

**Orascom Development Egypt  
(S.A.E)  
Condensed Separate Interim Financial Statements  
Together With Limited Review Report For the Financial Period  
From Jan 1, 2024  
Till March 31, 2024**

Orascom Development Egypt – S.A.E  
Condensed Separate Interim Financial Statements for the financial period from 1 January 2024  
till 31 March 2024

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**Limited review report for the condensed separate interim financial statements**

**To: The Board of Directors of Orascom Development Egypt Company (S.A.E)**

**Introduction**

We have reviewed the accompanying condensed separate interim financial statements of Orascom Development Egypt Company (S.A.E) which comprise the condensed separate interim statement of financial position as of March 31, 2024, and the related condensed separate interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the three months' period then ended, and a summary of other explanatory notes.

Management is responsible for the preparation and fair presentation of the condensed separate interim financial statements in accordance with Egyptian Accounting Standard No. (30)" Interim financial statements".

Our responsibility is to express a conclusion on these condensed separate interim financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with Egyptian Standard on Review Engagements (2410) "Review of Interim Financial Statement Performed by the Independent Auditor of the Entity". Review of condensed separate 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 Financial Statements.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed separate interim financial statements do not present fairly in all material respects the separate financial position of Orascom Development Egypt Company (S.A.E) as of March 31, 2024, and of its financial performance and its cash flows for the three months' period then ended in accordance with Egyptian Accounting Standard No. (30)" Interim financial statements".

Cairo, May 14, 2024

Kamel Magdy Saleh FCA,  
FESAA (R.A.A. 8540)

FRA Register No. 769

Saleh, Barsoum & Abdel Aziz – Grant Thornton





**Orascom Development Egypt**  
**S.A.E**  
**CONDENSED SEPARATE INTERIM STATEMENT OF FINANCIAL POSITION**  
**As of March 31, 2024**

|  |             | <u>31/03/2024</u>     | <u>31/12/2023</u>     |
|--|-------------|-----------------------|-----------------------|
|  | <u>Note</u> | <u>EGP</u>            | <u>EGP</u>            |
| <b><u>Assets</u></b>                                   |             |                       |                       |
| <b><u>Non-Current Assets</u></b>                       |             |                       |                       |
| Fixed assets (net)                                     | (4)         | 545 318 972           | 541 184 600           |
| Right of use assets (net)                              | (6)         | 2 901 744             | 3 033 642             |
| Project under construction                             | (7)         | 334 115 210           | 324 022 210           |
| Financial investments valued at fair value through OCI |             | 106 991               | 104 742               |
| Investments in associates                              |             | 20 050 000            | 20 050 000            |
| Investments in subsidiaries                            |             | 292 776 607           | 292 776 607           |
| Trade and notes receivable                             | (8)         | 2 245 762 757         | 1 934 491 898         |
| Deferred tax assets                                    | (9)         | 1 199 437 685         | 423 004 195           |
| <b>Total Non-Current Assets</b>                        |             | <b>4 640 469 966</b>  | <b>3 538 667 894</b>  |
| <b><u>Current Assets</u></b>                           |             |                       |                       |
| Inventory  | (10)        | 3 475 826 192         | 3 234 944 524         |
| Due from related parties                               | (11)        | 6 028 018 753         | 6 187 295 811         |
| Due from holding company                               | (12)        | 311 335 317           | --                    |
| Trade and notes receivable (Net)                       | (8)         | 2 070 904 655         | 2 290 257 230         |
| Suppliers and subcontractors – advance payment         | (13)        | 86 479 241            | 69 995 746            |
| Debtors and other debit balances                       |             | 427 646 215           | 224 173 775           |
| Treasury bills   | (14)        | 1 011 792 753         | 283 046 521           |
| Cash and cash equivalent                               | (15)        | 3 852 941 994         | 2 949 883 453         |
| <b>Total Current Assets</b>                            |             | <b>17 264 945 120</b> | <b>15 239 597 060</b> |
| <b>Total Assets</b>                                    |             | <b>21 905 415 086</b> | <b>18 778 264 954</b> |
| <b><u>Equity and liabilities</u></b>                   |             |                       |                       |
| <b><u>Equity</u></b>                                   |             |                       |                       |
| Issued and paid-up capital                             | (16)        | 1 130 473 523         | 1 130 473 523         |
| Legal reserve  |             | 438 166 313           | 355 288 418           |
| General reserve  |             | 1 097 676 360         | 1 097 676 360         |
| Investment revaluation reserve                         |             | ( 225 263)            | ( 227 513)            |
| Retained earnings                                      |             | 4 673 387 333         | 3 098 707 321         |
| Net (loss)/profit for the period/year                  |             | (1 550 916 703)       | 1 657 557 907         |
| <b>Total Equity</b>                                    |             | <b>5 788 561 563</b>  | <b>7 339 476 016</b>  |
| <b><u>Non-Current Liabilities</u></b>                  |             |                       |                       |
| Deferred tax liabilities                               |             | 45 687 678            | 45 130 517            |
| Non-current provisions                                 | (17)        | 605 908 323           | 605 908 323           |
| Loans  | (18)        | 6 499 134 325         | 4 821 951 889         |
| Loans from holding company                             | (18)        | 1 424 514 000         | 929 010 000           |
| Right of use liability - Non current                   | (6)         | 3 120 689             | 3 206 812             |
| Long term land due installment                         | (19)        | 2 004 948 976         | 1 284 795 047         |
| <b>Total Non-Current Liabilities</b>                   |             | <b>10 583 313 991</b> | <b>7 690 002 588</b>  |
| <b><u>Current Liabilities</u></b>                      |             |                       |                       |
| Provisions   | (17)        | 172 596 005           | 164 000 664           |
| Banks overdrafts                                       | (18)        | 128 206 260           | --                    |
| Loans installments due within one year                 | (18)        | 1 515 261 656         | 926 917 191           |
| Right of use liability due within one year             | (6)         | 139 203               | 108 311               |
| Due to related parties                                 | (11)        | 275 714 451           | 221 816 963           |
| Due to holding company                                 | (12)        | --                    | 33 700 995            |
| Customers – advance payments                           | (25)        | 1 768 145 713         | 1 271 262 242         |
| Suppliers, contractors and notes payables              |             | 97 543 520            | 67 356 581            |
| land due installments within a year                    | (19)        | 23 741 900            | 15 483 500            |
| Creditors and other credit balances                    | (20)        | 754 847 288           | 519 310 884           |
| Current income tax liabilities                         |             | 797 343 536           | 528 829 019           |
| <b>Total Current Liabilities</b>                       |             | <b>5 533 539 532</b>  | <b>3 748 786 350</b>  |
| <b>Total Liabilities</b>                               |             | <b>16 116 853 523</b> | <b>11 438 788 938</b> |
| <b>Total Liabilities and Equity</b>                    |             | <b>21 905 415 086</b> | <b>18 778 264 954</b> |

