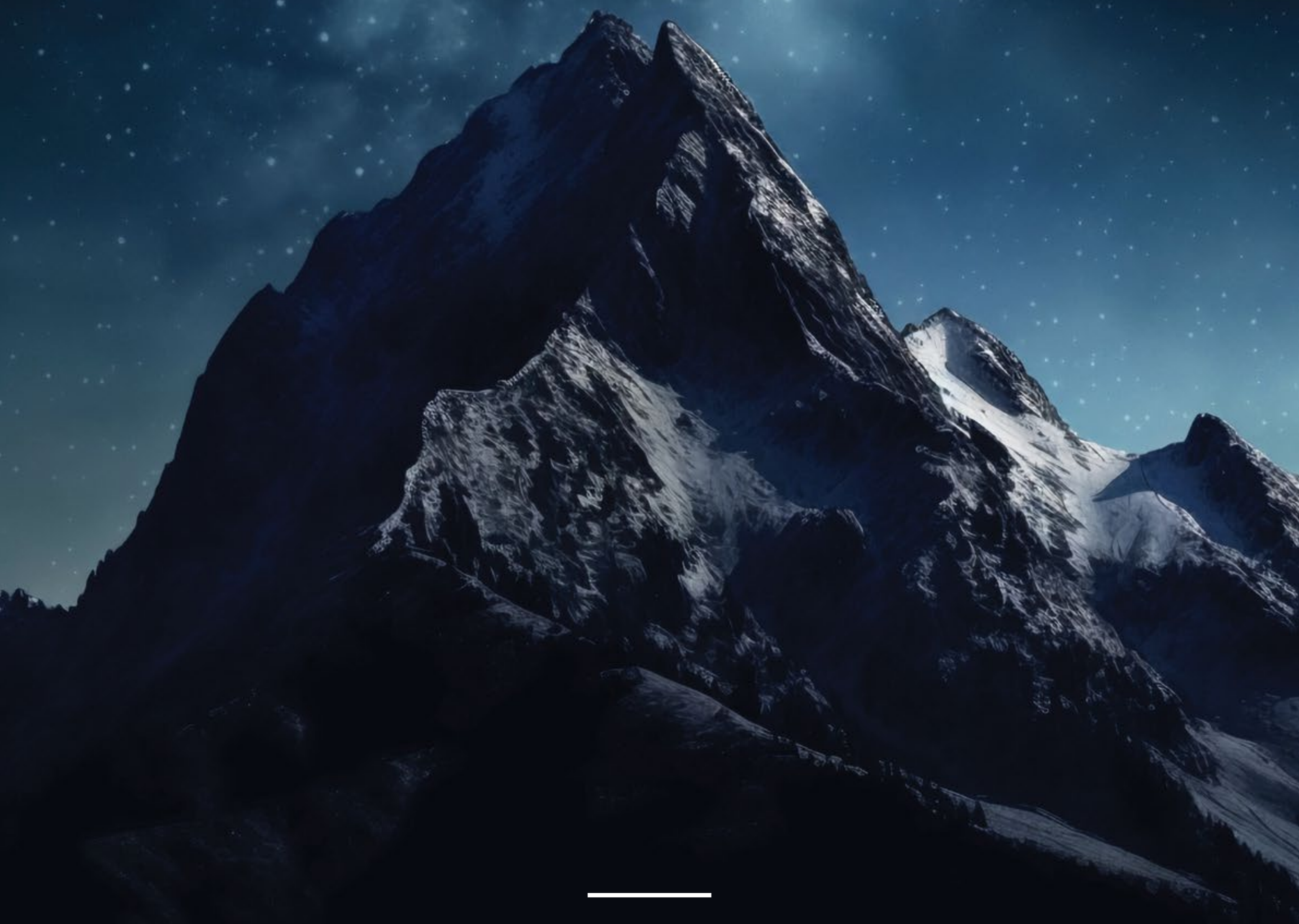
A YEAR OF

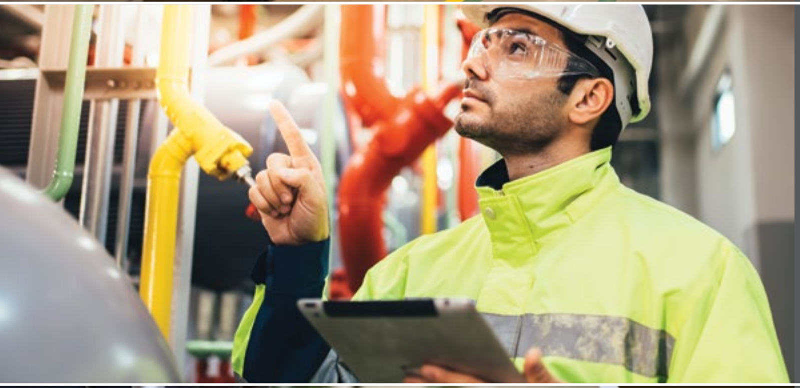
RESILIENT GROWTH



ANNUAL REPORT 2023

CONTENTS

Trade & Distribution



Manufacturing

Non-Banking Financial Services

Technology & Infrastructure

Hospitality

Logistics

Raya at a Glance

Our diversified portfolio of investments has empowered us to capture local, regional, and global opportunities within fundamentally strong sectors which shielded our performance during economic uncertainties.

