

**MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)**

**LIMITED REVIEW REPORT  
AND INTERIM CONDENSED SEPARATE  
FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

**MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)**

**Interim condensed separate financial statements  
For the six-month period ended 30 June 2024**

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## *Limited review report on the interim condensed separate financial statements*

**To the Board of Directors of Middle East Glass Manufacturing Company (S.A.E.)**

### *Introduction*

We have conducted a limited review for the accompanying interim condensed separate statement of financial position of Middle East Glass Manufacturing Company (S.A.E.) (the "Company") as of 30 June 2024 and the related interim condensed separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended. Management is responsible for the preparation and fair presentation of these interim condensed separate financial statements in accordance with Egyptian Accounting Standard 30 "Interim financial statements", and our responsibility is to express a conclusion on these interim condensed separate financial statements based on our limited review.

### *Scope of limited review*

We have conducted our limited review in accordance with the Egyptian Standard on Review Engagements No. 2410 "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim condensed separate financial statements.

### *Conclusion*

In light of our limited review, nothing has come to our attention that causes us to believe that the accompanying interim condensed separate financial statements are not prepared, in all material respects, in accordance with Egyptian Accounting Standard 30 "Interim financial statements".

  
Tamer Abdel Tawab  
Fellow of Egyptian Society of Accountants & Auditors  
Member of American Institute of Certified Public Accountants  
R.A.A 17996  
F.R.A 388

6 August 2024  
Cairo



MIDDLE EAST GLASS MANUFACTURING COMPANY S.A.E.

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION  
AS OF 30 JUNE 2024

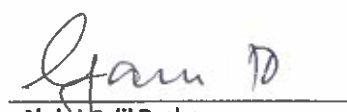
(All amounts in Egyptian Pounds)

	Note	30 June 2024	31 December 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	739,056,839	739,716,667
Prepayments of property, plant and equipment		8,378,157	7,905,087
Intangible assets		6,722,100	3,920,602
Investment in subsidiaries		632,632,817	632,632,817
Deferred tax assets		70,155,518	28,505,323
<b>Total non-current assets</b>		<b>1,456,945,431</b>	<b>1,412,680,496</b>
<b>Current assets</b>			
Inventory		135,080,730	140,189,536
Trade and other receivables	5	1,240,015,222	1,059,281,869
Cash and cash equivalents		78,415,962	242,860,887
<b>Total current assets</b>		<b>1,453,511,914</b>	<b>1,442,332,292</b>
<b>Total assets</b>		<b>2,910,457,345</b>	<b>2,855,012,788</b>
<b>Equity</b>			
Issued and paid-up capital		62,627,993	62,627,993
Legal reserve		31,313,996	31,313,996
Share premium reserve		629,609,334	629,609,334
Other reserves		13,129,007	13,129,007
Retained earnings		402,612,389	437,334,394
<b>Total equity</b>		<b>1,139,292,719</b>	<b>1,174,014,724</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Bank Borrowings - non-current portion	7/b	470,240,131	362,916,118
Retirement benefits obligations		9,579,438	9,708,239
<b>Total non-current liabilities</b>		<b>479,819,569</b>	<b>372,624,357</b>
<b>Current liabilities</b>			
Provisions		32,438,375	32,438,375
Trade and other payables	6	849,691,497	967,105,520
Income tax liability		20,857,613	-
Bank Borrowings - current portion	7/a	372,562,866	288,839,698
Interest payable		15,794,706	19,990,114
<b>Total current liabilities</b>		<b>1,291,345,057</b>	<b>1,308,373,707</b>
<b>Total liabilities</b>		<b>1,771,164,626</b>	<b>1,680,998,064</b>
<b>Total equity and liabilities</b>		<b>2,910,457,345</b>	<b>2,855,012,788</b>

- The accompanying notes from 1 to 10 form an integral part of these interim condensed separate financial statements.
- Limited review report attached.