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read there with.

Ashraf Nessim  
Group CFO

Omar El Hamamsy  
Group CEO

Auditor's report attached.



**Orascom Development Egypt**

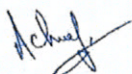
**S.A.E**

**Condensed separate interim statement of profit or loss**  
**for the financial period from 1 January 2024 till 31 March 2024**

|  |             | <b><u>31/03/2024</u></b>      | <b><u>31/03/2023</u></b>   |
|--|-------------|-------------------------------|----------------------------|
|  | <b>Note</b> | <b><u>EGP</u></b>             | <b><u>EGP</u></b>          |
| <b><u>Operating Revenue</u></b>                                |             |                               |                            |
| Revenue  | (5,23)      | 1 450 326 340                 | 1 253 782 192              |
| Cost   |             | ( 684 945 551)                | ( 584 641 426)             |
| <b>Gross profit</b>  |             | <b><u>765 380 789</u></b>     | <b><u>669 140 766</u></b>  |
| Credit interest  | (22)        | 159 704 872                   | 73 316 219                 |
| Provisions formed  |             | --                            | ( 416 607)                 |
| Administrative and general expenses                            | (26)        | (161 795 727)                 | (103 885 511)              |
| Finance cost   | (27)        | (258 573 605)                 | (149 799 223)              |
| Other revenues and expenses                                    | (24)        | (2 562 994 844)               | (582 219 727)              |
| <b>Net loss for the period before taxes</b>                    |             | <b><u>(2 058 278 515)</u></b> | <b><u>(93 864 083)</u></b> |
| Income tax   |             | (268 514 517)                 | (96 165 596)               |
| Deferred tax   | (9)         | 775 876 329                   | 231 273 749                |
| <b>Net profit/(losses) for the period after taxes</b>          |             | <b><u>(1 550 916 703)</u></b> | <b><u>41 244 070</u></b>   |
| <b>Basic Earnings Per Share (loss)/profit for the period</b>   | (21)        | <b><u>(1.37)</u></b>          | <b><u>0.04</u></b>         |
| <b>Diluted Earnings per share (loss)/profit for the period</b> | (21)        | <b><u>(1.37)</u></b>          | <b><u>0.04</u></b>         |

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read there with.

Ashraf Nessim  
Group CFO



Omar El Hamamsy  
Group CEO





**Orascom Development Egypt**  
**S.A.E**  
**Condensed separate interim statement of other comprehensive income**  
**for the financial period from 1 January 2024 till 31 March 2024**

|  | <u>31/03/2024</u>             | <u>31/03/2023</u>        |
|--|-------------------------------|--------------------------|
|  | <u>EGP</u>                    | <u>EGP</u>               |
| Net profit/Loss for the period   | (1 550 916 703)               | 41 244 070               |
| Other comprehensive Income   |                               |                          |
| Financial investments valued at fair value through other comprehensive income – Change in Valuation of investments | 2 250                         | --                       |
| <b>Total other comprehensive income for the period</b>   | <u><u>(1 550 914 453)</u></u> | <u><u>41 244 070</u></u> |

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read there with.

