

Date:13/11/2023

Mrs. / Disclosure Director

Egyptian Stock Exchange

Greetings,

We enclose herewith the audited independent and consolidated financial statements of Alexandria mineral oil Company (AMOC) as of September 30, 2023, and the limited audit report issued by the Accountability State Authority and the legal accountant Dr./Abdel Aziz Hegazy and Partners - Dr./Khaled Abdel Aziz Hegazy - Members of Crowe Global - Certified Public Accountants and Consultants - regarding the audited independent and consolidated (Audited) financial statements of the company as of September 30, 2023.

Soha Fadel

Mrs. / Soha Abdel-Aziz Fadel
Investment GM

Mohamed El-Sayed El-Sorady

ACCT. / Mohamed El-Sayed El-Sorady
CEO Assistance for Investment and Media





Dr. A. M. Hegazy & Co.
Dr. Khaled A. Hegazy

Accountants & Consultants
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**Auditor's Report on Review of
Interim Standalone Financial Statements
To the Board of Directors of Alexandria Mineral Oils Co. (S.A.E)**

1. Introduction

We have carried out a limited review of the interim standalone financial statements of **Alexandria Mineral Oils Co. (S.A.E)** represented in the accompanying statement of Financial Position as of September 30th, 2023, and the related statements of profit or loss, comprehensive income, changes in equity and cash flows for the three months period then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

2. Scope of Limited Review

We conducted our review in accordance with Egyptian Standard on Limited Review Engagements No. 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, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

Basis of a Qualified Conclusion

- 1- The company's management, until the date of the standalone financial position on September 30, 2023, did not resolve and settle the technical study to improve the specifications of diesel within the item of projects under production at an amount of EGP21 million Egyptian pounds, and we recommend the company to work on studying the extent of benefiting from that technical study and examine the impairment.
- 2- The company classified in the statement of standalone financial position on September 30th, 2023 its financial investments in ASPPC Company in the amount of EGP12 million Egyptian pounds as financial investments available for sale. The company's management did not evaluate the above-mentioned investments in accordance with the requirements of Egyptian Accounting Standard No. (47) on Financial Instruments and



determining the extent of its impact on the financial statements as of September 30th, 2023, if any.

3. *Qualified Conclusion*

Except for the effect of any adjustments and the effects of the two paragraphs of the basis of the above qualified conclusion and based on our limited review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the standalone financial position of **Alexandria Mineral Oils Co. (S.A.E)** as at September 30th, 2023, and of its financial performance and cash flows for the three months period then ended in accordance with Egyptian Accounting Standards.

Auditor

A handwritten signature in blue ink that reads "Khaled Hegazy".

Dr. Khaled A.M. Hegazy

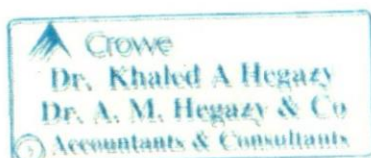
Fellow of the Egyptian Society of Accountants & Auditors

Accountants & Auditors Register "AAR" No. 10945

Financial Regulatory Authority Auditors Register "FRAAA" No. 72

Independent Profesional Practice - Member of Crowe Global

Dated: November 13th, 2023





Separated periodical statement of financial position
As at 30 September 2023

Assets	Note no.	30/09/2023	EGP 10/09/2022
<u>Non-current assets</u>			
Fixed assets (net)	(4)	809,540,827	831,886,395
Projects under construction	(5)	139,980,977	110,210,971
Investment in subsidiaries	(6)	864,500	864,500
Financial investments	(7)	12,000,000	12,000,000
Right of use assets (net)	(1/8)	9,765,419	10,820,796
Total non-current assets		972,131,733	965,782,662
<u>Current assets</u>			
Inventory (net)	(9)	2,026,655,857	1,206,916,842
Accounts receivable	(10)	916,434,991	655,398,574
Debtors and other debit balances	(11)	739,390,797	657,835,289
Cash at banks and on hand	(12)	2,763,786,263	2,701,784,430
Total current assets		6,446,267,908	5,221,935,135
Total assets		7,418,419,641	6,187,717,797
<u>Equity</u>			
Issued and paid up capital	(13)	1,291,500,000	1,291,500,000
Legal reserve	(14)	599,426,263	599,426,263
Other reserves	(14)	370,333,560	370,333,560
Retained earnings		1,396,922,553	331,491,549
Profit for the period		350,779,478	1,065,431,004
Total equity		4,018,961,854	3,658,182,376
<u>Non-current liabilities</u>			
Long term loans		4,934,357	-
Long term liability - lease contract	(2/4)	5,831,400	10,118,184
Deferred tax liability	(16)	119,326,782	117,795,515
Total non-current liability		110,092,539	127,913,699
<u>Current liability</u>			
Provisions	(17)	860,177,742	860,177,742
Loans due		1,138,698	-
Short term liability - lease contracts	(2/8)	2,578,507	-
Due to tax authority	(18)	111,303,500	465,641,504
Creditors and other credit balances	(19)	2,304,166,791	1,075,802,476
Total current liabilities		4,279,365,298	2,401,621,722
Total liabilities		4,409,458,137	2,529,535,421
Total equity and liabilities		7,418,419,641	6,187,717,797

The accompanying notes are an integral part of these financial statements and to be read therewith.
Limited review report attached.


General Manager of Financial Affairs
Acc. Mohammed Gamaa


Vice President for Financial Affairs
Dr. Acc. Ahmed Kondil




Chairman and Managing Director
Eng. Amr Ahmed Lotfy

Alexandria Mineral Oils Company (AMOC) 'S.A.E'

Separated periodical statement of profit or loss

For the period ended 30 September 2023

EGP

Description	Note no.	30/09/2023	30/09/2022
Net Sales	20	6,942,907,561	5,857,341,117
<u>(Deduct):</u>			
Cost of sales	22	(6,350,594,817)	(5,303,611,295)
Gross profit		592,312,744	553,729,822
<u>(Deduct):</u>			
General and administrative expenses	23	(169,056,514)	(123,712,764)
Marketing expenses	24	(14,884,372)	(10,347,696)
Other operating expenses	25	(260,000)	(1,019,066)
Operating profit		408,111,858	418,650,296
<u>(Deduct):</u>			
Expected credit losses		(1,761,049)	-
<u>Add:</u>			
Other operating revenue	21	57,263,435	44,159,755
Net profit before tax		463,614,244	462,810,051
Income tax		(111,303,500)	(110,531,367)
Deferred tax (liability)		(1,531,266)	(5,930,321)
Net profit after tax		350,779,478	346,348,363
Earning per share (pound/share)	26	0.27	0.27

The accompanying notes are an integral part of these financial statements and to be read therewith.
Limited review report attached.



General Manager of Financial Affairs
Acc. Mohammed Gomaa



Vice President for Financial Affairs
Dr. Acc. Ahmed Kandil



Chairman and Managing Director
Eng. Amr Ahmed Lofly



Alexandria Mineral Oils Company (AMOC) 'S.A.E'
Separated periodical statement of other comprehensive income
For the period ended 30 September 2023

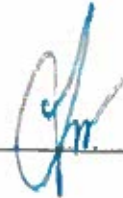
Description	EGP	
	30/09/2023	30/09/2022
Net profit for the period	350,779,478	346,348,363
Total comprehensive income for the period	350,779,478	346,348,363



General Manager of Financial Affairs
Acc. Mohammed Gomaa



Vice President for Financial Affairs
Dr. Acc. Ahmed Kandil



Chairman and Managing Director
Eng. Amr Ahmed Lotfy





Statement of changes in equity

For the period ended 30 September 2023

Description	EGP					Total
	Capital	Legal Reserve	Other Reserves	Retained Earnings	Profit for the period	
Balance as at 1 July 2022	1,291,500,000	517,241,911	194,763,937	-	1,044,447,679	3,077,953,527
Legal reserve	-	52,184,352	-	-	(52,184,352)	-
Dividends distribution 2021/2022	-	-	-	-	(816,693,704)	(816,693,704)
Transferred to general reserve	-	-	175,569,623	-	(175,569,623)	-
Net profit for the period	-	-	-	-	346,348,363	346,348,363
Balance as at 30 September 2022	1,291,500,000	599,426,263	370,333,560	-	346,348,363	2,607,608,186
Profits transferred from comprehensive income	-	-	-	331,491,549	-	331,491,549
Net profit for the period	-	-	-	-	719,082,641	719,082,641
Balance as at 30 June 2023	1,291,500,000	599,426,263	370,333,560	331,491,549	1,065,431,004	3,658,182,376
Retained earnings	-	-	-	1,065,431,004	(1,065,431,004)	-
Net profit for the period	-	-	-	-	350,779,478	350,779,478
Balance as at 30 September 2023	1,291,500,000	599,426,263	370,333,560	1,396,922,553	350,779,478	4,088,961,854

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General Manager of Financial Affairs
Acc. Mohammed Gomaa



[Signature]

Vice President for Financial Affairs
Dr. Acc. Ahmed Kandil


[Signature]

Chairman and Managing Director
Eng. Amr Ahmed Latfy



	Subtotal	Total	EGP 30.09.2023
Cash flow from operating activities:			
Net profit before tax and extra ordinary items	463,614,244		462,810,051
Foreign currency differences	(2,426,764)		(32,089,193)
Fixed asset depreciation and right of use amortization	23,995,746		20,344,858
Debit Interest	266,489		-
Credit Interest	(54,122,058)		(11,385,342)
Operating profit before change in working capital	431,327,657		419,680,374
Change in inventory	(819,739,015)		201,388,078
Change in accounts receivable	(261,036,417)		(27,978,615)
Change in debtors	(62,601,036)		(583,369,931)
Change in debit balances	(24,977,211)		13,952,537
Change in accounts and notes payable	-		(2,720,790)
Change in creditors	447,129,996		21,916,218
Change in credit balances	318,171,324		226,433,096
Cash flow from operating activities	28,275,248		289,300,987
Paid income tax	-		(461,488,842)
Net cash flow from operating activities		28,275,248	(172,187,855)
Proceeds from credit balances	60,144,847		11,981,800
Payments for fixed assets and projects under construction	(30,364,808)		(8,498,120)
Net cash flow from investment activities		29,780,039	3,483,680
Cash flow from financing activities:			
Proceeds from long term loans	4,934,357		-
Short term loans	1,138,098		-
Payments for operating lease	(4,286,784)		(439,126)
Paid financing expenses	(266,489)		-
Dividends paid	-		(106,368,704)
Net cash flow from financing activities		1,519,182	(106,807,810)
The effect of change in exchange rates on cash and cash equivalents		2,426,764	32,089,193
NET change in cash and cash equivalent during the period		62,001,833	(243,422,812)
Cash and cash equivalents at 1 July 2023		2,701,784,430	1,300,219,390
Cash and cash equivalents at 30 September 2023		2,763,786,263	1,056,797,078


 General Manager of Financial Affairs
 Acc. Mohammed Gomaa


 Vice President for Financial Affairs
 Dr. Acc. Ahmed Kandil


 Chairman and Managing Director
 Eng. Amir Ahmed Lotfy



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Accounts receivable analysis

As at 30 September 2023

Description	EGP
Alexandria Wax Products Company	509,684,837
Cooperation petroleum company	147,282,712
Exxon Mobile	112,482,768
Total	21,198,230
Chevron	4,968,325
Misr Petroleum Company	41,412,853
ASPPC	31,728,906
TAQA/Castrol	5,498,816
Petromine	15,427,782
El Nile	5,208,341
Cargas	1,496,448
Emarat Misr	2,626,576
OLA ENERGY	17,219,055
Watanya	351,655
Provision for expected credit losses	(152,313)
Balance as at 30 September 2023	916,434,991

All accounts receivable amounts are collected on due dates*



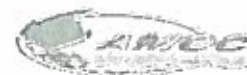
Fixed assets Analysis
As at 30 September 2023

Attachment (1)

Description	Subtotal	Total	Depreciation	Net	EGP
Lands	75,752,185	75,752,185		75,752,185	75,752,185
Production activity buildings					
Waxes warehouses	761,009				
Oils complex	28,733,915				
Gas Oil complex	153,781,031				
Acid torch	856,285				
Hydrolic acid container	271,888				
Services and utilities buildings					
Power station building	2,558,496				
Clinic and shifts room building	445,784				
Civil affairs	16,914,391				
Oils complex	26,978,806				
Gas Oil complex	38,250,735				
Surface sewage	1,404,847				
Material/sulphur warehouses	4,805,789				
Transportation building	870,310				
Industrial sewage network	1,583,302				
Rain water sewage network	4,871,491				
Workshops	5,665,668				
Fire truck headquarter	429,785				
Administrative buildings					
Administrative building/training/accruals/building next to clinic	42,255,104				
Mosque	119,618				
Roads					
Internal	8,515,298				
External	571,323				
Production activity machines		340,642,875	200,382,675	140,260,200	143,526,878
Oils complex	883,403,676				
Gas oil complex	7,687,654				
Thiopac	79,878,577				
Services and utilities machines					
Oils complex	270,691,096				
Gas oil complex	215,804,263				
Power station 66/11 kV	21,311,612				
New gas station	290,952				
Fresh water line	74,395				
Cranes/exhaust fan/tractors/ambulance	5,903,908				
New pump station	1,995,127				
Nitrogen network	108,578				
Other	7,523,160				
Vehicles		1,894,673,101	1,322,608,916	572,064,185	590,330,413
Tools and equipment		25,527,683	24,416,135	1,111,498	1,283,216
Furniture and office equipment		44,000,036	35,445,628	8,554,458	9,203,096
Total fixed assets		2,412,405,321	1,602,864,494	809,540,827	831,886,393



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Projects under construction analysis

As at 30 September 2023

(First): Assets in development

Attachment (2)

Description	Subtotal	Total	EGP
Civil projects			
Constructing 2 new warehouses 3004D -3005FB	22,526,885		22,315,664
Adminlstrative building (1)	18,051,672		18,051,672
		40,578,557	40,367,336
Machines and equipment			
Axens feasibility study Mddu adjustments	20,995,832		20,995,832
Warehouse measurement system update	1,540,289		1,540,289
Boiler operating system update	34,379		3,150
Phenol project	1,906,007		1,767,787
Self-monitoring devices	11,273,512		22,453
Steam traps project unit 100 and unit 2	2,174,813		-
		37,924,832	24,329,511
Furniture and fixtures			
ERP System	1,648,175		1,648,175
LIMS	3,146,102		2,954,833
New fingerprint system	-		84,718
Information network update	848,155		848,155
		5,642,432	
Equipment at project warehouses	12,626,229	12,626,229	9,353,865
Total assets in development		96,772,050	79,586,593



#VALUE!



