	-	-	(1 947 009 226)	(1 722 871 342)	(83 125 895)	(1 805 997 237)
Balance as at 30 September 2024	2 140 777 876	(1 422 160)	-	554 350 878	8 206 873 606	8 761 224 484	41 172 417 537	52 072 997 737	4 486 839 868	56 559 837 605

The notes from no.(1) to (43) are an integral part of these condensed consolidated interim financial statements.

Elsewedy Electric Company
(An Egyptian Joint Stock Company)
Condensed Consolidated Statement of Cash Flows

		For the Nine months ended 30 September	
EGP	Note	2024	2023
Cash flows from operating activities			
Profit for the period before tax		21 210 544 310	12 665 331 375
Adjustments For :			
Depreciation of property plant and equipment	(17)	1 453 631 464	1 576 968 767
Depreciation of investment in property		1 104 569	-
Amortization of intangible assets	(22)	62 573 992	40 195 706
Amortization of right of use assets	(19)	135 142 854	76 543 105
Impairment loss on goodwill& Intangible asset	(11)	259 618 570	-
Net finance income	(12)	1 198 611 996	450 587 819
Reverse of impairment loss on property plant and equipment		(5 825 427)	58 160 377
Share of profit of equity-accounted investees, net of tax	(20)	(785 306 261)	(338 326 744)
Gain on sale of property, plant and equipment	(9)	(431 542 919)	(12 302 715)
		23 098 553 148	14 517 157 690
Changes in :			
Inventories		(22 604 427 940)	(6 859 037 738)
Contract assets		(2 108 961 706)	(4 175 965 304)
Trade and other receivables		(33 571 276 643)	(13 957 993 900)
Due from related parties		685 874 697	(690 920 382)
Trade and other payables		22 288 038 327	4 624 100 006
Contract liabilities		20 665 697 074	6 226 831 009
Other liabilities		573 448 638	149 909 274
Due to related parties		(1 256 216 745)	1 799 886 731
Work in progress		(564 550 871)	179 264 154
Provisions		3 094 874 761	1 978 767 413
Cash flows from operating activities		10 301 052 740	3 791 998 953
Income tax paid		(3 222 057 861)	(2 043 652 313)
Interest paid		(5 232 853 355)	(3 499 657 723)
Net cash flows generated from operating activities		1 846 141 524	(1 751 311 083)
Cash flows from investing activities			
Acquisition of property, plant and equipment and projects under contraction		(6 535 484 822)	(2 728 337 115)
Acquisition of right of use assets			(160 715 808)
Interest received		1 035 310 659	644 580 785
Acquisition of intangible assets		(127 627 784)	(62 808 322)
Proceeds from the disposal of Intangible assets		-	79 557 465
Paid for acquisition of equity - accounted investees		(418 990 000)	
Proceeds from sale of property, plant and equipment		744 929 940	119 161 729
Net (paid) / proceeds from debt securities - at amortized cost		(357 879 182)	254 243 506
Net cash flows used in investing activities		(5 659 741 189)	(1 854 317 760)
Cash flows from financing activities			
Dividends and remuneration paid to board of directors		(1 722 871 342)	(1 298 547 810)
Payment of lease liabilities		(126 480 052)	(19 831 298)
Proceeds from non-forward contracts		-	771 402 106
Proceeds from loans and borrowings		9 350 559 943	18 377 311 353
Net paid non-controlling interests from subsidiaries		(83 125 895)	(53 010 275)
Net cash from financing activities		7 418 082 654	17 777 324 076
Net change in cash and cash equivalents		3 604 482 989	14 171 695 233
Cash and cash equivalents at 1 January	(28)	25 552 044 800	4 069 826 267
Effect of movement in exchange rate on cash held		4 122 963 284	1 222 271 608
Cash and cash equivalents at 30 September	(28)	33 279 491 073	19 463 793 108

The notes from no.(1) to (43) are an integral part of these condensed consolidated interim financial statements.

1- Reporting entity

- Elsewedy Electric Company “Previously Elsewedy Cables Company” (The Company) is an Egyptian Joint Stock Company that was established under the Investment Incentives and Guarantees Law No. (8) of year 1997 and its executive regulations which is superseded by law No. (72) of year 2017.
- The company was registered in the commercial register under no. 14584 on 1 June 2005.
- The extraordinary general assembly meeting on 19 April 2010 decided to change the company name from Elsewedy Cables Company to Elsewedy Electric Company. This change was registered in the company’s commercial register on 4 October 2010. The company obtained the approval of Misr for Central Clearing, Depository, and Registry Company on 31 October 2010 for changing its name, also it changed its name in the Egyptian Stock Exchange after obtaining the approval of the Securities Listing Committee.
- The duration of the company is 25 years starting from 1 June 2005.
- These condensed consolidated interim financial statements comprise the Elsewedy Electric Company (The Parent Company) and its subsidiaries (together referred to as “The Group”).

1-1 Company’s purpose

- Production of power cables, electricity poles, towers, transformers, and terminators.
 - Production of Joint accessories, terminators for electrical power cables, electrical power cable, telephone cables.
 - Production of electrical wires and cables with aluminum or copper and connectors either coated or not coated, with low, med, and high potential.
 - Production of (PVC) with its forms and byproducts.
 - Building, managing, operating, and maintaining power generation units and power nets.
- Each activity has an independent center, and the required licenses should be acquired.

1-2 Foreign branches

Elsewedy Electric Company (The Parent Company) has the following two foreign branches:

A- Tanzania Branch

- The company established a branch in Tanzania during 2018 and on 11 December 2018 the management entered into a joint operation through this branch with the Arab Contractors Company "Othman Ahmed Osman" for the purpose of building Julius Nyerere Dam.
- The branch recognizes its share which is 45% in the joint operation, over which the branch has exercised joint control, in accordance with the contractual agreement between the parties after unifying any discrepancy in the applied accounting policies. The financial statements of the Group include its share of the assets in joint operation, together with its share of the liabilities, revenues and expenses.
- According to the main original contract, the project of Building Julius Nyerere Dam was planned to be completed on 30 June 2022. The last formal extension of the project was ended on May 2025 and about 77.02% of the project has been delivered on 30 September 2024.
- The main original contract also stipulates a three-years warranty period starting from the date of issuance of the initial hand over certificate of the project, where the joint operation and the branch remain exist during the warranty period to meet its contractual obligations.
- Elsewedy Electric Company’s management intends to maintain its branch in Tanzania even after the project’s completion as a representative of Elsewedy Electric Company to expand its operations in Tanzania with the full support to the branch, whenever it’s necessary. Accordingly, the management has a reasonable expectation that the branch will continue its operational activities in the foreseeable future.

B- Burkina Faso Branch

- The company established a branch in Burkina Faso on 17 March 2022, and entered into an agreement with the National Electricity Company of Burkina Faso (Sonabel) to carry out the construction works of the Photovoltaic Power Plant (42 MW) and the 90/33 KV Substation in the Northern Ouagadougou Region for the purpose of developing Solar Photovoltaic Plants and Strengthening the National Electricity System.
- According to the main original contract, the duration of the project ended on 30 April 2023, and on 8 January 2024, the project was extended for the second time to be ended on 31 May 2024. As of February 23, 2024, the project period has been extended for two years, ending on February 22, 2026.
- The contract also stipulates a two-years warranty period starting from the date of issuing the initial handover certificate of the project.
- Elsewedy Electric Company's management intends to maintain its branch in Burkina Faso even after the project's completion as a representative of Elsewedy Electric Company to expand its operations in Burkina Faso with the full support to the branch, whenever it's necessary. Accordingly, the management has a reasonable expectation that the branch will continue its operational activities in the foreseeable future.

2- Basis of accounting

2-1 Compliance with accounting standards and laws

The condensed consolidated interim financial statements were approved by the board of directors of the company for issuance on 13 November 2024.

These condensed consolidated financial statements have been prepared in less detail than consolidated financial statements as of 31 December 2023 and to obtain a better understanding of the financial position of the company and the result of operations. This condensed Consolidated interim financial statement must be read together with the full consolidated financial statement as of 31 December 2023.

2-2 Compliance with accounting standards and laws

- These condensed consolidated interim financial statements have been prepared in accordance with Egyptian Accounting Standards and the Egyptian laws and regulations.
- The Condensed Consolidated interim financial statements were prepared on 30 September 2024 in accordance with the Egyptian accounting standard No. (30) interim financial statement as a summary of the company's annual Consolidated financial statements and in the light of the relevant Egyptian laws and regulations.
- These Condensed consolidated interim financial statements do not contain all the information required when preparing the detailed annual financial statements and must be read with the annual consolidated financial statements as at 31 December 2023.

2-3 Basis of measurement

These Condensed consolidated interim financial statements have been prepared under the historical cost basis, except for:

- Financial assets and liabilities that are recorded at fair value through profit or loss.
- Financial assets and liabilities that are recorded at fair value through other comprehensive income.
- Financial assets and liabilities that are recorded at amortized cost.
- For presentational purposes, the current and non-current classification has been used for the condensed consolidated interim financial statement of Financial Position, while expenses are analyzed in Condensed consolidated interim financial statement of income using a classification based on their function. The in-direct method has been used in preparing the Condensed consolidated interim financial statement of cash flows.

3- Presentation currency

These condensed consolidated interim financial statements are presented in Egyptian Pound which is the group functional currency.

4- Use of judgments and estimates

- In preparing these condensed consolidated interim financial statements, the management has made judgements and estimates about the future which 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 and are consistent with the Group's risk management where appropriate. Revisions to accounting estimates are recognized prospectively.

4-1 Judgements

- Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the Condensed consolidated interim financial statements is included in the following notes:
 - Revenue recognition: whether revenue is recognized at a point in time or over time.
 - Business Combination: whether the Group has actual control over an investee.
 - Lease term: whether the Group is reasonably certain about exercising extension's options.
 - Equity-accounted investee: whether the Group has significant influence over an Investee.