Ashraf Nessim  
Group CFO



Omar El Hamamsy  
Group CEO



**Orascom Development Egypt**  
**S.A.E**  
**CONDENSED SEPARATE INTERIM STATEMENT OF CASH FLOW**  
**for the financial period from 1 January 2024 till 31 March 2024**

|  | <b><u>31/03/2024</u></b> | <b><u>31/03/2023</u></b> |
|--|--------------------------|--------------------------|
|  | <b><u>EGP</u></b>        | <b><u>EGP</u></b>        |
| <b><u>Cash Flows from Operating Activities</u></b>             | <b>1 455 592 765</b>     | <b>(1 731 914 741)</b>   |
| Interest paid  | (230 074 960)            | (142 079 542)            |
| <b>Net cash (used in)/ generated from operating activities</b> | <b>1 225 517 805</b>     | <b>(1 873 994 283)</b>   |
| <b><u>Cash flows from investing activities</u></b>             |                          |                          |
| (Payments) for purchase of fixed asset                         | (10 301 197)             | (1 502 150)              |
| (Payments) for projects under construction                     | (10 093 000)             | (17 524 913)             |
| Proceeds from short-term investment sale                       | 230 442 967              | --                       |
| Dividend received  | 48 075 510               | 101 052 000              |
| Interests received   | 134 560 858              | 49 813 337               |
| <b>Net cash flows generated from investing activities</b>      | <b>392 685 138</b>       | <b>131 838 274</b>       |
| <b><u>Cash flows from financing activities</u></b>             |                          |                          |
| Proceeds from banks overdraft                                  | 126 739 080              | --                       |
| (Payment) right of use asset                                   | 161 700                  | --                       |
| Net proceed (payment) from loan*                               | (113 298 950)            | 984 843 615              |
| <b>Net cash generated from financing activities</b>            | <b>13 601 830</b>        | <b>984 843 615</b>       |
| <b>Net Change in cash and cash equivalents for the period</b>  | <b>1 631 804 773</b>     | <b>(757 312 394)</b>     |
| <b>Cash and cash equivalents at beginning of period</b>        | <b>3 232 929 974</b>     | <b>2 786 185 906</b>     |
| <b>Cash and cash equivalents at end of period</b>              | <b>4 864 734 747</b>     | <b>2 028 873 512</b>     |
| <b><u>Non-Cash Transaction</u></b>                             |                          |                          |

\*The effect of unrealized exchange rate with an amount of EGP 953 million was eliminated from loan payments.

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read there with.

Orascom Development Egypt

S.A.E

**CONDENSED SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY**

for the financial period from 1 January 2024 till 31 March 2024

| <u>Item</u>   | <u>Issued capital</u>  | <u>Legal reserve</u> | <u>General reserve</u> | <u>Employee stock<br/>option plan<br/>reserve</u> | <u>Investment<br/>revaluation<br/>reverse</u> | <u>ESOP shares</u>   | <u>Retained earnings</u> | <u>Net profit for the<br/>year</u> | <u>Total</u>           |
|---|------------------------|----------------------|------------------------|---|---|----------------------|--------------------------|------------------------------------|------------------------|
|   | <u>Paid in<br/>EGP</u> | <u>EGP</u>           | <u>EGP</u>             | <u>EGP</u>  | <u>EGP</u>                                    | <u>EGP</u>           | <u>EGP</u>               | <u>EGP</u>                         | <u>EGP</u>             |
| <b>Balance as of January 1, 2023</b>                                  | <b>1 130 473 523</b>   | <b>317 426 700</b>   | <b>1 097 676 360</b>   | <b>1 611 847</b>                                  | <b>( 282 758)</b>                             | <b>( 15 501 273)</b> | <b>2 287 798 431</b>     | <b>757 234 345</b>                 | <b>5 576 437 175</b>   |
| Transferred to retained earnings                                      | --                     | --                   | --                     | --  | --  | --                   | 757 234 345              | ( 757 234 345)                     | --                     |
| Legal reserve   | --                     | 37 861 718           | --                     | --  | --  | --                   | (37 861 718)             | --                                 | --                     |
| <b>Comprehensive income</b>   |                        |                      |                        |   |   |                      |                          |                                    |                        |
| Net profit for the period   | --                     | --                   | --                     | --  | --  | --                   | --                       | 41 244 070                         | <b>41 244 070</b>      |
| <b>Total comprehensive income</b>                                     | --                     | --                   | --                     | --  | --  | --                   | --                       | <b>41 244 070</b>                  | <b>41 244 070</b>      |
| <b>Balance as of March 31, 2023</b>                                   | <b>1 130 473 523</b>   | <b>355 288 418</b>   | <b>1 097 676 360</b>   | <b>1 611 847</b>                                  | <b>( 282 758)</b>                             | <b>( 15 501 273)</b> | <b>3 007 171 058</b>     | <b>41 244 070</b>                  | <b>5 617 681 245</b>   |
| <b>Balance as of January 1, 2024</b>                                  | <b>1 130 473 523</b>   | <b>355 288 418</b>   | <b>1 097 676 360</b>   | --  | <b>( 227 513)</b>                             | --                   | <b>3 098 707 321</b>     | <b>1 657 557 907</b>               | <b>7 339 476 016</b>   |
| Transferred to retained earnings                                      | --                     | --                   | --                     | --  | --  | --                   | 1 657 557 907            | (1 657 557 907)                    | --                     |
| Legal reserve   | --                     | 82 877 895           | --                     | --  | --  | --                   | (82 877 895)             | --                                 | --                     |
| Net profit/(loss) for the period                                      | --                     | --                   | --                     | --  | --  | --                   | --                       | (1 550 916 703)                    | <b>(1 550 916 703)</b> |
| Financial investments valued at fair value through OCI-change in F.V. | --                     | --                   | --                     | --  | 2 250   | --                   | --                       | --                                 | <b>2 250</b>           |
| <b>Total comprehensive income</b>                                     | --                     | --                   | --                     | --  | <b>2 250</b>                                  | --                   | --                       | <b>(1 550 916 703)</b>             | <b>(1 550 914 453)</b> |
| <b>Balance as of March 31, 2024</b>                                   | <b>1 130 473 523</b>   | <b>438 166 313</b>   | <b>1 097 676 360</b>   | --  | <b>( 225 263)</b>                             | --                   | <b>4 673 387 333</b>     | <b>(1 550 916 703)</b>             | <b>5 788 561 563</b>   |

