

Translation from Arabic

**Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate interim financial statements
For the financial period ended
31 March 2019
and review report**

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A member of Grant Thornton international
87 Ramses St., Cairo**

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate interim financial statements
for the period ended 31 March 2019

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Report on Limited Review of interim Separate Financial Statements

To: The members of board of directors of Juhayna Food Industries S.A.E

Introduction


We have performed a limited review for the accompanying separate statement of financial position of Juhayna Food Industries S.A.E, as of 31 March 2019 and the related separate statements of income, comprehensive income, changes in equity and cash flows for the three-months 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.

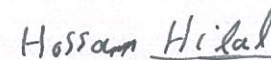
Scope of Limited Review

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

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 31 March 2019, and of its financial performance and its cash flows for the three months then ended in accordance with Egyptian Accounting Standards.


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Hossam Hilal
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Public Accountants
The Egyptian Member Firm of
Grant Thornton International

Cairo, 24 April 2019

Samir A.R.

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate Statement of financial position
As at 31 March 2019

Translated from Arabic

	Note no.	31/3/2019 <u>L.E.</u>	31/12/2018 <u>L.E.</u>
Assets			
Non-current assets			
Property, plant and equipment (net)	(12)	116 719 252	119 031 327
Investment in subsidiaries and under joint control companies	(13-1), (13-2)	2 253 491 193	2 253 491 193
Downpayment for investments	(13-4)	50 000 000	50 000 000
Projects under construction	(14)	73 763	123 068
Other non-current debit balances	(28)	7 138 745	7 436 192
Total non-current assets		2 427 422 953	2 430 081 780
Current assets			
Trade and other receivables	(17)	18 246 790	9 923 744
Due from related parties	(30-1)	207 726 053	245 411 747
Cash at banks and on hand	(18)	184 629 394	1 865 349
Total current assets		410 602 237	257 200 840
Total assets		2 838 025 190	2 687 282 620
Equity			
Issued and paid up capital	(19)	941 405 082	941 405 082
Legal reserve		420 742 453	405 331 225
General reserve - share issuance premium	(19-1)	330 920 428	330 920 428
Retained earnings		723 402 064	839 337 378
Total equity		2 416 470 027	2 516 994 113
Non-current liabilities			
Other long term liabilities	(24)	102 282	204 565
Deferred revenues	(25)	70 642 813	73 586 263
Deferred tax liabilities (Net)	(26)	1 381 211	1 432 253
Total non-current liabilities		72 126 306	75 223 081
Current liabilities			
Provisions	(22)	2 100 354	4 416 147
Banks - overdraft	(18)	55 799	53 422
Credit facilities	(21)	67 767 063	63 445 087
Creditors and other credit balances	(23)	261 497 016	24 146 914
Due to related parties	(30-2)	12 642 879	-
Income tax liabilities		5 365 746	3 003 856
Total current liabilities		349 428 857	95 065 426
Total liabilities		421 555 163	170 288 507
Total equity and liabilities		2 838 025 190	2 687 282 620

The notes from no. (1) to no.(32) are an integral part of these separate financial statements and should be read there to

Financial Manager
Hany Shaker
Cairo, 24 April 2019
"Limited Review report attached"

Chief Financial Officer
Sameh El-hodaiby

Chairman
Safwan Thabet

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate income statement
For the financial period ended 31 March 2019

Translated from Arabic

	Note no.	The financial period From 1/1/2019 To 31/3/2019 L.E	The financial period From 1/1/2018 To 31/3/2018 L.E
Revenue from Investment in subsidiaries	(5)	154 914 900	99 933 100
Other operating revenue	(6)	3 739 704	3 603 451
General and administrative expenses	(7)	(1 221 532)	(1 059 092)
Other Operating expenses	(9)	(7 909 191)	(7 474 223)
Gain from operating activities		149 523 881	95 003 236
Finance income / (cost) - net	(11)	(782 852)	(844 855)
Net profit for the period before income tax		148 741 029	94 158 381
Tax on dividends from investment in subsidiaries	(5)	(7 745 745)	(4 996 655)
Income tax	(5,15)	(2 361 890)	(1 058 412)
Deferred tax revenue	(26,15)	51 042	90 400
Net profit for the period after tax		138 684 436	88 193 714
Earning per share for the period (L.E /share)	(20)	0.147	0.094

The notes from no. (1) to no.(32) are an integral part of these separate financial statements and should be read there to

Translated from Arabic

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate statement of comprehensive income
For the financial period ended 31 March 2019

	The financial period From 1/1/2019 To 31/3/2019 L.E.	The financial period From 1/1/2018 To 31/3/2018 L.E.
Net profit for the period	<u>138 684 436</u>	<u>88 193 714</u>
Total comprehensive income for the period	<u><u>138 684 436</u></u>	<u><u>88 193 714</u></u>

The notes from no. (1) to no.(32) are an integral part of these separate financial statements and should be read there to

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate statement of changes in equity
For the financial period ended 31 March 2019