4-2 Assumptions and estimations uncertainties

- Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:
 - Revenue recognition: Estimate of expected returns.
 - Uncertain tax treatments.
 - Impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs.
 - Measurement of ECL allowance for trade and other receivables and contract assets: key assumptions in determining the weighted-average loss rate.
 - Acquisition of subsidiaries: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired, and liabilities assumed, measured on a provisional basis.
 - Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.
 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources, assumption related to warranty provision, Provision for restoring of the site, and provision for transfer cost.

Measurement of fair values

- The fair value of financial instruments shall be determined on the basis of market value of the financial instruments or similar financial instruments as at the date of Condensed Consolidated interim financial statements without deducting any estimated future selling cost. Financial asset are valued at the current purchase price of those assets , while financial liabilities are valued at the current prices at which they can be settled.
- In case of there is no active market for determining the fair value of financial instruments , fair value is assessed using different valuation methods taking into account recent transactions prices , and guided by the current fair value of other instruments that are intrinsically similar – the discounted cash flow method – or any other valuation method that results in reliable values.
- When using discounted cash flow as a valuation method, future cash flow are estimated on the basis of management,s best estimate and the discount rate used is determined in the light of the prevailing market price at the date of financial statements of similar financial instruments in the terms of their nature and conditions.

5- Revenue

5-1 Revenue classification according to the timing of revenues' recognition

	For the Nine months ended 30 September		For the three Months ended 30 September	
EGP	2024	2023	2024	2023
Recognized revenue at a point in time	116 522 386 495	71 825 478 132	43 877 497 827	25 870 680 032
Recognized revenue over time	48 299 654 104	36 978 606 909	18 318 336 894	13 295 617 099
	164 822 040 599	108 804 085 041	62 195 834 721	39 166 297 131

5-2 Revenue classification in accordance with the primary geographical market

	For the Nine months ended 30 September		For the three Months ended 30 September	
EGP	2024	2023	2024	2023
Inside Egypt	117 452 125 973	75 067 400 824	45 645 066 481	27 169 041 061
Outside Egypt	47 369 914 626	33 736 684 217	16 550 768 240	11 997 256 070
	164 822 040 599	108 804 085 041	62 195 834 721	39 166 297 131

5-3 Revenue classification in accordance with the major products and services lines

	For the Nine months ended 30 September		For the three Months ended 30 September	
EGP	2024	2023	2024	2023
Cables	100 203 134 985	59 549 315 637	37 720 956 066	21 719 063 484
Electrical products and its accessories	16 319 251 510	12 276 162 495	6 156 541 761	4 151 616 548
Constructions	48 299 654 104	36 978 606 909	18 318 336 894	13 295 617 099
	164 822 040 599	108 804 085 041	62 195 834 721	39 166 297 131

5-4 Revenue from foreign branches and joint operations

- The Group's revenues include revenues from Burkina Faso branch amounted to EGP 97 372 717 which is equivalent to CFA Francs 1 381 349 520 for the financial period ended 30 September 2024.
- The Group's revenues include revenues from Tanzania branch amounted to EGP 4 689 932 275 which is equivalent to 288 066 395 926 Tanzanian Shilling for the financial period ended 30 September 2024 (EGP 4 688 033 438 for the financial period ended 30 September 2023).
- The Group's revenues include revenues resulted from the joint operation of Playa Resort between El-Rowad Modern Engineering Company (Subsidiary Company) and G Investment Company amounted to EGP 2 269 024 049 for the financial period ended 30 September 2024 (EGP 1 408 266 901 for financial period ended 30 September 2023).

El Sewedy Electric Company (An Egyptian Joint Stock Company)

Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 –
(Continued)

6- Cost of revenue

EGP	Note	For the Nine months ended 30 September		For the three Months ended 30 September	
		2024	2023	2024	2023
Cost of recognized revenue at a point in time	(6-1)	106 776 218 152	64 414 741 059	44 045 162 748	23 197 843 358
Cost of recognized revenue over time	(6-2)	24 988 128 065	23 827 752 105	7 780 462 847	8 284 130 534
		131 764 346 217	88 242 493 164	51 825 625 595	31 481 973 892

6-1 Cost of recognized revenue at a point in time

EGP	Note No.	For the Nine months ended 30 September		For the three Months ended 30 September	
		2024	2023	2024	2023
Raw materials		91 309 187 081	53 422 066 125	38 025 029 964	19 669 594 720
Salaries and its equivalents		5 543 254 771	3 838 009 014	2 206 126 720	1 274 546 047
Depreciation of property, plant and equipment	(17-1)	1 103 174 433	1 315 792 232	430 148 086	460 265 752
Depreciation of right of use assets	(19)	42 716 926	17 908 576	26 386 764	6 479 059
Amortization of intangible assets	(22)	11 732 151	2 380 486	4 009 613	969 704
Inventory write-down		2 469 682 482	994 814 349	425 213 746	113 699 121
Utilities, maintenance, and spare parts		2 244 062 516	1 393 386 475	1 085 087 364	545 652 146
Logistics services		1 063 545 845	622 454 693	696 747 926	185 477 034
Rent expense*		588 700 666	542 087 282	239 552 113	153 114 670
Other costs		2 400 161 281	2 265 841 827	906 860 452	788 045 105
		106 776 218 152	64 414 741 059	44 045 162 748	23 197 843 358

*The rent expense represents the value of low-value or short-term leases that are not subject to lease right-of-use recognition requirements in accordance with Egyptian accounting standards no (49).

6-2 Cost of recognized revenue over time

EGP	For the Nine months ended 30 September		For the three Months ended 30 September	
	2024	2023	2024	2023
Raw materials	11 380 883 088	11 703 516 024	3 776 830 161	4 080 476 344
Cost of subcontractors	11 868 645 941	11 541 646 031	3 217 263 349	4 035 985 167
Other costs *	1 738 599 036	582 590 050	786 369 337	167 669 023
	24 988 128 065	23 827 752 105	7 780 462 847	8 284 130 534

* Other costs include formed provisions amounted to EGP 378 321 324 for 30 September 2024.

El Sewedy Electric Company (An Egyptian Joint Stock Company)

Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 –
(Continued)

7- Selling and distribution expenses

EGP	Note No.	For the Nine months ended 30 September		For the three Months ended 30 September	
		2024	2023	2024	2023
Salaries and its equivalents		844 723 868	628 313 206	281 525 304	185 701 474
General expenses, accounts and spare parts		24 436 146	19 943 863	13 256 520	6 144 745
Depreciation of property, plant and equipment	(17-1)	16 906 166	12 436 021	6 118 242	4 442 470
Depreciation of right of use assets	(19)	5 941 256	1 250 268	2 003 415	375 604
Amortization of intangible assets	(22)	2 407 092	1 622 540	894 120	522 665
Advertising and promotions		193 851 771	131 303 511	44 108 720	49 794 688
Transportation and travelling		108 209 281	82 495 865	42 742 784	28 009 507
Insurance		33 218 013	21 801 411	15 839 641	8 235 629
Communication and telephone expenses		7 539 890	6 213 007	734 852	1 907 845
Logistics services		1 373 706 753	627 208 640	507 168 714	232 134 143
Professional and consultancy fees		14 196 044	7 803 296	6 953 754	2 412 855
Rent expense		77 256 631	40 048 798	38 525 842	13 970 957
Other expenses		276 548 839	252 023 228	92 299 114	88 608 236
		2 978 941 750	1 832 463 654	1 052 171 022	622 260 818

8- General and administrative expenses

EGP	Note No.	For the Nine months ended 30 September		For the three Months ended 30 September	
		2024	2023	2024	2023
Salaries and its equivalents		2 535 163 665	1 843 627 989	911 522 846	692 980 633
Utilities, maintenance and spare parts		435 428 794	321 419 098	193 145 927	128 556 161
Depreciation of property, plant and equipment.	(17-1)	333 550 865	248 740 514	114 686 172	93 460 703
Depreciation of investment property		1 104 569	-	368 189	-
Amortization of right of use assets	(19)	86 484 672	57 348 261	31 824 168	8 703 515
Amortization of intangible assets	(22)	48 434 749	36 192 680	17 833 954	11 073 972
Cars, transportation and travelling		262 999 064	201 957 309	100 685 379	68 514 092
Bank charges		364 726 650	229 530 190	159 815 414	96 787 508
Rent expenses		207 774 423	145 603 122	73 809 308	60 181 008
Communication and telephone		20 007 134	17 157 280	7 443 728	8 317 093
Professional and consultancy fees		38 453 392	25 964 485	14 378 601	11 418 423
Insurance		37 041 525	25 032 445	16 958 420	10 343 894
Taxes		264 744 463	147 263 111	153 335 340	73 436 743
Logistics services		12 379 366	21 658 833	325 616	12 987 747
Other expenses		893 632 553	630 516 052	21 232 748	129 911 190
		5 541 925 884	3 952 011 369	1 817 365 810	1 406 672 682

El Sewedy Electric Company (An Egyptian Joint Stock Company)

Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 –
(Continued)

9- Other income

EGP	Note No.	For the Nine months ended 30 September		For the three Months ended 30 September	
		2024	2023	2024	2023
Gain on sale of property, plant and equipment		431 542 919	12 302 715	423 874 140	1 021 509
Reversal of impairment on tangible asset		5 825 427	-	-	-
Provisions no longer required	(35)	406 148 479	49 019 273	385 011 202	33 896 715
Rental Income		318 935 416	52 138 215	104 843 162	41 594 312
Scrap Sales		196 487 425	77 785 223	78 945 122	136 047 733
Other operating income		579 690 069	290 422 554	229 715 865	107 374 138
		1 938 629 735	481 667 980	1 222 389 491	319 934 407