Institutional Excellence

24
Years in the Market

4
Continents

7
Countries

11
Lines of Business

2005
Listed on the Egyptian Stock Exchange

Board Diversity and Independence

14%
Female Members

18,000
Employees

40
Companies

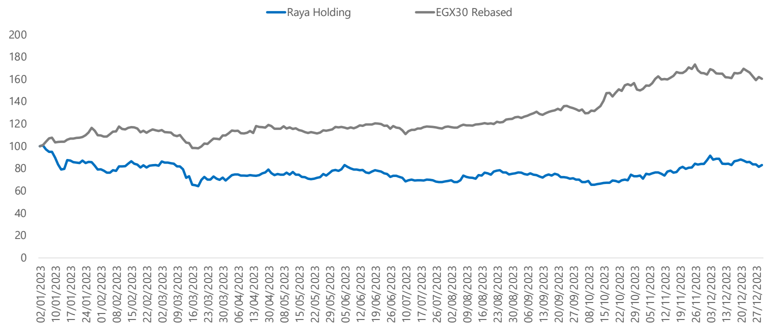
Financial Excellence

2,144 mn
Number of Shares

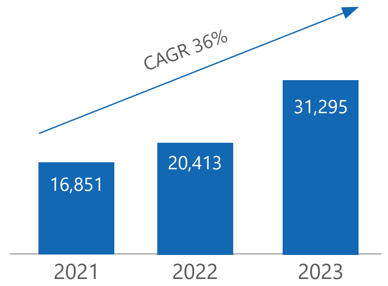
0.21
Earnings per Share EGP

31,295
Revenue EGP mn

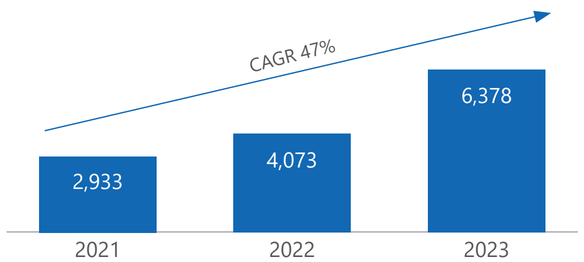
Stock Performance in 2023



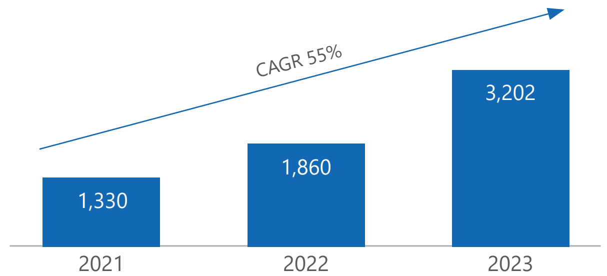
Revenue EGP mn



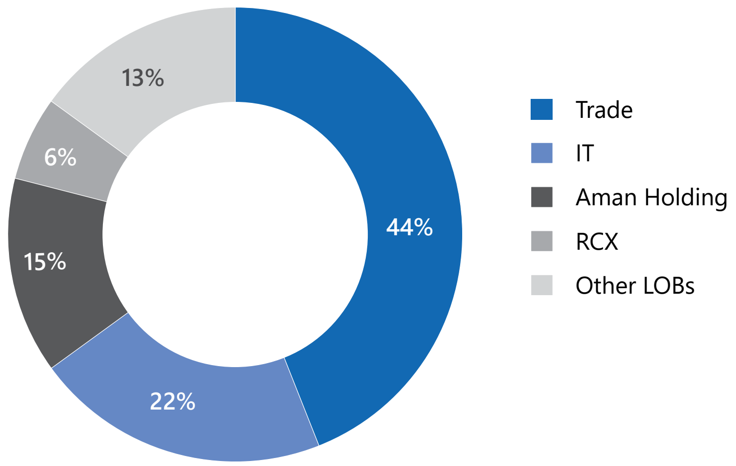
Gross Profit EGP mn



EBITDA EGP mn



Revenue Breakdown by LOB



6,378
Gross Profit EGP mn

27,149
Total Assets EGP mn

Our Business Model

Overview

The evolution of Raya Holding's business model stands as a testament to its proactive stance toward market dynamics and customer preferences. Initially, the company embarked on ventures in emerging sectors, laying the groundwork for future growth. However, as markets evolved, so did Raya Holding's strategy, shifting toward the cultivation of existing businesses within established industries.

At the core of Raya's strategy is the art of crafting portfolio companies, carefully nurtured into comprehensive platforms encompassing multiple entities within a specific industry.

This strategic business model reflects a deep understanding of sectors ripe with growth opportunities and competitive advantages. It entails a deliberate realignment, including the divestment from non-core portfolio companies and the strategic redirection of resources into promising sectors. Moreover, it signifies a cultural shift within the management ethos, emphasizing the importance of nurturing and elevating existing enterprises into industry leaders.

This comprehensive approach ensures not only adaptability but also sustainability in a dynamic market landscape. By embracing this evolution, Raya Holding reaffirms its commitment to strategic growth and shareholder value maximization. It underscores the company's dynamic presence in the investment landscape, positioning it to seize emerging opportunities and navigate future challenges with resilience and foresight.

At the core of Raya's strategy is the art of crafting portfolio companies, carefully nurtured into comprehensive platforms encompassing multiple entities within a specific industry. These platforms are strategically positioned for either acquisition by key investors or entrance into public markets.

RAYA'S REVENUE DRIVERS

- Raya Trade & Distribution
- Raya Information Technology
- Aman Holding
- Raya Customer Experience

These four platforms operate as holding companies, spanning across various verticals within their respective industries. Raya Customer Experience is publicly listed on the Egyptian Exchange (EGX), with Raya Holding owning 56.3% of the its shares. Raya Holding also owns 76.4% of Aman Holding, with the National Bank of Egypt (NBE) holding the remaining 23.6%. Raya Holding also owns approximately 100% of both RIT and Trade. Notably, all four platform companies have expanded.

Continuing on the success of the four above-mentioned platforms, Raya Holding owns seven runners, evolving enterprises that are expected to considerably contribute to the company's profitability, namely Raya Auto, Raya Smart Buildings, Raya FMCG, Raya Restaurants, Raya Foods, Raya Electric, and Ostool. Ostool has strategic minority shareholders who support their growth and expansions.

Value Creation

Raya's business model creates unique value for its investors by providing access to industries and companies not readily available through conventional investment avenues. The portfolio companies, often not publicly traded, offer returns on investments in sectors that would otherwise require commitments to minimum tickets and timelines typical of private equity firms. Additionally, as a publicly listed company on the EGX, Raya provides shareholders with complete visibility into its performance, governance, and resilience in navigating market volatilities.

Fostering Partnerships for Growth

Integral to Raya Holding's mission is the proactive cultivation of partnerships and alliances for its portfolio companies. These collaborations extend to both private sector entities and governmental institutions, illustrating a commitment to growth and sectoral expansion. Raya Holding actively engages in forming alliances that address legislative challenges and hurdles within specific industries, reinforcing its role as an advocate for conducive business environments.

In addition to traditional partnerships, Raya Holding embraces innovation through collaborations with start-ups and entrepreneurs. The Future-Tech Accelerator Program serves as a dynamic platform where portfolio companies join forces with selected startups. This collaborative effort is aimed at enhancing product and service offerings, fostering agility and innovation within Raya Holding's diverse portfolio.

Our Investments

Raya Holding manages a diversified portfolio across 11 dynamic business sectors, including information technology, data center outsourcing, contact center services, commercial real estate, consumer electronics, food and beverage, logistics, e-payments, home appliance manufacturing, modern vehicle assembly, and non-banking financial services. The company's strategic presence spans key industries, showcasing adaptability and resilience.

This approach positions Raya Holding as a versatile entity, fostering growth and innovation across a broad spectrum of sectors in response to evolving market dynamics.