Projects under construction analysis
As at 30 September 2023
(Second) Deposits for vendor assets

Attachment (2)

Description	Subtotal	Total	EGP 31/09/2023
Local advance payments:			
Supplies and contracts	3,895,496		3,732,837
Foreign payments for letters of credit	39,313,431		26,891,541
		43,208,927	
Total deposits for vendor assets		43,208,927	30,624,378



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Investment analysis
As at 30 September 2023

Attachment (3)

EGP

Description	Subtotal	Total	
<u>Investments in subsidiaries</u>			
Alexandria Wax Products Company		864,500	864,500
<u>Financial investments</u>			
Alexandria Speciality Petroleum Products Company (ASSPC)		12,000,000	12,000,000
Total investment		12,864,500	12,864,500



#VALUE!



Current assets analysis
As at 30 September 2023

Attachment (4)

Description	Subtotal	Total	EGP
Inventory*			
Raw materials	385,600,797		185,670,608
Supporting materials (chemical additives)	46,343,325		45,912,800
Spare parts	117,050,774		106,751,768
Miscellaneous materials and supplies	7,775,368		8,204,068
Packing materials	307,419		250,612
Materials loaned to others	3,217,075		20,936
Letters of credits and their expenses	14,097,837		10,481,121
Work in process inventory	485,727,865		430,309,679
Finished goods	979,695,458		433,075,311
Inventory impairment	(13,760,061)	2,026,655,857	(13,760,061)
Accounts receivable*	916,587,304		1,206,916,842
Provision for expected credit losses (accounts receivable)	(152,313)		655,552,478
Net accounts receivable		916,434,991	(153,904)
Debtors*			655,398,574
Related parties	9,321,331		8,153,615
Miscellaneous debtors	24,917		200,000
Custom duties authority	66,794,381		67,062,733
Deposits	45,055,448		45,055,448
Loans to employees	43,119,521		79,843,871
Withholding tax	290,864,201		290,991,698
Tax authority - advance payment	204,716,192		106,174,071
Value added tax on production supplies	20,515,507		20,515,507
Petty cash	190,000		-
Provision for expected credit losses (debtors)	(133,578)		(130,109)
Net debtors		680,467,920	617,866,834
Other debit accounts			
Debit note	5,365,159		12,628,878
Advance payments	33,336,120		7,406,211
Prepaid expenses	20,408,534		14,006,341
Accrued interest National Bank of Egypt EGP	111,233		3,796,555
Accrued interest National Bank of Egypt US Dollar	-		1,888,871
Accrued interest SAIB EGP	-		97,082
Accrued interest Bank Misr EGP	-		351,514
Provision for expected credit losses (debit accounts)	(298,169)		(206,997)
Net other debit accounts		58,922,877	39,968,455
Net debtors and other debit accounts		739,390,797	657,835,289
Cash at bank and on hands*			
Time deposits	2,093,142,500		2,516,825,000
Current accounts	672,507,498		187,033,373
Cash on hand	1,938,568		60,361
Provision for expected credit losses (cash balances)	(3,802,303)		(2,134,304)
Total current assets		2,763,786,263	5,221,935,135



#VALUE!



Bank reconciliation
As at 30 September 2023

(First): National Bank of Egypt

Description	EGP
Bank balance as at 30 September 2023	393,260,137.56
<u>Deduct:</u>	
Outstanding checks	2,143,849.21
Company balance as at 30 September 2023	391,116,288.35

Description	USD
Bank balance as at 30 September 2023	704,832.20
<u>Deduct:</u>	
Outstanding checks	305.00
Company balance as at 30 September 2023	704,527.20

The company's balance was valued at exchange rate 30.75 EGP per 1 USD

Description	Euro
Bank balance as at 30 September 2023	146,696.39
<u>Deduct:</u>	
Outstanding checks	122,687.00
Company balance as at 30 September 2023	24,009.39

The company's balance was valued at exchange rate 32.5304 EGP per 1 Euro



#VALUE!



Bank reconciliation
As at 30 September 2023
Alexandria Mineral Oils Company 'S.A.E'
(Second): Bank Misr

Description	EGP
Bank balance as at 30 September 2023	3,225,505.14
<u>Deduct:</u>	
Outstanding checks	481,123.95
Company balance as at 30 September 2023	2,744,381.19

Bank Misr Daily Interest Account

Description	EGP
Bank balance as at 30 September 2023	8,142,291.43
Company balance as at 30 September 2023	8,142,291.43

Bank Misr USD

Description	USD
Bank balance as at 30 September 2023	308.59
Company balance as at 30 September 2023	308.59



#VALUE!



Bank reconciliation
As at 30 September 2023
(Third): Qatar National Bank

EGP	
Description	EGP
Bank balance as at 30 September 2023	21,031,821.82
Deduct:	
Outstanding checks	874,058.10
Company balance as at 30 September 2023	20,157,763.72

USD	
Description	USD
Bank balance as at 30 September 2023	191,858.29
Deduct:	
Outstanding checks	40,217.00
Company balance as at 30 September 2023	151,641.29



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Bank reconciliation
As at 30 September 2023

(Fourth): SAIB Bank

Description	EGP
Bank balance as at 30 September 2023	20,580,462.46
<u>Deduct:</u>	
Outstanding checks	4,998,639.86
Company balance as at 30 September 2023	15,581,822.60

EGP

EGP

20,580,462.46

Deduct:

Outstanding checks

4,998,639.86

Company balance as at 30 September 2023

15,581,822.60

Description	USD
Bank balance as at 30 September 2023	6,372.46
Company balance as at 30 September 2023	6,372.46

USD

USD

Bank balance as at 30 September 2023

6,372.46

Company balance as at 30 September 2023

6,372.46

(Fifth): National Kuwait Bank

Description	EGP
Bank balance as at 30 September 2023	51,097,700.54
<u>Deduct:</u>	
Outstanding checks	3,184,948.25
Company balance as at 30 September 2023	47,912,752.29

EGP

EGP

Bank balance as at 30 September 2023

51,097,700.54

Deduct:

Outstanding checks

3,184,948.25

Company balance as at 30 September 2023

47,912,752.29



#VALUE!



Bank reconciliation
As at 30 September 2023

(Sixth): CIB

Description	EGP
Bank balance as at 30 September 2023	165,451,703.41
<u>Deduct:</u>	
Outstanding checks	7,451,881.00
Company balance as at 30 September 2023	157,999,822.41

(Seventh): Agricultural Bank of Egypt

Description	EGP
Bank balance as at 30 September 2023	1,538,718.90
Company balance as at 30 September 2023	1,538,718.90



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Current liabilities analysis

As at 30 September 2023

Attachment (5)

Description	Subtotal	Total	EGP
<u>Provision for tax disputes*</u>		833,012,669	833,012,669
<u>Claims and disputes provision*</u>		27,165,073	27,165,073
<u>Corporate tax*</u>		111,303,500	465,641,504
<u>Creditors*</u>			
EGPC current account	973,494,197		618,946,862
Related parties	556,181		1,217,028
Initial deposit	5,060,531		4,258,506
Final deposit	3,698,416		4,002,533
Performance guarantee deposits	15,842,160		14,351,995
Social Insurance	4,772,317		4,299,914
Miscellaneous taxes	616,990,682		60,566,146
		1,620,414,484	707,642,984
<u>Long term liabilities due</u>			
National bank of Egypt loan	1,138,698		
Short term liability - lease contract	2,578,507		
		3,717,205	
<u>Other credit accounts*</u>			
Employees' families medical fund	14,519,376		11,392,759
Engineering and construction stamps	60,948		662,994
Miscellaneous creditors	291,904,937		208,085,992
Advance payment customers	8,082,199		10,327,765
Accrued expenses	-		7,351,917
Amounts gained from work termination	18,037,120		17,971,238
Due to employees	336,771,908		110,321,788
Miscellaneous credit balances	14,375,819		2,045,039
		683,752,307	368,159,492
Total current liabilities		3,279,365,238	2,401,621,722



#VALUE!



Paid up capital analysis

As at 30 September 2023

Attachment (6)

Description	EGP	EGP
<u>Cash shares*</u>		
100% of principal capital	210,000,000	
100% of capital increase	488,000,000	
		698,000,000
<u>In-kind shares*</u>		
100% of capital increase (Alexandria Petroleum Company)	122,000,000	
		122,000,000
<u>Free shares*</u>		
50% of paid up capital	41,000,000	
50% of paid up capital	430,500,000	
		471,500,000
Total paid up capital		1,291,500,000



#VALUE!



Other reserves analysis

As at 30 September 2023

Attachment (7)

Description	EGP	EGP
Vehicles	1,441,229	
Computers	120,110	
Training building	201,500	
Service fund contribution in Mosque building	119,619	
Miscellaneous materials	357,869	
Total miscellaneous reserve		2,240,327
General reserve		368,093,233
Total other reserves		370,333,560





Revenue analysis
From 01/07/2023 to 30/09/2023

Description	Quantity/ton	Value in EGP	Comparative period	
			Quantity/ton	Value in EGP
Activity revenue				
Transmission oil	13.500	1,020,364	10.360	557,892
Transformer oil (engine oil)	110.500	6,306,511	-	-
Base oil	27906.360	850,570,159	25085.280	774,433,955
Non-hydrogenated liquid oil	8197.420	255,529,502	7526.680	193,630,395
Slack wax	1018.060	21,983,006	2413.720	51,933,279
Untreated slack wax	6765.000	232,688,130	5439.000	141,275,135
Wax waste	16.400	417,872	12.960	309,394
Gas oil	94829.580	2,336,667,945	87611.614	1,557,249,683
Bunker gas oil	-	-	9476.110	189,774,327
Naphtha	19177.230	336,672,839	24293.982	283,016,180
Liquidified petroleum gas	9707.410	174,781,424	11191.172	134,912,439
Blending fuel oil	163977.220	2,679,829,225	225880.487	2,441,296,355
Heavy fuel oil	3678.400	46,429,584	11923.28	88,898,403
Waste	1.700	9,000	14.96	53,680
Total	335398.780	6,942,907,561	410999.605	5,857,341,117
Other revenues:				
Credit interest revenue				
Credit interest National Bank of Egypt		28,417,122		4,333,611
Credit interest QNB		18,259,894		3,616,157
Credit interest Bank Misr		690,119		488,475
Credit interest SAIB		1,394,281		2,090,709
Credit interest NBK		1,485,156		836,389
Credit interest SAIB		3,782,982		-
Credit interest Agricultural Bank		92,503		-
Total		54,122,057		11,385,341
Miscellaneous revenue				
Compensations and fines		114,733		97,896
Miscellaneous revenue		599,881		587,325
Total		714,614		685,221
Currency exchange gains		2,426,764		32,089,193
Total other revenues		57,263,435		44,159,755
Total		7,000,170,996		5,901,500,872