10- Net of impairment loss on trade and other receivables

EGP	For the Nine months ended 30 September		For the three Months ended 30 September	
	2024	2023	2024	2023
Impairment loss on trade and other receivables and due from related parties	(921 427 298)	(407 727 796)	(251 705 505)	(208 472 835)
Reversal of impairment loss on trade and other receivables	333 678 176	184 234 875	147 344 606	72 945 621
	(587 749 122)	(223 492 921)	(104 360 899)	(135 527 214)

11- Other expenses

EGP	Note No.	For the Nine months ended 30 September		For the three Months ended 30 September	
		2024	2023	2024	2023
Formed provisions		3 791 757 036	1 843 801 886	653 787 785	408 663 560
Takaful contribution expense		210 033 942	133 065 364	78 337 223	49 295 009
Impairment loss on Goodwill	(22)	259 618 570	-	10 459 263	-
Other expenses		2 447 768	280 832 213	2 447 768	280 505 013
		4 263 857 316	2 257 699 463	745 032 039	738 463 582

El Sewedy Electric Company (An Egyptian Joint Stock Company)

Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 –
(Continued)

12- Net finance costs

	For the Nine months ended 30 September		For the three Months ended 30 September	
EGP	2024	2023	2024	2023
Finance income				
Credit interests	428 944 782	334 276 914	169 766 815	111 926 841
Foreign currencies translation gain	3 017 114 396	2 424 320 417	114 473 024	(141 299 630)
Other finance income	606 365 877	310 303 871	261 100 054	109 043 791
Total finance income	4 052 425 055	3 068 901 202	545 339 893	79 671 002
Finance costs				
Interests and finance expenses	(5 251 037 051)	(3 519 489 021)	(1 751 724 366)	(1 347 905 721)
Total finance costs	(5 251 037 051)	(3 519 489 021)	(1 751 724 366)	(1 347 905 721)
Net finance costs	(1 198 611 996)	(450 587 819)	(1 206 384 473)	(1 268 234 719)

13- Income tax expense

		For the Nine months ended 30 September		For the three Months ended 30 September	
EGP	Note No.	2024	2023	2024	2023
Income tax for the period		(6 055 179 519)	(3 199 670 918)	(1 988 269 927)	(1 285 218 863)
Deferred tax expense	(13-1)	(801 568 132)	(559 521 869)	230 600 036	54 961 847
		(6 856 747 651)	(3 759 192 787)	(1 757 669 891)	(1 230 257 016)

13-1 Deferred tax expense

	For the Nine months ended 30 September		For the three Months ended 30 September	
EGP	2024	2023	2024	2023
Form and reversal of temporary tax differences	(801 568 132)	(559 521 869)	230 600 036	54 961 847
	(801 568 132)	(559 521 869)	230 600 036	54 961 847

14- Deferred tax

EGP	Note No.	30 September 2024	31 December 2023
Tax differences from which an asset is generated	(14-1)	1 434 676 837	726 284 664
Total deferred tax assets		1 434 676 837	726 284 664
Tax differences which a liability is generated	(14-2)	(3 238 995 966)	(1 809 916 821)
Total deferred tax liabilities		(3 238 995 966)	(1 809 916 821)

14-1 Deferred tax assets

EGP	30 September 2024	31 December 2023
Property, plant and equipment and provisions	1 222 476 552	608 574 236
Tax losses carried forward	212 200 285	117 710 428
	1 434 676 837	726 284 664

14-2 Deferred tax liabilities

EGP	30 September 2024	31 December 2023
Property, plant and equipment, and provisions	(1 102 006 556)	(391 924 337)
Deferred tax on undistributed dividends from Subsidiaries companies	(2 136 989 410)	(1 417 992 484)
	(3 238 995 966)	(1 809 916 821)

14-3 Unrecognized deferred tax asset

EGP	30 September 2024	31 December 2023
Impairment loss on trade and other receivables	1 617 731 002	983 114 384
Provisions	2 958 193 884	1 571 868 113
Inventory write-down	1 296 972 110	652 707 755
	5 872 896 996	3 207 690 252

- Deferred tax assets have not been recognized in respect of the above items due to uncertainty of the utilization of their benefits in the future foreseeable.

15- Group's tax status

- Elsewedy Electric (The Parent Company) is subject to the Investment Guarantees and Incentives Law No. (8) of year 1997 and its executive regulations which is superseded by law No. (72) of year 2017.
- The parent company and its subsidiaries that are located in Egypt are subject to income tax and value-added tax and filed all of the required tax returns on their due dates in accordance with the applicable Egyptian laws and provisions.
- There are subsidiaries in Egypt that are not subject to corporate tax as they were established according to the Free Zones Law. According to this law, these entities shall pay 1% of their revenues to the General Authority for Investment and Free Zones (GAFI).
- The foreign branches and the subsidiaries located in foreign countries are subject to the applicable laws and taxes in those countries.

16- Operating segments

An operating segment is a component of an entity:

- Engages in business activities from which it may earn revenues and incur expenses including revenues and expenses relating to transactions with other components of the same entity,
- Operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- For which discrete financial information is available.

Basis for segmentation

The group has three main operating segments, for which financial reports are submitted to top management. These reports offer showcase different products and services. Segments are managed separately as they require different technology and marketing strategies.

The following summary describes the operations of each reportable segment:

<u>Segments</u>	<u>Operations</u>
Cables segment	This segment manufactures, markets and trades in cables.
Constructions segment	This segment execute construction works related to constructing electric power plants and electricity distribution networks.
Electrical products and its accessories segment	This segment manufactures electric meters, transformers, electrical joint and terminals in addition to marketing and trading them.

The Board of Directors review the internal management reports of each segment quarterly.

Geographic segments

The Group's revenues and non-current assets are determined based on the geographical location of clients by the country of domicile of the parent company and other countries; accordingly they are separated as inside and outside Egypt.

Notes to the Condensed Consolidated Interim Financial Statements for the Nine months Ended 30 September 2024 – Continued

16- Operating segments - (Continued)

EGP	Cables		Constructions		Electrical products and its accessories		Inter-company transactions elimination	Total 30 September 2024
	Inside Egypt	Outside Egypt	Inside Egypt	Outside Egypt	Inside Egypt	Outside Egypt		
Local Sales and construction revenue	29 722 283 062	21 126 394 770	30 146 391 530	6 803 930 200	4 446 881 034	2 977 669 605	-	95 223 550 201
Export Sales and construction revenue	48 373 440 908	981 016 245	2 408 863 535	8 940 468 839	2 354 265 904	6 540 434 967	-	69 598 490 398
Total revenue without inter-segment sales	78 095 723 970	22 107 411 015	32 555 255 065	15 744 399 039	6 801 146 938	9 518 104 572	-	164 822 040 599
Total Inter-segment sales revenue	18 871 930 494	1 033 584 751	2 281 701 200	526 025	3 036 866 951	1 946 760 574	(27 171 369 995)	-
Total revenue	96 967 654 464	23 140 995 766	34 836 956 265	15 744 925 064	9 838 013 889	11 464 865 146	(27 171 369 995)	164 822 040 599
Total Cost of revenue	(81 392 095 217)	(17 902 372 293)	(29 023 337 752)	(14 723 100 929)	(6 808 661 911)	(9 086 148 110)	27 171 369 995	(131 764 346 217)
Gross Profit	15 575 559 247	5 238 623 473	5 813 618 513	1 021 824 135	3 029 351 978	2 378 717 036	-	33 057 694 382
Total selling and distribution expenses	(1 241 349 182)	(507 159 574)	(86 283 529)	(87 127 358)	(417 113 834)	(639 908 273)	-	(2 978 941 750)
Segment profit	14 334 210 065	4 731 463 899	5 727 334 984	934 696 777	2 612 238 144	1 738 808 763	-	30 078 752 632

Other income								1 938 629 735
Group share of profit of equity-accounted investees, net of tax								785 306 261
General and administrative expenses								(5 541 925 884)
Impairment loss on trade and other receivables								(587 749 122)
Other expenses								(4 263 857 316)
Net finance cost								(1 198 611 996)
Income tax expense								(6 856 747 651)
Profit for the period after tax								14 353 796 659
Allocation of some important accounts on group segments.								

EGP	Cables		Constructions		Electric Products and Accessories		Unallocated	Total 30 September 2024
	Inside Egypt	Outside Egypt	Inside Egypt	Outside Egypt	Inside Egypt	Outside Egypt		
Depreciation	212 054 134	237 750 638	491 686 034	228 516 931	27 078 032	153 171 385	103 374 310	1 453 631 464
Assets	54 517 442 259	30 630 635 962	46 490 223 791	39 128 171 216	18 591 056 877	7 181 317 210	33 470 464 891	230 009 312 206
Liabilities	19 969 347 488	6 529 125 196	46 833 005 959	37 224 025 861	10 374 245 120	2 812 854 594	49 706 870 383	173 449 474 601
Acquisition of property, plant and equipment	1 762 864 277	1 394 944 533	2 108 317 387	593 607 897	710 969 289	248 351 436	84 985 057	6 904 039 876

Government and sovereign entities represent 24% of the group's total revenue.