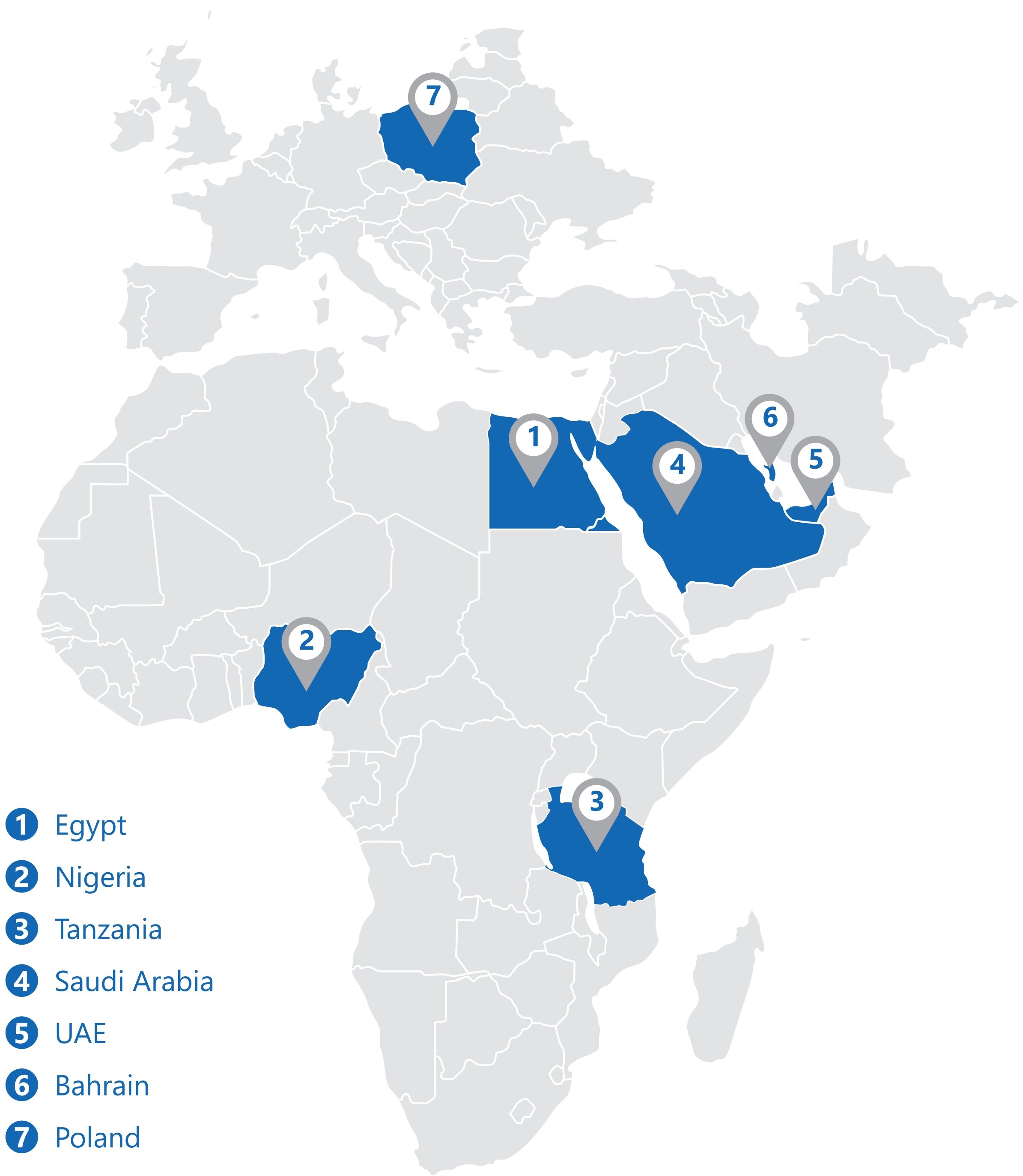
For detailed insights into each investment. Please refer to page 34 of this report, where comprehensive information on Raya Holding's multifaceted ventures is available.

- Raya Trade
- Raya Auto
- Aman Holding
- Raya Electric
- Raya Information Technology
- Raya Customer Experience
- Raya Smart Buildings
- Raya Restaurants
- Raya Foods
- Raya FMCG
- Ostool

Where We Operate

Geographic Footprint

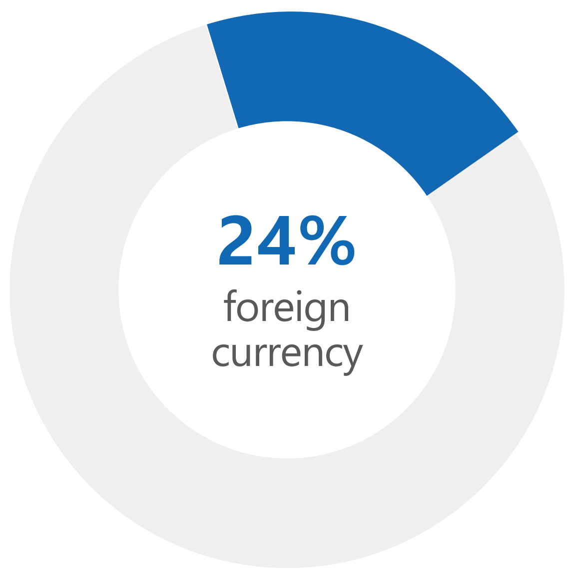
Raya Holding maintains a diversified geographic footprint, operating in Egypt, Nigeria, Tanzania, Saudi Arabia (KSA), UAE, Bahrain, and Poland through its portfolio companies. The strategic presence in these regions is driven by market opportunities and the unique value proposition that each company can offer within its respective market.



1. Egypt
2. Nigeria
3. Tanzania
4. Saudi Arabia
5. UAE
6. Bahrain
7. Poland

Revenue Distribution

In 2023, 24% of group revenue was generated in foreign currency, highlighting the substantial contribution from international operations, as well as expansion in the export of goods and services across Raya's businesses. This stands as a testament to Raya's ability to successfully tap into new markets and leverage the capabilities of its portfolio companies to capture revenue abroad.



