

Dice for Ready-Made Garments S.A.E

(Dice Sport & Casual Wear)

Separate condensed interim financial statements.

For the period ended June 30, 2023

Together with Auditors' report

Limited review report
Originally issued in Arabic

Limited Review Report for the Separate Condensed Interim Financial Statements

To: The Board of directors of Dice for Ready-Made Garments

Introduction

We have conducted our limited review for the accompanying separate condensed interim financial position of Dice for Ready-Made Garments "S.A.E" - as of June 30, 2023, and the related separate condensed interim statements of profits or losses, comprehensive income, changes in equity and cash flows for the six 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 separate interim financial statements in accordance with the Egyptian Accounting Standard No. (30) - Interim Financial Reporting. Our responsibility is to express a conclusion on these separate condensed interim financial statements based on our review.

Scope of Review

We have conducted our limited review in accordance with the Egyptian Standard on Review Engagements (2410) – Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of separate condensed 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 the Egyptian Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these condensed separate condensed interim financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying separate condensed interim financial statements are not prepared, in all material respects, the separate financial position of the entity as of June 30, 2023 and of its separate financial performance and its separate cash flows for the six months period then ended, in accordance with Egyptian Accounting Standard No. (30) - Interim Financial Reporting.

Cairo, August 14, 2023

Hisham Ahmed Labib and partners

F.R.A. No. (168)

R.A.A. 6513



Farid Samir Farid, CPA

F.R.A. No. (210)

R.A.A. 8739

(Saleh, Barsoum, & Abdel Aziz - Grant Thornton)



Dice for Ready-Made Garments S.A.E
(Dice Sport & Casual Wear)
Separate condensed interim statement of financial position
As of June 30, 2023

	<u>Note</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>No.</u>	<u>EGP</u>	<u>(Amended)</u>
			<u>EGP</u>
<u>Assets</u>			
<u>Non-current assets</u>			
Property, plant and equipment (net)	(3)	376 640 190	350 019 714
Investments in subsidiaries	(4)	141 592 260	141 592 260
Projects under construction	(5)	9 821 727	21 617 822
Right of use of assets (net)	(17)	59 207 824	62 808 809
Intangible assets (Trade mark)	(3)	200 000	200 000
Total non-current assets		587 162 001	576 238 405
<u>Current assets</u>			
Inventories (net)	(6)	870 741 979	772 397 170
Accounts and notes receivable (net)	(12-7)	555 123 387	455 954 887
Investment certificate	(8)	2 002 749	--
Treasury bills		--	30 019 051
Debtors and other debit balances (net)	(9)	172 334 113	155 141 187
Cash and cash equivalent	(10)	36 102 397	96 477 167
Total current assets		1 636 304 635	1 509 989 472
Total assets		2 223 466 636	2 086 227 877
<u>Equity and liabilities</u>			
<u>Equity</u>			
Issued and fully paid-up capital	(19)	357 328 956	357 328 956
Treasury shares	(19)	(31 500 000)	--
Legal reserve		30 342 602	22 381 913
Retained earnings		29 929 803	(80 506 759)
Net profit for the period		125 443 292	118 387 251
Total equity		511 544 653	417 601 361
<u>Non-current liabilities</u>			
Borrowings non-current portion	(14)	96 986 495	107 581 817
Finance lease liability - non-current portion	(16)	--	3 403 162
Lease liabilities - non-current portion	(17)	44 058 639	48 032 856
Deferred tax liabilities	(20)	19 638 829	18 047 525
Total non-current liabilities		160 683 963	177 065 360
<u>Current liabilities</u>			
Provisions	(11)	13 625 118	12 083 098
Credit banks	(10)	3 147 677	2 864 781
Credit facilities	(13)	956 683 927	878 697 574
Borrowings - current portion	(14)	86 525 501	89 249 669
Accounts and notes payable	(15)	367 775 844	380 046 930
Due to related parties	(21)	100 209	236 333
Finance lease liability - current portion	(16)	--	2 916 998
Lease liabilities - current portion	(17)	21 669 274	19 633 569
Creditors and other credit balances	(18)	80 053 202	68 422 567
Income tax payable		21 657 268	37 409 639
Total current liabilities		1 551 238 020	1 491 561 156
Total equity and liabilities		2 223 466 636	2 086 227 877

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

Chief Finance Officer
Mr. Victor Fakhry

Managing Director
Mr. Nagi Thoma

Auditors' report attached.




Dice for Ready-Made Garments S.A.E
(Dice Sport & Casual Wear)