Notes to the Condensed Consolidated Interim Financial Statements for the Nine months Ended 30 September 2024 – Continued

16- Operating segments- Counited

L.E	Cables		Construction projects		Electric Products and Accessories		Inter-company transactions elimination	Total Consolidated 30 September 2023
	Inside Egypt	Outside Egypt	Inside Egypt	Outside Egypt	Inside Egypt	Outside Egypt		
Local Sales	21 129 725 926	13 089 180 260	20 813 208 467	4 776 012 216	3 407 283 065	1 847 308 591	-	65 062 718 525
Export Sales and construction revenue	24 111 246 725	1 219 162 726	4 161 144 194	7 228 242 032	1 444 792 447	5 576 778 392	-	43 741 366 516
Total revenue without inter-segment sales	45 240 972 651	14 308 342 986	24 974 352 661	12 004 254 248	4 852 075 512	7 424 086 983	-	108 804 085 041
Total Inter-segment sales revenue	12 512 752 152	1 005 018 346	2 350 730 703	64 331 860	1 542 976 536	1 048 920 551	(18 524 730 148)	-
Total revenue	57 753 724 803	15 313 361 332	27 325 083 364	12 068 586 108	6 395 052 048	8 473 007 534	(18 524 730 148)	108 804 085 041
Total Cost	(48 596 038 287)	(11 826 979 313)	(23 379 565 371)	(11 678 251 408)	(4 213 864 271)	(7 072 524 662)	18 524 730 148	(88 242 493 164)
Gross Profit	9 157 686 516	3 486 382 019	3 945 517 993	390 334 700	2 181 187 777	1 400 482 872	-	20 561 591 877
Total selling and distribution expenses	(824 206 289)	(316 559 761)	(91 184 642)	(26 753 255)	(266 498 319)	(307 261 388)	-	(1 832 463 654)
Segment profit	8 333 480 227	3 169 822 258	3 854 333 351	363 581 445	1 914 689 458	1 093 221 484	-	18 729 128 223

Other income	481 667 980
Group share of profit of equity-accounted investees, net of tax	338 326 744
General and administrative expenses	(3 952 011 369)
Impairment loss on trade and other receivables	(223 492 921)
Other expenses	(2 257 699 463)
Net finance cost	(450 587 819)
Current income tax	(3 759 192 787)
Profit for the period after tax	8 906 138 588

Allocation of some important accounts on group segments

EGP	Cables		Construction projects		Electric Products and Accessories		Unallocated	Total 30 September 2023
	Inside Egypt	Outside Egypt	Inside Egypt	Outside Egypt	Inside Egypt	Outside Egypt		
Depreciation	171 750 774	151 919 255	265 528 762	703 615 812	89 893 982	109 937 732	84 322 450	1 576 968 767
Assets	37 238 569 717	8 951 277 725	24 907 562 926	23 371 360 685	12 338 594 508	793 918 727	34 109 220 903	141 710 505 191
Liabilities	10 062 573 373	2 883 926 071	20 642 055 318	19 333 413 141	7 305 877 102	2 121 195 307	42 967 307 479	105 316 347 791
Additions to Property plant and equipment and project under progress	578 597 289	361 819 886	271 879 837	393 534 208	746 141 773	358 201 758	18 162 364	2 728 337 115

Government and sovereign entities represent 24% of the group's total revenue.

Notes to the Condensed Consolidated interim Financial Statements for the Nine months Ended 30 September 2024 – Continued

17- Property, plant and Equipment

EGP	Buildings		Machineries	Furniture	Vehicles	Leasehold improvements	Total	Projects under construction	Property, plant, and equipment retirement obligations	Total property, plant and equipment
	Land	& constructions	& equipment	& fixtures						
Cost as at 1 January 2023	1 534 319 197	4 984 287 954	14 939 373 946	989 327 462	565 269 772	190 982 409	23 203 560 740	3 772 320 805	-	26 975 881 545
Additions during the year	44 905 028	256 342 020	861 263 753	407 321 962	142 463 160	26 254 012	1 738 549 935	2 560 063 684	449 981 766	4 748 595 385
Disposals during the year	(35 750 960)	(10 844 413)	(518 287 183)	(139 482 383)	(84 772 668)	(52 880 151)	(842 017 758)	(465 703 031)	-	(1 307 720 789)
Transfers from project under constructions	-	2 138 346 656	531 382 314	64 923 780	-	6 650 081	2 741 302 831	(2 741 302 831)	-	-
Transfer to investment property	-	(68 140 508)	-	-	-	-	(68 140 508)	-	-	(68 140 508)
Effect of movement in exchange rates	37 961 990	656 015 176	2 519 543 536	80 008 017	42 236 171	27 966 903	3 363 731 793	383 480 337	-	3 747 212 130
Cost as at 31 December 2023	1 581 435 255	7 956 006 885	18 333 276 366	1 402 098 838	665 196 435	198 973 254	30 136 987 033	3 508 858 964	449 981 766	34 095 827 763
Cost as at 1 January 2024	1 581 435 255	7 956 006 885	18 333 276 366	1 402 098 838	665 196 435	198 973 254	30 136 987 033	3 508 858 964	449 981 766	34 095 827 763
Additions during the period	297 708 371	387 783 398	1 266 584 643	242 493 034	219 504 319	751 267 524	3 165 341 289	3 738 698 587	-	6 904 039 876
Disposals during the period	(80 233 800)	(185 603 484)	(341 890 067)	(48 313 374)	(35 888 985)	(16 452 991)	(708 382 701)	(368 555 054)	-	(1 076 937 755)
Transfers from project under constructions	-	59 069 770	269 010 230	8 302 569	23 790 875	36 344 131	396 517 575	(396 517 575)	-	-
Effect of movement in exchange rates	99 378 877	1 629 967 146	6 982 411 476	303 559 974	123 161 567	316 704 981	9 455 184 021	468 200 183	253 123 830	10 176 508 034
Cost as at 30 September 2024	1 898 288 703	9 847 223 715	26 509 392 648	1 908 141 041	995 764 211	1 286 836 899	42 445 647 217	6 950 685 105	703 105 596	50 099 437 918
Accumulated depreciation as at 1 January 2023	-	1 802 121 875	9 272 352 637	657 010 732	368 245 859	142 418 017	12 242 149 120	-	-	12 242 149 120
Depreciation during the year	-	264 580 055	1 549 264 381	204 096 190	88 681 209	14 167 973	2 120 789 808	-	-	2 120 789 808
Accumulated depreciation of disposals	-	(10 145 572)	(414 858 756)	(38 464 373)	(47 342 869)	(9 213 002)	(520 024 572)	-	-	(520 024 572)
Impairment loss of property, plant and equipment	365 687	(1 165 796)	2 466 757	(16 888)	944 755	1 286 818	3 881 333	76 649 154	-	80 530 487
Transfer to investment property	-	(12 452 475)	-	-	-	-	(12 452 475)	-	-	(12 452 475)
Effect of movement in exchange rates	-	401 781 234	1 662 518 153	64 514 100	32 127 753	18 536 278	2 179 477 518	(3 808 490)	-	2 175 669 028
Accumulated depreciation as at 31 December 2023	365 687	2 444 719 321	12 071 743 172	887 139 761	442 656 707	167 196 084	16 013 820 732	72 840 664	-	16 086 661 396
Accumulated depreciation as at 1 January 2024	365 687	2 444 719 321	12 071 743 172	887 139 761	442 656 707	167 196 084	16 013 820 732	72 840 664	-	16 086 661 396
Depreciation during the period	-	241 301 216	934 368 549	172 682 966	79 616 324	25 662 409	1 453 631 464	-	-	1 453 631 464
Accumulated depreciation of disposals	-	(33 432 329)	(271 362 156)	(41 380 295)	(24 399 685)	(12 304 164)	(382 878 629)	-	-	(382 878 629)
Impairment loss of property, plant and equipment	-	-	-	-	-	(5 825 427)	(5 825 427)	-	-	(5 825 427)
Effect of movement in exchange rates	-	1 153 532 263	4 928 118 717	217 304 837	95 926 770	80 237 721	6 475 120 308	-	-	6 475 120 308
Accumulated depreciation as at 30 September 2024	365 687	3 806 120 471	17 662 868 282	1 235 747 269	593 800 116	254 966 623	23 553 868 448	72 840 664	-	23 626 709 112
Net carrying amount										
As at 30 September 2024	1 897 923 016	6 041 103 244	8 846 524 366	672 393 772	401 964 095	1 031 870 276	18 891 778 769	6 877 844 441	703 105 596	26 472 728 806
As at 31 December 2023	1 581 069 568	5 511 287 564	6 261 533 194	514 959 077	222 539 728	31 777 170	14 123 166 301	3 436 018 300	449 981 766	18 009 166 367

17-1 Depreciation of property, plant and equipment charged to the Condensed consolidated statement of profit or loss is presented as follows:-

EGP	Note No.	2024	2023
Cost of recognized revenue at a point in time	(6-1)	1 103 174 433	1 315 792 232
Selling and distribution expenses	(7)	16 906 166	12 436 021
General and administrative expenses	(8)	333 550 865	248 740 514
		1 453 631 464	1 576 968 767

Information about the property, plant and equipment pledged as security for liabilities is included in note No. (32).

Information about the amount of contractual commitments for the acquisition of property, plant and equipment is included in note No. (36).

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Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 – (Continued)

18- Investment property

EGP	Lands	Buildings	Total
Cost as of 1 January 2023	9 907 417	2 282 480	12 189 897
Transfer from property, plant and equipment	-	68 140 508	68 140 508
Cost as of 31 December 2023	9 907 417	70 422 988	80 330 405
Cost as of 1 January 2024	9 907 417	70 422 988	80 330 405
Transfer from property, plant and equipment during the period	-	466 197	466 197
Cost as of 30 September 2024	9 907 417	70 889 185	80 796 602
Accumulated depreciation as of 1 January 2023	-	(456 496)	(456 496)
Depreciation during the year	-	(6 388 342)	(6 388 342)
Transfer from property, plant and equipment during the year	-	(12 452 475)	(12 452 475)
Accumulated depreciation as of 31 December 2023	-	(19 297 313)	(19 297 313)
Accumulated depreciation as of 1 January 2024	-	(19 297 313)	(19 297 313)
Depreciation during the period	-	(1 104 569)	(1 104 569)
Accumulated depreciation as of 30 September 2024	-	(20 401 882)	(20 401 882)
Net Carrying amount as of 30 September 2024 *	9 907 417	50 487 303	60 394 720
Net Carrying amount as of 31 December 2023	9 907 417	51 125 675	61 033 092

* The net carrying value as of 30 September 2024 includes investment property for the following companies:

Subsidiary company	Amount
SDM for development and Management (S.A.E)	9 460 107
Red sea copper company – Egypt (S.A.E)	2 554 852
El Sewedy Electric (S.A.E)	48 379 761