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read there with.



**1- Company Background and its Activities**

- Orascom Development Egypt "S.A.E." was established according to the provisions of the Investment Law No. 230 for 1989, and was registered in the commercial register on 30/08/1996
- The company's financial year begins on 1<sup>st</sup> of January and ends on 31<sup>st</sup> of December of each year.
- The company's objective is undertaking the following activities at Egypt or outside:
  - Establishing of tourist villages, cities and hotels; development of lands including providing them with public utilities and the necessary infrastructure (Land Zoning- establishment of roads and gardens- establishing of networks of water, lighting, sanitary drainage, public transportation and wired and wireless communications- hospitals- schools- health centers, cultural, entertaining centers and places of worship).
  - Building and construction low-cost housing (Community housing).
  - Establishing, preparation and furnishing of industrial installations
    - A. Reclaiming and providing land with main utilities for cultivation.
    - B. Cultivation of reclaimed land, and it's required in the two cases that the land should be allocated for the purpose of reclamation and cultivation and should use modern irrigation methods instead of flooding irrigation method taking into consideration Prime Minister Decision No. 350 of 2007 and Presidential Decree No. 356 of 2008.
  - The company may carry out other business or amend its activity within the framework of the Investment Law. It may also contribute or participate in any manner in subsidiary projects outside the frame of the Investment Law issued by Law No. 8 for 1997 provided that the approval of the General Authority for Investment is obtained and within the provisions of Law No. 95 for 1992, The Company should obtain all licenses necessary for practicing its activity.
- The company's head office is located at 160 Street, 26<sup>th</sup> July, Mohandessin, Agouza, Giza. There is another branch for the company at Nile City Towers South Tower, 2005 A Corniche El Nile, and 9th Floor Cairo.
- Chairman is Dr / Mohamed Samy Saad Zaghloul and the Group CEO is Mr. Omar El-Hamamsy.

**2- Basis of Preparation of Financial Statements**

The separate interim financial statements have been prepared in accordance with the Egyptian Accounting Standard No. (30).

**3- Significant Accounting Policies**

The condensed separate interim financial statements have been prepared following the same accounting policies that was applied at preparing the financial statements for the year ended 31 December 2023.

Orascom Development Egypt (S.A.E)  
Notes to the Condensed Separate Interim Financial Statement  
for the financial period from 1 January 2024 till 31 March 2024