Cost of sales
From 01/07/2023 to 30/09/2023

Description	EGP	Comparative period
Salaries	443,688,353	310,738,265
Raw materials	5,646,726,945	4,789,564,376
Supporting materials	33,880,055	38,199,920
Depreciation	21,772,988	19,096,425
Other costs	204,526,476	146,012,309
Total	6,350,594,817	5,303,611,295





Cost of sales (operating) analysis
 First: salaries
 From 01/07/2023 to 30/09/2023

Description	EGP		Comparative period
	Subtotal	Total	
<u>Cash salaries</u>		388,435,235	289,317,693
<u>Insurance:</u>			
Social Insurance.	6,039,259		5,161,415
Saving Insurance	8,609,678		8,022,917
Pension	8,829,673		8,236,240
Total insurance		23,478,610	21,420,572
Total		411,913,845	310,738,265

Second: raw materials
 From 01/07/2023 to 30/09/2023

Description	Quantity/ton	EGP		Comparative period		
		Subtotal	Total	Quantity/ton	Subtotal	Total
<u>Beginning balance</u>						
Finished goods + ravine	86891.393		863,384,990	108095.38		1,009,146,531
<u>Inputs:</u>						
<u>Units inputs</u>						
Alamin fuel oil	298560.855	5618150981		396206.531	4594975907	
Fuel oil 3.5% light distillate	10857.867	206425964		-	-	
Fuel oil 3.5% medium distillate	7273.387	134285112		-	-	
Fuel oil 3.5% heavy distillate	6166.424	110625763		-	-	
Hydrogen	3176.610	65,487,387		3948.69	39486900	
Total	326035.143	6134975207		400155.241	4634462807	
<u>Blending Inputs</u>						
Local cutter stock	9719.078	113790071		585.192	3511152	
Total	9719.078	113790071		585.192	3511152	
Total	335754.221		6,248,765,278	400740.433		4,637,973,959
<u>Deduct</u>						
<u>Ending balance</u>						
Finished goods + ravine	82270.420		1,465,423,323	92619.454		857,556,114
Losses	4976.417	-		5216.754	-	
Cost of raw materials	335398.777		6,466,726,945	410999.605		4,789,564,376





Third: supporting materials, depreciation and other costs
From 01/07/2023 to 30/09/2023

Description	EGP		Comparative period
	Subtotal	Total	
<u>Supporting materials and additives</u>			
Oil chemicals	21,878,028	33,880,055	7,534,949
Fuel oil chemicals	11,438,895		30,415,828
Utilities chemicals	563,132		249,143
Total			38,199,920
<u>Depreciation</u>			
Depreciation of buildings	2,691,818	21,772,988	2,680,578
Depreciation of machines	18,266,229		15,278,093
Depreciation of vehicles	171,717		560,779
Depreciation of tools & equipmnt	643,224		576,975
Total			19,096,425
<u>Other costs</u>			
Natural gas	125,977,656	204,526,476	69,270,728
Operational electricity	27,796,243		28,377,496
Operational water	3,494,654		3,307,411
Sewage	695,474		648,480
Equipment oils	587,448		533,133
Spare parts	4,862,826		2,032,541
Miscellaneous materials & equipment	1,469,826		504,770
Maintenance expenses	19,101,550		18,596,058
Operating management and technical services	13,224,285		15,187,368
Other	7,321,514		7,554,324
Total other costs			146,012,309
Total			260,179,519





General and administrative expenses

From 01/07/2023 to 30/09/2023

Description	EGP	Comparative period
Salaries (cash - in-kind- insurance)	109,404,071	76,479,473
Miscellaneous materials & equipment	503,173	265,523
Lighting	3,085,471	3,150,055
Water	242,544	229,549
Stationary, printings, and computer equipment	211,922	120,675
Maintenance expenses	24,937	96,957
Public relations and hospitality expenses	3,229,382	677,651
Publication and subscription in news papers and magazin	80,000	-
Publication of financial statements	114,000	266,884
Software subscription	6,406,817	5,326,886
Telephone and internet	333,475	148,631
Transportation allowance	251,690	97,660
Car and garage rentals	1,649,516	918,207
Accounting and legal services	133,000	99,000
Geographical location expenses	356,185	1,905,655
Insurance	7,392,458	4,681,228
Training expenses	420,723	583,805
Company contribution in services fund	4,000,000	4,000,000
Management expenses (EPROM)	414,675	476,231
Commission and bank expenses	43,419	36,550
General assembly expenses	-	438,650
Miscellaneous service expenses	9,383,000	6,129,878
Stamp duty and other fees	249,942	444,992
Property tax	1,552,482	1,552,482
Contribution to comprehensive health insurance	17,500,427	14,753,752
Lease contract liability interest	266,489	-
Building and furniture depreciation	1,167,381	832,390
Right of use amortization	639,335	-
Total	169,056,514	123,712,764





Marketing expenses
From 01/07/2023 to 30/09/2023

Description	EGP	Comparative period
Salaries	9,776,103	7,369,078
Packing materials	2,855,798	1,876,709
Other marketing expenses	1,836,429	685,867
Right of use ammortization	416,042	416,042
Total	14,884,372	10,347,696

Other expenses
From 01/07/2023 to 30/09/2023

Description	EGP	Comparative period
Compensations and fines	0	691,066
Board members transportation allowance	150,000	306,000
Board members attendance allowance	110,000	22,000
Total	260,000	1,019,066





Notes to the Standalone Financial Statements

For the period ended 30 September 2023

1. About the company:

Establishment:

- Alexandria Mineral Oils Co. (AMOC) - an Egyptian joint stock company - was established in 1997 according to the Minister of Economy and International Cooperation Decree No. 306. The company is subject to the provisions of investment Law No. 72 of 2017.
- The company was registered in Commercial Register under No. 143507 on 6 May 1997.
- The number of shares is 1.2915 billion shares, with a nominal value of one EGP per share.

Company Purpose:

- Production of neutral and special mineral oils.
- Production of paraffin wax and its derivatives.
- Maximization of Gas Oil with low Sulphur and low pour point.
- Production of wax distillates with different grades.
- Production of Naphtha.
- Production of liquified petroleum gas (LPG).
- Production of Mazut.
- Marketing of the products locally and internationally.
- Oil loading and blending to the benefit of others.
- Crude Oil refining to the benefit of AMOC or Other Companies.
- Production of Gasoline and Diesel.



Company term:

- The term specified for this company is twenty-five years, starting from the date of registration in the Commercial Register in May 1997 and ending in May 2022, and in December 2017 an entry was made in the Commercial Register to extend the term of the company for another twenty-five years, starting from the date of the end of the first term and ending in May 2047.

2. Basis for preparation of financial statements:

The financial statements are prepared according to the Egyptian accounting standards and in accordance with the applicable local laws and regulations

The accounting policies applied this year are consistent with those applied in the previous year, except for the changes that resulted from the application of the new Egyptian standards issued during 2019, The company also implemented these standards starting in January 2021

2-1 Functional and presentation currency:



The financial statements have been presented in Egyptian Pound which represents the Company's functional currency, and all financial information presented are in EGP.

2-2 Use of estimates and personal judgment:

The preparation of the financial statements in accordance with Egyptian accounting standards requires management to use personal judgment and to make estimates and assumptions that may affect the application of policies, values of assets and liabilities, as well as revenues and expenses. These estimates and assumptions are based on historical experience and other factors that the Company's management considers reasonable under the circumstances and events in which the carrying amounts of the assets and liabilities are determined and the actual results may differ from those estimates.

These estimates and assumptions are reviewed on an ongoing basis and any differences that affect the period in which the change is made and the future periods are recognized. These differences are recognized in the period in which they are adjusted and in future periods.

The following are the main items used for these estimates and personal judgment:

Provision for anticipated claims and contingent liabilities.

- Measurement of the impairment in asset values.
- Recognition of deferred tax.
- Accrued expenses.
- Useful lives of fixed assets.



3- Significant accounting policies applied:

3-1 Foreign currency valuation:

The Company maintains its books in Egyptian pound; transactions in foreign currencies are recognized at the exchange rates at the date of the transactions. Monetary assets and liabilities balances denominated in foreign currencies are revalued at the end of the period in accordance with the prevailing exchange rates and the resulting differences of transactions and revaluation included in the income statement.

Non-monetary assets and liabilities measured at historical cost are translated using the exchange rates at the date of the initial recognition. Non-monetary assets and liabilities that are measured at the fair-value are translated using the exchange rates at the date on which the fair-value was determined.

3-2 Fixed assets and their depreciation:

Fixed assets are stated according to the historical cost after deducting the accumulated depreciation and impairment loss. This cost includes the cost of replacing part of the fixed assets after recognition conditions are met.



Components of an item of fixed assets which have different useful lives are accounted independently as separate items within those fixed assets, similarly when major improvements are made; their costs are recognized in the carrying amount of the fixed assets as a replacement if the recognition conditions are met. All other repair and maintenance costs are recognized in the income statement when incurred. The asset is depreciated when its place and condition enable it to operate in the manner specified by the management. Depreciation is calculated using the straight-line method according to the assets estimated useful life as follows:

Item	Estimated Useful Life (yearly)
Machinery, equipment and devices	10-30
Buildings, constructions and utilities	10-30
Vehicles	5-15
Tools	5-10
Furniture, fixtures and computers	4-10

Fixed assets are disposed when discarded or when no future economic benefits are expected from their use or future sale (disposing does not only mean selling the asset but also stating the asset as scrap). Any profits or losses arising from disposing the asset are recognized in the profit or loss statement in the period in which the asset is disposed.

The remaining values of assets, their useful lives and depreciation methods are reviewed at the end of each financial year. At the date of each balance sheet, the Company determines whether there is an indication that a fixed asset has been impaired. When the carrying amount of the asset exceeds its recoverable amount, it is considered impaired and is subsequently reduced to its recoverable amount; the impairment loss is recognized in the profit or loss statement. The impairment loss is derecognized only if there is a change in the assumptions used to determine the recoverable amount since the last impairment loss was recognized. Derecognizing the loss from impairment is limited so as not to exceed the carrying amount of the asset, its recoverable amount and non-exceeding the carrying amount that would have been determined (Net after depreciation) unless the impairment loss is recognized for the asset in prior years. The derecognition of a loss from impairment is recognized in the profit or loss statement.

3-2-2 Subsequent costs of acquisition:

The cost of a component of the asset is recognized in the cost of the asset, excluding the cost of the replaced component, when the Company incurs the cost of replacement and provided that future economic benefits are probable to flow to the Company as a result of the replacement of the component and can be measured with a high degree of accuracy. Otherwise, all other expenses are charged to the statement of income as an expense when incurred.





3-3 Long term financial investments:

A-Investments in subsidiaries:

- Investments in subsidiaries are investment in companies that AMOC control. Control is assumed when the holding company owns, whether directly or indirectly through its subsidiaries, more than half of the voting rights in the invested company, except for those exceptional cases in which it appears clearly that such ownership does not represent control.
- Investments in subsidiaries are accounted for in the financial statements at cost, including the cost of acquisition. In the event of an impairment in the value of these investments, the book value is adjusted to the value of this impairment and is included in the income statement for each investment separately. The loss resulting from the impairment of value may not be recovered in the profit and loss statement in the period in which the reversal occurred.

B- Financial investment held for sale:

- Investment available for sale are non-derivative financial assets that are classified as assets available for sale upon acquisition and are not classified as loans and receivables, as investments held to maturity, or as investments at fair value through profit or loss.
- Upon initial recognition, investments held for sale are measured at fair value, including direct related expenses.
- Upon initial recognition, investments available for sale are measured at fair value, with recognition of unrealized gains or losses directly within owners' equity and that until cancellation of financial asset from books. The cumulative gains or losses recorded in equity are then recognized in profit or loss or it is determined to conduct the impairment of value process, and in this case, the accumulated losses recorded in equity are recognized in the profit or loss statement.





3-4 Lease contracts:

- The contract is a lease contract if it conveys the right to control the use of a specific asset of the company for a period of time in exchange for consideration.
- Lease payments in short-term lease contracts are recognized as an expense using the straight-line method.
- The asset (right of use) and the liability of the lease contract are recognized on the date of the beginning of the contract.

***Initial Measurement (of the right of use):**

- At the beginning of the lease contract, the asset (right of use) is measured at cost, and the cost consists of:
 - The amount of the initial measurement of the lease liability
 - Any payments made at or before the commencement of the lease less any lease incentives received.
 - Any initial direct costs incurred by the company.
 - Any estimated cost that the company will incur to dismantle or remove the asset or restore the site to the original condition in accordance with the terms of the lease contract.

***Subsequent measurement of (right of use):**

The right of use asset at any date after the commencement date are measured by applying the historical cost model:

- The asset's initial recognition cost less accumulated amortization. The right of use asset is amortized from the commencement date to the end of the useful life of the asset or the end of the lease contract period whichever is less.
- Impairment losses.
- Adjusted for any re-measurement of the lease liability.