Separate condensed interim statement of profit or loss

For the period ended June 30, 2023

	Notes No.	Three month period ended		Six month period ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
		EGP	(Amended) EGP	EGP	(Amended) EGP
Sales (net)	(22)	732 771 888	482 019 662	1 386 998 933	827 069 186
Less:					
Cost of sales		(501 823 852)	(391 457 330)	(958 556 317)	(702 524 716)
Gross profit		230 948 036	90 562 332	428 442 616	124 544 468
(Deduct) /add:					
Selling and distribution expenses		(21 921 669)	(29 721 607)	(39 864 270)	(44 092 645)
General and administrative expenses	(24)	(33 578 969)	(26 844 057)	(62 926 295)	(52 622 573)
Interest expense on lease liabilities	(17)	(1 926 557)	(1 128 733)	(3 821 871)	(2 228 277)
Amortization of right of use of assets	(17)	(6 205 500)	(3 576 399)	(12 314 132)	(7 034 787)
Expected credit losses recognized on receivables	(12)	149	--	(787 866)	--
Provisions formed	(11)	(1 542 020)	--	(1 542 020)	--
Operating gain		166 773 470	29 691 636	307 176 162	18 566 186
(Deduct) /add:					
Finance costs		(35 083 004)	(19 696 906)	(63 661 693)	(34 504 957)
Interest Income		52 881	21 952	99 898	54 358
dividends from investments in subsidiaries		--	2 096 380	--	4 162 122
Investments revenue		32 138	--	1 169 648	--
Other Income		539 660	26 466 804	1 519 787	28 734 571
Capital gain		1 669	--	4 442	80 384
Foreign currency exchange differences		(1 446 234)	(8 770 049)	(97 614 451)	(1 209 805)
Net profit for the Period before Income tax		129 870 600	29 509 717	148 723 794	13 862 857
Income tax	(20)	(23 042 773)	(139 296)	(23 280 502)	(197 810)
Net profit for the Period after Income tax		106 827 827	29 370 418	125 443 292	13 665 047
Basic Earning per share of the period (EGP / share)	(23)	0.06	0.055	0.07	0.03
Diluted Earning per share of the Period (EGP / share)	(23)	0.061	0.055	0.072	0.03

The accompanying notes form an integral part of the separate condensed interim financial statements and should be read th

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Dice for Ready-Made Garments S.A.E
(Dice Sport & Casual Wear)


Separate condensed interim statement of other comprehensive income

For the period ended June 30, 2023

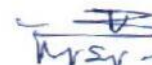
	<u>Three month period ended</u>		<u>Six month period ended</u>	
	<u>June 30, 2023</u>	<u>June 30, 2022</u> <u>(Amended)</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u> <u>(Amended)</u>
Net profit for the Period after income tax	EGP 108 827 827	EGP 29 370 418	EGP 125 443 292	EGP 13 665 047
Items of other comprehensive income				
Debit Currency Valuation differences resulting from the impact of the application of Annex (B) To Egyptian Accounting Standard No. (13) amended 2015	(43 488 722)
Total comprehensive income	<u>108 827 827</u>	<u>29 370 418</u>	<u>125 443 292</u>	<u>(29 823 675)</u>

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

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Dice for Ready-Made Garments S.A.E.
(Dice Sport & Casual Wear)

Separate condensed interim statement of cash flow

For the period ended June 30, 2023

	Notes No.	For the period ended	For the period ended
		June 30, 2023	(Amended) June 30, 2022
		EGP	EGP
Cash flows from operating activities			
Net profit (loss) for the year before income tax		148 723 794	(29 626 865)
Adjusted by:			
Foreign currency exchange differences		97 614 451	1 209 805
Depreciation of Property, plant and equipment	(3)	13 094 513	11 779 518
Currency Differences Relating to Existing Liabilities (Appendix B of Egyptian Accounting Standard No. (13) Amended (2015))		--	(10 743 347)
Net dividends from investments in subsidiaries		--	--
Amortization of right of use of assets	(17)	12 314 132	7 034 787
Interest Cost - Lease contracts right of use	(17)	3 821 871	2 228 277
Formed provisions	(11)	1 542 020	--
Expected credit losses recognized on receivables	(12)	797 866	--
Used during the year from Expected credit losses in receivables balance	(12)	(56 289)	--
Finance costs		63 661 693	34 504 957
Interest income		(99 898)	(54 356)
Capital gain		(4 442)	(60 384)
Operating profit before changes in working capital		341 408 731	16 273 392
(Increase) in inventories		(98 344 809)	(129 638 726)
Decrease in accounts and notes receivable		(99 910 107)	(135 381 911)
(increase) in debtors and other debit balances**		(17 192 926)	(82 451 366)
(Decrease) \ increase in accounts payable		(12 271 086)	165 345 575
Increase in Creditors and other credit balances		10 052 963	14 639 426
(Decrease) \ increase in due to related parties		(136 124)	(1 579 924)
Cash flow generated from \ (used in) operating activities		123 607 642	(152 693 534)
Taxes paid		(37 441 669)	--
Interest paid		(62 084 021)	(33 652 898)
Net cash flows generated from \ (used in) operating activities		24 082 052	(186 346 402)
Cash flow generated from investing activities			
Proceeds from credit interest		99 898	54 356
Proceeds from dividends of subs. companies		--	37 170 640
(Payments for) purchase of investments certificate		(2 002 749)	(2 499 840)
Proceeds from Sale of treasury bills		30 019 061	--
Proceeds from sale of property, plant and equipment		40 501	60 384
(Payments for) purchase of property, plant and equipment *		(27 655 153)	(4 389 994)
(Payments for) projects under construction		--	(1 315 628)
Net cash flows generated from investment activities		501 558	29 109 718
Cash flows from financing activities			
Proceeds from credit facilities		77 986 353	92 059 400
(Payments to) borrowing		(13 319 490)	(1 633 995)
(Payments to) finance lease		(6 320 158)	(1 458 512)
(Payments to) lease liabilities		(14 473 530)	(8 088 751)
(Payments to) purchasing Treasury shares		(31 500 000)	--
Net cash flows generated from financing activities		12 373 175	80 880 142
Net change in cash and cash equivalent balances during the year		36 956 785	(76 356 542)
Effect of changes in exchange rates on cash and cash equivalent		(97 814 451)	(1 208 805)
Cash and Cash equivalent at the beginning of the year		93 612 386	80 445 394
Cash and Cash equivalent at the end of the year	(10)	32 954 720	22 731 204

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

* The effect of non-cash transactions represented in the value of projects under construction transferred to fixed assets amounted to EGP 11 995 895 , have been eliminated, in order to reach the amounts paid in cash in the purchase of fixed assets.