4. Fixed Assets (net):

|                                     | <u>Lands</u>      | <u>Infrastructure,<br/>buildings, units,<br/>land<br/>improvements</u> | <u>Machines,<br/>Equipment,<br/>Appliances,<br/>Service Station</u> | <u>Transportation</u> | <u>Utilities, tools</u> | <u>Furniture, Tools</u> | <u>Total</u>       |
|-------------------------------------|-------------------|--|---|-----------------------|-------------------------|-------------------------|--------------------|
|                                     | <u>EGP</u>        | <u>EGP</u>   | <u>EGP</u>  | <u>EGP</u>            | <u>EGP</u>              | <u>EGP</u>              | <u>EGP</u>         |
| Cost as of 1/1/2023                 | 48 483 220        | 575 788 740  | 26 946 117  | 4 611 755             | 1 142 980               | 35 001 533              | 691 974 345        |
| Addition                            | --                | 25 097   | 1 266 104   | --                    | --                      | 236 046                 | 1 527 247          |
| Cost as of 31/03/2023               | <u>48 483 220</u> | <u>575 813 837</u>   | <u>28 212 221</u>   | <u>4 611 755</u>      | <u>1 142 980</u>        | <u>35 237 579</u>       | <u>693 501 592</u> |
| Accumulated depreciation 1/1/2023   | --                | 112 473 040  | 22 831 138  | 4 611 754             | 1 142 979               | 28 246 311              | 169 305 222        |
| Depreciation for the period         | --                | 2 962 663  | 804 147   | --                    | --                      | 444 864                 | 4 211 674          |
| Accumulated depreciation 31/03/2023 | --                | <u>115 435 703</u>   | <u>23 635 285</u>   | <u>4 611 754</u>      | <u>1 142 979</u>        | <u>28 691 175</u>       | <u>173 516 896</u> |
| Net Book Value 31/03/2023           | <u>48 483 220</u> | <u>460 378 134</u>   | <u>4 576 936</u>  | <u>1</u>              | <u>1</u>                | <u>6 546 404</u>        | <u>519 984 696</u> |
|                                     | <u>Lands</u>      | <u>Infrastructure,<br/>buildings, units,<br/>land<br/>improvements</u> | <u>Machines,<br/>Equipment,<br/>Appliances,<br/>Service Station</u> | <u>Transportation</u> | <u>Utilities, tools</u> | <u>Furniture, Tools</u> | <u>Total</u>       |
|                                     | <u>EGP</u>        | <u>EGP</u>   | <u>EGP</u>  | <u>EGP</u>            | <u>EGP</u>              | <u>EGP</u>              | <u>EGP</u>         |
| Cost as of 1/1/2024                 | 48 483 220        | 575 813 837  | 42 285 154  | 4 611 755             | 1 142 980               | 55 630 616              | 727 967 562        |
| Addition                            | --                | --   | 1 834 717   | --                    | --                      | 8 466 480               | 10 301 197         |
| Cost as of 31/03/2024               | <u>48 483 220</u> | <u>575 813 837</u>   | <u>44 119 871</u>   | <u>4 611 755</u>      | <u>1 142 980</u>        | <u>64 097 096</u>       | <u>738 268 759</u> |
| Accumulated depreciation 1/1/2024   | --                | 124 348 132  | 26 869 739  | 4 611 754             | 1 142 979               | 29 810 358              | 186 782 962        |
| Depreciation for the period         | --                | 2 962 355  | 2 847 731   | --                    | --                      | 356 739                 | 6 166 825          |
| Accumulated depreciation 31/03/2024 | --                | <u>127 310 487</u>   | <u>29 717 470</u>   | <u>4 611 754</u>      | <u>1 142 979</u>        | <u>30 167 097</u>       | <u>192 949 787</u> |
| Net Book Value as of 31/03/2024     | <u>48 483 220</u> | <u>448 503 350</u>   | <u>14 402 401</u>   | <u>1</u>              | <u>1</u>                | <u>33 929 999</u>       | <u>545 318 972</u> |
| Net Book Value as of 31/12/2023     | <u>48 483 220</u> | <u>451 465 705</u>   | <u>15 415 415</u>   | <u>1</u>              | <u>1</u>                | <u>25 820 258</u>       | <u>541 184 600</u> |

\*Depreciation during the period has been included in general and administrative expenses.



Orascom Development Egypt (S.A.E)  
Notes to the Condensed Separate Interim Financial Statement  
for the financial period from 1 January 2024 till 31 March 2024

5. Sectors Activity Information:

|                                      | <u>Real Estate Sector</u> |                    | <u>Land Sector</u>   |                     | <u>Other</u>           |                      | <u>Total</u>           |                    |
|--------------------------------------|---------------------------|--------------------|----------------------|---------------------|------------------------|----------------------|------------------------|--------------------|
|                                      | <u>31/03/2024</u>         | <u>31/03/2023</u>  | <u>31/03/2024</u>    | <u>31/03/2023</u>   | <u>31/03/2024</u>      | <u>31/03/2023</u>    | <u>31/03/2024</u>      | <u>31/03/2023</u>  |
|                                      | <u>EGP</u>                | <u>EGP</u>         | <u>EGP</u>           | <u>EGP</u>          | <u>EGP</u>             | <u>EGP</u>           | <u>EGP</u>             | <u>EGP</u>         |
| <b>Revenue</b>                       |                           |                    |                      |                     |                        |                      |                        |                    |
| Total Sectors Revenue                | 1 450 326 340             | 1 253 782 192      | -                    | --                  | --                     | --                   | 1 450 326 340          | 1 253 782 192      |
| Sectors Cost                         | ( 675 640 602)            | ( 577 769 326)     | (9 304 949)          | (6 872 100)         | --                     | --                   | ( 684 945 551)         | ( 584 641 426)     |
| <b>Sectors Gross Profit / (Loss)</b> | <b>774 685 738</b>        | <b>676 012 866</b> | <b>(9 304 949)</b>   | <b>(6 872 100)</b>  | <b>--</b>              | <b>--</b>            | <b>765 380 789</b>     | <b>669 140 766</b> |
| Other income / (expenses)            | 253 704 243               | 101 110 187        | (697 473 546)        | (82 498 675)        | (1 872 528 189)        | ( 646 508 208)       | (2 316 297 492)        | ( 627 896 696)     |
| <b>Net profit of the period</b>      | <b>1 028 389 981</b>      | <b>777 123 053</b> | <b>(706 778 495)</b> | <b>(89 370 775)</b> | <b>(1 872 528 189)</b> | <b>(646 508 208)</b> | <b>(1 550 916 703)</b> | <b>41 244 070</b>  |