	Issued & paid up capital		Legal Reserve		General reserve-issuance premium		Retained earnings		Total	
	L.E.		L.E.		L.E.		L.E.		L.E.	
Balance as at 1 January 2018	941 405 082		398 204 287		330 920 428		653 401 492		2323 931 289	
Total comprehensive income for the financial period ended 31 December 2018	-		-		-		88 193 714		88 193 714	
Legal reserve formed	-		7 126 938		-		(7 126 938)		-	
Dividends to shareholders	-		-		-		(94 140 508)		(94 140 508)	
Dividends to employees and board of directors	-		-		-		(21 021 220)		(21 021 220)	
Balance as at 31 March 2018	941 405 082		405 331 225		330 920 428		619 306 540		2 296 963 275	
Balance as at 1 January 2019	941 405 082		405 331 225		330 920 428		839 337 378		2516 994 113	
Total comprehensive income for the financial period ended 31 March 2019	-		-		-		138 684 436		138 684 436	
Legal reserve formed	-		15 411 228		-		(15 411 228)		-	
Dividends to shareholders	-		-		-		(188 281 016)		(188 281 016)	
Dividends to employees and board of directors	-		-		-		(50 927 506)		(50 927 506)	
Balance as at 31 March 2019	941 405 082		420 742 453		330 920 428		723 402 064		2 416 470 027	

The notes from no. (1) to no.(32) are an integral part of these separate financial statements and should be read there to

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Separate statement of cash flows
For the financial period ended 31 March 2019

		The financial period	The financial period
	Note	From 1/1/2019	From 1/1/2018
	no.	To 31/3/2019	To 31/3/2018
		L.E.	L.E.
Cash flows from operating activities			
Net profit for the year before income tax		148 741 029	94 158 381
Adjustments for the period :			
Fixed assets depreciation	(12)	2 368 700	2 723 341
Capital (gain) loss from sale of fixed assets		(136 253)	-
Finance lease installments	(9)	7 099 283	7 474 223
Credit interests		(305 942)	(15 987)
Finance interests and expenses		3 877 637	3 860 361
		<u>161 644 454</u>	<u>108 200 319</u>
Collected credit interest		305 942	15 987
Finance expenses paid		(3 877 637)	(3 860 361)
Changes in:			
Debtors and other debit balances	(17)	(8 025 599)	66 254
Due from related parties	(30-1)	37 685 694	(82 544 428)
Creditors and other credit balances	(23)	(12 649 898)	(11 391 756)
Provisions used	(22)	(2 315 793)	(83 853)
Due to related parties	(30-2)	12 642 879	(19 880 371)
Net cash flows result from (used in) operating activities		<u>185 410 042</u>	<u>(9 478 209)</u>
Cash flows from investing activities			
Acquisition of PPE and projects under construction		(7 320)	(249 128)
Proceeds from sale of fixed assets		136 253	-
Net cash flows result from /(used in) investing activities		<u>128 933</u>	<u>(249 128)</u>
Cash flows from financing activities			
Collected from bank facilities	(21)	4 321 976	14 937 587
(Payments) from lease installments- sale and lease back	(9)	(7 099 283)	(7 474 223)
Net cash flows (used in) result from financing activities		<u>(2 777 307)</u>	<u>7 463 364</u>
Net change in cash and cash equivalents during the period		182 761 668	(2 263 973)
Cash and cash equivalents at 1 January		1 811 927	(1 450 983)
Cash and cash equivalents at 31 march	(18)	<u>184 573 595</u>	<u>(3 714 956)</u>

The notes from no. (1) to no.(32) are an integral part of these separate financial statements and should be read there to

Juhayna Food Industries
(An Egyptian Joint Stock Company)
Notes to the separate financial statements
For the financial period ended 31 March 2019

1 Reporting the entity

The Company was established in 1995 according to the Investment Law No.(230) of 1989 as replaced by the investment incentives and guarantees law No. (8) of 1997 and the decree of the Minister of Economic and Foreign Trade No. 636 of 1994 approving the Company's establishment.

The Company was registered in the commercial registry under No. 100994 on 10/1/1995. Company's period is 25 years starting from the date of registration in the commercial registry.

The address of the Company's registered office is Building no.2, Polygon, Sodic West, Sheikh Zayed, Giza.,

Mr. Safwan Thabet is the Chairman of the Board of Directors.

The Company is considered a holding Company.

The Company's purpose

The Company primarily is involved in producing, manufacturing, packaging and packing of all types of dairy, products and all its derivatives, all types of cheeses, fruit juices, drinks and frozen material, preparing, manufacturing, packaging and packing all types of food materials and in general manufacturing of agriculture products.

Registration in the Stock Exchange

The Company is listed in the Egyptian Stock Exchanges list (1).

2 Basis of preparation

2-1 Statement of compliance

The financial statements have been prepared in accordance with Egyptian Accounting Standards ("EAS"), and in the light of prevailing Egyptian laws.

The financial statements were authorized for issue by the Board of Directors on 24 April 2019.

2-2 Basis of measurement

The separate financial statements have been prepared on the historical cost basis except for the following material items in the balance sheet.

- Non-derivative financial liabilities at fair value through profit or loss are measured at fair value.

The methods used to measure fair values are discussed further in (Note 4).