Initial measurement of the lease liability:

- At the inception date of the lease, the lease liability is measured at the present value of the lease payments not paid at that date calculated using the interest rate on the company's incremental borrowing at the time

***Subsequent measurement of lease liability :**

- After the lease commencement date, the lease liability is measured as follows:
 - Increase the carrying amount to reflect the interest on the lease liability.
 - Reduce the book amount to reflect the lease payments.
 - Remeasurement of the carrying amount to reflect any revaluations or modifications to the specified lease.





- Right of use assets are presented in the statement of financial position separately from the other assets.
- Lease liabilities are presented in the statement of financial position separately from other liabilities .
- The interest expense on the lease contract obligation is presented in the profit or loss statement separately from the depreciation expense of the asset (right of use), and the interest expense is presented under (financing expenses).

In the statement of cash flows:

- The principal repayments of the lease liability are presented within financing activities.
- The lease liability interest paid are shown within operating activities.
- Short term lease payments are presented within operating activities.

3-5 Inventory valuation:

Ending inventory is valued based on cost or net realizable value, whichever is lower, using the following methods:

-Raw Material: Inventory cost was calculated based on the weighted average purchase price of raw materials during the period.

-Equipment and spare parts: The cost of equipment and spare parts has been calculated based on the weighted average cost during the year.

-Work in process inventory: valued at weighted average production and operating costs and any other required costs.

-Finished goods: valued at cost or net realizable value, whichever is lower, for each item separately.

3-6 Account receivable:

The accounts receivable is valued at the amortized cost less the impairment in its value, if any. The accounts receivable is represented in the balance of the installments due on behalf of customers to date, minus the impairment in value, doubtful debt provision policy.

Customer debt recovery	Provisional percentage
0-30 days	1%
31-60 days	5%
61-90 days	20%
91-120 days	35%
121-180 days	50%
181-365 days	70%





3-7 Borrowing Cost:

Borrowing costs are recognized as an expense in the period the Company incurred these costs using the effective interest rate. As for borrowing costs directly attributable to purchasing or constructing qualifying assets, borrowing costs are capitalized on related assets till the date that these assets are ready for use. Capitalization is discontinued during periods of temporary cessation of the construction of this asset, and capitalization is finally stopped when all essential activities necessary to prepare the asset for use have been completed.

3-8- Statement of Cash Flows:

Statement of cash flows is prepared according to the indirect method. Cash and cash equivalents are the cash on hand, banks, time deposits and financial investments not exceeding three months after deducting credit bank balances.

3-9- Contingent liabilities:

The company's policy is to assess the legal, tax liabilities and claims against the company in accordance with the provisions of the law, in the case of disagreement with the other parties in the settlement of such obligations in friendly manner, the judiciary shall be referred for adjudication. Contingent liabilities are claims against the company, cases against the company and the uncovered portion of letters of guarantee. The management considers that there are no possible Contingent financial obligations arise from these cases and claims that can affect the financial statements (other than the ones on which provisions are made).

3-10 Accounts payable, creditors, and other credit balances:

Amounts that will be paid in the future on received supplies or services during the period are recognized regardless whether the suppliers or service providers asked for a consideration.

3-11- Provisions:

Provisions are recognized when the company has present legal or constructive liabilities as a result of a past event and it is expected to require an outflow of economic resources to settle these liabilities, through estimating a possible liabilities amount. Provisions are reviewed at the balance sheet date and adjusted to reflect the best current estimate. When the time value of money is significant, the amount recognized as a provision should be the current value of the expected cash flow required to settle the liabilities.





3-12 Projects under construction:

The payments that are spent on the purchase of fixed assets are recorded in the projects under construction account (advances for vendor assets) at cost and during the period of developing the fixed asset it is transferred to the projects under construction account (assets in development) and when the fixed asset becomes available for use it is added to the fixed assets and its depreciation begins.

3-13 Taxes:

Income tax is calculated on the profits made in accordance with the laws, regulations, and instructions in force in this regard, using the applicable tax rates at the date of preparing the financial position, and the income tax due is recorded in the Deferred tax arises from the presence of some temporary differences due to the difference in the time period in which the value of assets and liabilities is recognized between each of the applicable tax bases and the accounting bases according to which the financial statements are prepared. The deferred tax value is determined according to the method used, on the basis of which the current value of assets and liabilities are settled. Deferred tax is taken into account as an asset for the company when there is a strong possibility to use this asset to reduce the tax profits due on the company for future years, and the deferred tax value listed as an asset is reduced by the value of the part that does not achieve an expected tax benefit in the subsequent years.

3-14 Revenue:

-The company applied the Egyptian accounting standard No.48 "contract with customers" starting from 1 January 2021. Information was provided on accounting policies in contracts with customers, and the impact of that application on the financial statements was clarified.

- Revenue for executing an operation involving the provision of a service is recognized when its results can be estimated with sufficient accuracy, to the extent that the transaction has been completed up to the date of the financial statements. The results of executing a particular operation can be estimated accurately if the following five conditions are met:

- 1- Define the contract with the customer
- 2- Determine the performance obligation that is considered to be the management of portfolios or funds for the account of clients.
- 3- Determine the transaction price for each performance obligation.
- 4- Determine the transaction price for each performance obligation.
- 5- Revenue is recognized when the entity satisfies a performance obligation.





Therefore, revenue is recognized as follows:

- The commission for managing portfolios of securities for the account of clients is agreed upon at specified rates according to each of the management contracts. It is calculated based on the market value of the portfolio and is paid according to the terms of each contract.
- The performance incentive commission is calculated based on a percentage of the increase in the portfolio above the benchmark return than that specified in the contract.
- Dividend income is recognized in the profit or loss statement when the company has the right to receive dividends from investee companies realized after the date of acquisition.
- Credit interest is recognized on a time basis using the target rate of return on the asset.

3-15- Impairment:

3-15-1 Impairment of non-financial assets:

Asset values are evaluated at each balance sheet date to determine whether there is any indicator of impairment in asset values, and in case such an indicator exists, the recoverable amount of the asset is determined which is represented in its value in use or net realizable value whichever is higher, then the recoverable value is compared with the book value of the asset and impairment losses when the book value is greater than the recoverable value is recognized in the statement of profit or loss. In case the recoverable value of the asset is increased as a result of a future event the impairment loss is reversed in the profit or loss to the extent of what was recognized during the previous financial periods so that no increase in the asset value exceeds its book value before impairment.

3-15-2 Impairment of assets at amortized cost:

Asset values are evaluated at each balance sheet date to determine whether there is any indicator of impairment in specific assets, and in case such an indicator of impairment in a specific asset exists, the impairment value is determined based on the difference between the book value of the asset and the present value of the expected future cash flows. Expected impairment losses in other debts based on the default rates according to previous experience taking into account the period between the indication of default and the determination of its losses effectively. In case of an increase in the asset value as a result of a future event the impairment in the asset value is reversed in the statement of profit or loss.





3-16-Social policies

In order to carry out the company's social and community responsibility and the company's belief in its role in advancing the societies and their welfare for a better future and out of interest in social responsibility, the Company participates in many activities in support of development.

Environmental Responsibility

- The company has studied alternative sources to decrease fresh water consumption used to compensate cooling towers as well as water treatment units for boilers. The project of ZERO LIQUID DISCHARGE (Z.L.D) has started which aims at reducing the company's water consumptions to the lowest possible value and re-using them once again in the industry after being treated as an alternative to fresh water.
- The company is reevaluating the environmental impact of all - projects-, in addition to the implementation of processing units with the latest international technologies such as the industrial water unit DAF, biological wastewater treatment unit and the treatment unit of gas and water acid bacteria THIOPAQ.
- The company performs periodic emission measurements every 3 months to measure noise, thermal stress and gas emissions. Beside it monitors and analyzes discharged water.
- Hazardous waste is disposed by the sanitary landfill of the Alexandria Governorate to preserve the surrounding environment of the company. A contract with the Mouwasat Hospital was made to use its own incinerator for the disposal of medical waste.
- The company has carried out the necessary studies and implementations to modify the vapor ratio of the flame torch reach the boundary limits of burning gases emissions in accordance with Law 4 of 1994 which is amended in Law No. 1095 of 2011.
- A committee was formed from various departments in the company to study the possibility of installing a self-monitoring system for flue emissions in order to comply with the amended law.
- The company has implemented the surface sewage system for rain water and connected it to the city sewage system in order to comply with the requirements of the environmental law.





-Occupational health and safety responsibility:

- The company shows a great interest in occupational health and safety in addition to the environmental protection against pollution as this field has an effective role in preserving human resources which are considered the most important pillars of the production process along with the application of the requirements of Egyptian law, international laws and codes in accordance with the applicable laws and regulations in Egypt.
- As part of the company's diligence to apply the latest quality standards in the global industry to increase competitiveness locally and internationally; quality management, environmental, occupational health and safety systems have been updated so that the integrated quality management system is an essential pillar within the company in the world of modern industry. Therefore, in 2005, the company started the needed preparations for many years and is working towards the evolution of integrated management systems with continuous development of the quality system
- In July 2006, the company obtained technical conformity certificates according to international standards ISO 9001:2000 which is related to 'quality management, 14001:2004 as well as environmental management systems, OHSAS 18001 which is related to occupational health and safety management systems which are to be applied to all activities of the company. The company has successfully passed the renewal reviews three times in a row, in August 2009, August 2012 and June 2015, thus, the effectiveness of the certificate will carry on until August 2018.
- The company on August 2017 applied the latest version of international specification For quality and environmental systems IOS 14001:2015 and IOS 9001:20015 Within the framework of the renewal and modernization of the company's total quality management systems, the AMOC team is preparing to implement the latest version of the international standards for occupational safety and health systems ISO 45001.
- The company supports its employees by contracting with specialized medical centers and it allows them to follow up periodically to maintain their energy and health, thus reducing the disruption of work due to sick leaves





3-17 ESG index:

- In this respect, the Egyptian government has a pioneer role in launching the ESG Index in Egypt, encouraging companies to demonstrate greater transparency and disclosure of their compliance practices through the following:
 - Governance principles.
 - Social responsibility.
 - Environmental responsibility.
- This index is based on both quantitative and qualitative factors, and during this process these environmental and social factors and governance practices are converted to a series of grades that determine the value of stocks traded on the stock exchange. The share of Alexandria Mineral Oils Company (AMOC) was listed among all the Egyptian stock indexes, headed by the index GX20.

3-18 Earnings per share:

Basic and diluted earnings per share are calculated as the profit or loss divided by the weighted average number of ordinary shares outstanding during the period.


3-19 New releases and amendments to Egyptian accounting standards:

On 6/3/2023, Prime Minister's Decision No. 883 for the year 2023 was issued to amend certain provisions of the Egyptian Accounting Standards, which include some new accounting standards and amendments to certain existing standards. The management is currently examining the impact of these amendments on financial statements:


New or amended standards	Summary of the most important modifications	Potential impact on the financial statements	Application date
New Egyptian Accounting Standard No. (50) "Insurance contracts"	1- The new Egyptian Accounting Standard No. (50) "Insurance Contracts" replaces the corresponding topics in Egyptian Accounting Standard No. (37) "Insurance Contracts: Recognition, Measurement, and Disclosure." 2- The purpose of this standard is to make sure that the company presents proper information that fairly represents these contracts, and provides information to the users of the financial statements	Management is currently assessing the potential impact on the financial statements when applying the standard.	Standard No. (50) applies to financial periods beginning on July 1, 2024






	<p>as the required basis to measure the impact of these insurance contracts on the financial position of the company, its financial performance, and cash flows.</p>		
<p>Amended Egyptian Accounting Standard No. (10) "Fixed Assets"</p>	<p>1. All establishments were allowed, upon the subsequent measurement of fixed assets, to use either the cost model option or the revaluation model option Based on this amendment, the following have been modified:</p> <p>1- Egyptian Accounting Standard No. (1) "Presentation of Financial Statements: Adding Paragraph (A) to the definition of other comprehensive income in Paragraph No. (7) (A) Changes in the revaluation surplus / fair value see Egyptian Accounting Standard No. (10) "Fixed Assets" and Standard No. (23) "Intangible Assets" and Standard (34) Investment Property Amending Paragraph No. (96) to read as follows: (96) "Reclassification adjustments" do not arise from changes in the revaluation surplus recognized in accordance with Egyptian Accounting Standard No. (10) and Egyptian Accounting Standard No. (23) or remeasurement of the defined benefit system that was recognized in accordance with Egyptian Accounting Standard No. (38) These items are recognized in "Other Comprehensive Income" and</p>	<p>Management is currently assessing the potential impact on the financial statements when applying the amended standard.</p>	<p>Amended Standard No. (10) applies to financial periods beginning on January 1, 2023.</p> 