Sectors Assets and Liabilities

|                       | <u>Real Estate Sector</u> |                      | <u>Land Sector</u>   |                      | <u>Other</u>           |                        | <u>Total</u>         |                      |
|-----------------------|---------------------------|----------------------|----------------------|----------------------|------------------------|------------------------|----------------------|----------------------|
|                       | <u>31/03/2024</u>         | <u>31/12/2023</u>    | <u>31/03/2024</u>    | <u>31/12/2023</u>    | <u>31/03/2024</u>      | <u>31/12/2023</u>      | <u>31/03/2024</u>    | <u>31/12/2023</u>    |
|                       | <u>EGP</u>                | <u>EGP</u>           | <u>EGP</u>           | <u>EGP</u>           | <u>EGP</u>             | <u>EGP</u>             | <u>EGP</u>           | <u>EGP</u>           |
| Assets                | 8 904 235 547             | 7 688 772 588        | 5 315 060 136        | 5 287 415 927        | 7 686 119 403          | 5 911 388 565          | 21 905 415 086       | 18 887 577 080       |
| Liabilities           | 2 439 912 415             | 1 689 782 902        | 2 419 795 615        | 1 691 383 286        | 11 257 145 493         | 8 166 934 876          | 16 116 853 523       | 11 548 101 064       |
| <b>Owner's Equity</b> | <b>6 464 323 132</b>      | <b>5 998 989 686</b> | <b>2 895 264 521</b> | <b>3 596 032 641</b> | <b>(3 571 026 090)</b> | <b>(2 255 546 311)</b> | <b>5 788 561 563</b> | <b>7 339 476 016</b> |

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**6- Right of Use-Asset:**

| <u>Item</u>                            | <u>31/3/2024</u> | <u>31/12/2023</u> |
|--|------------------|-------------------|
|  | <u>EGP</u>       | <u>EGP</u>        |
| Cost Period/Year                       | 3 033 642        | 3 561 232         |
| Amortization Period/Year               | (131 898)        | (527 590)         |
| <b>Net Book Value as of 31/03/2024</b> | <b>2 901 744</b> | <b>3 033 642</b>  |

- Right of use asset is represented in operating lease for one of the company's administrative headquarter.
- The total value of Liabilities right of use is 3 259 892 EGP on the 31<sup>th</sup> of March 2024, represents the present value of the future rental units distributed among long term right of use liabilities EGP 3 120 689, and Right of use liabilities due within one year EGP 139 203.

**7- Projects under Construction:**

The value of projects under construction represents the infrastructure of El Gouna projects that has not been finished yet until the 31<sup>th</sup> of March 2024 where the balance has reached 334 115 210 EGP.

**8- Trade and notes receivable (Net):**

The main reason for the change in this item is the increase in revenue and signed contracts in real estate sector during the period in addition to the increase in collections during the period.

**9- Deferred Tax Assets:**

The main reason for the increase in the balance of deferred tax assets during the period is the increase in currency exchange rates loss unrealized.

**10- Inventory:**

| <u>EGP</u>                 | <u>31/3/2024</u>     | <u>31/12/2023</u>    |
|----------------------------|----------------------|----------------------|
| Works in progress          | 547 996 640          | 441 601 515          |
| Land held for development* | 2 927 829 552        | 2 793 343 009        |
| <b>Total</b>               | <b>3 475 826 192</b> | <b>3 234 944 524</b> |

\*The main reason for the change is capitalizing the interest expenses of the present value of the Tourism Development Authority and also is the increase in inventory of completed units.

**11- Due from and to related parties:**

The main reason for the change is the cash transfers from subsidiaries during the period.

**12- Due to/from holding company:**

The reason for the change in due from the holding company (Orascom Development Holding AG) is payment on behalf the holding company during the period.



**13- Suppliers and Subcontractors – Advance Payment**

The main reason for the change is due to projects expansion which resulted in the necessity to set up agreements with subcontractors and suppliers. These advance payments will be consumed by the end of the work.

**14- Treasury bills:**

| EGP                     | 31/3/2024            | 31/12/2023         |
|-------------------------|----------------------|--------------------|
|                         | Less than 3 month    | Less than 3 month  |
| Treasury bills          | 1 069 157 450        | 300 000 000        |
| Less: Unearned interest | (57 364 697)         | (16 953 479)       |
| <b>Total</b>            | <b>1 011 792 753</b> | <b>283 046 521</b> |

**15- Cash and Cash Equivalents**

| EGP                    | 31/3/2024            | 31/12/2023           |
|------------------------|----------------------|----------------------|
| Cash on hand           | 15 000               | --                   |
| Bank - Time Deposits   | 1 373 528 625        | 800 866 157          |
| Bank – Current Account | 2 479 398 369        | 2 149 017 296        |
| <b>Total</b>           | <b>3 852 941 994</b> | <b>2 949 883 453</b> |