19- Right of use assets

EGP	Lands	Buildings	Machines	Total
Cost as of 1 January 2023	72 403 487	722 870 096	158 534 254	953 807 837
Additions during the year	-	377 286 008	27 140 543	404 426 551
Disposals during the year	(92 151 506)	(226 733 445)	(20 929 050)	(339 814 001)
Effect of movement in exchange rates	27 955 115	40 194 694	17 602 845	85 752 654
Cost as of 31 December 2023	8 207 096	913 617 353	182 348 592	1 104 173 041
Cost as of 1 January 2024	8 207 096	913 617 353	182 348 592	1 104 173 041
Additions during the period	-	294 681 575	19 459 376	314 140 951
Disposals during the period	-	(22 960 900)	(10 249 877)	(33 210 777)
Effect of movement in exchange rates	-	271 731 473	41 371 533	313 103 006
Cost as of 30 September 2024	8 207 096	1 457 069 501	232 929 624	1 698 206 221
Accumulated depreciation as of 1 January 2023	(8 711 773)	(18 909 468)	(88 807 853)	(116 429 094)
Depreciation during the year	-	(90 315 762)	(24 545 469)	(114 861 231)
Accumulated depreciation of disposals	12 594 040	13 910 244	20 929 050	47 433 334
Effect of movement in exchange rates	(12 089 363)	(24 511 626)	(2 734 960)	(39 335 949)
Accumulated depreciation as of 31 December 2023	(8 207 096)	(119 826 612)	(95 159 232)	(223 192 940)
Accumulated depreciation as of 1 January 2024	(8 207 096)	(119 826 612)	(95 159 232)	(223 192 940)
Depreciation during the period	-	(118 215 490)	(16 927 364)	(135 142 854)
Accumulated depreciation of disposals	-	22 960 896	7 266 074	30 226 970
Effect of movement in exchange rates	-	(61 851 039)	(26 058 619)	(87 909 658)
Accumulated depreciation as of 30 September 2024	(8 207 096)	(276 932 245)	(130 879 141)	(416 018 482)
Net carrying amount as of 30 September 2024	-	1 180 137 256	102 050 483	1 282 187 739
Net carrying amount as of 31 December 2023	-	793 790 741	87 189 360	880 980 101

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Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 – (Continued)

– **The net carrying amount as of 30 September 2024 includes right of use assets of the following subsidiaries:**

Subsidiary Name	Amount
Elsewedy Electric for Transmission and Distribution Company	208 669 670
Elsewedy Electric for Trading and Distribution Company	554 617 026
October Dry Port Company	354 307 974
Elsewedy for Industrial Development Company - Ain Al Sokhna	55 567 734

– An amount of EGP 237 159 406 was capitalized on the value of the building of Elsewedy Electric for Trading and Distribution (S.A.E) which represented the foreign currency differences of the financial lease liabilities that were capitalized in accordance with the accounting treatment in Appendix (H) of the Egyptian Accounting Standard no. (13) on the impact of changes in foreign exchange rates as of 30 September 2024 (amounted to EGP 99 059 244 as of 31 December 2023).

20- Equity-accounted investees

EGP	Group Share of Net Assets		Group Share of Profit And loss (Net of Tax)	
	30 September 2024	31 December 2023	30 September 2024	30 September 2023
Elastmold-Egypt company	24 376 595	25 178 540	(801 945)	448 724
Elsewedy Cables company – Qatar**	603 428 754	452 592 740	41 071 870	18 162 904
Pyramids Development Industrial Parks company**	187 235 344	197 873 554	(10 624 460)	8 227 435
Senyar Industries Qatar Holding company**	701 629 591	619 714 076	(40 711 682)	(21 061 783)
Doha Cables – Qatar**	3 081 167 862	1 576 481 877	559 564 334	288 814 868
Aloula For Industrial Parks Development	40 705 816	45 904 157	4 689 464	18 194 523
Pyramids Zona Franca Egypt for Industrial Parks Development**	144 033 304	139 283 173	4 750 132	264 571
SC Zone Utilities**	318 109 287	202 427 128	114 539 824	20 412 611
Elsewedy Wataniya for Industries & Engineering Projects – SWIEP	362 662 603	225 559 597	134 815 427	4 028 782
Raneen Energy LLC**	7 104 580	-	7 180 179	(1 279 980)
Yanbu Copper Rod Company*	418 990 000	-	-	-
Others **	712 467 323	317 829 427	(29 166 882)	2 114 089
	6 601 911 059	3 802 844 269	785 306 261	338 326 744

*El Sewedy Cables – KSA (a Subsidiary company) has equity accounted investee by 50% of Yanbu Copper Rod Company that amounted to EGP 418 990 000 . Yanbu Copper Rod company is still in startup phase and has not started its operation as of date.

** The Group's share of net assets balances from foreign companies with presentation currencies other than the Egyptian pound include the Group's share of the foreign currency's translation differences amounted to EGP 2 432 750 529 as at 30 September 2024.

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Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 – (Continued)

21- Trade and other receivables

EGP	30 September 2024	31 December 2023
Trade receivables	448 230 557	907 791 784
Retention receivables	1 842 461 771	1 842 461 771
Other receivables	20 775 485	20 492 106
	2 311 467 813	2 770 745 661

22- Intangible assets and goodwill

EGP	Goodwill (*)	Development cost	Total
Cost as at 1 January 2023	1 049 683 502	332 101 450	1 381 784 952
Additions during the period	-	77 095 411	77 095 411
Effect of movement in exchange rates	-	143 164 461	143 164 461
Cost as at 31 December 2023	1 049 683 502	552 361 322	1 602 044 824
Cost as at 1 January 2024	1 049 683 502	552 361 322	1 602 044 824
Additions during the period	-	127 627 784	127 627 784
Effect of movement in exchange rates	34 812 343	390 480 696	425 293 039
Cost as at 30 September 2024	1 084 495 845	1 070 469 802	2 154 965 647
Accumulated amortization as of 1 January 2023	(2 393 805)	(149 477 832)	(151 871 637)
Amortization during the year	-	(53 947 575)	(53 947 575)
Impairment loss during the year – Note no. (11)	(29 037 988)	-	(29 037 988)
Effect of movement in exchange rates	(13 157 052)	(92 268 325)	(105 425 377)
Accumulated amortization as of 31 December 2023	(44 588 845)	(295 693 732)	(340 282 577)
Accumulated amortization as of 1 January 2024	(44 588 845)	(295 693 732)	(340 282 577)
Amortization during the period	-	(62 573 992)	(62 573 992)
Impairment loss during the period – Note no. (11)**	(259 618 570)	-	(259 618 570)
Effect of movement in exchange rates	(89 043 997)	(263 668 895)	(352 712 892)
Accumulated amortization as of 30 September 2024	(393 251 412)	(621 936 619)	(1 015 188 031)
Net carrying amount as of 30 September 2024	691 244 433	448 533 183	1 139 777 616
Net carrying amount as of 31 December 2023	1 005 094 657	256 667 590	1 261 762 247

* The net carrying amount of goodwill amounted to EGP 691 244 433 as of 30 September 2024 includes a goodwill that was resulted from the acquisition of energy companies' group in Greece during September 2019 amounted to EGP 686 032 895.

** Impairment loss include the amount of impairment related to Greece entities amounted to EGP 28 060 737 and impairment of goodwill related to El Sewedy holding transformers – Indonesia amounted to EGP 189 959 230 as of 30 September 2024.

23- Inventories

EGP	30 September 2024	31 December 2023
Raw materials and supplies	26 379 001 697	16 549 387 747
Work in progress	6 035 875 291	3 570 570 238
Finished goods	12 294 179 545	6 640 610 470
Construction work in process	1 542 914 167	1 222 609 089
Goods in transit	7 234 279 322	2 898 644 538
	53 486 250 022	30 881 822 082

– Inventories balances are presented in net after deducting the write-down balance amounted to EGP 5 764 320 487 as of 30 September 2024. (amounted to EGP 2 900 923 356 as of 31 December 2023).

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24- Work-in-process

EGP	30 September 2024	31 December 2023
Real Estate Development Land	1 782 811 714	1 218 260 843
	1 782 811 714	1 218 260 843

The Work-in-process balance includes the following plots of land:

Location	Opening Balance	Additions/ disposal	Development work	Ending Balance
	EGP	EGP	EGP	EGP
Tenth of Ramadan	546 189 394	203 585 855	96 970 991	846 746 240
Sadat	325 582 446	(132 828 277)	104 337 585	297 091 754
Alamein	36 875 000	-	-	36 875 000
Ain Sokhna	309 614 003	(54 266 251)	99 101 016	354 448 768
New October	-	247 649 952	-	247 649 952

25- Contract assets

EGP	30 September 2024	31 December 2023
Contract assets	18 288 595 428	16 179 633 722
	18 288 595 428	16 179 633 722

26- Trade and other receivables

EGP	30 September 2024	31 December 2023
Trade receivables	46 223 349 874	24 567 472 409
Notes receivables	4 472 360 865	3 667 172 911
Advance payments to suppliers	13 085 052 937	8 089 710 807
Retention receivable	6 879 410 220	4 469 254 555
Prepaid expenses	3 427 556 584	2 101 972 110
Tax authority – Value added tax	1 256 542 461	836 573 552
Deposits with others	752 505 529	441 361 140
Other receivables	4 525 661 113	2 418 367 608
	80 622 439 583	46 591 885 092

- Trade and other receivables are presented in net amount after deducting impairment amounted to EGP 7.190 billion as of 30 September 2024 (EGP 4.369 billion as of 31 December 2023).

27- Investment in debt securities at amortized cost.

EGP	30 September 2024	31 December 2023
Face value of treasury bills (More than 3 months)	1 228 223 643	1 012 000 000
(Less:)		
Treasury bills interests (Not due)	(23 178 498)	(164 834 037)
Net carrying amount	1 205 045 145	847 165 963

28- Cash and cash equivalents

EGP	30 September 2024	31 December 2023
Banks - Time deposits	7 147 495 257	5 050 395 401
Banks - Current accounts	25 934 542 309	20 362 194 082
Cash on hand	197 453 507	139 455 317
Cash and cash equivalents	33 279 491 073	25 552 044 800

**29- Share capital
Authorized share capital**

The Company's authorized share capital is EGP 5 billion.