2-3 Functional and presentation currency

These financial statements are presented in Egyptian pound, which is the Company's functional currency.

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

2-4 Use of estimates and judgments

The preparation of financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Accounting policy no (3-6) : lease classification.

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment within the next financial statements are included in the following notes:

- Note (17) : impairment of trade and notes receivable.
- Note (22) : provisions
- Note (26) : deferred tax liabilities

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3-1 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

3-2 Investment

3-2-1 Investment in subsidiary companies

Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Investments in subsidiaries are carried in the balance sheet at cost, less any impairment in the value of individual investments which is charged to the income statement.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognized.

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

3-2-2 Investment under joint control

The companies under joint control are companies that practice a joint control on the investee company, the investments under joint control are carried in the balance sheet at cost, less any impairment in the value of individual investments which is charged to the income statement. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognized.

3-3 Financial instruments

Non-derivative financial assets

The Company initially recognises receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non – derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for sale financial assets.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

Non-derivative financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated as at fair value through profit or loss) are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

The Company classifies non – derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at the fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. Generally, trade payables are recorded at their nominal value.

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

3-4 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses (Note 12).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain and loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognized net within other income/other expenses in profit or loss.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Description	Estimated useful life (Years)
Buildings & Construction	50
Transportation & Transport Vehicles	5
Tools	6.67
Office equipment & Furniture	10
Computers	3

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

Depreciation commences when the fixed asset is completed and made available for use.

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

3-5 Projects under construction

Expenditures incurred on purchasing and constructing fixed assets are initially recorded in projects under construction until the asset is completed and becomes ready for use. Upon the completion of the assets, all related costs are transferred to fixed assets. Projects under construction are measured at cost less accumulated impairment losses (Note 14). No depreciation is charged until the project is completed and transferred to fixed asset

3-6 Leases

Company is the lessee:

Leases are classified as operating leases. The costs in respect of operating leases are charged on a straight-line basis over the lease term. The value of any lease incentive received to take on an operating lease (for example, rent-free periods) is recognized as deferred income and is released over the life of the lease.

3-7 Impairment

Non –derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives, the recoverable amount is tested annually for impairment.

An impairment loss is recognized if the carrying amount of an asset or cash – generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognized in profit or loss. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

3-8 Advantages of pensions

The company pays contributions to the General Authority for Social Insurance for the employees of the company, according to the Social Insurance Law No. (79) of 1975. According to this law, the employees and the company paid fixed subscriptions rate from the salary. The company is under no obligation to pay any further obligations other than the value of the previous mentioned subscriptions.

3-9 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3-10 Revenue

Revenue dividends from subsidiaries

Revenue dividends from subsidiaries is recognized when the holders of shares have the right to collect dividends.

Rental income

Rental income from other assets is recognized in other income.

3-11 Finance income and finance costs

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gains on the disposal of available-for-sale financial assets, fair value gains on financial assets at fair value through profit or loss. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Dividend income

Dividend income received from investments is recognized in profit or loss on the date of collection.

Finance costs comprise interest expense on borrowings, fair value losses on financial assets at fair value through profit or loss, impairment losses recognized on financial assets.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3-12 Income tax

Income tax on profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly on equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

3-13 Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3-14 Legal reserve

According to the Companies Law requirements and the statutes of the Company, 5% of the annual net profit shall be transferred to a legal reserve until the accumulated reserve reaches 50% of the issued share capital. The reserve is un-distributable; however, it can be used to increase the share capital or to offset losses. If the reserve falls below the defined level (50% of the issued share capital), then the Company is required to resume setting aside 5% of the annual profit until it reaches 50% of the issued share capital.

3-15 End of service benefits

End of service benefits are recognized as an expense when the company is committed clearly-without having the possibility of cancellation – a formal detailed plan to either finish the work before the normal retirement date or to provide end of service benefits as a result of resignations (voluntary) / left the work voluntary according to law (12) of 2003 and related Egyptian Laws.

If the bonus is payable for a period of more than 12 months after the date of preparation of the financial statements, they is reduced to their present value.

4 Determination of fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non- financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Financial asset values are determined at the current purchase prices of those assets, while the value of financial liabilities is determined at the current rates at which such liabilities can be settled.

In the absence of an active market to determine the fair value of financial instruments, fair value is estimated using the various valuation techniques, taking into consideration recent transaction prices, and guidance on the current fair value of other instruments that are substantially similar - discounted cash flow method or other valuation method Results in reliable values.

When using deductible cash flow method as a revaluation method, the future cash flows are estimated on the base of the best estimates for the management. The used discount rate is determined according to the price at reporting date for the same financial instruments of its nature and activities.

Wherever possible, additional disclosures about the assumptions used in determining fair value are disclosed in the notes to these assets and liabilities.