  
Mohamed Khalifa  
Chief Financial Officer

  
Peter Carpenter  
Director

  
Abdul Galil Beshar  
Chairman

Cairo on August 06, 2024

**MIDDLE EAST GLASS MANUFACTURING COMPANY S.A.E.**

**INTERIM CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

(All amounts in Egyptian Pounds)

	Note	Six-month ended 30 June		Three-month ended 30 June	
		2024	2023	2024	2023
Revenue from contracts with customers		952,117,922	533,778,518	554,636,208	320,146,181
Cost of sales		(612,456,238)	(377,239,823)	(357,798,799)	(214,155,416)
<b>Gross profit</b>		<b>339,661,684</b>	<b>156,538,695</b>	<b>196,837,409</b>	<b>105,990,765</b>
Selling and marketing expenses		(19,567,149)	(14,924,323)	(11,327,346)	(7,794,566)
General and administrative expenses		(52,315,822)	(34,607,453)	(30,449,626)	(18,290,772)
Other operating income	3/a	43,750,844	27,786,488	18,988,809	16,325,548
Other operating expenses	3/b	(9,321,961)	(11,752,490)	(4,493,931)	(5,900,537)
<b>Operating profit</b>		<b>302,207,596</b>	<b>123,040,917</b>	<b>169,555,315</b>	<b>90,330,438</b>
Finance costs		(62,663,219)	(48,686,040)	(34,627,211)	(27,271,246)
Foreign currency translation loss		(70,423,090)	(120,626,816)	(11,102,482)	-
Finance income		12,194,616	2,634,336	3,975,103	1,064,532
<b>Net finance costs</b>		<b>(120,891,693)</b>	<b>(166,678,520)</b>	<b>(41,754,590)</b>	<b>(26,206,714)</b>
<b>Profit/(loss) before tax</b>		<b>181,315,903</b>	<b>(43,637,603)</b>	<b>127,800,725</b>	<b>64,123,724</b>
Income tax	3/c	(41,541,217)	6,550,736	(28,709,820)	(15,205,654)
<b>Profit/(loss) for the period</b>		<b>139,774,686</b>	<b>(37,086,867)</b>	<b>99,090,905</b>	<b>48,918,070</b>
<b>Basic and diluted earnings/ (losses) per share</b>		<b>1.93</b>	<b>(0.85)</b>	<b>1.57</b>	<b>0.77</b>

- The accompanying notes from 1 to 10 form an integral part of these interim condensed separate financial statements.

MIDDLE EAST GLASS MANUFACTURING COMPANY S.A.E.

INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(All amounts in Egyptian Pounds)

	Six-month ended 30 June		Three-month ended 30 June	
	2024	2023	2024	2023
Profit/(loss) for the period	139,774,686	(37,086,867)	99,090,905	48,918,070
Other comprehensive income	-	-	-	-
<b>Total comprehensive income/ (loss) for the period</b>	<b>139,774,686</b>	<b>(37,086,867)</b>	<b>99,090,905</b>	<b>48,918,070</b>

- The accompanying notes from 1 to 10 form an integral part of these interim condensed separate financial statements.

MIDDLE EAST GLASS MANUFACTURING COMPANY S.A.E.

INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(All amounts in Egyptian Pounds)

	Issued and paid up capital	Reserves			Retained earnings	Total
		Share premium reserve	Other reserves	Legal reserve		
<b>Balance at 1 January 2023</b>	<b>62,627,993</b>	<b>629,609,334</b>	<b>13,129,007</b>	<b>31,313,996</b>	<b>434,029,662</b>	<b>1,170,709,992</b>
Total comprehensive loss for the period	-	-	-	-	(37,086,867)	(37,086,867)
Profit share distribution to employees	-	-	-	-	(18,661,976)	(18,661,976)
<b>Balance at 30 June 2023</b>	<b>62,627,993</b>	<b>629,609,334</b>	<b>13,129,007</b>	<b>31,313,996</b>	<b>378,280,819</b>	<b>1,114,961,149</b>
<b>Balance at 1 January 2024 (Before adjustment)</b>	<b>62,627,993</b>	<b>629,609,334</b>	<b>13,129,007</b>	<b>31,313,996</b>	<b>437,334,394</b>	<b>1,174,014,724</b>
Effect of applying EAS 13 (Note 2.3 - C)	-	-	-	-	(152,712,019)	(152,712,019)
<b>Balance at 1 January 2024 (After adjustment)</b>	<b>62,627,993</b>	<b>629,609,334</b>	<b>13,129,007</b>	<b>31,313,996</b>	<b>284,622,375</b>	<b>1,021,302,705</b>
Total comprehensive income for the period	-	-	-	-	139,774,686	139,774,686
Profit share distribution to employees	-	-	-	-	(21,784,672)	(21,784,672)
<b>Balance at 30 June 2024</b>	<b>62,627,993</b>	<b>629,609,334</b>	<b>13,129,007</b>	<b>31,313,996</b>	<b>402,612,389</b>	<b>1,139,292,719</b>

- The accompanying notes from 1 to 10 form an integral part of these interim condensed separate financial statements.