	<p>are not reclassified to profits or losses (income statement) in subsequent periods, and the revaluation surplus can be transferred to retained earnings in subsequent periods or when disposed of according to accounting standard No. (47).</p> <p>Reclassification adjustments do not arise when cash flow hedges or accounting for the time value of an option contract (or the forward component of a forward contract) or basis points for foreign currency differences result in amounts being removed from the cash flow hedge reserve or a separate component of equity, on the arrangement and adding these amounts directly to assets or liabilities.</p> <ul style="list-style-type: none"> - Egyptian Accounting Standard No. (5) "Accounting policies, changes in accounting estimates and errors." Egyptian Accounting Standard No. (13) Effects of changes in foreign exchange rates. - Egyptian Accounting Standard No. (24) "Income Taxes" - Egyptian Accounting Standard No. (30) "Periodical Financial Statements" - Egyptian Accounting Standard No. (49) "Lease Contracts" - Egyptian Accounting Standard No. (31) "Impairment of Assets" 		
<p>Amended Egyptian Accounting Standard No. (23) "Intangible Assets"</p>	<p>All establishments were allowed, upon subsequent measurement of intangible assets, to use either the cost model option or the revaluation model option</p>	<p>Management is currently assessing the potential impact on the financial statements when applying</p>	<p>Amended Standard No. (23) applies to financial periods beginning on January 1, 2023.</p>



<p>Amended Egyptian Accounting Standard (49)"Lease Contracts"</p>	<p>1. Introducing some amendments to Standard No. (49) issued during 2019 as a result of amending and re-issuing Egyptian Accounting Standard No. (10) "Fixed Assets" amended in 2023</p> <p>2. Adding Paragraph No. (35) to Standard No. 49) as follows: -If the right-of-use asset is related to a category of fixed assets in which the lessee applies the revaluation model contained in Egyptian Accounting Standard No. (10) "Fixed Assets", then the lessee can choose to apply the revaluation model to all right-of-use assets related to that category of Fixed assets.</p> <p>3. Adding Paragraph No. (57) to Standard (49) as follows: If the lessee measures the right-of-use assets at amounts revalued in accordance with standard (10), the lessee must disclose the information required by paragraph (77) of standard No. (10) on those right-of-use assets.</p> <p>1. Amending Paragraph No. (56) of Standard (49) to become: -If the right-of-use assets meet the definition of investment property, the lessee must apply the disclosure requirements contained in Egyptian Standard No. (34) "Investment Property". In this case, the lessee is not required to provide the disclosures contained in Paragraph 53 (A), (F), (H), (J) of those "right-of-use" assets.</p>	<p>the amended standard.</p> <p>Management is currently assessing the potential impact on the financial statements when applying the amended standard.</p>	<p>The amendments to the amended Standard No. (49) shall be applied to the financial periods beginning on January 1, 2023, when applying the amended Standard No. (10)</p> 
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<p>Amended Egyptian Accounting Standard No. (34) "Investment Property"</p>	<p>All establishments were allowed, upon the subsequent measurement of their investment properties, to use either the option of the cost model or the option of the fair value model, while obligating investment properties funds only to use the fair value model upon the subsequent measurement of all their property assets.</p> <p>-With the recognition of the increase in the fair value upon the subsequent measurement of the investment property within the items of other comprehensive income instead of profits or losses and accumulating it within equity in an account called "investment property valuation surplus at fair value" (see paragraphs 35 and 35a of the Egyptian Accounting Standard No. (34)</p> <p>Based on this, the following have been amended:</p> <p>-Egyptian Accounting Standard No. (32) "non-current assets held for sale and discontinued operations."</p> <p>-Egyptian Accounting Standard No. (31) "Impairment of Assets".</p>	<p>Management is currently assessing the potential impact on the financial statements when applying the amended standard.</p>	<p>This amendment applies to financial periods beginning on or after January 1, 2019.</p>
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3-20 financial assets:

3-20-1 Initial recognition and measurement:

Upon initial recognition, financial assets are classified according to the business model in which those financial assets are managed and their contractual cash flows, according to one of the following categories:

- 1- Debt instruments at amortized cost.
- 2- Debt instruments at fair value through other comprehensive income "with the reclassification of profits or losses to the statement of profits or losses upon disposal."
- 3- Equity instruments at fair value through other comprehensive income, "with no reclassification of profits or losses to the statement of profits or losses upon disposal."
- 4- Financial assets at fair value through profits and losses, including equity instruments and derivatives.

3-20-1-1 Debt instruments at amortized cost:

A financial asset is measured at amortized cost if it meets the following two conditions, and it is not measured at fair value through profit or loss:

- The asset is kept within a business model that aims to retain assets to collect contractual cash flows.
- The contractual terms of the financial assets give rise to cash flows on specific dates, and they are only payments of principal and interest on the principal amount due.

3-20-1-2 debt instruments at fair value through other comprehensive income:

Debt instruments are measured at fair value through other comprehensive income "with profits or losses reclassified to profit or loss upon disposal" only if the following two conditions are met and are not measured at fair value through profit or loss:

- The asset is kept within a business model whose objective is achieved by collecting contractual cash payments and selling financial assets,
- The contractual terms of the financial assets give rise to cash flows on specific dates, which are only payments of principal and interest on the principal amount due.

3-20-1-3 debt instruments at fair value through other comprehensive income:

Upon initial recognition of investment in shares not held for trading, the company may choose "irrevocably" to measure subsequent changes in the fair value within the items of other comprehensive income "with no reclassification of profits or losses to the statement of profits or losses upon disposal". This selective procedure is made on an investment-by-investment basis.





3-20-1-4 Financial assets at fair value through profit or loss:

All other financial assets are classified as designated at fair value through profit or loss.

In addition, on initial recognition, the company may "irrevocably" designate a financial asset that meets the requirements to be measured at amortized cost or at FVTOCI, as at FVTPL, if this will eliminate or significantly reduce accounting mismatches that might otherwise arise.

3-20-4 Subsequent measurement:

3-20-4-1 Debt instruments at amortized cost:

After initial measurement, debt instruments are measured at amortized cost using the effective interest rate method, less provision for impairment. The amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Expected credit losses are recognized in the statement of profit or loss when the value of the investments is impaired.

3-20-4-2 Debt instruments at fair value through other comprehensive income:

- Debt instruments at fair value through other comprehensive income are subsequently measured at fair value with profits and losses recorded arising from changes in fair value in other comprehensive income. Interest income and currency exchange gains and losses are recognized in the statement of profit or loss in the same way as for financial assets measured at amortized cost as described in Note (3-20-1-1).

- The method for calculating expected credit losses for debt instruments at fair value through other comprehensive income is explained in Note (3-20-1-3).

- When the company owns more than one investment in the same security, it is considered to have been disposed of on a first-in, first-out basis. On disposal, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from other comprehensive income to the statement of profit or loss.

3-20-4-3 Financial assets at fair value through profit or loss:

Financial assets at fair value through profit or loss are recognized in the statement of financial position at fair value. Changes in the fair value are recognized in the statement of profit or loss. The interest earned on the assets required to be measured obligatorily at fair value is also recognized in the statement of profit or loss using the contractual interest rate, as shown in Note (3-25-1-4).

Dividend income from equity instruments measured at fair value through profit or loss is recorded in the statement of profit or loss as other operating revenue when the right to payment is established.





3-20-5 Reclassification of financial assets:

The company does not reclassify its financial assets after their initial recognition.

3-20-6 Derecognition of the financial asset:

3-20-6-1 Derecognition other than a substantial modification:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The right to receive cash flows from the asset has expired, or
- The company transferred its right to receive cash flows from the asset or assumed an obligation to pay the cash flows received in full without material delay to a third party under a "passage" arrangement in addition to:
 - A) The company has substantially transferred all risks and benefits associated with the asset; or
 - B) The company did not substantially transfer or retain all risks and benefits associated with the asset, but transferred control of the asset.

The company considers that the control has been transferred if, and only if, the transferee has the practical ability to sell the asset in full to an unrelated third party and is able to exercise this capability unilaterally and without further restrictions on the transfer.

When the Company does not substantially transfer or retain all risks and rewards and retains control of the asset, the asset continues to be recognized only within the limits of the Company's ongoing engagement, in which case the Company also recognizes the associated obligation. The transferred asset and associated obligations are measured on a basis that reflects the rights and obligations held by the company.

Continuous participation in the form of security on the asset transferred is measured by the original book value of the asset and the maximum amount that the company can be required to pay, whichever is less.





3-20-6-2 Derecognition from the books as a result of a substantial modification of the terms and conditions:

The Company derecognizes the financial asset upon renegotiation of the terms and conditions to the extent that the financial asset largely becomes a new instrument, recognizing the difference as a wind or loss as a result of the asset's derecognition from the books. In the case of expendable cost debt instruments, newly recognized loans are classified as phase I for the purpose of measuring expected credit losses.

In assessing if a financial instrument will be derecognized from the books or not, among other things, the company takes into account the following factors:

- Change in debt instrument currency.
- Introduction of a property rights tool function.
- Expressions at the counterparty.
- The modification is such that the instrument no longer meets the cash flow criterion, which is only an asset payment and interest on the principal amount payable.

If the adjustment does not result in substantially different cash flows, the adjustment does not result in the derecognition from the books, based on an affirmation of the discounted cash flows at the original actual interest rate, the Company shall record a profit or loss of adjustment.

3-20-7 Impairment of financial assets:

The Company recognizes the provision for anticipated credit losses for all debt instruments not held at fair value through profits or losses. Projected credit losses are based on the difference between contractual cash flows due in accordance with the contract and all cash flows expected by the Company, deducted from the effective interest rate.

To assess the extent of impairment of financial assets, financial assets as at the date of the financial statements are classified into three phases:

- Phase I: Financial assets that have not experienced a significant rise in credit risk since the date of initial recognition. In this case the projected 12 months' credit loss is calculated.
- Phase II: financial assets that have experienced a substantial rise in credit risk since initial recognition. In this case the expected credit loss over the asset's lifetime is calculated.
- Phase III: Financial assets whose value has diminished, requiring the calculation of expected credit losses over the life of the asset based on the difference between the instrument's book value and the present value of the expected future cash flows.





The company's investments in debt instruments consist solely of treasury bills, government treasury bonds and bonds classified under the higher investment category (very good and good) by international independent credit agencies, and therefore, are considered low credit risk investments. It is the company's policy to measure expected credit losses on these instruments on a 12-month basis. When the credit risk of any bond deteriorates, the company sells bonds and purchases bonds that meet the required investment level.

The Company considers that the financial asset is defaulted (impaired credit value) when the contractual payments are defaulted on for 90 days or more from the due date. However, in some cases, the Company may also consider that a financial asset has defaulted when internal or external information indicates that the Company is unlikely to receive existing contractual amounts. The financial asset is written off when there is no reasonable expectation of recovery of contractual cash flows.

3-20-8 Measuring expected credit losses for investments in debt instruments:

The company calculates the expected credit losses based on scenarios to measure the expected cash deficit, discounted at the appropriate effective interest rate. The cash shortfall is the difference between the company's cash flows due in accordance with the contract and the cash flows that the enterprise expects to receive, in estimating the expected credit losses, the company takes into account three scenarios (baseline, increasing and decreasing).

The following are the main mechanisms and elements for measuring expected credit losses.

(a) The likelihood of default: an estimate of the likelihood of default within a given period of time. The failure is assessed only if the balance of the financial asset is not derecognized in advance and remains on the financial statements. The potential failure model consists of a future macroeconomic and microeconomic outlook of the portfolio of financial assets.

(b) Loss in case of default: an estimate of the loss arising in case of failure based on the difference between accrued contractual cash flows and those expected by the lender, including cash flows from the sale of a retained guarantee or other credit enhancements.

(c) Balance at risk of default: an estimate of the balance at risk of default at the date of future default at the borrower level, taking into account the projected balance subject to risk of default after the end of the financial period, including interest accrued from missed payments.

The Company classifies its financial assets subject to projected credit loss calculations for one of the following categories, which are defined as follows:





(a) Phase I: expected 12-month credit loss

The low-risk financial instrument is classified upon initial recognition at the first stage and credit risk is continuously monitored by the Company management. Projected 12-month credit losses are calculated as part of projected long-term credit losses that represent expected credit losses resulting from events of defaulting the instrument. Which is possible within 12 months after the date of their report. The company calculates the projected 12-month credit loss allowance based on a 12-month default forecast after the date of the report. The probability of failure to pay the projected 12 months is applied to the balance subject to failure and multiplied by loss in case of failure and deducted by the effective interest rate This calculation is made for each of the three scenarios, as shown above. The interest income is calculated on the total book value of the financial asset (without deducting the expected credit losses).