Issued and paid-up capital

The issued and fully paid-up capital of the Company as of 1 January 2017 amounted to EGP 2 234 180 000 distributed over 223 418 000 shares at a par value EGP 10 each. The Extraordinary General Assembly meeting of the Company decided on 4 May 2017 to write-off 5 million treasury shares and accordingly the company's issued and paid-up capital become EGP 2 184 180 000 distributed over 218 418 000 shares at a par value of EGP 10 per share.

On May 22, 2018, the Extraordinary General Assembly Meeting of the Company approved the split of the par value of the Company's shares to one Egyptian pound instead of ten Egyptian pounds. This amendment was annotated in the Commercial Register of the Company on 8 August 2018.

The Management of Elsewedy Electric Company reduced the company's issued capital by the value of treasury shares purchased during the period from 24 June 2020 to 28 June 2020 and the shares purchased during the period from 1 July 2020 until 30 September 2020 with a total number of 13 402 124 shares accordingly, the number of shares became 2 170 777 876 shares. The commercial register of the company was announced on 17 October 2022.

On April 18, 2024, the management of El Sewedy Electric Company has invited the company's extraordinary general assembly to approve the reduction of the company's issued capital by retirement the treasury shares owned by the company that have reached the end of their holding period, totaling 30 000 000 shares with a par value of 30 000 000 Egyptian pounds. After the reduction, the company's issued capital will amount to 2 140 777 876 Egyptian pounds - Note No. (31).

- The percentage of the main shareholders of El Sewedy family whom shares exceed 5% each, represent 68.1% of the total company's capital.
In light of the approval of the Financial Supervisory Authority on May 30, 2024, to publish the announcement of the optional purchase offer submitted by Electra Investment Holding Limited to purchase up to 531 840 580 shares, representing 24.5% of the shares of Elsewedy Electric S.A.E, at a cash price of US 1.05 dollars per share, and in accordance with the requirements of the Financial Supervisory Authority, the company held a board of directors meeting on May 30, 2024, that approved appointing an independent financial consultant to prepare a study of the fair value of the share.
- The board of directors unanimously approved, at the meeting held on June 27, 2024, the publication of a statement regarding the board's position on the voluntary tender offer made by Electra Investment Holding Restricted Limited to acquire a percentage of 24.5%, with a minimum of 15%, of the issued shares of El Sewedy Electric Company. in accordance with Article (338) of the executive regulations of the Capital Market Law No. 95 of 1992. The board was also briefed on the findings of the independent financial advisor tasked with assessing the fair value of the shares, which was determined to be 52.38 Egyptian pounds per share.
- On July 17, 2024, 19.98% of the total shares of Elsewedy electric company (S.A.E.) was purchased by (Electra Investment Holding Restricted Limited). Consequently, capital restructuring was carried out as follows:

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Shareholder	No. of Shares (Share)	Owner percentage
Sadek Ahmed Sadek Elsewedy	546 502 820	25.53%
Ahmed Ahmed Sadek Elsewedy	546 252 820	25.52%
Mohamed Ahmed Sadek Elsewedy	385 602 690	18.01%
Electra Investment Holding restricted limited	427 711 646	19.98%
Other shareholders	233 285 740	10.90%
Treasury shares and ESOP shares issued not granted	1 422 160	0.07%
	2 140 777 876	100%

30- Reserves

EGP	30 September 2024	31 December 2023
Legal reserve	554 350 878	554 350 878
Foreign operations translation differences	8 206 873 606	3 387 649 590
	8 761 224 484	3 942 000 468

31- Treasury shares

- The Board of Directors held on 5 July 2022 decided to approve the purchase of a maximum number of 30 000 000 shares equivalent to 1.373% of the company's share. This is due to the decrease of capital share price, which represents an investment opportunity for the company to support the market share price. The purchase process made from 6 July 2022 to 5 October 2022.
- The management of Elsewedy Electric company has invited the company's extraordinary general assembly meeting to be held on 23 August 2022, in order to consider reducing the share capital by the value of treasury share purchased during the period from 24 June 2020 to 28 June 2020 and shares purchased during the period from 1 July 2020 until 30 September 2020.
- The management of Elsewedy Electric company has reduced the company issued capital by the value of treasury share purchased during the period from 24 June 2020 to 28 June 2020 and shares purchased during the period from 1 July 2020 until 30 September 2020 with a total number of 13 402 124 shares. Accordingly, the total share of the company became 2 170 777 876 shares. Annotation was made in the commercial register of the company on 17 October 2022.
- The Board of Directors held on 27 September 2022, decided to approve the extension of the purchase of a maximum number of 30 000 000 shares as a maximum equivalent to 1.373% of the company's shares which has been previously decided in the board meeting held on 5 July 2022 to be purchased on 5 January 2023 instead of 5 October 2022.

EGP	Average share price (EGP)	No. of shares (Share)	Value (EGP)
Shares repurchased during the period from 1 July 2022 to 30 September 2022	6.4454	11 975 000	77 183 471
Shares repurchased during the period from 1 October 2022 to 31 December 2022	9.8172	18 025 000	176 954 413
		30 000 000	254 137 884

- Management of Elsewedy Electric company has invited the company's extraordinary general assembly meeting to be held in order to consider reducing the company issued capital from EGP 2 170 777 876 to EGP 2 140 777 876 by executing treasury shares owned with an amount of 30 000 000 shares with a par value of EGP 30 000 000 purchased during the period from 1 July 2022 to 31 December 2022.
- On April 18, 2024, the management of El Sewedy Electric Company called for an extraordinary general meeting to approve the reduction of the company's issued capital by retiring the treasury shares owned by the company, which had expired the company's retention period, amounting to 30 000 000 shares with a par value of 30 000 000 Egyptian pounds. This reduced the company's issued capital to 2 140 777 876 Egyptian pounds. Amendment of Article (6) of

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Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 – (Continued)

the Articles of Association was approved, specifying the authorized capital of the company as 5 billion Egyptian pounds and the issued capital as 2 140 777 876 Egyptian pounds, divided into 2 140 777 876 shares with a par value of 1 Egyptian pound each. The reduction was registered at the commercial register on May 22, 2024.

32- Loans and borrowings

EGP	30 September 2024	31 December 2023
Current liabilities		
Loans – current portion	10 783 937 902	7 401 079 843
Banks- Credit facilities	38 218 846 774	27 530 523 733
Lease liabilities – Current portion	492 916 749	19 206 529
	49 495 701 425	34 950 810 105
Non-current liabilities		
Loans – non-current portion	6 748 171 899	6 235 939 701
Lease liabilities – non-current portion	787 046 285	579 742 265
	7 535 218 184	6 815 681 966
	57 030 919 609	41 766 492 071

- The average interest rate on loans and credit facilities in Egyptian pounds is 28.9 %, including the Central Bank of Egypt lending rate, as for the US dollar and foreign currencies, the average interest rate is 5.8% and 7.45% respectively .
- The loans and credit facilities granted to the Company and its subsidiaries which are guaranteed by promissory notes from subsidiaries within the limit of an amount of EGP 878 million, USD 86 million, Euros 71 million, Algerian dinars 476 million for the purchase of machinery and equipment. There is no pledge on property, plant and equipment against the outstanding balances of loans and borrowings.
- The liabilities of finance lease contracts for the current and non-current portion were included under the loans and borrowings according to the requirements of Egyptian Accounting Standard No. (49) – Lease Contracts.
- Elsewedy Electric signed a credit facility agreement on 22 December 2022, with the Africa of Export -Import bank with an amount of USD 200 million to finance or obtain credit support for payment of obligations for import of goods and services from suppliers in order to secure credit support for engineering, purchases and construction services in Africa and the Middle East and for the company's general purposes.

33- Trade and other payables

EGP	30 September 2024	31 December 2023
Trade and notes payables	28 581 715 617	18 335 452 414
Tax Authority	6 789 885 339	4 566 748 649
Retention payables- construction projects	2 784 845 190	2 238 353 411
Accrued expenses	9 710 239 641	4 158 732 110
Dividends payable	139 461 018	65 026 975
Other trade payable	2 979 759 094	2 573 808 501
	50 985 905 899	31 938 122 060

34- Contract liabilities

EGP	30 September 2024	31 December 2023
Contract liabilities	45 726 025 166	25 060 328 092
	45 726 025 166	25 060 328 092

These liabilities representing the Group's obligation to transfer revenue to a customer for which the Group has received consideration (or the amount is due) from the customer.

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Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 –
(Continued)

35- Provisions

EGP	Balance at 1 January	Formed During year the period /	Used During the period /year	No longer required	Effect of movement in exchange rate	Balance at 30 September
<u>Non-Current provisions</u>						
Provision for warranty, lawsuits and contractual risks (35-1)	88 077 904	13 080 694	(2 770 070)	-	37 111 292	135 499 820
Provision for claims	92 755 664	-	-	-	74 494 890	167 250 554
Provision for restoring the sites (35-2)	571 535 500	2 490 415	-	-	282 886 007	856 911 922
30 September 2024	752 369 068	15 571 109	(2 770 070)	-	394 492 189	1 159 662 296
31 December 2023	308 542 214	489 886 388	(131 675 184)	-	85 615 650	752 369 068
<u>Current provisions</u>						
Provision for warranty, lawsuits and contractual risks (35-1)	7 206 681 802	3 881 485 825	(624 827 214)	(397 947 326)	792 083 221	10 857 476 308
Provision for Training and Rehabilitation (35-3)	441 103 678	137 153 765	-	-	-	578 257 443
Takaful contribution provision (35-4)	402 639 396	135 867 661	(41 457 836)	(8 201 153)	63 284 258	552 132 326
30 September 2024	8 050 424 876	4 154 507 251	(666 285 050)	(406 148 479)	855 367 479	11 987 866 077
31 December 2023	4 527 493 624	4 053 475 855	(789 053 875)	(446 679 001)	705 188 273	8 050 424 876
30 September 2024	8 802 793 944	4 170 078 360	(669 055 120)	(406 148 479)	1 249 859 668	13 147 528 373
31 December 2023	4 836 035 838	4 543 362 243	(920 729 059)	(446 679 001)	790 803 923	8 802 793 944

35-1 Provision for warranty, lawsuits and contractual risks

This provision represents the guarantees and coverage periods of the group companies, which are used on a regular basis. These allocations are within the limits of available group policies.