4-1 Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

5 Revenue from Investment in subsidiaries

	Financial period From 1/1/2019 To 31/3/2019 L.E	Financial period From 1/1/2018 To 31/3/2018 L.E
Egyptian Company for Dairy Products	39 996 000	11 998 800
The Egyptian Company For Food Industries "Egyfood	31 993 600	20 995 800
Tiba for Trading and Distribution	-	11 988 000
Al-Marwa for Food Industries	82 925 300	54 950 500
	<u>154 914 900</u>	<u>99 933 100</u>
Less : Tax on Investment Revenue	(7 745 745)	(4 996 655)
	<u>147 169 155</u>	<u>94 936 445</u>

6 Other operating revenue

	Financial period From 1/1/2019 To 31/3/2019 L.E	Financial period From 1/1/2018 To 31/3/2018 L.E
Deferred capital gain	2 943 451	2 943 451
Revenue from rental assets to subsidiaries	660 000	660 000
Capital gain	136 253	-
	<u>3 739 704</u>	<u>3 603 451</u>

7 General and administrative expenses

	Financial period From 1/1/2019 To 31/3/2019 L.E	Financial period From 1/1/2018 To 31/3/2018 L.E
Personnel expenses	15 325 464	13 939 245
Depreciation expense	2 368 699	2 723 340
Other administrative expense	3 600 238	2 297 457
* Expense charged to subsidiaries	(20 072 869)	(17 900 950)
	<u>1 221 532</u>	<u>1 059 092</u>

* The amount L.E 20 072 869 of general and administrative expenses was deducted and charged to subsidiaries (note 32).

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

8 Board of Directors remunerations

	Financial period From 1/1/2019 To 31/3/2019 L.E	Financial period From 1/1/2018 To 31/3/2018 L.E
Board of directors remunerations	270 000	150 000
*Expense charged to subsidiaries	(270 000)	(150000)
	<u>-</u>	<u>-</u>

* The amount L.E 270 000 of the board of directors' remunerations was deducted and distributed to subsidiaries (note 32).

9 Other operating expenses

	Financial period From 1/1/2019 To 31/3/2019 L.E	Financial period From 1/1/2018 To 31/3/2018 L.E
Financial lease installments	7 099 283	7 474 223
Property tax	166 564	-
Health insurance contribution	643 344	-
	<u>7 909 191</u>	<u>7 474 223</u>

10 End of Service Cost

	Financial period From 1/1/2019 To 31/3/2019 L.E	Financial period From 1/1/2018 To 31/3/2018 L.E
End of service	1 455 892	128 567
*Expense charged to subsidiaries	(1 455 892)	(128 567)
	<u>-</u>	<u>-</u>

* The amount LE 1 455 892 of the end of service was deducted and charged to subsidiaries (note 32).

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

11 Finance income and finance costs (net)

	Financial period From 1/1/2019 To 31/3/2019 L.E	Financial period From 1/1/2018 To 31/3/2018 L.E
Interest expense	(3 877 637)	(3 860 361)
Interest income	305 942	15 987
Foreign currency exchange	(45 546)	31 225
*Expenses Charged to subsidiary companies	2 834 389	2 968 294
	<u>(782 852)</u>	<u>(844 855)</u>

*The amount of L.E 2 834 389 of finance expenses was deducted and charged to subsidiaries (note 32).

Juhayna Food Industries

Notes to the separate financial statements for the financial period ended 31 March 2019

Translated from Arabic

12-Property, plant, and equipment (Net)

Description	Land*	Buildings & constructions	Machinery & equipment	Transportation & transport vehicles	Tools	Office furniture & equipment	Computers	Total
	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.
Cost as at 1/1/2018	1 557 594	111 973 490	1 160 409	5 625 826	4 353 045	3 588 402	61 357 195	189 615 961
Additions during the year	-	-	-	-	99 600	1 961 645	565 065	2 626 310
Disposals of the year	-	-	-	(105 000)	-	-	(53 809)	(158 809)
Cost as at 31/12/2018	1 557 594	111 973 490	1 160 409	5 520 826	4 452 645	5 550 047	61 868 451	192 083 462
Additions of the period	-	49 305	-	-	-	4 560	2 760	56 625
Disposal of the period	-	-	-	(214 500)	-	-	(9 997)	(224 497)
Cost as at 31/3/2019	1 557 594	112 022 795	1 160 409	5 306 326	4 452 645	5 554 607	61 861 214	191 915 590
Accumulated depreciation as at 1/1/2018	-	418 332	1 160 409	4 853 152	4 342 250	2 561 577	49 573 277	62 908 997
Depreciation for the year	-	2 239 470	-	478 545	8 228	229 601	7 338 322	10 294 166
Depreciation of disposal	-	-	-	(105 000)	-	-	(46 028)	(151 028)
Accumulated depreciation as at 31/12/2018	-	2 657 802	1 160 409	5 226 697	4 350 478	2 791 178	56 865 571	73 052 135
Depreciation of the period	-	559 867	-	85 668	4 356	80 133	1 638 676	2 368 700
Depreciation of disposal	-	-	-	(214 500)	-	-	(9 997)	(224 497)
Accumulated depreciation as at 31/3/2019	-	3 217 669	1 160 409	5 097 865	4 354 834	2 871 311	58 494 250	75 196 338
Net book value as at 31/3/2019	1 557 594	108 805 126	-	208 461	97 811	2 683 296	3 366 964	116 719 252
Net book value as at 31/12/2018	1 557 594	109 315 688	-	294 129	102 167	2 758 869	5 002 880	119 031 327

* The cost of fully depreciated assets and still in use amounted to L.E.56 659 420 as at 31 March 2019.