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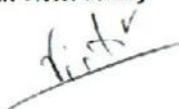
Separate statement of changes in equity

For the period ended June 30, 2023

	<u>Issued and fully paid-up capital</u>	<u>Legal reserve</u>	<u>Treasury shares</u>	<u>Retained earnings</u>	<u>Net profit (loss) for the period</u>	<u>Total</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Balance as of December 31,2021	106 000 000	21 352 239	--	96 812 946	20 793 472	244 958 657
Amendment to retained earnings (change of policy), note 28	--	--	--	(61 222 300)	(32 841 312)	(94 063 612)
Balance as of December 31, 2021 after amendment	106 000 000	21 352 239	--	35 590 646	(12 047 840)	150 895 045
Transferred to retained earnings	--	--	--	(12 047 840)	12 047 840	--
Transferred to Legal reserve	--	1 039 674	--	(1 039 674)	--	--
<u>Items of other comprehensive income</u>						
Net profit for the period after income tax	--	--	--	--	13 665 047	13 665 047
Transferred to retained earnings in same date of foreign exchange loss	--	--	--	(43 488 722)	--	(43 488 722)
Balance as of June 30, 2022	106 000 000	22 391 913	--	(20 985 590)	13 665 047	121 071 370
Balance as of December 31,2022	357 328 956	22 391 913	--	(80 506 759)	159 013 775	458 227 885
Amendment to retained earnings (change of policy), note 28	--	--	--	--	(40 626 524)	(40 626 524)
Balance as of December 31, 2022 after amendment	357 328 956	22 391 913	--	(80 506 759)	118 387 251	417 601 361
Treasury shares	--	--	(31 500 000)	--	--	(31 500 000)
Transferred to retained earnings	--	--	--	110 436 562	(110 436 562)	--
Transferred to the legal reserve	--	7 950 689	--	--	(7 950 689)	--
Total of Comprehensive income	--	--	--	--	125 443 292	125 443 292
Balance as of June 30,2023	357 328 956	30 342 602	(31 500 000)	29 929 803	125 443 292	511 544 653

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

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Dice for Ready – Made Garments “S.A.E”

Notes to the separate condensed interim financial statements

For the period ended as of June 30, 2023

1. General information

Dice for Ready-Made Garments S.A.E (Dice Sport & Casual Wear)

Dice for Ready-Made Garments S.A.E (referred to as 'Dice for Sport & Casual Wear', 'Dice' or 'the Company') was incorporated in accordance with the article of association dated April 12, 1997, pursuant to the provisions of Law No. 159 of 1981 and its Executive Regulations. The Company was registered on August 21, 1997, in Commercial Register under No. 306985.

The Company's purpose is to manufacture all types of ready-made garments, embroidery, printing, importing raw materials, production requirements, machinery, equipment, spare parts and to export the Company's products to foreign markets.

The Company's headquarter is located on Misr Ismailia Desert Road, Industrial Zone, Egypt. The chairman of the Company is Mrs. Sohir Samy Riad.

The separate financial statements for the period ended as of June 30, 2023 were approved by the Board of Directors on August 14, 2023

2. Critical accounting judgements and key sources of estimation uncertainty

A. Statement of Compliance

The condensed independent interim financial statements have been prepared in accordance with Egyptian Accounting Standard No. (30) Interim Financial Statements. These condensed independent periodic financial statements do not include all the information required when preparing the annual separate financial statements, and they must be read with the annual independent financial statements on December 31, 2022.

B. Basis of preparation of the separate financial statements

The condensed independent interim financial statements have been prepared according to the historical cost principle, except for the revaluation of financial instruments that are measured at fair value or amortized cost. Historical cost is generally based on the immediate value of the consideration received in exchange of assets.

3. Property, plant and equipment (net)

	<u>Land</u>	<u>Buildings, and structures</u>	<u>Decorations</u>	<u>Machinery, and equipment</u>	<u>Vehicles</u>	<u>Furniture and fixtures</u>	<u>Electrical devices and Computers</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>	<u>EGP</u>
Cost as of December 31, 2021	68 530 024	173 773 253	3 884 525	142 264 441	9 987 955	4 229 682	19 753 052	422 422 932
Additions during 2022*	--	82 582	1 843 018	4 293 177	--	320 994	1 206 825	7 746 596
Currency Differences Relating to Existing Liabilities (Appendix B) of Egyptian Accounting Standard No. (13) Amended (2015) *Disclosure No****	--	27 212 570	--	--	--	--	--	27 212 570
Disposals during 2022	--	--	--	--	(60 240)	--	(8 535)	(68 775)
Cost as of December 31, 2022	68 530 024	201 068 405	5 727 543	146 557 618	9 927 715	4 550 676	20 951 342	457 313 323
Additions until to June 30,2023	--	987 200	1 381 773	33 639 452	1 929 824	234 882	1 477 917	39,651,048.00
Disposals until to June 30,2023	--	--	--	--	--	--	(43,237.00)	(43,237.00)
Cost as of June 30, 2023	68 530 024	202 055 605	7 109 316	180 197 070	11 857 539	4 785 558	22 386 022	496 921 134
Accumulated Depreciation								
Accumulated Depreciation as of December 31, 2021	--	10 903 374	2 827 913	54 926 207	4 254 881	1 503 707	8 237 147	82 653 229
Depreciation for year 2022	--	3 686 821	678 256	16 154 970	1 337 509	295 934	2 548 045	24 701 535
Accumulated depreciation of disposals during year 2022	--	--	--	--	(60 240)	--	(915)	(61 155)
Accumulated Depreciation as of December 31, 2022	--	14 590 195	3 506 169	71 081 177	5 532 150	1 799 641	10 784 277	107 293 609
Depreciation Until to June 30,2023	--	2 008 339	665 554	8 858 865	679 702	133 242	748 811	13 094 513
Accumulated depreciation of disposals Until to June 30,2023	--	--	--	--	--	--	(7 178)	(7 178)
Accumulated Depreciation as of June 30, 2023	--	16 598 534	4 171 723	79 940 042	6 211 852	1 932 883	11 525 910	120 380 944
Net book value as of June 30, 2023	68 530 024	185 457 071	2 937 593	100 257 028	5 645 687	2 852 675	10 860 112	376 540 190
Net book value as of December 31, 2022	68 530 024	186 478 210	2 221 374	75 476 441	4 395 565	2 751 035	10 167 065	350 019 714