MIDDLE EAST GLASS MANUFACTURING COMPANY S.A.E.

INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOWS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(All amounts in Egyptian Pounds)

	Note	30 June 2024	30 June 2023
<b>Cash flows from operating activities</b>			
Profit/(loss) for the period before tax		181,315,903	(43,637,603)
<b>Adjusted by:</b>			
Interest expense		60,695,646	46,311,923
Finance income		(12,194,616)	(2,634,336)
Depreciation and amortization		41,100,581	23,301,864
Loss/(gain) on sale of property and equipment	3/b	8,767	(574,562)
Provisions formed	3/b	47,030	3,821,809
Provisions no longer required		-	(483,836)
Retirement benefit obligations provision		1,800,000	3,210,000
Foreign currency translation loss		70,423,090	120,626,816
<b>Operating profit before changes in working capital</b>		<b>343,196,401</b>	<b>149,942,075</b>
<b>Change in working capital</b>			
Inventories		5,108,806	(16,010,155)
Trade and other receivables		(220,563,107)	(111,781,939)
Trade and other payables		(120,344,995)	490,181,669
Provisions used		-	(1,960,750)
<b>Cash flows generated from operations</b>		<b>7,397,105</b>	<b>510,370,900</b>
Payment of employees' retirement benefits		(1,928,801)	(854,699)
Interest paid		(62,520,958)	(45,518,336)
Income tax paid		-	(10,320,730)
<b>Net cash flows (used in) / generated from operating activities</b>		<b>(57,052,654)</b>	<b>453,677,135</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(32,309,065)	(325,725,236)
Proceeds from sale of property, plant and equipment		-	574,562
Purchase of intangible assets		(3,494,600)	-
Advance payment for Property, plant and equipment suppliers		(7,920,423)	26,715,684
Payments for purchase of financial assets at amortized cost		(83,309,340)	-
Proceeds from matured financial assets at amortized cost		166,985,180	-
Finance income received		15,197,373	2,634,336
<b>Cash flows generated from / (used in) investing activities</b>		<b>55,149,125</b>	<b>(295,800,654)</b>
<b>Cash flows from financing activities</b>			
Repayments of bank borrowings		(92,461,955)	(60,541,903)
Loan repayment on behalf of intercompany		-	(147,864,000)
Short-term credit facilities – net movement	7/a	16,599,156	63,065,447
<b>Net cash used in financing activities</b>		<b>(75,862,799)</b>	<b>(145,340,456)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(77,766,328)</b>	<b>12,536,025</b>
Cash and cash equivalents at beginning of the period		156,182,290	88,939,803
<b>Cash and cash equivalents at end of the period</b>		<b>78,415,962</b>	<b>101,475,828</b>

- The accompanying notes from 1 to 10 form an integral part of these interim condensed separate financial statements.



## MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

**(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)**

#### 1. General information

Middle East Glass Manufacturing Company (the "Company") was established in 1979 as an Egyptian joint stock Company under the provisions of Law No. 43 of 1974 as amended by Law No. 230 of 1989 as amended by Law No. 8 of 1997 and is registered in the commercial register under number 193770 Cairo. The address of the Company's registered office is Nasr City, 6 Mokhayam El-Daem Street 6th District, Industrial Zone, Cairo – Arab Republic of Egypt.

The Company's term is 25 years, starting from 20 January 2004 till 19 January 2029.

The Company is listed on the Egyptian Stock Exchange (EGX).

The Company's main activity is manufacturing all kinds of glass containers and the acquisition of other entities that operate in the same field.

The ultimate parent of the Company is MENA Glass Holdings Limited with 52.90% ownership. The Company is ultimately controlled by Mr. Abdul Galil Basher.

Users of these separate financial statements should read them with the Group's consolidated financial statements as of 30 June 2024 in order to obtain full information on the financial position, results of operations, its cash flow and changes in equity of the company.

These interim condensed Separate financial statements were approved by the Board of Directors of the Company on 6 August 2024

#### Percentage of ownership in subsidiaries

The company's ownership percentage in subsidiaries are shown below as of 30 June 2024 unless otherwise was noted, and the percentage of the Company's share of the companies is direct ownership of the ordinary shares of the paid-up capital only.