* The land item amounted to L.E.1 557 594 at 31/3/2019 includes an amount of L.E.1 367 244 representing the not registered land in Marsa Allam thus procedures of registering the land are in progress.

13- Investments

Name of the investee company	Legal entity	Number of purchased shares	Participation percentage	Nominal value per share	Total Nominal value	Percentage paid	Total investment cost	Impairment in the value of investment as at		Net Investment
								3/31/2019	12/31/2018	
			%	L.E.	L.E.	%	L.E.	L.E.	L.E.	L.E.
(13-1) Investment in subsidiary companies										
Egyptian Company for Dairy Products	SAE	2 999 700	99.99	100	299 970 000	100	359 911 533	-	359 911 533	359 911 533
International Company For Modern Food Industries	SAE	4 999 500	99.99	100	499 950 000	100	499 950 000	-	499 950 000	499 950 000
The Egyptian Company For Food Industries "Egyfood"	SAE	499 908	99.98	1 000	499 908 000	80	386 893 852	-	386 893 852	386 893 852
Tiba for Trading and Distributing	SAE	1 998 000	99.9	100	199 800 000	100	199 800 000	-	199 800 000	199 800 000
Al-Marwa for Food industries	SAE	9 991 000	99.91	10	99 910 000	100	196 815 808	-	196 815 808	196 815 808
Enmaa for Agriculture, Development Co. and biological wealth	SAE	5 999 700	99.995	100	599 970 000	100	599 970 000	-	599 970 000	599 970 000
(13-2) Investment in subsidiary and under joint control companies										
Aju For Food Industries	SAE	1 015 000	50.75	10	10 150 000	100	10 150 000	-	10 150 000	10 150 000
Balance as at 31 March 2019					<u>2 209 658 000</u>		<u>2 253 491 193</u>	<u>-</u>	<u>2 253 491 193</u>	<u>2 253 491 193</u>
(13-3) Investments available for sale										
Egyptian for Trading and Marketing	SAE	1 000	0.54	100	100 000	100	100 000	(100 000)	-	-
Balance as at 31 March 2019					<u>100 000</u>		<u>100 000</u>	<u>(100 000)</u>	<u>-</u>	<u>-</u>
(13-4) Down payment for investment										
Tiba for Trading and Distributing	SAE	1 000 000	99.9	100	100 000 000	50	99 900 000	-	50 000 000	50 000 000
Balance as at 31 March 2019					<u>100 000 000</u>		<u>99 900 000</u>	<u>-</u>	<u>50 000 000</u>	<u>50 000 000</u>

- Juhayna Food Industries is committed to retain at least 75% of Tiba for Trading and Distributing capital, according to the terms of the loan agreement between Qatar National Bank Al Ahli and Tiba for Trading and Distributing company up to end of the loan term.
- Juhayna Food Industries is committed to retain at least 75% of the International Company for Modern Food Industries capital, according to the terms of the loan contract signed between HSBC Bank and the International Company for Modern Food Industries until the end of the loan term.
- Juhayna Food Industries is committed to retain at least 75.1% of the capital of the Egyptian Company for Dairy Products, according to the terms of the loan contract signed between CIB and the Egyptian Company for Dairy Products and until the end of the loan term.
- Juhayna Food Industries is committed to retain at least 75.1% of the Egyptian Company for Food Industries (Egyfood) capital, according to the terms of the loan agreement between CIB and the Egyptian Company for Food Industries (Egyfood) until the end of the loan term.

Juhayna Food Industries Company (S.A.E.)
Notes to the separate financial statements for the financial Period ended 31 March 2019

14 Projects under constructions

	31/3/2019	31/12/2018
	L.E.	L.E.
Advance payments for purchase of fixed Assets	73 763	123 068
	<u>73 763</u>	<u>123 068</u>

15 Income tax expenses
Period tax expenses

	31/3/2019	31/12/2018
	L.E	L.E
Tax on Dividends	(7 745 745)	(4 996 655)
Income tax	(2 361 890)	(1 058 412)
Deferred tax	51 042	90 400
	<u>(10 056 593)</u>	<u>(5 964 667)</u>

Reconciliation of effective tax rate

	2019/3/31	31/03/2018
	L.E.	L.E.
Profit for the period after income tax	138 684 436	88 193 714
Dividends tax	(7 745 745)	(4 996 655)
Income tax	(2 361 890)	(1 058 412)
Deferred tax	51 042	90 400
Total tax expense based on income statement	<u>(10 056 593)</u>	<u>(5 964 664)</u>
Profit before tax	148 741 029	94 158 381
Income tax using the Company's domestic tax rate (22.5%)	33 466 732	21 185 636
Provisions used	(521 053)	(18 867)
Tax on revenue exempt by law	(34 855 853)	(22 484 948)
Other adjustments	(451 716)	2 376 591
	<u>2 361 890</u>	<u>1 058 412</u>

16 Tax status

16-1 Corporation tax

The corporate tax due from the Company is an annual tax according to income tax law No. 91 for the year 2005 and payments due over annual taxable profits.