35-2 Provision for restoring the sites

The fixed assets retirement liability component includes amounts relating to conversion costs. This commitment resulted from a contract signed by the October Dry Port Company - a subsidiary - on March 29, 2021 with the General Authority for Land and Dry Ports to finance, design, build, exploit and maintain the dry port in 6th of October City in partnership with the private sector for a period of 30 years.

Management deducts the expected provision at the reporting date. The change in the future amount from one year to another is given under Changes in Interest Amortized.

EGP	30 September 2024
Balance at 1 January 2024	449 981 766
Capitalized on Fixed assets	253 123 830
	703 105 596

35-3 Provision for Training and Habilitation

In accordance with Law No. (12) of 2003 "Laboure Law", a fund shall be established to finance training and qualification with a public legal personality, affiliated to the competent minister, to finance the establishment, development and modernization of training centers and programs aimed at harmonizing the needs of the local and private labor market. 1% of the net profits of establishments subject to the provisions of this Law and whose number of employees exceeds ten workers shall be deducted as a resource from one of the Fund's resources.

35-4 Provision for Takaful contribution

In accordance with Law No. (2) of 2018 "Comprehensive Health Insurance System" issued by the House of Representatives to establish an economic public authority called the General Authority for Comprehensive Health Insurance, this law was imposed on individual establishments and companies so that 2.5 out of a thousand of the total annual revenues of individual establishments or companies are deducted under the name of Takaful contribution expense, therefore that expense is part of the resources of the General Authority.

36- Capital Commitments

The value of the capital commitments, expected to be settled within one year from the date of the Condensed consolidated interim financial statements is presented as follows:

EGP (Billion)	30 September 2024	31 December 2023
Contractual agreement– purchasing of property plant and equipment	0.697	0.906

37- Contingent liabilities

EGP (Millions)	30 September 2024	31 December 2023
Uncovered portion of letters of guarantees and letter of credits	94 833	55 900

38- Related parties transactions

The transactions with the related parties are transactions between group's companies and these parties. Those transactions are made according to conditions approved by the group's management , the main transactions and it's volume and the balances resulted from them at 30 September 2024 are as follows :

EGP (Billions)						30 September 2024	31 December 2023
Sales to the related parties						3.3	9.2
Nature and Volume of main transactions							
EGP	Sales	collections	Credit interest	Forex	Others	30 September 2024	31 December 2023
<u>Classified as non-current assets (Due from related parties)</u>							
Aswan 21 Company	-	-	6 820 151	55 563 272	-	173 493 567	111 110 144
						173 493 567	111 110 144
<u>Classified as current assets : (Due from related parties)</u>							
Zesco company	103 683 311	-	-	131 960 577	-	371 721 539	136 077 651
El Sewedy cables Company – Qatar	-	-	-	-	(39 644 894)	-	39 644 894
ELSewedy for Electric Equipment and Cables Company	3 353 760 270	(3 247 107 390)	-	-	-	112 564 967	5 912 087
El Sewedy for Electrical constructions Co. - Algeria	-	-	-	-	28 646 238	41 080 057	12 433 819
EMAS Company	-	-	-	-	25 325 850	41 009 491	15 683 641
Doha Cables Company – Qatar	-	(92 405 055)	-	(117 606 434)	-	-	210 011 489
Pyramids for Industrial parks developmentCompany	-	-	-	-	13 866 503	27 492 829	13 626 326
Giad cables Company	-	-	-	91 227 087	71 678 426	367 775 464	204 869 951
Pyramids Zonafranca Company	-	-	-	-	(8 637 596)	14 187 767	22 825 363
3W Company – Egypt	-	-	-	-	-	13 076 379	13 076 379
Arabian for steel industries Company	-	(42 520 055)	-	-	-	7 910 076	50 430 131
Al Oula for industrial parks development Company	-	-	-	-	6 855 298	18 693 828	11 838 530
RME Mozambique Company	-	-	-	-	(2 203 232)	1 810 589	4 013 821
GAMA – Al Rowad	-	-	-	-	(42 676 488)	9 399 016	52 075 504
Iskarmeko Company -Malaysia	-	-	-	-	1 808 622	4 088 906	2 280 284
Play resort Company	-	(39 198 955)	-	-	-	-	39 198 955
Tanzania project Company	-	-	-	(552 186 600)	(433 860 900)	102 635 670	1088 683 170
Iskara Argentina Company	-	(37 324 879)	-	-	-	-	37 324 879
El Sewedy Cables Erbil Company -Iraq	-	-	-	-	31 008 989	81 033 694	50 024 705
Elsewedy cables - Yemen	-	-	-	272 796 654	-	758 087 214	485 290 560
El Sewedy wania for Industries and Engineering projects (SWIEP) Company	126 649 326	-	-	-	-	529 111 775	402 462 449
DB Schenker Company	-	(1 154 032)	-	-	-	-	1 154 032
SC Zone utilities Company	-	-	-	-	4 540 033	20 278 826	15 738 793
Ranen for Energy Company	-	-	-	58 384 787	45 873 762	269 215 504	164 956 955
Rowad KSA Company	-	(59 274 104)	-	-	-	-	59 274 104
3W Network Advanced Manufacturing Company	-	-	-	-	14 065 059	35 409 522	21 344 463
Petrojet Company	-	(10 119 196)	-	-	-	-	10 119 196
Senyar Industries Qatar Holding Company	-	(34 333 488)	-	-	-	-	34 333 488
ALRowad libya Company	-	-	-	-	1 522 655	1 522 655	-
Hassan Allam Project	-	-	-	-	-	-	-
Orascom and Rowad project	-	-	-	-	-	-	-
Others	-	-	-	-	66 207 735	143 380 811	77 173 076
Less: impairment loss on related parties	-	-	-	-	-	(1 103 445 495)	(727 962 914)
						1 868 041 084	2 553 915 781
Total due from related parties						2 041 534 651	2 665 025 925

38- Related parties transactions - continued

Nature and Volume of transactions						
EGP	Purchases	Payments	Forex	Others	30 September 2024	31 December 2023
<u>Classified as non-current liabilities: (Due to related parties)</u>						
PV Power Plant company	-	-	-	40 345 383	122 067 725	81 722 342
					122 067 725	81 722 342
<u>Classified as current liabilities: (Due to related parties)</u>						
Pyramids for industrial Parks Development company	-	-	-	(28 913 083)	-	28 913 083
Pyramids Zona franca company	-	-	-	(9 892 552)	-	9 892 552
Al Oula for Industrial Parks Development company	-	-	-	(4 648 867)	-	4 648 867
Al Arabiya for Steel Industries company	-	-	-	(46 828 412)	-	46 828 412
Elastmold company-Egypt	-	-	-	(715 035)	47 165 456	47 880 491
El Sewedy Cables company-Qatar	-	-	-	(1 552 053)	52 673 752	54 225 805
Doha Cables company-Qatar	53 580 323	-	93 558 636	19 930 033	424 950 434	257 881 442
Senyar Holding Qatar company	-	(95 558 639)	229 201 936	-	542 932 469	409 289 172
El Sewedy watania for Industries and Engineering projects (SWIEP)	-	(462 872 255)	-	-	-	462 872 255
El Sewedy for Equipment & Cables company	-	-	-	(298 181 859)	-	298 181 859
EMAS company	-	-	-	(31 755 400)	10 647 791	42 403 191
Giad cables company	-	-	-	(5 980 564)	-	5 980 564
El Rowad Mozambique company	-	-	-	(2 203 232)	-	2 203 232
Play resort company	-	-	-	(38 806 946)	-	38 806 946
Rowad modern Engineering (GAMA project)	-	-	-	(41 315 131)	-	41 315 131
Egyptian company for mechanical and electrical projects (Kahromec	-	-	-	(2 400)	1 417 844	1 420 244
JV Tanzania	-	-	(534 990 017)	(420 349 299)	-	955 339 316
DB schenker company	-	-	-	(2 509 144)	-	2 509 144
Red sea copper company	-	-	122 417 502	513 658	341 533 843	218 602 683
El Sewedy technical Academy	-	-	-	(1 693 893)	-	1 693 893
El Sewedy Electric Corporation	-	-	-	(15 657 053)	-	15 657 053
Elraghy Group	-	-	(74 921 550)	15 727 654	74 594 586	133 788 482
Concord for Engineering and Construction	-	-	-	16 117 256	16 117 256	-
Iskraemeco Company -Argentina	-	-	-	24 762 253	24 762 253	-
Alrowad Company Comoros	235 599 832	-	-	-	235 599 832	-
Others	-	-	-	51 721 556	78 134 410	26 412 854
					1 850 529 926	3 106 746 671
Total due to related parties					1 972 597 651	3 188 469 013

Significant transactions with key management personnel represented in:

EGP	For the Nine months ended 30 September	
	2024	2023
Salaries and allowances for key management personnel	56 489 234	25 986 396

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Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 – (Continued)

39- Major events during the period

In light of the global and local economic conditions and the geopolitical risks facing the country, the government, represented mainly by the Central Bank of Egypt, has taken a number of financial measures during 2022 and 2023 to contain the impact of these crises as well as the resulting inflationary impact over the Egyptian economy, including the devaluation of the Egyptian pound against foreign currencies, raising the interest rate on overnight deposits and lending rates, and setting maximum limits on cash withdrawals and deposits in banks. This resulted a decrease in exchange rates and the availability of foreign currencies through official channels. As a result, there has been a shortage in foreign exchange availability through official channels, leading to delays in foreign currency debt repayments and increased purchasing and repayment costs. On March 6, 2024, the Central Bank of Egypt issued a decision to raise the overnight deposit and lending rates by 6% basis points to reach 27.25% and 28.25%, respectively, also the credit and discount rate was raised by 6% basis 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.