Depreciation was charged during the year as follows:

	<u>Period ended</u>	<u>Period ended</u>
	<u>June 30, 2023</u>	<u>June 30, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Cost of sales	8 858 865	8 011 369
General and administrative expenses	3 570 094	3 520 114
Marketing and distribution expenses	665 554	248 035
	13 094 513	11 779 518

* Property, plant and equipment additions include assets transferred from projects under construction amounted to 11 995 895 EGP

** There is no real estate mortgage on property, plant and equipment and all assets are owned by the company. There are no restrictions on the ownership of property, plant and equipment, and there are no idle assets from production.

*** The of the intangible assets represents the value of the name and trade mark (Nadin Print) amounted to EGP 200 000 as part of the contract to purchase the assets of Nadine Print as of December 31, 2017

****The amount is the value of the debit currency differences that arose as a result of obtaining a foreign currency loan to finance the acquisition of assets related to the purchase of the Cairo Cotton Factory.

4. Investment from subsidiaries:

<u>Name of the Company</u>	<u>Company's capital</u>	<u>Share percentage</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>EGP</u>		<u>EGP</u>	<u>EGP</u>
Alexandria for Ready Made Garments	378 564 000	99.999%	50 899 474	50 899 474
Master Line for Textile Industries	20 000 000	99.999%	24 999 900	24 999 900
United Dyers	25 000 000	82.60%	39 374 265	39 374 265
Egyptian For Knitting & Ready Made	16 000 000	99.999%	23 159 975	23 159 975
Textile Print Plus	3 000 000	99.998%	3 139 703	3 139 703
Sweeter Ready-Made Garments	11 407 000	99.999%	11 405	11 405
Alexandria Factory for Ready Made Garments	7 539 000	99.999%	7 538	7 538
			<u>141 592 260</u>	<u>141 592 260</u>

** At the end of each year, the Company prepares an impairment study for its investments in subsidiaries based on the operation of each subsidiary. (Note 5B)

5. Projects under construction:

<u>Description</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Machinery and construction work	4 499 800	16 247 476
Land	5 121 927	5 370 146
	<u>9 621 727</u>	<u>21 617 622</u>

6. Inventories (net)

<u>Description</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Finished goods	371 603 426	390 714 774
Raw materials	245 523 508	220 421 660
Work in progress	210 257 957	126 595 133
Packing materials	22 891 107	14 543 715
Spare parts	18 206 804	11 107 887
Held with others (Consignment goods)	2 259 177	30 330
Letter of Credit	--	8 983 671
	<u>870 741 979</u>	<u>772 397 170</u>

7. Accounts and notes receivable (net):

<u>Description</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Trade receivables – export customers	397 773 314	332 405 236
Trade receivables – local customers	129 228 950	106 456 361
Notes receivables	50 212 866	38 443 426
	<u>577 215 130</u>	<u>477 305 023</u>
Less: Expected credit losses (Note 12)	(22 091 733)	(21 350 136)
	<u>555 123 397</u>	<u>455 954 887</u>

8. Investment certificate

The balance of investments amounted to 2 002 749 Egyptian pounds on June 30, 2023, represented in the value of the investment Securities purchased from the Arab African International Bank (Diamond) Investment Fund, amounting to 17 993 Securities. The price of one Security is approximately 111.308 Egyptian pounds per Security.

9. Debtors and other debit balances (net)

<u>Description</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u> <u>(Amended)</u>
	<u>EGP</u>	<u>EGP</u>
Advance payments to suppliers	106 257 314	89 429 681
Tax Authority – Withholding tax	7 937 201	28 084 305
Letters of guarantee – cash margin	26 643 693	18 129 803
Prepaid expenses	13 086 269	11 502 155
Deposits held with others	8 709 118	6 353 833
Tax Authority - Value added tax (previously sales tax)	11 674 066	4 090 893
Employees' loans	308 991	337 026
Accrued revenue – net dividends from subsidiaries****	32 137	--
Other debit balances	2 354 889	1 883 056
	<u>177 003 678</u>	<u>159 810 752</u>
<u>Less:</u> Impairment losses recognized in other debit balances (note 12)	(4 669 565)	(4 669 565)
	<u>172 334 113</u>	<u>155 141 187</u>