The period from the beginning of operation till year 2009

The Company has been inspected and all tax inspection differences were paid.

Years from 2010 till 2013

The Company has been inspected and all tax inspection differences were paid.

Years from 2014 till 2015

The company received Forms (31 and 32) for inspecting these tax years and the company requested postponing the inspections by Form (26).

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

Year 2016 /2017

The Company submitted the annual tax return for the income tax in the due date.

16-2 Salaries tax

The period from the beginning of operation till year 2014

The tax inspection performed and differences settled.

Year 2015/2016

The tax inspection performed and differences settled.

Year 2017

The tax inspection not yet performed

16-3 Stamp tax

The period from the beginning of operation till 2010

The tax inspection performed and differences settled.

The period from 2011 till 2014

The tax inspection performed and differences settled.

Year 2015/2016

The tax inspection performed and differences settled

Year 2017/ 2018

The tax inspection not yet performed

16-4 Sales tax / Value added tax

The tax inspection performed and the company settled differences till 31/12/2015.

The sales tax was replaced by value added tax by the issuance of the law no. 67 for year 2016 to be applied as of the day following its issuance date on 7 September 2016.

The period from 2016 till 2017

The company submits monthly sales tax declarations and the company remitted the sales tax for this period.

16-5 Withholding tax

The company remitted the amount that was deducted to tax authority on due dates.

17 Debtors and Other debit balances (net)

	31/3/2019	31/12/2018
	L.E.	L.E.
Suppliers – advance payments	1 009 456	601 962
Accrued interest	275 332	-
Accrued Dividends	7 542 137	-
Prepaid expenses	8 894 114	8 964 200
Letter of guarantee margin	25 398	25 398
Deposits with others	305 908	295 908
Other debit balances	294 445	136 276
	18 346 790	10 023 744
Less: Impairment in other debit balances	(100 000)	(100 000)
	18 246 790	9 923 744

Juhayna Food Industries Company (S.A.E.)
Notes to the separate financial statements for the financial Period ended 31 March 2019

18 Cash at banks and on hand

	31/3/2019	31/12/2018
	L.E.	L.E.
Banks – current accounts	184 350 582	1 605 836
Time deposits *	111 500	111 500
Cash on hand	167 312	148 013
	<u>184 629 394</u>	<u>1 865 349</u>
Banks credit balance	(55 799)	(53 422)
Cash and cash equivalents in the statement of cash flows	<u>184 573 595</u>	<u>1 811 927</u>

* The above mentioned time deposits are maturing within 3 months.

19 Capital

Authorized capital

The Company's authorized capital amounts to L.E 5 Billion.

Issued and paid up capital

The Company's issued and fully paid up capital was amounted to L.E 941 405 082 (Nine hundred forty one million and four hundred five thousands and eighty two) divided into 941 405 082 (Nine hundred forty one million and four hundred five thousands and eighty two) shares at par value L.E 1 each.

Repurchase, disposal and reissue of share capital (treasury shares)

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

	31/3/2019	31/12/2018
	L.E.	L.E.
Authorized capital	5 000 000 000	5 000 000 000
Issued & paid up capital (divided into 941 405 082 shares with nominal value L.E 1 each)	941 405 082	941 405 082

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

19-1 General reserve - issuance premium

The balance of general reserve – issuance premium as follows:-

Collected from issuance premium of 205 972 632 shares during the year 2010	999 379 210
Less:	
- Nominal value of issued shares with a premium	205 972 632
- Issuance fees	38 507 164
- Legal reserve formed to reach 50 % of paid up capital	350 398 732
- Difference between the nominal value and the cost of own shares cancelled on 5/2/2012.	73 580 254
General reserve balance	330 920 428

20 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year after reducing dividends to employees and BOD as follows :

	Financial period from 1/1/2019 till 31/3/2019 L.E.	Financial period from 1/1/2018 till 31/3/2018 L.E.
Profit of the Period	138 684 436	88 193 714
Weighted average number of ordinary shares	941 405 082	941 405 082
EPS (L.E/EPS)	0.147	0.094

21 Credit facilities

	31/3/2019 L.E	31/12/2018 L.E
- The value of this credit facility is L.E 50 million borrowed from QNB with a monthly variable interest with a guarantee of a promissory note amounted to L.E 50 million	48 222 059	43 307 498
- The value of credit facilities is L.E 51 million borrowed from HSBC with a monthly variable interest with a guarantee of a promissory note amounted to L.E 51 million	19 545 004	20 137 589
	67 767 063	63 445 087

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

22 Provision

Description	Balance on 1/1/2019 L.E	Provision formed L.E	Provision used L.E	Balance on 31/3/2019 L.E.
Provision for claims	<u>4 416 147</u>	<u>-</u>	<u>(2 315 793)</u>	<u>2 100 354</u>