(b) Phase II: Projected lifetime credit loss - while not impairing the value of the credit value:

Phase II involves financial assets with a substantial increase in credit risk since initial recognition, but there is no objective evidence of impairment of values. Projected lifetime credit losses for these assets are recognized, but interest income continues to be calculated on the total book value of the asset. The expected lifetime credit loss is the expected credit loss resulting from all possible failures over the life expectancy of the financial instrument, according to mechanisms similar to those described above, including the use of multiple scenarios, but the probability of failure to pay and loss in case of failure over the life of the asset is estimated. Expected losses are deducted at the effective interest rate.

At the end of each financial period, the Company assesses whether there has been a substantial increase in the credit risk of financial assets since the first recognition. The company uses both quantitative and qualitative information to determine whether there is a significant increase in credit risk based on financial asset characteristics. Quantitative information can be a decrease in credit rating below investment grade. Obtained

Qualitative information By observing current or anticipated adverse changes in business, financial or economic conditions that are expected to cause a substantial (negative) change in the debtor's ability to meet its obligations to the company in general, the Company will apply as a delay in payment of more than 30 days beyond the due date as an automatic indicator of a substantial increase in credit risk.

If a significant increase in substantial risk is identified, this will transform all tools in the range held with this party from phase I to phase II.





(c) Phase III: Expected lifetime credit loss - impairment of credit:

Phase III includes financial assets in which there is objective evidence of impairment at the date of the financial statements. For these assets, projected credit losses are recognized over life. Interest income is recognized on the basis of amortized cost reduced by credit losses expected from impairment. For debt instruments considered amortized creditworthiness, the company recognizes the expected lifetime credit losses of these instruments, according to mechanisms similar to those described above, with the probability of failure to pay set at 100%. The company identifies financial assets for which there is objective evidence of impairment under Egyptian Accounting Standard No. 47 by applying the definition of failure to pay used for credit risk management purposes. The failure to pay is defined as any counterparty unable to meet its obligations (regardless of the amount involved or the number of days owed) or when counterparties have more than 90 days' arrears when applying this definition, the following information may serve as proof that the financial asset is credit-poor:

- breach of contract such as failure or delay in payment
- borrower is likely to enter into bankruptcy or other financial restructuring,
- The borrower faces significant financial difficulty due to the disappearance of an active market.

Upgrade between stages (initial, second, third):

• **a) Upgrading from Phase II to Phase I:**

The financial asset shall not be transferred from Phase II to Phase I until all the quantitative and qualitative elements of Phase I have been met and the arrears of the financial asset and returns have been fully paid.

(b) Upgrading from Phase III to Phase II:

The financial asset shall not be transferred from Phase III to Phase II unless all the following conditions are met:

- Fulfilling all the quantitative and qualitative elements of phase II.
- Payment of 20% of outstanding financial asset balances including avoided/marginalized accrued returns.
- Regular repayment for at least 12 months .





3-20-9 Measurement of expected credit losses:

The company has four types of financial assets that are subject to the expected credit loss model:

- 1) bounced notes resulting from sales contracts with customers,
- 2) Late payment interest of bounced notes.
- 3) The company's investments in debt instruments measured at amortized cost.
- 4) The Company's investments in debt instruments measured at fair value through other comprehensive income.

While cash and cash balances are also subject to impairment requirements in accordance with Egypt's accounting standard No. 47, the impairment losses measured were not material.

Bounced notes and late payment interest of bounced notes.

The company applies Impairment of Financial Assets in accordance with the Egyptian Accounting Standard No. 47 to measure expected credit losses, which uses a provision for projected credit losses over a lifetime for all balances, receivables and debts resulting from the late payment interest of bounced notes.

To measure projected credit losses, bounced notes and interest on late payment of bounced notes were compiled based on the characteristics of the common credit risk and the number of days of late payment on maturity dates. Bounced notes relate to deferred checks resulting from contracts with customers sales, and relate to late payment interest resulting from bounced notes on the same characteristics of credit risks resulting from bounced notes. Therefore, the Company decided that the rates of late payment interest of notes receivable are reasonable approximation of the rates of expected credit losses of bounced notes.

Expected credit loss rates are based on 36-month bounced notes analysis prior to 31 December 2022 and the corresponding historical credit losses incurred during this period. Historical loss rates are adjusted to reflect current and future information on macroeconomic factors affecting the ability to settle bounced notes. The company has determined that gross domestic product (GDP), unemployment rates as a proportion of the country's workforce, and the annual change in inflation rate "average consumer prices" in the Arab Republic of Egypt - the country where it provides services - to be the most relevant indicators, therefore historical expected credit losses are adjusted depending on expected changes in these indicators.





Lands:

The total area of the company land is 543,006.70 square meters of which 140 thousand square meters are intended to meet future expansions exists a garage and car service station for the Company's cars. Based on the meeting dated 28/6/2022 and the directives of the Executive Council of the Egyptian General Petroleum Corporation and the company's Board of Directors decision No. 318 of 2022 and the EGPC letter dated 7/5/2023 the Al Shoalaa land was excluded from the company's assets records, and a right of use contract has been issued for the land on which the AMOC company's torch was built with Alexandria petroleum company for a period of five years starting from 01/01/2022 and ending on 31/12/2023 to be automatically renewed after re-evaluating the benefit of the right of use agreement of both parties.

Fully depreciated assets:

The total value of fully depreciated assets and still in use on 30/09/2023 amounted to 256,329,648 EGP, represented in vehicles amounting to 23,817,683 EGP, furniture amounting to 13,353,750 EGP, equipment and tools amounting to 24,258,788 EGP, buildings and facilities amounting to 40,295,414 EGP, and services and utilities machineries amounting to 154,304,011 EGP.

Idle assets:

At present, there are no assets that are completely idle, but there are some assets that are used only under urgent circumstances.

5- Projects under construction:

The balance of projects under construction amounted to 139,980,977 EGP represented in:

Description	30/09/2023	30/06/2023
Assets in development 5-1	96,772,050	79,586,593
Advances for vendor assets 5-2	43,208,927	30,624,378
Balance	139,980,977	110,210,971



5-1 Assets in development:

Description	Cost 01/07/2023	at Additions	Transferred to assets	30/09/2023
Civil projects	40,367,336	211,221	-	40,578,557
Administrative building (1)	18,051,672	-	-	18,051,672
Warehouse (3004-3005)	22,315,664	211,221	-	22,526,885
Machines and equipment	24,329,511	13,595,321	-	37,924,832
Axens company feasibility study Mddu modifications	20,995,832	-	-	20,995,832
Self-monitoring devices	22,453	11,251,059	-	11,273,512
Boiler operating system update	3,150	31,229	-	34,379
Phenol project	1,767,787	138,220	-	1,906,007
Steam traps project unit 100 and unit 2	-	2,174,813	-	2,174,813
Warehouse measurement system update	1,540,289	-	-	1,540,289
Furniture and fixtures	5,535,881	701,353	594,802	5,642,432
Furniture	-	51,084	51,084	-
ERP System	1,648,175	-	-	1,648,175
LIMS	2,954,833	191,269	-	3,146,102
New fingerprint system	84,718	459,000	543,718	-
Information network update	848,155	-	-	848,155
Net equipment at project warehouses	9,353,865	3,272,364	-	12,626,229
Total	79,586,593	17,780,259	594,802	96,772,050

5-2 Advances for vendor assets:

Description	30/09/2023	30/06/2023
Local advance payments (supplies contracts)	3,895,496	3,732,837
Balance of foreign payments for letters of credit	39,313,431	26,891,541
Balance	43,208,927	30,624,378





6- Investments in subsidiary company:

Investments in subsidiaries (company contribution) represented in issued capital which is 1 million for Alex Wax distributed as follows:

Shareholder	Nationality	No. of shares	Contribution percentage
Alexandria Mineral Oils "S.A.E"	Egyptian	8,645	86.45%
Petroleum Products Marketing Limited	English	855	8.55%
EGPC	Egyptian	500	5%
		10,000	100%

The value of these investments amounted to 864,500 EGP, the profits of which are calculated according to the cost method.

7-Financial investments available for sale:

104 thousand shares had been purchased for 12 million EGP in ASCPC CO. which represents 5.20% of its capital and the ownership of these shares has been transferred on 26/11/2018 session.

8-Right of use assets/liabilities:

8-1 Right of use asset:

Description	30/09/2023	30/06/2023
Total right of use asset	10,820,796	16,115,042
Accumulated amortization for the period/year	(1,055,377)	(5,294,246)
Net right of use assets	9,765,419	10,820,796

8-2 Right of use liabilities:

Description	30/09/2023	30/06/2023
Total right of use liabilities	8,409,907	16,115,042
Right of use liability payment	(2,578,507)	(5,996,858)
Long term liabilities	5,831,400	10,118,184



9- Inventory (net):

The inventory are as follows (in EGP):

Description	30/09/2023	30/06/2023
Raw materials	385,600,797	185,670,608
Supporting materials (chemicals and additives)	46,343,325	45,912,800
Spare parts	117,050,774	106,751,768
Miscellaneous materials and supplies	7,775,368	8,204,068
Packing materials	307,419	250,612
Materials loaned to others	3,217,075	20,936
Letters of credits and their expenses	14,697,837	10,481,121
Work in process inventory	485,727,865	430,309,679
Finished goods	979,695,458	433,075,311
Inventory impairment	(13,760,061)	(13,760,061)
Total	2,026,655,857	1,206,916,842

*- The impairment in the prices of stagnant and dispensable material inventories amounted to 13,760,061 EGP which has been deducted from the spare parts.

10- Accounts Receivable:

The Accounts receivable balance amounted to 916,434,991 EGP as at 30/09/2023, this balance is as follows:

Description	30/09/2023	30/06/2023
Alexandria Wax Products Company	509,684,837	313,176,652
Shell	-	79,060,313
Cooperation petroleum company	147,282,712	91,140,063
Exxon Mobile	112,482,768	58,841,083
Total	21,198,230	18,299,031
Chevron	4,968,325	4,680,302
Misr Petroleum Company	41,412,853	20,717,554
ASPPC	31,728,906	27,778,105
TAQA/Castrol	5,498,816	5,377,882
Petromine	15,427,782	14,038,911
El Nile	5,208,341	2,460,447
Cargas	1,496,448	1,361,357
Emarat Misr	2,626,576	-
OLA ENERGY	17,219,055	18,620,778
Watanya	351,655	-
Provision for expected credit losses	(152,313)	(153,904)
Total	916,434,991	655,398,574



**Note that the above balances are collected on due dates:

11- Debtors

Description	30/09/2023	30/06/2023
Related parties	9,321,331	8,153,615
Miscellaneous debtors	24,917	200,000
Custom duties authority	66,794,381	67,062,733
Deposits*	45,055,448	45,055,448
Loans to employees	43,119,521	79,843,871
Withholding tax	290,864,201	290,991,698
Tax authority - installments	204,716,192	106,174,071
Value added tax on production supplies*	20,515,507	20,515,507
Petty cash	190,000	-
Provision for expected credit losses (debtors)	(133,578)	(130,109)
Other debit balances (note No. 11-1)	58,922,877	39,968,455
Total	739,390,797	657,835,289

* Includes an amount of 44,361,536 EGP set aside at EGPC for the benefit of GASCO for the supply of natural gas.

* Represented in the withholding tax account until reconciliation.

11-1- Other debit balances

Other debits balances are represented in EGP as follows:

Description	30.09.2023	30.06.2023
Debit note	5,365,159	12,628,878
Advance payments	33,336,120	7,406,211
Prepaid expenses	20,408,534	14,006,341
Accrued interest National Bank of Egypt EGP	111,233	3,796,555
Accrued interest National Bank of Egypt US Dollar	-	1,888,871
Accrued interest SAIB EGP	-	97,082
Accrued interest Bank Misr EGP	-	351,514
Provision for expected credit losses (debit accounts)	(298,169)	(206,997)
Total other debit accounts	58,922,877	39,968,455



12- Cash at banks and on hand:

The balance of cash and cash equivalents appearing in the statement of cash flows is represented in cash at banks and on hand, bank demand deposits and financial investments whose term don't exceed 3 months.

Description	30/09/2023	30/06/2023
Time deposits	2,093,142,500	2,516,825,000
Current accounts	672,507,498	187,033,373
<u>Cash</u>		
Cash on hand	1,938,568	60,361
Provision for expected credit losses (cash balances)	(3,802,203)	(2,134,304)
Total	2,763,786,263	2,701,784,430

13- Capital:

- The company was established with an authorized capital of 2 billion EGP - issued and paid up capital of 820 million EGP which was raised to 861 million EGP - with a par value per share of 100 EGP and after implementing formal regulations to increase the share capital by free shares amounting to 41 million EGP, representing 5% of the value of the contribution in accordance with the General Assembly resolution on 28 September 2004. The increase was recorded in the commercial register on 27 February 2005. The par value per share has been split from 100 EGP per share to 10 EGP per share so the number of shares reached 86100000 shares instead of 8610000 shares in accordance with the Extra-ordinary General Assembly on 20 June 2005. This amendment was registered in the Commercial Register on 10 August 2005.
- The company's shares were listed on the stock exchange tables in Cairo and Alexandria on 8 December, 2004. The company's shares were consigned centrally to Misr for Central Clearing on 5 December 2004. These shares were dealt with through the Central Depository System as of 23 December, 2004 and the trading of the shares in the Stock exchange is done according to the trading standards approved by the Authority.
- Note that on 6 September, 2005, 20% of the capital was offered for public subscription to individuals and other institutions. These shares were traded on 29 September, 2005.
- Alsharq Insurance Company was merged with Misr Insurance Company on 4/12/2007.