Current Expansion Initiatives

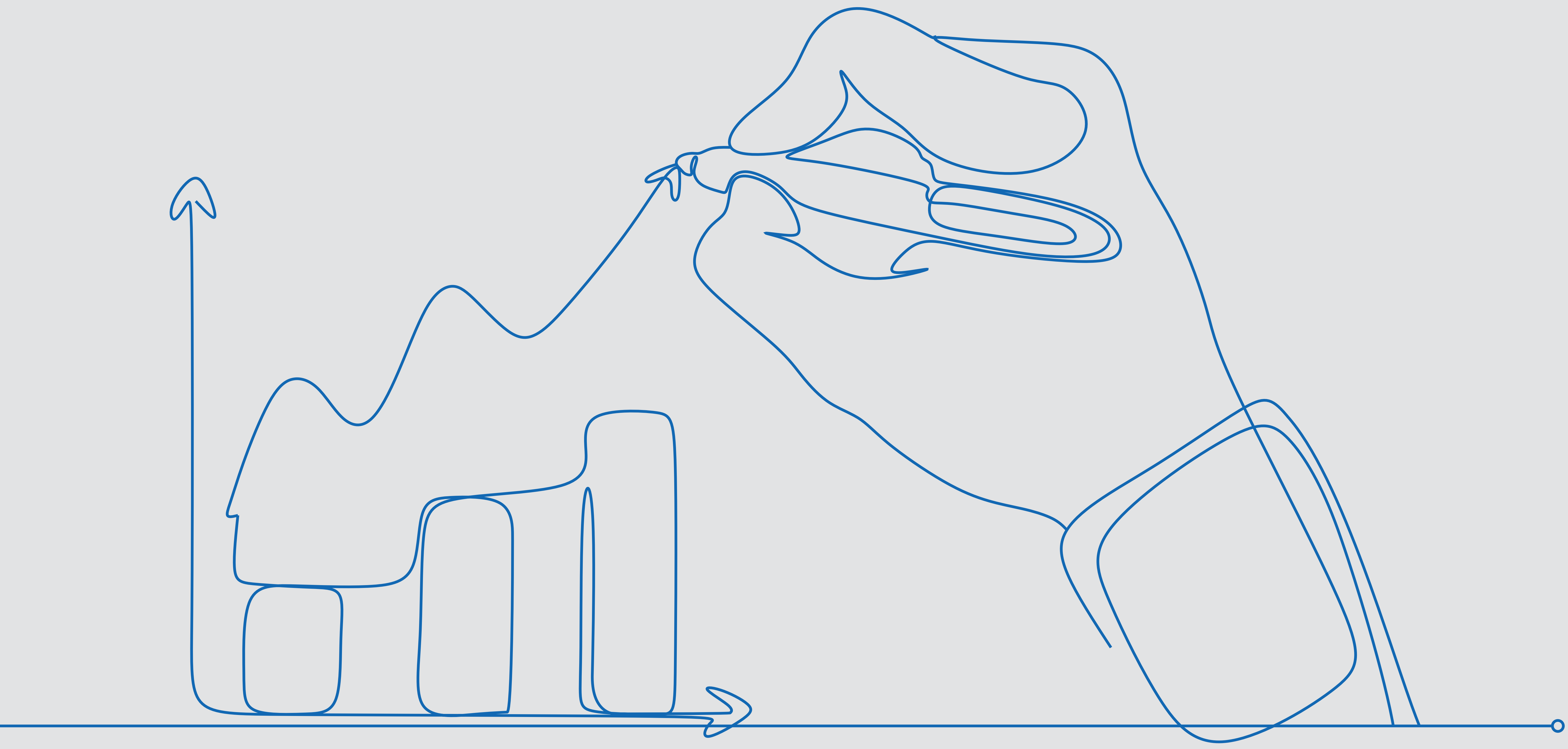
Raya Holding's expansion strategy involves not only consolidating its existing presence but also enhancing the service and product offerings of its portfolio companies in foreign markets. This proactive approach aims to solidify and expand the revenue streams derived from these regions. The company is strategically positioned to explore new markets in alignment with its growth objectives, as it continually assesses emerging opportunities and evaluates potential entry points to diversify its geographic footprint. The careful consideration of market dynamics and value propositions ensures a measured and strategic approach to market entry.

Exploration of the Saudi Arabian Market

In 2023, Raya strategically focused on exploring the Saudi Arabian market, implementing initiatives across three key portfolio companies. First, Raya Customer Experience is set to expand its delivery services for customer experience across various cities in the Kingdom, aligning with Saudi legislations that restrict delivery markets from external sources. Second, Raya Information Technology aims to broaden its service offerings within the Kingdom, specifically addressing the IT, software, and infrastructure needs of large-scale public sector projects. Lastly, Aman Holding, Raya's Fintech platform, established a joint venture with a leading retailer in KSA to provide consumer finance services.

Future Goals and Targets

Looking ahead, Raya Holding is committed to doubling the contribution from foreign currency revenue within the next five years. This ambitious target reflects the company's confidence in the growth potential of its international operations. Achieving this goal will necessitate a concerted effort to support Egypt-based companies in their expansion endeavors while concurrently strengthening the presence of existing portfolio companies in international markets.



Financial Highlights

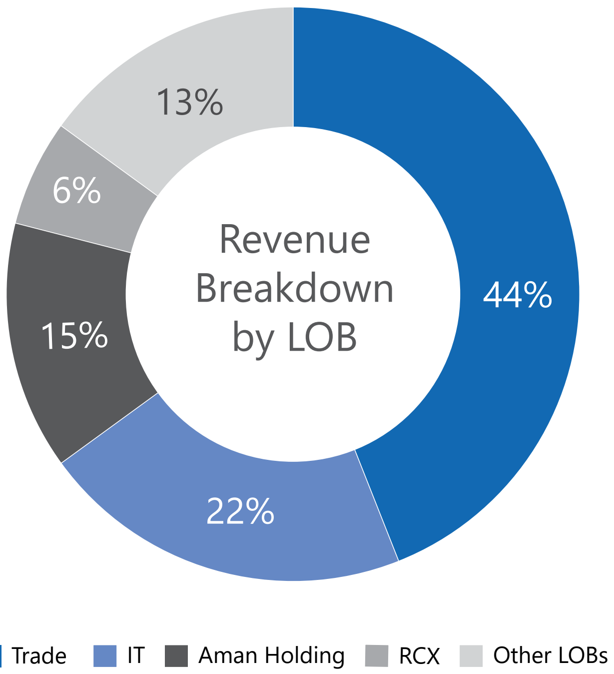
Financial Highlights

Financial Results Summary

Consolidated Figures – EGP mn	2021	2022	2023
Revenue	16,851	20,413	31,295
Operating Profit	851	1,248	2,207
EBITDA	1,330	1,860	3,202
Net Profit after Minority	487	347	441
Number of Shares	2,144	2,144	2,144
Earnings per Share	0.23	0.16	0.21
Cash flow from Operations	(579)	935	2,715
Total Dividends per Share	0.11	0.064	0.04

Factors Influencing Revenue Growth

Raya Holding's growth in revenue is attributed to top-line expansion across Trade, Information Technology (IT), Aman Holding, and Raya Customer Experience (RCX) business units. Between 2021 and 2023, Trade emerged as the leading contributor to revenue, accounting for an average of 44% of consolidated revenues, followed by the IT division at 22%, with Aman Holding and RCX units contributing 15% and 6%, respectively.