23 Creditors and other credit balances

	31/3/2019 L.E.	31/12/2018 L.E.
Suppliers	3 212 457	5 697 185
Accrued expenses	1 187 518	703 561
Tax authority	2 459 948	1 604 174
Deposits from others	15 151	10 993
Notes payable	175 094	-
Sales tax installments on the imported machineries and equipment-short term*	102 283	102 283
Deferred capital gains Short term (building sales & lease back)	11 773 802	11 773 802
Due to Sodic Company- current portion**	1 597 273	3 230 787
Dividends payable	239 254 858	30 025
Accrued health insurance	1 057 857	414 513
Social Insurance Authority	266 976	195 750
Other credit balances	393 799	383 841
	<u>261 497 016</u>	<u>24 146 914</u>

24 Other long term liabilities – Non current portion

	Short-term L.E	Long-term L.E.	total L.E.
-The value of sales tax installments on the imported machineries and equipment due from September 2017 till January 2021 as agreed with the Sales Tax Authority.	102 282	102 282	204 564
-The amount due to (Sodic SIAC for Real Estate and Investments Company) from buying an administrative building according to the agreement dated 30/12/2012 amounted to L.E 83 106 655. Total payments amounted to L.E 80 430 651 and the balance will be settled over 1 installments starting from June 2019.	2 676 004	-	2 676 004
<u>Less:</u>	(1 078 731)	-	(1 078 731)
SODIC present value adjustment			
Due to SODIC after PV adjustment	<u>1 597 273</u>	<u>-</u>	<u>1 597 273</u>
Net liability value at 31/3/2019	<u>1 699 555</u>	<u>102 282</u>	<u>1 801 837</u>
Net liability value at 31/12/2018	<u>3 333 070</u>	<u>204 565</u>	<u>3 537 635</u>

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

25 Deferred revenues

	31/03/2019	31/12/2018
	L.E	L.E
The balance is represented in the long term deferred capital gain from the sale of a plot of land located in Zayed city No.21 (Crazy Water Corridor) together with the buildings and constructions according to finance lease contract with QNB Al Ahli dated 23/3/2016. The Company had deferred the gain of L.E 117 738 021 as the sale transaction was in the form of a sale and lease back within 10 years starting on March 2016 through to March 2026. The deferred revenue is amortized during the lease period starting from 1/4/2016.	70 642 813	73 586 263
The amortization for the period is L.E 2 943 451 and the short-term portion during the period amounted to L.E 11 773 802 included in creditors & other credit balances item in the statement of financial position (Note 23).		
	<u>70 642 813</u>	<u>73 586 263</u>

26 Deferred tax liabilities

Deferred tax liability amounted to L.E 1 381 211 on 31/3/2019 is representing amounts of net deferred tax assets and tax liabilities.

	1/1/2019	Deferred tax during the period ended 31 March 2019	31/3/2019
	L.E	L.E	L.E
Deferred tax liability (fixed assets)	<u>1 432 253</u>	<u>(51 042)</u>	<u>1 381 211</u>

Recognized deferred tax assets and liabilities

Deferred tax liabilities are representing in the following items:

	31/3/2019	31/12/2018
	L.E.	L.E.
Fixed assets	1 381 211	1 432 253
Net tax liabilities	<u>1 381 211</u>	<u>1 432 253</u>

Juhayna Food Industries Company (S.A.E.)
Notes to the separate financial statements for the financial Period ended 31 March 2019

27 Financial instruments

Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's Board is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the B.O.D.

Credit risk

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer including the default risk of the industry in which customers operate, as these factors may have an influence on credit risk

Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	31/03/2019	31/12/2018
	L.E.	L.E.
Debtors and other debit balances	18 246 790	9 923 744
Due from related parties	207 726 053	245 411 747

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company is keeping the following credit process:

Credit facilities totalling L.E 67 767 063. The interest is paid for the facilities in Egyptian pound and US dollar with a variable interest rate

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements

	Carrying amount L.E.	Contractual cash flows L.E.
Credit facilities	67 767 063	101 000 000
Credit bank balances	55 799	55 799
Creditors and other credit balances	261 497 016	261 497 016

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The Company incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the management.

Currency risk

The Company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Company, primarily L.E. The currencies in which these transactions primarily are denominated are Euro, USD, and Swiss Francs (CHF).

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

Foreign currency risk**Exposure to currency risk**

The Group's exposure to foreign currency risk was as follows based on notional amounts:

	USD	Euro
Debtors and receivable balances	290 600	-
Cash at bank and on hand	-	1 492
Creditors & other credit balances	(1 996)	(949)
31 March 2019	288 604	543
31 December 2018	(56 472)	1 848

The following significant exchange rates applied during the year:

	Average rate		Actual closing Rate	
	31/3/2019	31/3/2018	2019	2018
USD	17.55	17,71	17.37	17.95
Euro	19.97	21,83	19.51	20.84

Interest rate risk

The Company adopts a policy of ensuring that its exposure to changes in interest rates on borrowings is on a fixed-rate basis, taking into account assets with exposure to changes in interest rates.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of paid up capital and retained earnings. The Board of Directors monitors the return on capital, as well as the level of dividends to shareholders.

	31/03/2019	31/12/2018
	L.E.	L.E.
Total liabilities	421 555 163	170 288 507
Less: cash at banks and on hand	(184 629 394)	(1 865 349)
Net debt	236 925 769	168 423 158
Total equity	2 416 470 027	2 516 994 113
Net debt to equity ratio	9.805 %	6.691 %

There were no changes in the company's approach to capital management during the year.