- On 30/06/2008, the share of National Bank of Egypt in AMOC's capital was transferred to Al-Ahly Capital Holding Company.
- On 28/06/2010, the share of Bank Misr in AMOC's capital was transferred to Misr Financial Investment Company.
- On 23/06/2011 a total of 3899479 shares of Misr Insurance Company were transferred to Misr Life Insurance Company and by 4.53% of the company's shares.
- On 06/01/2021 Al-Ahly capital company sold 10 million shares of its stocks through the stock exchange and Alexandria Petroleum co. purchased them, and on 18/03/2021 it sold 425000 shares through stock exchange for public subscription.

Capital management:

The purpose of capital management is to securely keep balanced capital rates to support the company's business and maximize shareholders' profit. The company manages its capital structure according to variable business conditions. Targets, policies and operations are stable during the year ending on the 30th of June 2023 and the period ending on the 30th of September 2023. Capital consists of capital shares amounting to 1,642,279,478 EGP on the 30th of September 2023 (2,356,931,004 EGP on the 30th of June 2023).

-Al Ahli Capital purchased 5.6 million shares from Misr Financial Investments Company and other shares from the Egyptian Stock Exchange.

-The par value of AMOC's share is split from 10 EGP to 1 EGP, to end up with a total 861000000 shares instead of 86100000 shares, upon extraordinary general assembly approval on the 25th of February 2017, which was subsequently recorded in the commercial register on the 4th of April 2017.

- Upon the approval of AMOC General Assembly held on the 23rd of September 2017, an allotment of half bonus share among shareholders is in progress through authorized institutions and a half share was distributed through the Egyptian Stock Exchange at 3/1/2018 ending in number 1,291,500,000 shares with par value 1 EGP per share and this amendment was recorded to in the Commercial Register of the Company on the 24th of January 2018 and an amendments for the articles (6,7) of Articles of Association has been made and published on 31/12/2017.

-Misr Financial Company changed to be Misr Capital according to the Financial Regulatory Authority decision on 11/02/2020.



14- Reserves:

Legal and mandatory reserves within the company's law and articles of association:

Reserves are supported according to the first and fifth sections of Article No. 56 of the Company's articles of association which states the following:

- At least 5% of profits are deducted to form the legal reserves. This deduction is suspended when the total reserves amount is 50% of the capital of the company and when the reserves decrease deduction is continued.

- Extraordinary reserves or extraordinary consumption money are formed under the proposal of the Board of Directors and after the approval of the Assembly after the deduction of a share for the cash distribution of workers and shareholders and the remuneration of the members of the Board of Directors

Other reserves balance is represented as follows (EGP):

Description	30/09/2023	30/06/2023
Miscellaneous reserves	2,240,327	2,240,327
General reserve	368,093,233	368,093,233
Total	370,333,560	370,333,560

- * Miscellaneous reserves are assets granted to the Company at the beginning of the project.
- * The General Reserve was formed by the memorandum submitted to the Board of Directors and approved by the General Assembly. The balance of the general reserve shall be used for the company's benefit.
- ** The General Assembly of the Company decided on 14-10-2023 to approve dividends distributions for the financial year 2022-2023 as follows

Legal reserve	46,323,737
Shareholder's share	839,475,000
Employee's share	106,537,300
Board of directors' bonuses	2,650,000
Other reserves	70,444,967



15- Transactions with related parties:

The related parties are represented in the associates and major shareholders, they also represent companies controlled, jointly controlled, or significantly influenced by those related parties. The terms and conditions for the transactions with related parties are approved by the board of directors. Transactions with related parties are carried out by the company in the context of its normal transactions and in accordance with the conditions established by the board of directors and with the same basis for dealing with others. The following is a statement of the value and nature of the transactions that took place during the period:

Company Name	Transaction amount in	Nature of transaction	Balance in
	Million EGP		30/09/2023 Million EGP
Alexandria Petroleum Company	0.416	Rent of warehouses	0.414
	0.000	Electricity of fire station	
	0.598	Shoala land right of use	
	0.033	The expenses of the geographical area and the Petroleum basin	
Misir Insurance Company	7.724	Assets insurance	0.069
Misir Life Insurance Company	0.271	Group insurance policy	
Egyptian General Petroleum Corporation	5527.951	Sales of products to the E G P C	973.496
	6269.417	Receipts from the E G P C	
Cooperation Petroleum Company	186.869	Products	147.283
Misir Petroleum	55.431	Products	41.413
Alexandria Wax Products Company	512.643	Products	509.685



16- Long Term Liabilities:

The balance of long-term liabilities is represented as follows:

Description	30/09/2023	30/06/2023
Deferred tax liabilities	119,326,782	117,795,515
Total	119,326,782	117,795,515

Deferred tax liabilities:

Deferred tax are recognized as an asset or a liability in the statement of financial position and it results from the temporary difference between the book value of assets and liabilities on accounting basis and their value according to tax basis. These differences at the tax rate amounted to 119,326,782 EGP on 30/09/2023.

The deferred tax has been calculated for the current period as follows:

Description	30/09/2023	30/06/2023
Fixed and long-term assets	947,855	(1,924,682)
Lease contracts	146,903	158,088
Provisions	-	6,624,257
The effect of translating balances in foreign currency	436,509	(3,238,832)
Deferred tax expense	1,531,267	1,618,831

Current liabilities: The balance of current liabilities is represented as follows (EGP):

17-Provision:

Description	Balance on 01/07/2023	Used during the period	No longer required	Formed during the period	Balance on 30/09/2023
Tax disputes provision	833,012,669	-	-	-	833,012,669
Claims and disputes provision	27,165,073	-	-	-	27,165,073
Total Provisions	860,177,742	-	-	-	860,177,742

Tax provision is formed to counter corporate and salary tax inspection differences amounting to 751,582 million for the years 2015/2018, and 0.136 million stamp taxes

18-Corporate taxes

Description	30/09/2023	30/06/2022
Corporate tax	111,303,500	465,641,504
Total	111,303,500	465,641,504

18-1 Current income tax:

Description	30/09/2023	30/06/2023
Income tax on activities	8,560,754	439,945,549
Independent pool tax	25,695,955	25,695,955
<u>Current income tax</u>	<u>111,303,500</u>	<u>465,641,504</u>
<u>Distributed to the following statements</u>		
Income tax charged to the profit or loss statement	11,303,500	369,402,022
Income tax charged to the comprehensive income statement		96,239,482



18-2 Adjustment to calculate the effective tax rate:

Description	30/09/2023	30/06/2023
Net profit before taxes in the profit or loss statement	463,614,244	1,436,451,857
Net profit before taxes in the comprehensive income statement	-	427,731,031
Net profit before taxes	463,614,244	1,864,182,888
Adjustments to net accounting profit		
Non-deductible expenses	17,760,427	349,970,079
Adjusting interest and expenses on leasing contracts	(1,708,277)	(5,996,859)
Adjusting depreciation and capital gains	14,013,954	13,661,008
Items previously subject to tax	-	(12,314,761)
Revenues exempt from tax	-	(137,985,226)
Dividends tax	-	13,798,523
Unrealized profits	(795,608)	(16,101,070)
Net other independent tax pools	36,432	303216
The taxable tax pool	494,682,221	2069517798
Income tax due	11,303,500	465641504
Effective tax rate	24%	25.0%



19-Creditors and other credit balances:

Description	30/09/2023	30/06/2023
EGPC current account	973,494,197	618,946,862
Related parties	556,181	1,217,028
Initial deposit	5,060,531	4,258,506
Final deposit	3,698,416	4,002,533
Performance guarantee deposit	15,842,160	14,351,995
Social Insurance	4,772,317	4,299,914
Miscellaneous taxes	616,990,682	60,566,146
Other credit balances (Note 1-20)	683,752,307	368,159,492
Total	2,304,166,791	1,075,802,476

19-1 Other credit balances:

Description	30/09/2023	30/06/2023
Employees' families medical fund	14,519,376	1,392,759
Engineering and construction stamps	60,948	662,994
Miscellaneous creditors	291,904,937	208,085,992
Advance payment customers	8,082,199	10,327,765
Accrued expenses	-	7,351,917
Amounts gained from work termination	18,037,120	17,971,238
Due to employees	336,771,908	110,321,788
Miscellaneous credit balances	14,375,819	2,045,039
Total	683,752,307	368,159,492

The balance of miscellaneous creditors is represented in the amount of electricity, gas, water and maintenance advance payments from clients & others.

The balance of due to employees is represented in deposits and dues during the period.

Letters of guarantee issued by to the company;

* Letters of guarantee received by the Company amounted to EGP 9,616,752 is represented in initial and final deposit, and advance payment.

* Letters of guarantee issued by the Company amounted to EGP 35,000 consists of electricity consumption guarantee and employees treatment at the armed forces hospital.



Profit or loss statement:

20- Net sales

Activity revenue amounted to 6,942,907,561 EGP for the quantity of 335398.780 tons as follows:

Description	Quantity/ton	EGP
Oils	28030.360	857,897,034
Wax	15996.880	510,620,510
Gas oil	94829.580	2,336,667,945
Naphtha	19177.230	336,672,839
LPG	9707.410	174,781,424
Fuel oil (mix)	163977.220	2,679,829,225
Heavy fuel oil	3678.400	46,429,584
Waste	1.700	9,000
Total	335398.78	6,942,907,561

21-Other operating revenues:

Other operating revenues amounted to 57,263,435 EGP represented in time deposits interests amounting to 54,122,057 EGP, compensation and fines amounting to 114,733 EGP, miscellaneous revenues amounting to 599,881 EGP and foreign exchange gain amounting to 2,426,764 EGP.



Costs:22-Costs of Sales:

Description	30/09/2023	30/09/2022
Salaries	443,688,353	310,738,265
Raw materials	5,646,726,945	4,789,564,376
Supporting materials	33,880,055	38,199,920
Depreciation	21,772,988	19,096,425
Other costs	204,526,476	146,012,309
Total	6,350,594,817	5,303,611,295

The cost of sales amounted to **6,350,594,817 EGP** represented in salaries (cash and insurance) amounted to **443,688,353 EGP**, raw materials amounted to **5,646,726,945 EGP**, supporting materials amounted to **33,880,055 EGP**, depreciation and other expenses amounted to **EGP 226,299,464 EGP** including the consumption of natural gas, operational electricity, operational water, spare parts, maintenance expenses, operating management contract and technical support with the Egyptian Projects Operations & Maintenance Company (EPROM), which includes:

- * Supervision and management of the operation, providing technical support and operational consulting for the production units of the company which includes oils and waxes units, and maximization of gas oil units, as well as utilities, and petroleum traffic facilities.
- * Management of activities and providing technical support and consulting for managing activities in industrial safety, occupational safety, health and environmental protection, chemical laboratories, technology and development, monitoring and approving equipment performance, maintenance planning and management system, engineering inspection, establishment of the infrastructure of information systems, internal and external training and assisting in the study of investment projects.



23- General and Administrative Expenses:

General and administrative expenses amounted to 169,056,524 EGP, represented in insurance, water and lighting, real estate taxes, wages, depreciation, financial statements publishing expenses, newspapers and magazines publishing expenses, accounting and legal services, geographical area expenses, commissions, and bank expenses.

Description	30/09/2023	30/09/2022
Salaries (cash - in-kind- insurance)	109,404,071	76,479,473
Miscellaneous materials & equipment	503,173	265,523
Lighting	3,085,471	3,150,055
Water	242,544	229,549
Stationary, printings, and computer equipment	211,922	120,675
Maintenance expenses	24,937	96,957
Public relations and hospitality expenses	3,229,382	677,651
Publication and subscription in newspapers and magazines	80,000	-
Publication of financial statements	114,000	266,884
Software subscription	6,406,817	5,326,886
Telephone and internet	333,475	148,631
Transportation allowance	251,690	97,660
Car and garage rentals	1,649,516	918,207
Accounting and legal services	133,000	99,000
Geographical location expenses	356,185	1,905,655
Insurance	7,392,458	4,681,228
Training expenses	420,723	583,805
Company contribution in services fund	4,000,000	4,000,000
Management expenses (EPRM)	414,675	476,231
Commission and bank expenses	43,419	36,550
General assembly expenses	-	438,650
Miscellaneous service expenses	9,383,000	6,129,878
Stamp duty and other fees	249,942	444,992
Property tax	1,552,482	1,552,482
Contribution to comprehensive health insurance	17,500,427	14,753,752
Lease contract liability interest	266,489	-
Building and furniture depreciation	1,167,381	832,390
Right of use amortization	639,335	-
Total	169,056,514	123,712,764



24- Marketing Expenses:

The marketing expenses amounted to 14,884,372 EGP for salaries, packing materials, renting of warehouses and others.