10. Cash and cash equivalent:

<u>Description</u>	<u>June 30, 2022</u>	<u>December 31, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Cash on hand	10 386 219	11 196 441
Banks current accounts – EGP	18 912 256	20 121 459
Banks current accounts – Foreign currencies	6 803 922	65 159 267
	<u>36 102 397</u>	<u>96 477 167</u>

For preparing cash flow statement, cash and cash equivalent will be presented as follows:

<u>Description</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Cash and cash equivalent	36 102 397	55 542 418
(Less) Credit banks balance	(3 147 677)	(32 811 214)
	<u>32 954 720</u>	<u>22 731 204</u>

11. Provisions

<u>Description</u>	<u>Movement during the period</u>				
	<u>Balance as of January 1, 2023</u>	<u>Formed</u>	<u>Reversed</u>	<u>Used</u>	<u>Balance as of June 30, 2023</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Provisions	12 083 098	1 542 020	--	--	13 625 118
Total	12 083 098	1 542 020	--	--	13 625 118

* These provisions represent the amount that have been recognized as the best available estimates against the required amount to settle the current obligation at the reporting date, these provisions relate to expected claims from some parties and authorities in connection with the company's activities.

12. Impairment and write down in assets value.

<u>Description</u>	<u>Movement during the period</u>				
	<u>Balance as of January 1, 2022</u>	<u>Formed</u>	<u>Reversed</u>	<u>Used</u>	<u>Balance as of June 30, 2023</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Expected credit losses (Note 7) *	21 350 136	797 866	--	(56 269)	22 091 733
Impairment losses recognized on other debit balances (Note 9)	4 669 565	--	--	--	4 669 565

13. Credit Facilities

The following is credit facilities balances on June 30, 2023:

<u>Description</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Commercial International Bank	430 225 425	342 468 318
Arabian African International Bank	214 854 311	267 046 976
Qatar National Bank Al-Ahli	223 333 724	91 494 962
Abu Dhabi Islamic Bank	88 263 801	168 604 627
Attijari wafa bank	6 666	9 082 691
	956 683 927	878 697 574

* All credit facilities granted by all banks to the company are guaranteed by supply orders from external clients, and the Company is committed to paying those obligations on a regular basis.

14. Borrowing

<u>Description</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Qatar National Bank – Al Ahli	83 403 795	89 707 075
Commercial International Bank	76 227 804	71 250 942
Abu Dhabi Islamic Bank	23 880 397	35 873 469
Total	183 511 996	196 831 486
Less:		
Loan installments payable during the following year are included in current liabilities	(86 525 501)	(89 249 669)
Non-Current loan Installments	96 986 495	107 581 817

15. Accounts and notes payable.

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Description</u>	<u>EGP</u>	<u>EGP</u>
Accounts payable	301 858 946	309 141 564
Notes payable	65 916 898	70 905 366
	367 775 844	380 046 930

16. Finance lease creditors

On March 17, 2020, the Company signed a finance lease contract with BM Financial Leasing, according to which the Company leased the entire area of land and building No. 18 at Al-Hurriya Street - Emad Nasr Land - Industrial Zone - Kilo 18 Cairo Ismailia Road - Al Salam Division - Cairo Governorate for a total rental value of EGP 15 809 980, paid EGP 1 225 000 as a down payment, and the remaining amount at EGP 14 584 980 will be paid on a monthly installments of EGP 243 083 each, over a period of 60 months.

During the current period, the company has paid the full payment of the financial lease.

17. Right of use of assets (net)

Right of use of assets balance as of June 30, 2023, is as follows:

	<u>June 30, 2023</u>
	<u>EGP</u>
Cost as of December 31, 2021	57 652 615
Addition during 2022	48 730 925
Disposals during 2022	(12 844 221)
Cost as of December 31, 2022	93 539 319
Additions During June 30, 2023	8 713 147
Cost as of June 30, 2023	102 252 466
<u>Accumulated amortization</u>	
Accumulated amortization as of December 31, 2021	(11 428 860)
Amortization during the year	(20 728 786)
Amortization for disposals during the year 2022	1 427 136
Accumulated amortization as of December 31, 2022	(30 730 510)
Amortization During June 30, 2023	(12 314 132)
Accumulated amortization as of June 30, 2023	(43 044 642)
Net right of use assets as of June 30, 2023	59 207 824
Net right of use assets as of December 31, 2022	62 808 809

As follows, allocation of the impact of lease liabilities on the statement of financial position and statement of profit or loss during the period:

<u>Description</u>	<u>Statement of financial position</u>		<u>Statement of profit or loss</u>
	<u>Non – current liabilities</u> <u>EGP</u>	<u>Current liabilities</u> <u>EGP</u>	<u>Debit interest</u> <u>EGP</u>
The value of the commitment to operating lease at the current discounted value using the Company's additional borrowing rate.	44 058 639	21 669 274	3 821 781

18. Creditors and Other Credit balances

<u>Description</u>	<u>June 30, 2023</u> <u>EGP</u>	<u>December 31, 2022</u> <u>EGP</u>
Advance payments received from customers	22 342 005	19 984 975
Shipping, customs clearance and service parties' creditors	22 579 244	15 848 035
Tax Authority – payroll taxes	6 779 043	9 226 695
Comprehensive health insurance	5 085 892	6 972 089
Accrued expenses	9 520 773	5 101 445
Accrued salaries	6 309 505	5 040 340
Accrued interest	5 950 390	4 372 718
Tax Authority – withholding taxes	1 479 558	1 873 076
Tax Authority - stamp taxes	6 792	3 194
	<u>80 053 202</u>	<u>68 422 567</u>

19. Capital

The authorized capital was amounted to EGP 300 million. The issued and paid-up capital amounted to EGP 53 000 000 distributed over 53 000 000 shares after the General Assembly approved the capital increase of EGP 25 000 000. The Commercial Register was registered on September 7, 2017, increase the number of shares to 53 000 000 shares instead of 28 000 000 shares.