<u>Subsidiaries</u>	<u>Location</u>	<u>Functional currency</u>	<u>Ownership interest held by the company 2024</u>	<u>Ownership interest held by the company 2023</u>	<u>Activity</u>
Middle East Glass Containers Sadat	Egypt	Egyptian Pound	99.99992%	99.99992%	Manufacturing Glass Containers
MEG Misr for Glass MEG (S.A.E.)	Egypt	Egyptian Pound	99.99993%	99.99993%	Sale and distribution of glass
Misr for Glass Manufacturing S.A.E.	Egypt	Egyptian Pound	Owned 99.9997% by MEG Misr for Glass MEG (S.A.E)	Owned 99.9997% by MEG Misr for Glass MEG (S.A.E)	Manufacturing all kinds of Glass Containers and the acquisition of other entities that operate in the same field

**MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)**

**NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

**(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)**

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**2. Summary of significant accounting policies**

The principal accounting policies adopted in the preparation of these interim condensed separate financial statements summarized below. They were applied consistently over the presented financial periods unless otherwise stated:

**2.1 Basis of preparation of the interim condensed Separate financial statements**

This interim condensed separate financial statements for the six-month reporting period ended 30 June 2024 have been prepared in accordance with Egyptian Accounting Standard 30 "Interim Financial Statements".

This interim condensed separate financial statement does not include all the notes of the type normally included in an annual financial statement. Accordingly, this interim condensed separate financial statement is to be read in conjunction with the annual separate financial statements for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period.

**2.2 New releases and amendments to the Egyptian Accounting Standards**

The Minister of Investment issued Decision No. 636 for year 2024 on 3 March 2024, amending some provisions of Egyptian accounting standards, which are summarized as follows:

- A) Egyptian Accounting Standard No. (13) "Effects of changes in the currency exchange rate"
- B) Egyptian Accounting Standard No. (17) "Separate financial statements "
- C) Egyptian Accounting Standard No. (34) "Investment in property "

The company determined that these amendments do not have a material impact on the company's financial statements except for effect of applying EAS (13) as illustrated below.

**2.3 Effect of applying Egyptian Accounting Standard No.(13)**

On March 3, 2024, the prime minister has issued decree No. 636, amending the Egyptian Accounting Standard No.13 (EAS 13) "the effects of changes in foreign currency exchange rates", paragraph 57A, effective from 1 January 2024.

The Company has applied the amendment in paragraph EAS13.57A and made an assessment to determine whether there is lack of exchangeability of foreign currencies against the Egyptian Pound. Below is summary of the outcome of that assessment.

**A) Lack of Exchangeability assessment**

The Company assessed that there is no lack of exchangeability for assets denominated in foreign currencies as at 1 January 2024, the date of application of EAS 13 revised. This assessment was made on the premise that assets denominated in foreign currencies may be exchanged at the bank at any point of time without any difficulty.

The Company management is confident that their forecasted cash flows will prevent a negative foreign currency position. The management believe that the Company's assets will sufficiently cover liabilities in foreign currency from exporting operations and the foreign currency generated from these activities. Furthermore, the Company has not experienced any default incidents related to foreign currency liabilities in the past when they came due.

MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)

NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

2. Summary of significant accounting policies (continued)

2.3 New accounting standards (continued)

A) Lack of Exchangeability assessment (continued)

The Company also assessed that the lack of exchangeability for liabilities denominated in foreign currencies, and believes that the Company's expected future cash inflows in foreign currency would be sufficient to settle the Company's liabilities denominated in foreign currencies, however as at 1 January 2024, total liabilities denominated in foreign currencies exceeded the available monetary assets in foreign currencies, and according to the revised standard EAS 13 "Effects of changes in foreign exchange rates" these assets and liabilities have been revaluated at 1 January 2024 using the first rate that was available to the Company (USD 1=EGP 47.22) to source foreign currency subsequent to the application date of the revised standard during March 2024, as summarized below.