40- Basic and diluted earnings per share (EPS)

The calculation of EPS is based on the following profit attributable to ordinary shareholders and weighted-average number of shares outstanding is presented below:

For the purpose of calculating diluted earnings per share, an entity shall adjust profit or loss attributable to ordinary shareholders of the parent entity, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.

A. Basic earnings per share for Condensed consolidated interim financial statements.

	For the Nine months ended 30 September		For the three Months ended 30 September	
EGP	2024	2023	2024	2023
Profit for the period attributable to owners of the company	13 252 178 931	8 070 304 820	4 816 281 887	2 506 045 018
<u>Less:</u>				
Employees' share in profit (Expected)	(1 511 414 798)	(987 623 321)	(696 675 395)	(431 197 341)
Profit attributable to ordinary shareholders	11 740 764 133	7 082 681 499	4 119 606 492	2 074 847 677
<u>Weighted-average number of shares</u>				
Issued ordinary shares (share)	2 140 777 876	2 170 777 876	2 140 777 876	2 170 777 876
<u>Less:</u>				
Treasury shares (share)	-	(30 000 000)	-	(30 000 000)
ESOP shares issued not granted (share)	(1 422 160)	(1 422 160)	(1 422 160)	(1 422 160)
Weighted average number of ordinary shares on 30 September (share)	2 139 355 716	2 139 355 716	2 139 355 716	2 139 355 716
Basic earnings per share	5.49	3.31	1.93	0.97

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Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 – (Continued)

B. Diluted earnings per share for condensed consolidated interim financial statements

EGP	For the Nine months ended 30 September		For the Three Months ended 30 September	
	2024	2023	2024	2023
Profit for the period attributable to owners of the company	13 252 178 931	8 070 304 820	4 816 281 887	2 506 045 018
Less:				
Employees' share in profit (Expected)	(1 511 414 798)	(987 623 321)	(696 675 395)	(431 197 341)
Profit attributable to ordinary shareholders	11 740 764 133	7 082 681 499	4 119 606 492	2 074 847 677
Weighted-average number of shares				
Issued ordinary shares (share)	2 140 777 876	2 170 777 876	2 140 777 876	2 170 777 876
Less:				
Treasury shares (share)	-	(30 000 000)	-	(30 000 000)
Weighted-average number of ordinary shares at 30 September (share)	2 140 777 876	2 140 777 876	2 140 777 876	2 140 777 876
Diluted earnings per share	5.48	3.31	1.92	0.97

40-1 Market price per share on the Egyptian Stock Exchange

EGP	30 September 2024	31 December 2023
Market price per share (SWDY.CA)	72.50	27.69

41- Non-controlling interests

EGP	Percentage	30 September 2024	31 December 2023
Rowad for Modern Engineering company	49 %	1 001 495 727	745 271 459
Elsewedy Cables company– KSA Ltd.	40 %	2 552 759 189	991 916 388
Egyptian company for Solar Energy	49 %	331 149 932	222 187 769
Elsewedy Electric Zambia limited company	40 %	281 154 143	164 554 963
October Dry Port company	10 %	120 050 768	80 925 538
Egyptian Co. For Electrical Insulators	25.17 %	78 013 283	61 175 002
Others	-	122 216 826	117 982 277
		4 486 839 868	2 384 013 396

42- Other liabilities

EGP	30 September 2024	31 December 2023
Creditors – property, plant, and equipment purchase	62 069 620	118 584 607
Government grants	234 257 112	157 612 951
Long term notes payable	623 486 178	158 418 679
Other payable	427 689 027	339 437 062
	1 347 501 937	774 053 299

43- Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these Condensed consolidated interim financial statements.

43-1 New issuances and amendments on Egyptian Accounting Standards:

- A) On 6 March 2023, the Prime Minister's Decree No. (883) of 2023 was issued amending some provisions of the Egyptian accounting standards, and on 3 March 2024, another decision was issued by the Prime Minister No. (636) of 2024 amending some other provisions of the Egyptian accounting standards, on 23 October 2024 another decision was issued by the Prime Minister No. (3527) of 2024 amending some other provisions of the Egyptian accounting standards, and the following is a summary of the most important of those amendments:

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
Egyptian Accounting Standard No. (50) "Insurance Contracts".	<p>1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the Company provides appropriate information that truthfully reflects those contracts. This information provides users of financial statements with the basis for assessing the impact of insurance contracts on the Company's financial position, financial performance, and cash flows.</p> <p>2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50).</p> <p>3-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows:</p> <ul style="list-style-type: none"> - Egyptian Accounting Standard No. (10) "Fixed Assets". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) "Investment property". 	The Company is currently assessing the impact of applying this new standard on its financial statements.	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.

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Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 –
(Continued)

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
Egyptian Accounting Standard No. (34) amended 2024 "Investment Property "	The Egyptian Accounting Standard No. (34) "Investment Property" was reissued in 2024, to amend the fair value application mechanism by the mandate of recognizing the gain or loss arising from the change in the fair value of the investment property in the statement of profit or loss for the period in which the change arises or through the statement of other comprehensive income for one time in the life of the asset or investment, taking into account paragraphs (35a) and (35b) of the standard.	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	The amendments to the amendment of addition of the option to use the fair value model apply to financial periods commencing on or after January 1, 2024 with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the fair value model initially by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this model for the first time.
Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"	<p>This standard was reissued in 2024, to add how to determine the spot exchange rate when exchange between two currencies is difficult and what are the conditions that must be met for determining the spot exchange rate at the measurement date.</p> <p>An appendix to the application guidelines has been added, which includes guidelines for assessing whether a currency is exchangeable for another currency, and guidelines for applying the required treatments in case of non-exchangeability.</p>	No effect in the financial statements	Amendments regarding the determination of spot exchange rate when it is difficult to exchange between two currencies is applicable to financial periods commencing on or after January 1, 2024 with early adaption allowed. If the entity made an early application, this has to be disclosed. Entity shall not be

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
			<p>modifying comparative information and instead should:</p> <ul style="list-style-type: none"> • When the entity reports foreign currency transactions to its functional currency, any effect of the initial application is recognized as an adjustment to the opening balance retained earnings/losses on the date of initial application. • When an entity uses presentation currency different than its functional currency or translates the results and balances of foreign operation, the resulting differences and financial position of a foreign transaction, any effect of the initial application is recognized as an adjustment to the cumulative translation adjustment reserve - accumulated in equity section on the

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New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
			date of initial application.
Accounting Interpretation No. (2)"Carbon Reduction Certificates"	Carbon Credits Certificates: Are financial instruments subject to trading that represent units for reducing greenhouse gas emissions. Each unit represents one ton of equivalent carbon dioxide emissions, and are issued in favor of the reduction project developer (owner/non-owner), after approval and verification in accordance with internationally recognized standards and methodologies for reducing carbon emissions, carried out by verification and certification bodies, whether local or international, registered in the list prepared by the Financial Regulatory Authority "FRA" for this purpose. Companies can use Carbon Credits Certificates to meet voluntary emissions reduction targets to achieve carbon trading or other targets, which are traded on the Voluntary Carbon Market "VCM".	The Company is currently assessing the impact of applying this new standard on its financial statements.	The application starts on or after the first of January 2025,early adaptation is allowed.
Egyptian accounting standards no. (51) Financial Reporting in Hyperinflationary Economies	This Standard shall be applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.	The Company is currently assessing the impact of applying this new standard on its financial statements.	Egyptian Accounting Standard No. (51) is effective from the beginning of the reporting period in which it identifies the existence of hyperinflation .

B) The difficulty of currency exchange

On March 3, 2024, the Prime Minister issued Resolution No. (636) amending Egyptian Accounting Standard No. (13) "Effects of Changes in Foreign Exchange Rates" (Egyptian Accounting Standard No. (13) Paragraph 57 A, which is effective as of January 1, 2024.

The company applied the amendment to Paragraph No. (57A) of Egyptian Standard No. (13) and conducted an assessment to determine whether there is a difficulty in exchanging foreign currencies against the Egyptian pound. Below is a summary of the results of this assessment.

The Company has assessed that there is no difficulty to exchange assets denominated in foreign currencies as of January 1, 2024, the date of application of the amended Egyptian Accounting Standard No. (13) This assessment was made on the basis that assets denominated in foreign currencies can be exchanged in the bank at any time without any difficulty. The Company has also assessed that there is no difficulty exchanging foreign currency denominated liabilities, to the extent that foreign currency denominated assets can be used to settle such liabilities. And that there are no obligations denominated in foreign currencies that will be settled outside the banking system. There is no estimate that there is difficulty in exchanging these balances, and there is no monetary impact of applying the amended Egyptian Accounting Standard No. (13).

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Notes to the Condensed Consolidated interim Financial Statements for the Nine months ended 30 September 2024 –
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Currency Position

The following is a summary for assets and liabilities in US dollars as of 1 January 2024.

	USD	EUR	GBP	SAR	KWD
Financial assets:					
Trade receivables and other debit balance	321	79	50	17	54
Cash and cash equivalent	309	36	19	-	-
Total financial assets	630	115	69	17	54
Financial liabilities that are readily tradable:					
Trade payables and other credit balance	(218)	(25)	(4)	(1)	(3)
Loans and borrowings	(365)	(55)	(8)	-	-
Total financial liabilities	(583)	(80)	(12)	(1)	(3)
Net financial assets	47	35	57	16	51