Impact of Strategies on Operating Profit and EBITDA

Raya Holding, in its pursuit of sustainable growth, implements key strategies aimed at enhancing operating profit and EBITDA. These initiatives are pivotal in shaping the company's growth trajectory, focusing on:

Revenue Enhancement Strategies

- **Market Expansion:** Exploring opportunities for geographic expansion to reach new markets and customer segments.
- **Innovation and New Product Launches:** Commitment to staying at the forefront of innovation by introducing new products and services that align with evolving customer needs.
- **Pricing Optimization:** Crafting pricing strategies to maximize revenue while maintaining a competitive edge in the market.

Cost Optimization and Operational Efficiency

Dedicated efforts to reduce operating costs through continuous process improvements and streamlined operations, enhance cost management, and boost overall profitability.

Influences on Earnings Per Share (EPS)

The changes in earnings per share (EPS) at Raya Holding have been impacted by several strategic decisions, specifically involving acquisitions and divestitures. These moves have played a pivotal role in determining the company's EPS over the reporting periods.

In addition to the operational excellence of all businesses leading to noticeable improvement of key financial metrics, several strategic decisions have also impacted Raya's profitability.

Sale of BariQ Shares (100% Divestment)

In November 2021, Raya Holding executed a complete divestment of BariQ shares. The ensuing gains with an amount of EGP 328 million from this transaction were duly reflected in our financial statements, influencing the EPS during the respective reporting period.

Acquisition of Additional Stake in Raya Electric (Becoming Sole Owner)

In 2022, Raya Holding solidified its ownership in Raya Electric by acquiring an additional c.10.3% stake, ultimately becoming the sole owner with a 100% stake. While this acquisition may have involved issuing new shares with potential short-term dilution effects on EPS, it strategically positioned the company as the sole owner of this valuable asset, indicating long-term profitability potential.

Acquisition of 85% of Gulf CX

The acquisition of an 85% stake in Gulf CX in 2021 marked a strategic move, expanding Raya Holding's presence and capabilities in the Gulf's customer experience domain. While the full financial impact unfolded gradually, this acquisition underscores our commitment to sustained growth and diversification.

Changes in Cash Flow

Raya Holding has witnessed enhancements in operational efficiency and successful working capital management, resulting in increased cash flow from operations. Variations in capital expenditure levels play a pivotal role in shaping adjusted free cash flow, thus influencing the overall financial dynamics of the company. The adept management of interest payments and strategic debt reduction practices significantly impact cash flow, reflecting the financial discipline ingrained in Raya Holding's operational strategies.

Managing and Optimizing Net Debt Position

Debt Reduction Strategies

Raya Holding employs a multifaceted approach to efficiently manage its net debt, focusing on bolstering profitability and optimizing inventory management. Strategies such as price adjustments, sales expansion, and operational cost reduction enhance profitability, while inventory turnover optimization and minimizing excess stock improve cash flow, reducing reliance on short-term borrowing. Additionally, the company utilizes securitization to unlock asset value and involves minority stakeholders through strategic investments, further strengthening its financial position and accelerating debt reduction efforts. Overall, these proactive measures establish a robust framework for debt reduction, ensuring long-term financial stability and growth.

Debt Structure Optimization
An integral part of net debt optimization involves meticulous working capital management. This includes optimizing cash flow, monitoring inventory levels, managing accounts receivable and payable, and fostering positive supplier relationships. Such practices ensure the company maintains adequate liquidity to meet short-term obligations without over-reliance on debt.

Balancing Debt-to-Equity Ratio
Raya Holding strategically manages its financial leverage by maintaining a balanced debt-to-equity ratio. This approach involves determining the optimal mix of debt and equity, effectively managing financial risk, and maximizing returns to achieve a balanced and sustainable capital structure.

Dividend Policy
Raya's Board plays a pivotal role in the determination of dividends. They take into account multiple factors including profitability, expansion plans, capital expenditure requirements, and the prevailing economic conditions. This approach ensures that the process is in alignment with the Company's overall strategic objectives, financial well-being and the maximization of shareholder returns through earnings and reinvestment.

Operational Key Performance Indicators

Operational KPIs	FY2021	FY2022	FY2023
Revenue YoY Growth	57%	21%	53%
GPM	17%	20%	20%
OPM	5%	6%	7%
EBITDA Margin	8%	9%	10%
NPM	3%	2%	2%
Current Ratio	1.02	1.06	1.05
Quick Ratio	0.83	0.92	0.86
Receivables Turnover	3.61x	3.06x	4.05x
Days Sales Outstanding	101	119	90
Inventory Turnover	3.92x	7.93x	7.16x
Days of Inventory on Hand	93	46	51
Payables Turnover	3.44x	4.24x	4.45x
Days Payable on Hand	106	86	82
Cash Conversion Cycle	88	79	58
ROA	3%	2%	2%
ROE	28%	15%	19%
Debt/Equity	3.80	4.26	3.80
Debt-to-Capital	0.79	0.81	0.76

Operational Challenges and Opportunities
In the dynamic business landscape, Raya Holding has encountered and addressed various operational challenges and harnessed opportunities over the years.

Challenges

1. **COVID-19 Pandemic:** The pandemic induced economic disruptions and compelled a shift to remote work, necessitating a balance between employee well-being and business continuity.
2. **Inflation**: Inflation rates raised concerns, impacting citizens' cost of living and posing cost management challenges for businesses.
3. **Supply Chain Disruptions:** Global events, including the pandemic, led to supply chain disruptions, affecting the availability of goods and materials. Swift responses, like localizing raw material sourcing, were crucial.
4. **Increased Competition:** Evolving competition in Egypt demanded differentiation strategies and adaptability to changing customer preferences.
5. **Regulatory Changes:** Dynamic regulations, particularly on foreign currency transactions, posed operational challenges for businesses.

Opportunities

1. **Economic Reforms:** Egypt's economic reforms aimed at attracting investment, providing opportunities for businesses and attracting international interest.
2. **Digital Transformation:** Accelerated digital transformation and presented opportunities for technology and e-commerce companies to meet evolving customer needs.
3. **Export Growth:** Recovery in global trade offered opportunities for businesses, with Raya Foods emerging as a significant exporter to over 40 countries.
4. **Strategic Partnerships:** Collaborative partnerships, like Raya Trade's agreement with Jumia, enabled leveraging strengths for mutual benefit.
5. **E-commerce Growth:** The surge in online shopping in Egypt provided avenues for businesses, exemplified by Raya Trade having the largest e-commerce website in the country.