For the purpose of preparing cash flow statement, the cash is represented as follows:

| EGP                                 | 31/3/2024            | 31/3/2023            |
|-------------------------------------|----------------------|----------------------|
| Cash – Banks Balance                | 3 852 941 994        | 1 697 516 864        |
| Treasury Bills – Less than 3 Months | 1 011 792 753        | 331 356 648          |
| <b>Total</b>                        | <b>4 864 734 747</b> | <b>2 028 873 512</b> |

**16- Capital:**

- The authorized capital of the company is EGP 5 000 000 000 (Five Billions EGP), while the issued and paid up capital is EGP 1 108 307 385 (one billion, hundred and eight millions, three hundred and seven thousands and three hundred and eighty five EGP), distributed to 1 108 307 385 shares (one billion, hundred and eight millions, three hundred and seven thousands and three hundred and eighty five Shares) with a value of each share is 1 EGP (one Egyptian pound), instead of 221 661 475 Shares (two hundred and twenty one millions, six hundred and sixty one thousands and four hundred and seventy five shares) with a value of 5 EGP of each share. In accordance with the extraordinary general assembly held on 19<sup>th</sup> of March 2018 on breaking down of the share's nominal value from 5 Pounds to one Egyptian pound.
- The necessary legal procedures have been completed with both Misr for central clearing, depository and registry company and Egyptian stock exchange about the activation of share distribution process, shares have been traded according to nominal value (after the distribution process), starting from 7<sup>th</sup> of May 2018.

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- In accordance with the extraordinary general assembly held on 8<sup>th</sup> of November 2018, the capital has been increased by EGP 22 166 138 for 22 166 138 shares. The value of each share is 1 EGP and all shares were paid in cash. It was increased to EGP 1 130 473 523 according to the amended of the article of corporation no 6 and 7.

**17- Provisions:**

**Non-current provisions**

| <u>Item</u>  | <u>31/12/2023</u>  | <u>Transferred from other credit<br/>balance</u> | <u>31/3/2024</u>   |
|--|--------------------|--|--------------------|
| Infrastructure Provision                             | 380 846 978        | --   | 380 846 978        |
| Provision for contingent liabilities<br>(i)(ii)(iii) | 225 061 345        | --   | 225 061 345        |
|  | <b>605 908 323</b> | <b>--</b>  | <b>605 908 323</b> |

**Current Provisions**

| <u>Item</u>                   | <u>31/12/2023</u>  | <u>Transferred from other credit<br/>balance</u> | <u>31/3/2024</u>   |
|-------------------------------|--------------------|--|--------------------|
| Claims Provision (i)(ii)(iii) | 164 000 664        | 8 595 341  | 172 596 005        |
|                               | <b>164 000 664</b> | <b>8 595 341</b>                                 | <b>172 596 005</b> |

- Provisions are related to claims from some external parties in relation to the company's activity. In the case of uncertainty until the settlement of these disputes is completed, the management and its consultants carry out the necessary studies for the best estimated results, review and adjust the provisions annually according to the latest developments and discussions with those parties.
- The balance includes formed provision to meet the cost of registering the sold land and to meet some of the other expected obligations for unresolved contracts.
- Part of the provisions is charged on cost of sales.

**18- Loans and banks overdrafts:**

This item is represented as follows:

**1- Loans:**

- On November 19, 2020, the company has signed a facility agreement to reschedule outstanding debts and increase its size with a medium-term loan, equivalent to an amount of USD 265 million divided into two tranches, tranche (A) with an amount of USD 215 million, distributed as follows: EGP 631 051 803, USD 99 770 000 and EURO 63 205 798.
- Interest rate for the USD 4.25% above the Libor rate and for the EURO 4.75% above the EURIBOR rate, 1.25% for the Egyptian pound above the corridor rate, in addition to the equivalent of USD 50 million as Tranche (B) in Egyptian pound only at an interest rate of 8% for half of the tranche according to the initiative of the Central



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Bank of Egypt and the other half at the same interest rates as tranche (A). The banks involved in the agreement are four Egyptian banks: Commercial International Bank (the creditor agent), Bank Misr, Banque du caire and HSBC.

- On 23<sup>rd</sup> of December 2020, the contract was activated, and at the same date the company received an amount of USD 215 million (tranche A) to repay the outstanding loan balances, while tranche (B) amounting to the equivalent of USD 50 million will be used to finance the expansion of the new hotel room and the expansion projects of the hospitality sector in the subsidiaries companies. During 2022 and the first and second quarter of 2023, the company used 361.7 million Egyptian pounds from tranche (B).
- The loan will be paid over seven years, including a grace period of 2.5 years, the first instalment was paid on June 2023. The loan will expire on 23 December 2027 compared with CTIA loans, which had a due date on 31 December 2024.
- On February 2023, the company had signed an agreement with holding company to borrow USD 30 million from the holding company (Orascom Development Holding Company AG) to pay the obligation due from the agreement signed with the Egyptian Government in 2023 at an interest rate of 3.75%.

**2- Banks overdrafts:**

On 22/3/2024, an amount of USD 2,700,000 was borrowed with a deposit guarantee that will be repaid on 8/4/2024.