On December 4, 2018, the General Assembly approved the distribution of the issued share capital of the Company by adjusting the nominal value of the share from EGP 1 to 20 piasters, thus making the issued and paid-up capital of EGP 53 million distributed over 265 000 000 shares at a nominal value of 20 piasters per share.

On May 8, 2019, the General Assembly approved the issued capital increase from EGP 53 000 000 to EGP 106 000 000 by amount of EGP 53 000 000 distributed on 265 000 000 shares as the share value is 20 piasters and that is through the issuance of free shares of one free share for each original share, and it was approved to publish the disclosure report for Dice Ready-Made Garments Company related to this increase on August 8, 2019.

On February 12, 2022 "Subsequent to financial statements date", the majority of the attended of the extraordinary assembly meeting has approved the feasibility study provided by the Company's board of directors relating to the increase of authorized share capital from EGP 300 million to EGP 500 million and also for approving the increase of issued capital from EGP 106 million to EGP 371 million with an increase of EGP 265 million in cash financed by inviting old shareholders of subscription for the increase in the Company's shares each according to the contribution in the Company's share capital through issuance of 1 325 million shares to be issued by nominal value of 20 piasters for each share. In the case of not all issued shares not subscribed for, the subscribed shares will be sufficient whether they are fully cover or not. The subscription will be done on a single stage and the subscribed amount cannot be redeemed.

On May 22, 2022, the company received a preliminary approval from the Financial Regulatory Authority (FRA) for the company to publish the invitation to the old shareholders to subscribe to the shares of the company's issued capital increase as described above.

During the prior year, the capital increase process was completed through the subscription of the old shareholders in the increase shares, and the value of the issued capital after the increase amounted to EGP 357 328 956, which was fully paid, distributed over 1 786 644 781 shares, and this was noted in the value of the increase in the company's commercial register on August 4, 2022.

The ownership structure is as follows:

Description	Shares no.	%
Nagi Samir Toma Thomas	377 830 000	21.147%
Maged Samir Toma Thomas	155 430 000	8.7%
United Motors & Heavy Equipment C0. L.L.C	96 919 183	5.4%
Total holders of 5% of the company's shares or more	630 179 183	35.27%
Total holders of less than 5% of the company's shares	1 156 465 598	64.72%
Total	1 786 644 781	100%

* The above-recorded figures are based on the names of shareholders issued by Misr El Makasa, depository and centrally registry Company on June 26, 2023.

* On April 4, 2023, and based on the decision of the Board of Directors on March 25, 2023, the company purchased treasury shares amounting to 70 million shares, at an amount of 31,500,000 Egyptian pounds, at a value of 0.45 Egyptian pounds per share. The General Assembly, convened on April 29, 2023, unanimously approved the effects of purchasing treasury shares in terms of increasing the voting rights and ownership percentage of the main shareholders (Mr. Nagy Samir Toma and Mr. Majed Samir Toma) and the parties associated with them for the positive percentage to submit a compulsory purchase offer.

20. Income tax

Income tax charged to the statement of profit or loss.

	<u>Period-ended</u> <u>June 30, 2023</u>	<u>Period-ended</u> <u>June 30, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Current income tax	(21 689 189)	--
Deferred income tax	(1 591 304)	(197 810)
	(23 280 502)	(197 810)

Deferred tax liabilities.

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>EGP</u>	<u>EGP</u>
<u>Deferred tax liabilities generated from</u>		
Tax differences between the carrying amount of fixed assets and the tax base of such fixed assets.	19 638 829	18 047 525
	19 638 829	18 047 525
Total deferred tax liabilities	19 638 829	18 047 525
 <u>The movement during the year</u>		
	<u>Period-ended</u>	<u>Period-ended</u>
	<u>June 30, 2023</u>	<u>June 30, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Beginning balance	18 047 525	18 077 442
Charged to the statement of profit or loss	1 591 304	197 810
	19 638 829	18 275 252
Total deferred tax liabilities	19 638 829	18 275 252

21. Related parties transactions

The significant transactions with related parties during the year are represented as follows:

<u>Co. Name</u>	<u>Relationship type</u>	<u>Sales and other</u>	<u>Purchases</u>	<u>Advances to suppliers /</u>		<u>Current accounts (net)</u>	
		<u>revenues</u>	<u>and expenses</u>	<u>suppliers and notes payable</u>			
		<u>EGP</u>	<u>EGP</u>	<u>June 30, 2023</u>	<u>Dec 31, 2022</u>	<u>June 30, 2023</u>	<u>Dec 31, 2022</u>
				<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Chairman	Managing Director	--	--	--	--	(93 340)	(236 333)
Maged Toma	Shareholder	--	--	--	--	(6 869)	--
Alexandria Readymade Garments	Subsidiary Company	5 818 899	18 386 271	26 128 891	20 621 100	--	--
Alexandria factory Readymade Garments	Subsidiary Company	--	--	(172 850)	--	--	--
Sweater for Ready Made Garments	Subsidiary Company	--	--	--	--	--	--
Egyptian Co. For Manufacturing and Trading	Subsidiary Company	--	--	--	--	--	--
Master Line For Textile Industries	Subsidiary Company	8 193 358	33 934 046	(115 495 544)	(110 120 532)	--	--
United Dyers	Subsidiary Company	12 199 738	34 566 415	(30 107 324)	(24 782 871)	--	--
Egyptian For Knitting & Ready Made (ETC)	Subsidiary Company	--	--	(6 552 328)	(7 024 073)	--	--
Textile Print Plus	Subsidiary Company	--	--	(7 470 979)	(7 234 579)	--	--
Dice Pack	Associate Company	--	8 772 406	(3 210 373)	(2 073 842)	--	--
		<u>26 211 995</u>	<u>95 659 139</u>	<u>(163 009 399)</u>	<u>(151 235 897)</u>	<u>--</u>	<u>--</u>
				<u>26 128 891</u>	<u>20 621 100</u>	<u>(100 209)</u>	<u>(236 333)</u>

* Transactions with related parties are carried out on the same basis as dealing with others according to market prices, which are approved by the General Assembly through annual netting contracts

22. Revenue (net)

<u>Description</u>	<u>For the period ended</u> <u>June 30, 2023</u>	<u>For the period ended</u> <u>June 30, 2022,</u>
	<u>EGP</u>	<u>EGP</u>
Export sales	883 957 158	572 054 247
Retail sales	348 341 012	207 974 975
Local sales	140 740 542	43 568 496
Printing sales	22 036 813	16 911 722
Customers discounts*	(8 076 592)	(13 440 254)
	1 386 998 933	827 069 186

* Customer discounts are represented in the discount allowed for customers, in accordance with the sales policy adopted and approved by the company's management, as well as the accelerated payment discount.

23. Earnings per share for the period

	<u>For the period ended</u> <u>June 30, 2023</u>	<u>For the period ended</u> <u>June 30, 2022</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the period after income tax	125 443 292	13 665 047
Divided by:		
Weighted average number of shares outstanding during the period *	1 786 644 781	530 000 000
Basic Earnings per share of the period (EGP / share) ***	0.07	0.03
Deduct: Treasury shares:		
Weighted average number of shares outstanding including treasury shares during the period *	1 752 611 632	530 000 000
Diluted Earnings per share of the Period (EGP / share)	0.072	0.03

* On February 2022, the extraordinary assembly meeting has approved the feasibility study provided by the company's board of directors relating to the increase of authorized share capital from EGP 300 million to EGP 500 million and also for approving the increase of issued capital from EGP 106 million to EGP 371 million with an increase of EGP 265 million in cash financed by inviting old shareholders to subscribe for the increase in the company's shares each according to the contribution in the company's share capital through issuance of 1 325 million shares to be issued by nominal value of 20 piasters for each share. In the case of not all issued shares not subscribed for, the subscribed shares will be sufficient whether they are fully cover or not. The subscription will be done on a single stage and the subscribed amount cannot be redeemed.

During the prior year, the capital increase process was completed through the subscription of the old shareholders in the increase shares, and the value of the issued capital after the increase amounted to EGP 357 328 956, which was fully paid, distributed over 1 786 644 781 shares, and this was noted in the value of the increase in the company's commercial register on August 4, 2022.

**Until the date of approval of the financial statements, the Company did not prepare a dividend distribution project, which, if prepared, will result into a reduction in the share's share of the net profit for the year due to the reduction of the year's profits after taxes in both the employee's share of the distributions and the remuneration of the members of the Board of Directors.

24. General, and administrative expenses

<u>Description</u>	<u>June 30, 2023</u> <u>EGP</u>	<u>June 30, 2022</u> <u>EGP</u>
Wages and salaries *	35 640 438	30 387 282
Property, plant and equipment depreciation	3 570 094	3 520 114
Maintenance expense	5 313 832	2 319 809
Comprehensive health insurance	3 544 271	2 227 115
Banking charges	2 342 819	2 242 601
Tax dividends from subsidiaries	--	4 130 060
Professional fees	1 007 900	917 267
Fees and subscriptions	1 144 110	1 008 470
Hospitality and buffet	594 918	744 678
Stamps	12 189	479 800
Car expenses	852 837	592 050
Rentals	460 440	408 140
Travel expenses	2 158 484	199 098
Printing and written supplies	445 577	317 226
Water consumption	372 894	255 565
Telephones	318 922	251 326
Various insurance	93 383	85 676
Donations	--	12 997
Tax inspection differences	12 667	--
Other	5 040 520	2 523 299
	<u>62 926 295</u>	<u>52 622 57</u>

*The wages and salaries item includes an amount of 9 483 400 EGP, The value of the salaries and allowances of the members of the Board of Directors during the financial period end as of June 30, 2023 and by amount 5 610 750 EGP at Financial period end as of June 30,2022.

According to the Ordinary General Assembly held on May 19, 2022, the approval of the salaries and allowances of the members of the Board of Directors for the financial period ended June 30, 2023.