Operational Investments and Efficiency Improvements
Raya Holding's commitment to operational excellence resulted in strategic investments and efficiency enhancements:

- **Technology Investments:** Cutting-edge technology solutions were deployed to streamline operations and enhance customer experiences, as seen in automated Investor Relations (IR) frames on the company's website.
- **Automation:** Raya successfully advanced the Enterprise Performance Management (EPM) system, emphasizing automation across the organization. This upgrade streamlined planning and budgeting, enhanced real-time operations monitoring, and improved performance metrics for each business unit. The integration of Oracle AI enabled detailed analysis and automated identification of performance gaps, marking a significant achievement for this year.
- **Employee Training:** Continuous training programs, both internal and external, were introduced to enhance employees' skills and productivity.
- **Process Optimization:** A company-wide effort focused on optimizing processes for maximum efficiency and cost savings, with the ERP system playing a unifying role in connecting all Lines of Business (LoBs) for informed decision-making.

Message from the Chairman

Raya Holding has conducted business in Egypt and other developing markets for the last 24 years. By definition, this makes us no strangers to volatility. But the year 2023 presented us with a unique set of challenges, including interest rate hikes, the devaluation of the Egyptian pound and the Nigerian Naira, foreign currency shortages, a prolonged war in Ukraine, supply chain disruptions, and, finally, the military aggression in Gaza and its impact on the broader region. All these factors led to extreme levels of volatility in the markets where we operate. But with volatility comes opportunity, and despite the challenges, our seasoned management team succeeded in closing a solid financial performance for the year. As the Chairman of Raya Holding's board, I'm immensely proud of the accomplishments of the past year, and I'm confident that as we enter the new year, well-equipped to continue delivering results and creating value for all our stakeholders.

> "With volatility comes opportunity, and despite the challenges, our seasoned management team succeeded in closing a solid financial performance for the year.

Investment Model

At Raya, we have two types of investments: fully-owned businesses, where we control and manage, and investments—mainly in publicly listed—where we own a minority stake and don't interfere with management.

With our owned investments, we focus on building greenfield companies that we can grow into sizable enterprises. We achieve this by investing in strong management teams, allocating the required growth capital, providing the proper network and access to both public and private stakeholders, and giving guidance on governance best practices. Each of our subsidiaries operates as an entirely separate entity with separate structures and management teams that are held accountable for their own operational and financial performance.
With our minority-held investments, we don't have management control and, therefore, no say in the day-to-day operations of these businesses. We do, however, strive to add value through board representation and the sharing of knowledge and expertise.

Global Expansion

Over the past two years, the challenging macroeconomic realities that we have witnessed in our home market of Egypt have led us to take concrete steps toward expanding the operations of our subsidiaries abroad. In addition to leveraging our network and opening discussions with global players in our industries, our leadership teams went on two learning expeditions. Nigeria was the first market we explored, and we currently successfully operate a profitable electronics distribution business. Raya's executives met with industry leaders in Technology, Distribution, Fintech, and Investments to grasp a better understanding of the market and discover new opportunities that could potentially benefit both our regional expansion and our operations in Egypt. Following our fruitful expansion in Africa, we then expanded our footprint in Asia, with our first focus being Saudi Arabia, where RCX and Aman Holding are currently operating successfully.

The target in the next five years is to double our USD-dominated revenue, and I am pleased to report that we are on track to accomplish this goal.

Industry Recognition

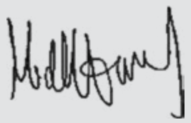
Looking back at Raya's journey, I can't help but feel extremely proud of what we have achieved. We have managed to transform into a massive regionally recognized investment engine. In 2023, Raya was listed on Forbes Egypt's Top 50 listed companies as well as on the Fortune 500 Arabia list. These recognitions are a testament to our ability to consistently execute and generate positive returns for our shareholders.

Strong Boards

I strongly believe in the power of boards and their ability to transform businesses. In 2023, we restructured Raya Customer Experience's Board of Directors to achieve more productive and balanced Board discussions that align with our strategic objectives. Looking ahead, there will be more changes in the Boards of our subsidiaries to further enhance governance structures and better reflect the strategic priorities of our companies. Additionally, I will continue to monitor our work on building the proper governance and systems across our portfolio in preparation for the upcoming public listings of a number of our subsidiaries.

2024 Outlook

On behalf of Raya Holdings' Board of Directors, I would like to thank all of our stakeholders for supporting our companies, enabling them to achieve these positive results. Despite the uncertain macroeconomic outlook for 2024, I am confident that Raya will successfully execute our vision and achieve the targets we have set forth to maximize shareholders' returns and contribute positively to the economies where we do business.



Medhat Khalil
Chairman, Raya Holding For Financial Investments

Message from the CEO

Fellow Shareholders,

As we close yet another successful year for Raya, it's the perfect time to reflect on how the accomplishments of the past 12 months are indicative of the strength, diversity, and resilience that we have managed to build as a company. During a year filled with uncertainty and macroeconomic headwinds, we delivered a solid financial performance with both top and bottom line growth across our subsidiaries. None of our financial and operational achievements would have been possible without the strength of the CEOs, the executives, and the management teams that we have in place throughout the Group. I personally believe that our people are Raya's greatest asset. We have managed to successfully institutionalize the business in a manner that guarantees the growth and sustainability of the business. We will continue to invest in our people because we firmly believe that our storied 24-year history as visionaries, pioneers, and innovators is directly correlated to the talented team of individuals who have been an integral part of our remarkable journey today and throughout the years.

Capping Several Years of Solid Financial Growth

2023 was a year that challenged our resilience, but I'm proud to report that we continued to deliver robust growth in revenues, profits, and cash flow. 2023 showcased positive results, achieiving a CAGR of 36% in Revenue and 55% in EBITDA. The results are even more remarkable given the challenging macroeconomic environment witnessed by all businesses in 2023 by high interest rates, rampant inflation, geopolitical unrest, and FX instability in Egypt, our home market.

Total revenue increased by 53% year-on-year to reach EGP 31.3 billion, and our EBITDA increased by 72% year-on-year to reach EGP 3.2 billion. Growth was primarily driven by strong performances across our most established enterprises Aman Holding, Raya IT, Raya Trade, and our call centers, Raya Customer Experience, as well as exceptional growth from our evolving subsidiary companies that are exhibiting strong potential.

> "During a year filled with uncertainty and macroeconomic headwinds, we delivered a solid financial performance with both top- and bottom-line growth across our subsidiaries.