Description	30/09/2023	30/09/2022
Salaries	9,776,103	7,369,078
Packing materials	2,855,798	1,876,709
Other marketing expenses	1,836,429	685,867
Right of use amortization	416,042	416,042
Total	14,884,372	10,347,696

25- Other Operating Expenses:

Other operating expenses amounted to 260,000 EGP which are represented in the attendance and travel allowance for the board members.

Statement of Cash Flows:

Banks were affected by an amount of 3,897,080 EGP which is the value of the foreign exchange revaluation.

Debit balances were affected by an amount of 111,233 EGP which is the accrued interest.

26- Earning per share:

Description	30/09/2023	30/09/2022
Net profit before tax	463,614,244	462,810,051
Deduct income tax	(111,303,500)	(110,531,367)
Add (deduct) deferred tax	(1,531,266)	(5,930,321)
Net profit after tax	350,779,478	346,348,363
Deduct employees profit share and BoD members bonuses	37,540,448	35,134,836
Net profit after employees' profit share and BoD members bonuses	313,239,030	311,213,527
Number of shares	1,291,500,000	1,291,500,000
Earnings per share	0.27	0.27
(Share par value 1 EGP)	3 months	3 months



27- Period Profit

-The profit for this period before taxes amounted to 463,614,244 EGP at 11.20% of invested capital, and 35.9% of paid capital compared with comparative period of 462,810,051 EGP at 16.94% of invested capital and 35.84% of paid capital for the comparative period.

-The profit for the period after taxes 350,779,478 EGP at 8.47% of invested capital, and 27.17% of paid capital versus 346,348,363 EGP at 12.68% of invested capital and 26.81% of paid capital for the comparative period.

Other disclosures

28- Legal cases from and against AMOC:

- Sales Tax Case regarding capital goods was filed against the Sales Tax Authority to claim the right of AMOC to recover and discharge the amounts paid, which are being paid in installments as these goods are used by the company not imported for trading purposes. The lawsuit was rejected and as a result the company appealed. A ruling was pronounced stating the discharge of AMOC from the amount of 36,123,712 EGP and recovering the amount of 1,879,336 EGP, after the issuance of the writ of execution. Bearing in mind that the State Lawsuits Authority filed an appeal at the Court of Cassation.
- Service fees on capital goods case was filed against the Customs Authority to refund what was paid for services the Customs Authority didn't provide. A ruling was made by the Trial Court obligating the Customs Authority to refund the amount of fees paid by AMOC. And the Company filed an appeal to claim interests of these amounts as well. On the other hand, the State Lawsuits Authority filed an appeal to the trial judgment. As a result, a judgment was made by the Court of Appeal dismissing the State Lawsuits Authority appeal and confirming the trial judgment and obligating the Customs Authority to refund the amount of 14,586,579 EGP to the company and discharging AMOC from the fees, after the issuance of the writ of execution. With this in view, the State Lawsuits Authority filed an appeal at the Court of Cassation.
- Engineering designs case filed by the Company against the Customs Authority and the claim amount is 33,762,878 EGP (Only thirty-three million seven hundred sixty-two thousand eight hundred seventy-eight). A ruling was issued by the trial court to end the dispute as the case has been waived by the Customs Authority in the presence of the judicial expert. The judgment was appealed as the Customs Authority did not implement the decision of the ministerial committee and filing two suits against AMOC.



29- Tax Position:

The company prepares tax returns for corporate taxes, stamp, labor and sales tax and delivers them to the specialized authorities at the legal dates, and pays the due to tax authorities from the reality of tax declarations. The following is the tax position of the company.

▪ Corporate Tax:

Inspection and payment of the dues until the financial year 2013 / 2014 is completed, knowing that there is a dispute over 2005/2006, 2006/2007 and we were notified with form (36) taxes and a sum of 10,647,946 EGP was paid, filing a case before the specialized courts to settle down the dispute and the company was subject to inspection for 2013/2014 and was notified with form (19) for the years 2014/2015, 2015/2016, 2016/2017, 2017/2018, 2018/2019, 2019/2020 and was appealed on legal dates, and payment has been made on tax inspection account amounting to 20.4 million EGP.

▪ Salary tax:

The inspection and payment of dues were completed until 2016 and we were notified of a claim for the years 2017 and 2018 and was objected on the legal date and the disputes are being settled by the Internal Committee, and we were notified of tax inspection forms until year 2020.

▪ Stamp Tax:

The company was inspected and paid the receivable until June 30, 2016 and we were notified of the result of the 2017/2018, 2018/2019, and 2019/2020 inspections which were objected on the legal date and are being processed in Internal Committees.

▪ Property tax:

Property tax was paid until 31/12/2023.

▪ Value-added tax:

The company's monthly declarations for the years up to June 2021 were inspected and the tax dues were paid to the company, noting that there were points of disputes for the years 2014/2016 circulated in the courts and the tax dues were paid in accordance with the decision of the appeals committee until the judicial determination of these points.

▪ Withholding tax:

The company's monthly declarations for the years up to June 2020 were inspected and inspection differences were paid on 30/01/2023.





▪ **The Company includes the following production units:**

- 1- Oil and wax complex. 2- Maximizing gas oil productivity complex.

▪ **Pension liabilities:**

The company participates in the systems of the General Authority for Social Insurance on a compulsory basis in accordance with the Social Insurance Law No. 79 of 1975 and its amendments. The company also provides employees with a special system of savings insurance and end-of-service reward.

30- Fair value and risk management:

Fair value of financial instruments:

*Financial instruments are represented in the financial assets and liabilities.

*The financial assets include cash in hand and bank, accounts receivable, notes receivable and other debtors.

*The financial liabilities include balances of accounts payable, notes payable, creditors, credit balances with related parties, accrued income tax, dividends payable.

There is no significant difference between the fair value of the financial instruments and its book value.

▪ **Risk management objectives and policies:**

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

*Credit Risk.

*Market Risk.

*Liquidity Risk.

This note provides information on the exposure of the company to each of the above risks and the company's objectives, policy and process in terms of measuring and managing these risks as well as how the company manages the capital.

The Board of Directors of the Company is responsible for establishing a framework for managing and supervising the risks to which the Company is exposed. The senior management of the Company is responsible for developing and tracking the Company's risk management policies and reporting to the Company on its activities on a regular basis.

The current framework for financial risk management in the company is a combination of officially documented risk management policies in specific areas and unregistered risk management policies used in other areas



▪ **Credit Risk:**

- Are financial losses incurred by the Company in case a customer or a counterparty fails to fulfill its obligation. The Company is exposed to credit risk on its balances with banks, accounts receivable and some other assets as shown in the balance sheet.
- Credit risk is the risk that arises when a one part of the financial instrument fails to fulfill its obligations which accordingly results in financial losses for the other part.
- The Company seeks to reduce credit risk in respect to bank deposits through dealing with creditworthy banks. setting credit limits and monitoring debt balances regarding the accounts receivable.
- Credit risks are limited to financial asset balances in the financial position

▪ **Accounts and notes receivable balances:**

The risk of credit arises based on the company's policies, procedures, and control related to credit risk management. The customer's credit worthiness is measured based on a credit scorecard for each client individually and the credit limit is determined based on this assessment. Customers' outstanding balances are constantly monitored.

The company conducts impairment studies every financial year.

▪ **Other financial assets and deposits:**

With respect to credit risks arising from the Company's other financial assets, which include bank balances, cash and financial assets at expense.

The enterprise is exposed to credit risks because of the counterparty's failure to pay up to a maximum amount equal to the book value of the assets.

The financial sector of the local company with the support of the parent company manages the credit risks arising from the balances within banks and financial institutions and the company limits its exposure to credit risks by depositing balances with international banks or local banks with good reputations. The management does not expect according to the information that the company has about the bankers it deals with to hinder any counterparty in fulfilling its obligations.

▪ **Due from related parties:**

Due from related parties for transactions that arise in the normal course of business are associated with minimal credit risk where the maximum amount of exposure equals the book value of these balances.





▪ **Market risk:**

Market risk arises from the fluctuation of the fair value of the cash flows of the financial instrument due to changes in market prices. Examples of these are the risk of the foreign exchange rate and the risk of interest rates, which are risks that would affect the company's income. Financial instruments that are affected by market risk include interest-bearing loans and deposits. The objective of market risk management is to manage and control risks within acceptable limits and at the same time achieve attractive returns. The company does not hold or issue derivative financial instruments.

Exposure to interest rate risk:

Interest rate risk arises from the fluctuation of the fair value of future cash flows of financial instrument due to changes in market interest rates. The company's exposure to the risks of changes in market interest rates is mainly related to the company's obligations at a floating interest rate and interest-bearing deposits.

Interest on financial instruments with a floating interest rate is re-priced from one period to another, provided that the interval does not exceed one year.

▪ **Liquidity risk**

Liquidity risk is represented in factors that may affect the Company's ability to pay all of its liabilities. Management monitors liquidity risks resulting from uncertainty regarding cash inflows and outflows through maintaining an adequate level of cash balances

31-Significant events:

On October 27, 2022, the Central Bank of Egypt's Monetary Policy Committee decided to raise the rate of one-night deposit and lending yield by 200 basis points to 13.25% and 15.25% respectively.

On the same date, Egyptian banks floated the foreign exchange rate against the Egyptian pound, which had an impact on the company's revenue and financing costs.

- At its session held during the year 2023/2022, the Central Bank of Egypt decided to announce the application of the flexible exchange rate system for pricing foreign exchange to set the selling and purchasing rates of currencies in Egyptian pounds based on supply and demand conditions. Accordingly, the exchange rate of the United States dollar increased against the Egyptian pound, increasing it to 30.75 Egyptian pounds at the end of January 2023.

- On 16 May 2023, Prime Minister's Decision No. 1847 of 2023 was issued amending certain provisions of Egyptian accounting standards to extend the application of the Supplement (c)



Egyptian Accounting Standard No. 13 amended in 2015 "Effects of changes in foreign exchange rates", which deals with the special optional accounting treatment to deal with the effects of the liberalization of foreign exchange rates as provided in the Appendix (c) On 27 December 2022 with the extension of the permit period for the application of the standard to the end of December.

Appendix (c): At 27 December 2022 Prime Minister Decision No. 4607 for 2022 was issued to amend some accounting standard provisions which is represented in the issuance of Appendix (c) of the amended Egyptian Accounting Standard No. (13) for 2015 "the effects of changes in foreign currency exchange rates" which includes the special optional accounting treatment of the floating impact of foreign currency exchange rate, and it's not considered an amendment to the currently prevailing amended accounting standard, and the Appendix specified the applicability time frame of this special optional accounting treatment. These treatments are as follows:

- a. A company that prior to the date of the unusual exchange rate movements may acquire fixed assets, investment properties and/or intangible assets (excluding goodwill) and/or mining and valuation, right of use assets as a result of lease contracts, financed by liabilities existing on that date in foreign currencies, to recognize within the cost of such assets the debit currency differences resulting from the portion of these liabilities paid during the financial period for the application of this special accounting treatment in addition to the currency difference resulting from the translation of the remaining balance of these liabilities at the end of 31 December 2022 or at the end of the date of closure of the financial statements for the financial period to apply this special accounting treatment if previously using the exchange rate used at this time. The company can apply this option for each asset separately.
- b. An exception to the requirements of paragraph (28) of Egypt's revised Accounting Standard No. 13, "Effects of changes in foreign exchange rates" on recognition of currency differences an enterprise whose business results have been affected by net currency gains and losses as a result of unusual foreign exchange movements, Whether the restriction currency is Egyptian pound or any other foreign currency, to recognize among other comprehensive income items net of debit and credits differences resulting from the translation of the balances of items of a monetary nature at the end of 31 December 2022 or at the end of the closing date of the financial statements for the financial period for the application of this special accounting treatment if previously using the exchange rate used on that date less any currency translation differences recognized within the cost of assets according to paragraph "7" of this Appendix. These differences are mainly due to movements in foreign currency exchange rate.





-The company's management is confident that the company will be able to obtain future business and expects to collect its existing short-term receivables within 12 months of the date of the financial statements in order to finance its existing liabilities. These financial statements were prepared on the assumption that the company will have sufficient turnover to continue in the orderly future.

32- Financial statements approval:

The Company's financial statements for the financial period ended 30 September 2023, were approved by the Board of Directors on 13 November 2023.