**19- Land Due Installments:**

On 15<sup>th</sup> of February 2023, Orascom Development Egypt has announced the signing of an agreement with the Egyptian government, enhancing the company's long-term growth strategy.

This agreement is based on the Egyptian Government's continuous efforts to support and encourage private sector investment in Egypt. Payments will be done in 15 annual installments.

**20- Creditor and other Credit Balances:**

The main reason for the change is due to the increase in new contract with customers which leads to the increase in deferred revenue.

**21- Basic / diluted earnings per share for the period:**

The profits / (losses) per share during the period is calculated using the weighted outstanding number of shares as follows:

| EGP   | 31/3/2024              | 31/3/2023         |
|---|------------------------|-------------------|
| <b>Period net profit / (losses) (EGP)</b>                                       | <b>(1 550 916 703)</b> | <b>41 244 070</b> |
| Average No of Shares during the period  | 1 130 473 523          | 1 114 972 250     |
| <b>Basic earnings per share profit/(losses) for the period (EGP)</b>            | <b>(1.37)</b>          | <b>0.04</b>       |
| By granting stock ownership (Employee stock ownership plan) each share will be: |                        |                   |
| Weighted outstanding shares*  | 1 130 473 523          | 1 115 200 366     |
| <b>Diluted earnings per share profit / (losses) for the period (EGP)</b>        | <b>(1.37)</b>          | <b>0.04</b>       |

\*Weighted outstanding per shares includes employee stock ownership plan on 31/3/2023 against nothing on 31/3/2024.

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**22- Credit Interest:**

The main reason for the increase in this item is the increase of the interest on the cash at bank balances, time deposits and treasury bills interest with amount of EGP 86 million.

**23- Revenue:**

The main reason for the increase in revenue is due to the increase in real estate revenues during the period.

**24- Other Revenues and Expenses:**

The main reasons for the change in this item are

- Dividends distribution from Red Sea Company with an amount of EGP 144 million compared with EGP 101 million of the same period during the last year.
- Net forex losses with an amount of EGP 2.9 billion during the current period, compared to an amount of EGP 683.9 million of the same period for the last year as a result decrease in the EGP performance.
- Gain from short-term investments with an amount of EGP 230 million.

**25- Customers Advance Payments:**

The main reason for the increase in customer advance payment was due the increase in the number of units booked by clients during the period.

**26- General and Administrative Expenses:**

The general and administrative expenses amounted to EGP 161 795 727 (the last three months ended in 31<sup>th</sup> of March 2023 with an amount of EGP 103 885 511).

The increase was due to the increase in the company's activities during the period. In addition to the high inflation rates and its effect on increasing prices in general.

**27- Interest and Finance Expenses:**

The interest and financing expenses amounted to EGP 258 573 605 (the last three months ended in 31<sup>th</sup> of March 2023 with an amount of EGP 149 799 223), the change was due to the increase in exchange, in addition to the increase in interest rate on loans as a result of the Monetary Policy Committee decision to increase the rate of return on deposit and lending during the current period.

**28- Transactions with Related Parties:**

Total contracting of construction and services with Red Sea Contracting and Construction Company (one of the associates companies with rate 40.10%) has reached EGP 242.7 million during the first quarter of 2024.

**29- Minimum Building Obligation (MBO):**

On February 14, 2023, Orascom Development Egypt has signed an agreement with the Egyptian Government. Under that agreement, the Tourism Development Authority approved a new master plan for the remaining 17.4 million square meters of land in El Gouna. According to the agreement, the company is required to build 1,000 hotel rooms every 10 years from the start date of the agreement.



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**30- Tax Position**

On 20<sup>th</sup> of August 2015 law No. 96 of 2015 was approved by the Egyptian president, the law amends some of the income tax regulations of law No. 44 of 2014 which states on applying additional income tax. As the income tax rate has changed to be 22.5%.

**a) Corporate Tax:**

- The company was inspected till year 2017 and the due tax was paid.
- The years 2018 and 2019 have been inspected and the results are pending.
- Tax returns till year 2022 were submitted on legal date.

**b) Payroll Tax:**

- The company was inspected till year 2020 and taxes paid.

**c) Stamp duty Tax:**

- The company was inspected till year 2018 and taxes paid.

**31- Significant Events during the Financial Period:**

- On 6 March 2024, the Monetary Policy Committee decided in its extraordinary meeting to raise the overnight deposit and lending rates and the Central Bank's main operation rate by 600 bps to 27.25%, 28.25% and 27.75%, respectively, while the credit and debit rate was raised by 600 bps to 27.75%.
- The Central Bank of Egypt announced that the exchange rate of foreign currencies against the Egyptian pound will be allowed to be liberalised according to market mechanisms as of 6 March 2024.

**32- Events Subsequent to the Financial Statements date**

No events

**33- Date of approval of Financial Statements.**

On 14<sup>th</sup> of May 2024, the condensed interim financial statements were approved by the Board of Directors and authorized for issuance for the period ended 31<sup>st</sup> of March 2024.

Group CFO

Ashraf Nessim



Group CEO

Omar El Hamamsy