Early on, we adopted a strategy of growing foreign currency-denominated revenues to hedge against devaluation and foreign currency shortages. Increasing our exports and expanding into Africa and Asia were our main tools to implement this strategy. One such example was our decision to increase our stake in Makarony Polskie, Poland's second largest pasta manufacturer, bringing Raya's total ownership of the company to reach 29.48%.

The revenue growth strategy went hand in hand with ongoing cost-efficiency measures that have been implemented across the board. This forward-looking strategy allowed us to not only withstand the economic headwinds but to turn some of the negatives into positives. It is now imperative that we stay focused on the future and plan to build on the momentum of the past year to meet future challenges.

Our robust financial performance will serve as a springboard to unlock value for our shareholders and lead us toward our next phase of growth. In the coming year, we have exciting new plans to publicly list some of our platform companies on the Egyptian Exchange (EGX). We will also be providing new opportunities for our co-investors to invest in some of our most promising subsidiaries, and we will be restructuring Raya's ownership in some businesses to reflect industry specialization.

36%
Revenue CAGR

55%
EBITDA CAGR

Operational Achievements of Our Big Four

Through Raya, our shareholders have exposure to multiple businesses operating in a diverse array of high-growth sectors of the regional economy. We classify our largest businesses as platform enterprises because they have subsidiaries of their own, and we refer to them as "the Big Four." The operations of our Big Four have the largest revenue, the largest manpower, and they create the largest value for our shareholders.

Raya is a well-known pioneer in Egypt's Fintech sector. We founded Egypt's two Fintech unicorns, E-Finance and Fawry, which we later exited. With that legacy behind us, we have built **Aman Holding**, our non-banking financial institution (NBFI) platform, where we effectively own 76% of the business. Aman Holding, which operates in lending and e-payment, has a loan portfolio that has delivered steady double-digit growth, leveraging data provided through payment and technology platforms.

In 2023, Aman Holding achieved a 33% year-on-year growth in revenue to reach EGP 4.6 billion and a 46% year-on-year increase in EBITDA to EGP 663 million. With 300 bps interest rate hikes and

13.9 EGP BN

Raya Trade Revenue

6.9 EGP BN

Raya IT Revenue

4.6 EGP BN

Aman Holding Revenue

1.9 EGP BN

Raya Customer Experience Revenue

the inflationary pressure on the Egyptian consumer that soared above 30% in some months, Aman Holding managed to contain its non-performing microfinance loans at 2.72% and non-performing SMEs loans at 5%.

We have big plans for Aman Holding in 2024, including the launch of consumer finance operations in KSA. I believe that Aman Holding's full growth potential remains untapped, and we are very optimistic about the prospect of eventually transforming the company into a full-fledged digital bank that can accept and underwrite deposits for its existing client base.

Second on our Big Four list is Raya's fully owned platform company: **Raya Information Technology** (RIT), a pioneer in Egypt's IT sector. For years, the company has been living up to its reputation as Egypt's go-to company for clients seeking complex IT solutions and reliable services.

For the past three years, the company has grown massively. In 2023, RIT achieved a remarkable 82% year-on-year growth in revenue to EGP 6.9 billion and a 78% year-on-year growth in EBITDA to EGP 684 million. The company's focus on driving revenue from the banking and telecom sectors has served it well, as it managed to keep its account receivables in healthy standing despite challenging macroeconomic conditions. RIT received a non-binding offer from a co-investor to inject capital in its subsidiary, Raya Data Center. The cash will be directed toward building a Tier III Data center in Egypt to specifically serve the requirements of Hyperscalers.

With a strong growth cycle still ahead of it, RIT is yet another of our businesses that is perfectly positioned to capture new growth opportunities outside of Egypt. The company will tap into markets like KSA with a broader service offering beyond the ERP products that it currently offers in the GCC. RIT will continue with its successful strategy to acquire smaller players that can enhance its product and service offering. The company continues to generate considerable dividends and is currently being prepped to be listed on the EGX in 2024.

Raya Trade, our fully owned retail arm, is split into two divisions: the retail and consumer finance division and the distribution division. The company has expanded its operations outside Egypt, with a direct distribution presence in Nigeria and Tanzania and a product offering that includes electronics and home appliances. In 2023, Raya Trade achieved a 53% year-on-year growth in revenue to EGP 13.9 billion and a 49% year-on-year growth in EBITDA to EGP 694 million. Revenue growth can largely be attributed to an expanding portfolio that includes small domestic appliances, along with associated rates for consumer finance.

Our fourth platform, **Raya Customer Experience** (RCX), is an EGX-listed company that is 59.2% owned by Raya. The company operates in business process outsourcing in Egypt, KSA, UAE, Bahrain, and Poland. Most of RCX's revenue is in foreign currency, thereby benefiting from the devaluation of the Egyptian pound.

1.1 EGP BN

Raya Foods Revenue

793 EGP MN

Raya Auto Revenue

In 2023, Raya Customer Experience achieved a 60% growth in revenue to EGP 1.9 billion and a 1.32x growth in EBITDA to EGP 495 million. In the coming year, RCX will focus on the Saudi market, where plans are in the works to grow its existing operations. The company is also on the lookout for potential acquisitions that will allow it to either add new technologies to its service offering or to acquire European-based customer lists.

Growth Initiatives for Our Up-and-Coming Subsidiaries

In addition to the Big four, I'm excited to share the significant progress of two of our runner subsidiaries.

Raya Foods, our export-based frozen fruits and vegetables factory that specializes in frozen strawberries, grew its revenue by 38%, reaching EGP 1.1 billion in 2023. The company has attracted a potential co-investor to inject capital to add freeze-dry production lines that will add to its value chain.

Raya Auto, which manufactures and distributes light vehicles, also delivered a strong performance with a 44% year-on-year growth in revenue to EGP 793 million. In 2023, the company finalized new dealership agreements with two leading electric vehicle producers, and it will continue to focus on growing the Egyptian EV market in 2024.

As important as Our Financials

Raya has always strived to implement global best practices when it comes to environmental stewardship, community service, and governance.