28 Financial lease contracts

The company signed a contract with QNB Al Ahli for Financial Leasing Company (Segoles Company for Finance Leasing-formerly) lease land and buildings and of system construction and leasing, as follows:

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

Land lease contracts (Sale and lease back)

On 23/3/2016 the Company signed a contract with regard to a land sale & lease back (including the building built thereon), of land located on plot no. 21 of the Crazy Water's Corridor in Zayed City with a total area of 15 374.47 m². The contract terms became effective starting 24/3/2016. The following is a summary of the above mentioned contract:

Description	Lease value		Lease period	Purchase value at end of contract	Quarterly lease value
	Contractual value	Accrued interest	Months	L.E	L.E
	L.E	L.E			
Contract from 24/3/2016 to 23/3/2026	277 714 031	140 816 132	120	1	6 632 645

- The Company leased the administration building of Tiba for Trading and Distributing Company (Subsidiary) following the operating lease system for a monthly lease rent of L.E. 220 000 based upon the approval from the leaser's company.
- The monthly finance lease's installments and the expenses related to the issue of this lease contract (sale with the right of re-sale) were allocated to the other operating expenses item in the income statement Thus, total installments of the financial period ended 31/3/2019 amounted to L.E. 7 099 283
- The company paid L.E 11 897 900 L.E as a down payment and as at 31 March 2019 amounted L.E 8 328 534 classified the current portion as at 1 189 788 L.E pounds in advance payments to note (17) and the Non-current portion L.E 7 138 745 classified in the other long term debt balances.

29 Capital commitment

The capital commitments amounted to L.E 50 000 000 on 31/3/2019 is the unpaid portion of the capital increase of Tiba company for distribution and other capital commitment amounted to L.E 1 800 000.

30 Related party transactions

The related parties are represented in the Company's shareholders and companies in which they own directly or indirectly shares giving them significant influence or control.

The following is a summary of significant transactions concluded, during the current year, between the Company and its related parties.

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

30-1 Due from related parties

Company's name	Nature of transaction	Total value of transactions		Balance as of	
		31/03/2019	31/12/2018	31/03/2019	31/12/2018
Tiba for trading and distribution	Collection / Current	-	(96 440 486)	-	2 390 050
	Dividends	-	93 906 000		
	Leases		2 640 000		
International Company for Modern Food Industries	Current	1 614 206	761 136	3 212 191	1 597 985
El Marwa For Food Industries	Collection / Current	(64 109 790)	(55 835 594)	19 035 794	220 284
	Dividends	82 925 300	54 950 500		
EGY food	Collection / Current	(126 108 563)	(49 860 786)	18 434 021	112 548 984
	Dividends	31 993 600	160 967 800		
Modern Concentrates Industrial Company	Current	1 093 830	(373 041)	1 391 587	297 757
Enmaa for Agriculture Development Co. and Biological Wealth	Current	249 244	9 016 683	106 973 538	106 724 294
Egyptian for Dairy products	Collection / Current	(3 993 323)	22 222 397	48 721 260	12 718 583
	Dividends	39 996 000	39 996 000		
Enmaa for Reclamation and Agriculture	Current	130 272	1 043 379	1 214 578	1 084 306
Enmaa for Livestock	Current	907 973	4 026 246	8 725 781	7 817 808
Argo for food industries	Current	5 607	11 792	17 303	11 696
				207 726 053	245 411 747

Juhayna Food Industries Company (S.A.E.)

Notes to the separate financial statements for the financial Period ended 31 March 2019

30-2 Due to related parties

Company's name	Nature of transaction	Total value of transactions		Balance as of	
		31/03/2019	31/12/2018	31/03/2019	31/12/2018
		L.E.	L.E.	L.E.	L.E.
Tiba for trading and distribution	Current	(15 692 928)	-		-
	Lease	660 000		12 642 879	-
				<u>12 642 879</u>	<u>-</u>

The company has an agreement with Tiba for Trading and Distribution company—a subsidiary - 99.9% for the rental of company's administrative building with a value of L.E 660 000 during the period ended 31 March 2019 (the amount of L.E 660 000 through in March 2018).

31 Non-cash transactions in cash flow

The exclusion of the amount of L.E 11 773 802 of change in suppliers and other credit balances against the exclusion of the same amount of change in deferred revenue as this is a non-cash transaction

The exclusion of the amount of L.E 2 943 450 of change in suppliers and other credit balances against the exclusion of the same amount of change in long-term liability as this is a non-cash transaction.

The Exclusion of the Amount LE 239 208 523 of Change in Suppliers and other Credit Balances related to Dividends payable and amount of 7 745 744 Dividends tax as this is non cash transaction

The exclusion of the amount of L.E 1 189 786 of change in debtors and other debit balances against the exclusion of the same amount of change in the long-term other debit balances as this is a non-cash transaction.

32 Distribution some of the holding companies expenses

According to the BOD decision on 19/10/2016, certain expenses of the company are allocated to the subsidiaries based on % of consolidated revenues.