25. Tax Position

First: Corporate tax

Years from 1999 to 2009

The tax was inspected, Tax form (19) was issued, and appealed at the specialized internal committee. The decision of the committee was issued and approved, and the dispute was agreed upon with the transfer of the depreciation item due to its relation for the previous years and the interest to the appeal committee The appeal committee's decision was issued in support of the tax authority in its findings, and the decision was appealed before the court to consider the items of the dispute, and a request was submitted to end the dispute in accordance with Law No. 16 of 2020, and the decision was issued stating the company's right to adopt the item of depreciation of fixed assets, and it is being settled with the reservation department with Pay the due tax in full.

Years from 2010 to 2016

Tax returns were submitted under the provisions of Law 91 of 2005, and tax dues were paid based on submitted returns. The Company has been inspected and form (19) has been appealed and the dispute was referred to the internal committees, some items have been transferred to specialized committee The committee issued a decision to support the company and transfer the item of fixed assets to the Tax Authority to re-examine the balance of the beginning of the period, with payment of the tax due in full.

Years from 2017 to 2019

The Company has been notified of the inspection, and documents and analysis are being prepared to determine the date of the inspection. The tax returns have been submitted on the legal dates and the tax due by the Company have been paid based on the submitted returns.

Years from 2020 to 2022

The Company has not been notified of an inspection to date. The tax returns have been submitted on legal dates and the tax due by the company shall be paid based on the submitted returns.

Second: Payroll Tax:

From inception date until 2013

The books have been inspected, settled, and paid any differences.

Years from 2014 to 2020

The Company has not been notified of an inspection to date. The tax returns have been submitted on legal dates and the tax due by the company shall be paid based on the submitted returns.

Year 2021 until Year 2022

The company is committed to pay the monthly payroll tax on the legal dates and has not been notified of the inspection to date.

Third: Sales Tax (value added tax):

From inception date until Year 2017

Inspected and settled until 2017. The tax differences due for those years have been paid.

Year 2018 and Year 2020

Tax returns have been submitted on the legal due dates and the Company has been notified to inspection.

Year 2021 and Year 2022

Tax returns have been submitted on the legal due dates.

Fourth: Stamp Tax:

From inception date until December 31, 2016

The stamp tax duty was inspected, tax dues were paid in full.

Year 2017 and Year 2018

The Company's books have been inspected and the tax authority has issued form (19) in which the Company submitted an appeal form.

Year 2019 and Year 2020

The company has not received a notification for inspection.

Fifth: Withholding tax:

From the inception date until 2017

The Company has been inspected for these years and the Company has settled the disputed tax dues.

Years 2018 to 2022

The tax has been paid on the legal dates and the Company has not been notified with any inspection for these years.

Sixth: Property Tax:

The dues have been paid until 2021, and there are no dues for the year 2022, as a request was submitted to exempt factories from paying the property tax.

Seventh: Social Insurance:

On a regular basis, the Company pays monthly on the legal due dates to date.

26. Significant events during the current period and the subsequent period

On February 2, 2023, the Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting, to maintain the rates of the deposit and lending return for one night and the price of the main operation of the Central Bank at the level of 16.25%, 17.25%, and 16.75%, respectively, and the credit rate was maintained. And the discount is at 16.75%.

On March 30, 2023, the Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting, to raise the rates of the one-night deposit and lending return and the price of the main operation of the Central Bank by 200 basis points, to reach 18.25%, 19.25%, and 18.75%, respectively. Credit and discount rate by 200 basis points, reaching 18.75%.

On May 18, 2023, the Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting, to maintain the rates of the one-night deposit and lending return and the price of the main operation of the Central Bank at the level of 18.25%, 19.25%, and 18.75%, respectively, and the credit rate was maintained. And the discount is at the level of 18.75%.

On May 17, 2023, the Prime Minister issued Decision 1847 of 2023 amending some provisions of Egyptian accounting standards by adding Appendix B to Egyptian Accounting Standard No. (13) amended 2015. The effects of changes in foreign exchange rates, which includes a special accounting treatment to deal with the effects of Movement of foreign exchange rates.

On August 3, 2023, the Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting, to maintain the rates of the one-night deposit and lending return and the price of the main operation of the Central Bank at the level of 19.25%, 20.25%, and 19.75%, respectively, Credit and discount rate by 100 basis points, reaching 19.75%.

27. Fiscal year

The fiscal year begins on January 1 and ends on December 31 of each year.

28. Adjustments at the previous year:

As a result of uncertainty and uncertainty regarding the collection of export subsidies recently, the Board of Directors decided on May 17, 2023, to change the system for recording export subsidy revenue in the company's books from recording subsidies upon maturity to subsidy recording upon collection. This resulted in the following settlements:

Description	Financial Statements	Before amending	After amending	Differences
		EGP	EGP	EGP
Retained Earnings Balance as of December 31,2022	Owner's Equity	13 556 853	(80 506 759)	(94 063 612)
Net profit as of December 31,2022	Owner's Equity	159 013 775	118 387 251	(40 626 524)
Debtors and other debit balances Balance as of December 31,2022	Balance sheet	289 831 323	155 141 187	134 690 136
Net profit for period (Six Months) as of June 30,2023	Profit or loss	33 715 015	15 705 362	19 852 148
Net profit for period (Three Months) as of June 30,2023	Profit or loss	22 810 29	26 466 894	3 343 328
Earnings (profit) per share for period (Six Months) as of June 30,2022	Profit or loss	0,06	0,03	0,03
Earnings (profit) per share for period (Three Months) as of June 30,2022	Profit or loss	0,062	0,055	0,07

Chief Financial Officer
Mr. Victor Fakhry

Managing Director
Mr. Nagi Toma