B) Currency Position

Below is summary of monetary assets and liabilities denominated in USD and EUR outstanding from 1 January 2024 till 31 March 2024:

Statement of financial positions line item	Outstanding balances from 1 January 2024 USD	Outstanding balances from 1 January 2024 EUR
<b>Total assets in foreign currency</b>		
Cash and cash equivalents	3,762,000	-
Account receivables	6,908	-
<b>Total</b>	<b>3,768,908</b>	<b>-</b>
<b>Total liabilities in foreign currency</b>		
Loans	(15,664,880)	-
Trade payables	(136,293)	(33,247)
<b>Total</b>	<b>(15,801,173)</b>	<b>(33,247)</b>
<b>Net liabilities position</b>		
Loans	(12,032,265)	-
Trade payables	-	(33,247)
<b>Total</b>	<b>(12,032,265)</b>	<b>(33,247)</b>

C) Monetary effect of applying EAS 13 Revised

The following table represent the effect of EAS 13 revised on opening retained earnings:

Description	Foreign currency	Balance in foreign currency	Difference of using the estimated exchange rate on profit / (loss) EGP	Deferred income tax on profit / (loss) EGP	Net Effect on R.E Increase / (decrease) EGP
Net liabilities	USD	(12,032,265)	(196,486,890)	44,209,550	(152,277,340)
	EUR	(33,247)	(560,876)	126,197	(434,679)
<b>Net</b>			<b>(197,047,766)</b>	<b>44,335,747</b>	<b>(152,712,019)</b>

MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)

NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

3. Profit or loss information

a) Other operating income

	Six-month period ended		Three-month period ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Foreign currency translation gain from operations	16,289,652	14,540,314	6,241,977	9,837,849
Accrued export incentives	13,076,563	6,327,956	6,432,817	3,273,996
Scrap sales	8,292,578	3,761,612	1,746,867	2,451,635
Other income	6,092,051	2,098,209	4,567,148	-
Gain on sale of property, plant and equipment	-	574,562	-	508,773
Provisions no longer required	-	483,835	-	253,295
	<b>43,750,844</b>	<b>27,786,488</b>	<b>18,988,809</b>	<b>16,325,548</b>

b) Other operating expense

	Six-month period ended		Three-month period ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Consultancy Fees	3,160,888	1,807,112	1,801,729	1,274,425
Social health contribution	2,614,169	1,638,930	1,582,144	868,578
Other expenses	2,408,751	511,280	599,776	(499,999)
Non-recurring production losses	845,511	1,453,971	233,522	611,139
Tax Differences	148,978	2,519,388	148,978	265,730
Government labor office expense	87,867	-	65,900	-
Provision formed	47,030	3,821,809	61,882	3,380,664
Loss on sale of property, plant and equipment	8,767	-	-	-
	<b>9,321,961</b>	<b>11,752,490</b>	<b>4,493,931</b>	<b>5,900,537</b>

c) Income tax

	Six-month period ended		Three-month period ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Income tax expense	(38,855,665)	(3,058,829)	(11,907,972)	4,219,184
Deferred income tax	(2,685,552)	9,609,565	(16,801,848)	(19,424,838)
	<b>(41,541,217)</b>	<b>6,550,736</b>	<b>(28,709,820)</b>	<b>(15,205,654)</b>

Income tax expense is recognised based on company results for the financial period. Accordingly, the average annual tax rate used for the period ended 30 June 2024 is 23% of pretax operating profit compared to nil for the six-month ended 30 June 2023.

MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)

NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

4. Property, plant and equipment

	Land	Buildings	Machinery, equipment & moulds	Vehicles and transportation	Furniture & office equipment	Computers & Computer systems	Projects under construction	Total
<b>31 December 2023</b>								
<b>Cost</b>								
Balance at beginning of the year	42,262,441	51,450,833	533,996,607	13,794,310	2,767,758	12,771,433	234,526,531	891,569,913
Additions	73,594,437	14,629,544	268,243,362	6,543,727	872,534	1,951,719	7,845,634	373,680,957
Disposals	-	-	(88,975,231)	-	-	-	-	(88,975,231)
Transferred from projects under construction	-	1,146,546	216,108,481	-	-	-	(217,255,027)	-
<b>Balance at the end of the year</b>	<b>115,856,878</b>	<b>67,226,923</b>	<b>929,373,219</b>	<b>20,338,037</b>	<b>3,640,292</b>	<b>14,723,152</b>	<b>25,117,138</b>	<b>1,176,275,639</b>
<b>Accumulated depreciation</b>								
Balance at beginning of the year	-	(37,574,761)	(404,096,274)	(6,529,231)	(1,951,157)	(10,331,764)	-	(460,483,187)
Depreciation expense	-	(2,452,269)	(57,338,695)	(2,779,607)	(297,502)	(1,644,309)	-	(64,512,382)
Disposals Depreciation	-	-	88,436,597	-	-	-	-	88,436,597
<b>Balance at the end of the year</b>	<b>-</b>	<b>(40,027,030)</b>	<b>(372,998,372)</b>	<b>(9,308,838)</b>	<b>(2,248,659)</b>	<b>(11,976,073)</b>	<b>-</b>	<b>(436,558,972)</b>
<b>Net book value at the end of the year</b>	<b>115,856,878</b>	<b>27,199,893</b>	<b>556,374,847</b>	<b>11,029,199</b>	<b>1,391,633</b>	<b>2,747,079</b>	<b>25,117,138</b>	<b>739,716,667</b>
<b>30 June 2024</b>								
<b>Cost</b>								
Balance at beginning of the period	115,856,878	67,226,923	929,373,219	20,338,037	3,640,292	14,723,152	25,117,138	1,176,275,639
Additions	-	3,438,440	28,584,922	-	1,186,420	1,120,023	5,426,613	39,756,418
Disposals	-	-	-	-	(13,810)	(16,170)	-	(29,980)
Transferred from projects under construction	-	3,107,415	6,510,893	-	557,739	623,918	(10,799,965)	-
<b>Balance at the end of the period</b>	<b>115,856,878</b>	<b>73,772,778</b>	<b>964,469,034</b>	<b>20,338,037</b>	<b>5,370,641</b>	<b>16,450,923</b>	<b>19,743,786</b>	<b>1,216,002,077</b>
<b>Accumulated depreciation</b>								
Balance at beginning of the period	-	(40,027,030)	(372,998,372)	(9,308,838)	(2,248,659)	(11,976,073)	-	(436,558,972)
Depreciation expense	-	(1,604,246)	(36,335,146)	(1,522,088)	(272,897)	(673,102)	-	(40,407,479)
Disposals Depreciation	-	-	-	-	13,465	7,748	-	21,213
<b>Balance at the end of the period</b>	<b>-</b>	<b>(41,631,276)</b>	<b>(409,333,518)</b>	<b>(10,830,926)</b>	<b>(2,508,091)</b>	<b>(12,641,427)</b>	<b>-</b>	<b>(476,945,238)</b>
<b>Net book value at the end of the period</b>	<b>115,856,878</b>	<b>32,141,502</b>	<b>555,135,516</b>	<b>9,507,111</b>	<b>2,862,550</b>	<b>3,809,496</b>	<b>19,743,786</b>	<b>739,056,839</b>

MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)

NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

Property, plant and equipment (continued)

Project under construction as of 30 June 2024 is as follows:

	<b>30 June 2024</b>	<b>31 December 2023</b>
Machinery	11,564,374	17,487,351
New Project-10th Ramadan Land	7,799,104	3,619,784
MEG new mezzanine extension	-	3,947,555
Others	380,308	62,448
	<b>19,743,786</b>	<b>25,117,138</b>

5. Trade and other receivables

	<b>30 June 2024</b>	<b>31 December 2023</b>
Net trade receivables	209,693,926	124,277,110
Contract assets	90,958,173	58,281,916
Export incentives	30,051,531	27,869,103
Due from tax authority	16,449,563	16,965,055
Debtors and other receivables	66,648,739	55,966,104
Due from related parties	826,213,290	775,922,581
	<b>1,240,015,222</b>	<b>1,059,281,869</b>

6. Trade and other payables

	<b>30 June 2024</b>	<b>31 December 2023</b>
Trade and notes payables	196,142,008	195,228,259
Accrued Expenses	120,780,919	85,513,668
Contract liabilities	17,793,907	14,487,259
Social insurance authority	801,234	672,371
Creditors and other payables	14,293,884	13,431,081
Due to tax Authority	10,182,707	2,935,919
Due to related parties	489,696,838	654,836,963
	<b>849,691,497</b>	<b>967,105,520</b>

**MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)**

**NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

**(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)**

**7. Bank borrowings**

	<b>30 June 2024</b>	<b>31 December 2023</b>
<b>A. Bank Borrowings - current portion</b>		
Bank borrowings	188,096,050	120,972,038
Short term credit facilities	184,466,816	167,867,660
<b>Total current portion</b>	<b>372,562,866</b>	<b>288,839,698</b>
<b>B. Bank Borrowings - non-current portion</b>		
Bank borrowings	470,240,131	362,916,118
<b>Total non-current portion</b>	<b>470,240,131</b>	<b>362,916,118</b>
<b>Total</b>	<b>842,802,997</b>	<b>651,755,816</b>

In November 2019, the Group companies signed medium term loan agreements with the International Finance Corporation ("IFC") and Commercial International Bank ("CIB") to refinance its existing medium-term debt and to provide funding for capital expenditure to increase production capacity, including furnace rebuilds, new production equipment, printing machines, resource efficiency improvements and streamlining of the cullet processing operation. The full amount of the facilities was disbursed in 2020 and resulted in settlement of all existing medium-term bank borrowings. The outstanding loan balance as of 30 June 2024 amounts to EGP 658,336,181.

The loans have a seven-year tenor with 18-month grace and carries interest at 6-month SOFR plus a margin.

The loans are secured with the following security package:

- First ranking real estate mortgage over the lands and buildings owned by the company with the net carrying amounts in EGP 148 million (31 December 2023: EGP 143 million).
  - A first ranking Commercial Establishment Mortgage over the tangible and intangible assets owned by the Company.
  - Promissory Notes corresponding to the repayment dates and amounts.
  - First ranking Share Pledge in favor of the Senior Secured Lenders or an agent acting on their behalf over the subsidiaries' shares owned by the Company.
- c) Balance of Interest accrued on the company's borrowing at 30 June 2024 amounts to EGP 15,794,706 (31 December 2023: EGP 19,990,114).

**8. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due, due to a shortage of funding. The Company's exposure to liquidity risk results primarily from the mismatching of the maturities of its assets and liabilities.

Management makes cash flow projections on periodic basis, and take the necessary actions to negotiate with suppliers, follow-up the collections from customers and manage inventory balances in order to ensure sufficient cash is maintained to discharge the Company's liabilities. The Company's management monitors liquidity requirements to ensure it has sufficient cash and cash equivalents to meet operational needs while maintaining sufficient cash cover to meet the cash outflows to settle the obligations of loans and borrowings to be able to maintain financial terms, guarantees and covenants at all times.

The Company limits liquidity risk by maintaining sufficient bank facilities and reserves, by monitoring cash forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Balances due to suppliers are normally settled with an average of 120 days from the date of purchase.

**MIDDLE EAST GLASS MANUFACTURING COMPANY (S.A.E.)**

**NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

**(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)**

**8. Liquidity risk (continued)**

The table below summarises the maturities of the Company's undiscounted financial liabilities at 30 June 2024 and 31 December 2023, based on contractual payment dates and current market interest rates.

	Less than 6 month	Between 6 month & 1 year	Between 1 & 2 years	More than 2 years
<b>30 June 2024</b>				
Trade and other payables*	820,913,649	-	-	-
Short term credit facilities	184,466,816	-	-	-
Loans and borrowings	94,048,025	94,048,025	188,096,051	282,144,080
Future interest payments	47,373,968	26,720,915	38,866,789	21,862,578
<b>Total</b>	<b>1,146,802,458</b>	<b>120,768,940</b>	<b>226,962,840</b>	<b>304,006,658</b>
<b>31 December 2023</b>				
Trade and other payables*	949,009,971	-	-	-
Short term credit facilities	167,867,660	-	-	-
Loans and borrowings	60,486,019	60,486,019	120,972,039	241,944,079
Future interest payments	43,734,357	20,578,344	31,658,992	25,327,199
<b>Total</b>	<b>1,221,098,007</b>	<b>81,064,363</b>	<b>152,631,031</b>	<b>267,271,278</b>

\* Trade and other payables presented above excludes contract liabilities, social insurance authority and tax liabilities.

**9. Financial instruments by category**

The Company's financial instruments are represented in cash and cash equivalents, trade receivables, debtors, investments, trade payables, notes payables, creditors, loans and credit facilities. The book value of these financial instruments does not differ significantly from fair value at the financial position date.

**10. Significant events during the period**

On 1 February 2024, The Monetary Policy Committee of the Central Bank of Egypt decided in its extraordinary meeting to raise the overnight deposits and lending interest rates and the Central Bank main operation rate by 200 basis points. Then on March 6, 2024, it has been raised by 600 basis points reaching 27.25%, 28.25%, and 27.75%, respectively. The credit and discount rates were also raised by 600 basis points.

The Central Bank of Egypt announced that it would allow the foreign exchange rate to be determined against the Egyptian pound as per market mechanisms, starting from 6 March 2024. On the date of issuance of these financial statements, the US dollar was trading in local banks at 49.25 Egyptian pounds approximately.