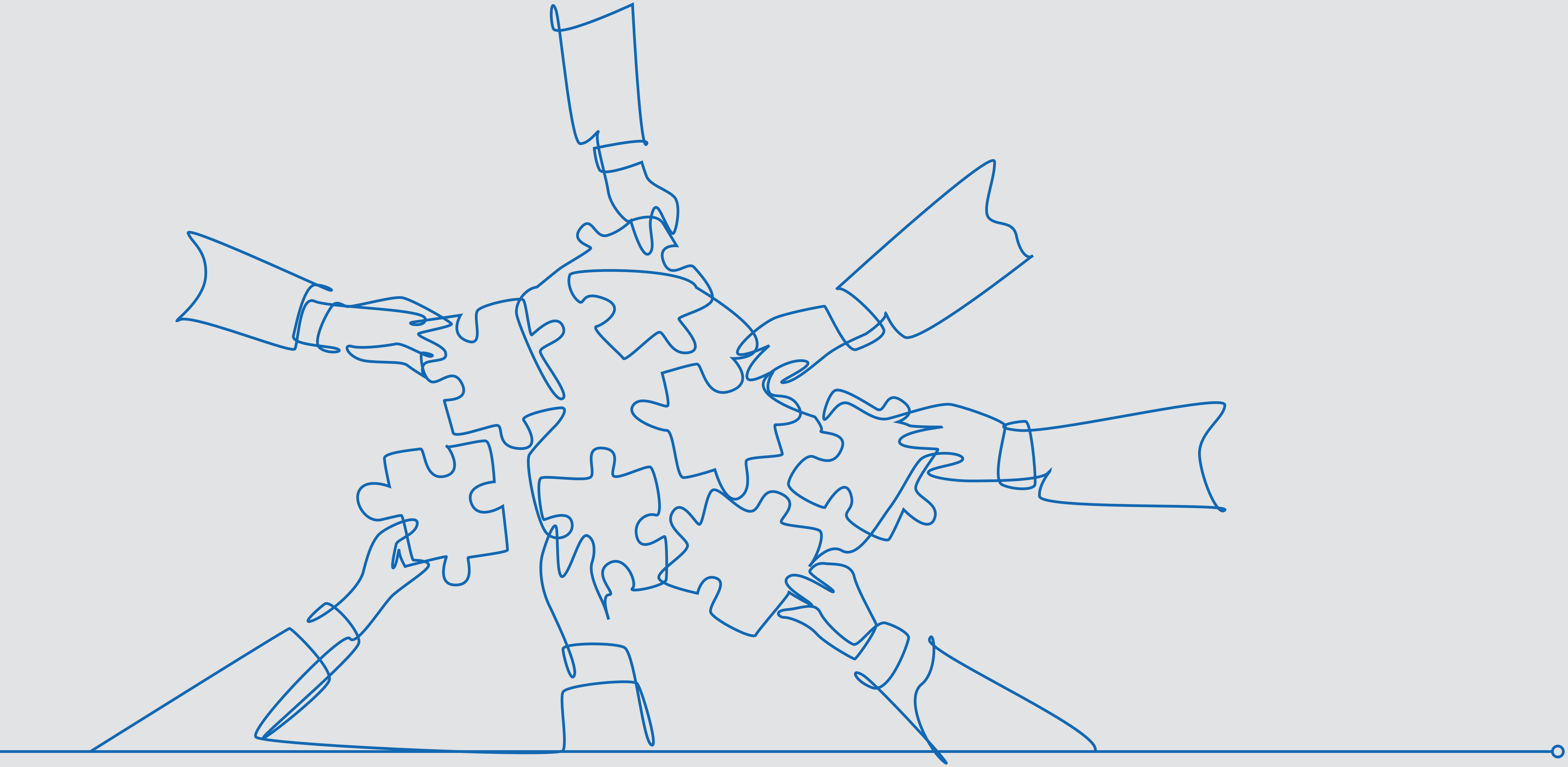
> We are very proud to have received the recognition of "Employer of the Year for 2023," thereby assuring that our Human Resource Practices are meeting the standards of top employers.

We have recently taken steps to start measuring our carbon emissions across several of our subsidiaries. As an organization that is responsible for the employment of more than 18,000 people across three continents, I'm proud that Raya continues to develop and do right by its workforce. We are very proud to have received the recognition of "Employer of the Year for 2023," thereby assuring that our Human Resource Practices are meeting the standards of top employers. We continued to invest in developing Raya's HR practices with a focus on gender equality and providing career opportunities for persons with disabilities (PWDs). Collaborations with reputable partners, such as USAID, the UN, and Helm, have provided us with the guidance needed to conduct a gender gap analysis, training for PWDs, and disability ethics programs.

I would like to take this opportunity to thank our esteemed Board of Directors for their valuable guidance and insights; our CEO's and management teams for their energy, vision, and dedication; and, finally, each and every member of the Raya team.

Our success story would not have been possible without you. I look forward to the next chapter.

Ahmed Khalil
CEO



Our People

Our People

Raya Holding's exceptional performance over the course of the last three decades comes as a result of the unwavering dedication of all its exemplary employees. In recognition of their immeasurable value, the company strives to foster an encouraging work environment that embraces its fundamental core values and utilizes every employee's unique talent.

18,000
Number of Employees

8.5%
▼ Decrease in Employee Attrition YoY

82%
Employee Engagement Index (ECHO 2023)

19.4%
Women as a Percentage of Employees

18
Women in Management and Leadership Roles

39.5%
Loans to Women-Led Businesses (as a % of total loans)

Award-Winning Employer

Raya Holding is proud to be recognized as a Top Employer for the second consecutive year, reflecting our commitment to creating an exceptional workplace. This award highlights Raya's dedication to nurturing talent, promoting diversity, and prioritizing employee well-being.

EVP Learning and Progression

Raya's commitment to employee development is evident in its comprehensive EVP programs, including Rise, Explore, Talent Catalyst, and Regional Expeditions. These initiatives promote personal and professional growth, offering continuous skill enhancement and career advancement opportunities. By investing in its employees' success, Raya fosters a culture of excellence and innovation, distinguishing itself in the industry.

Embracing Diversity and Inclusion

In alignment with our ongoing mission to abide by global best practice, Raya Holding underwent a GAP analysis in 2023 to assess our ability to foster inclusion and diversity across all divisions. Gender inclusivity is of particular importance at Raya Holding, we collaborated with UN Women to develop a gender action plan with the aim of increasing female representation across the board while also driving diversity and inclusion. Additionally, Raya partnered with USAID Women's Economic and Social Empowerment Program, implemented by Pathfinder International, to further advance gender equality throughout Raya Holding's value chain. A people-dimension goal to increase female top management capacity across all subsidiaries will be implemented moving forward, therefore further cementing the company's targets for women's empowerment.

Inclusivity of individuals with disabilities is a key priority for Raya Holding. All subsidiaries are required to meet a 5% hiring target for physically challenged individuals. This initiative is supported by Tamkeen, Raya's employability program for people with disabilities. Job postings and positions are tailored to fit these candidates, with opportunities for internal horizontal and vertical career movements available to all employees.

Raya Holding's Employee Value Proposition (EVP) pillars contribute to inclusive growth by emphasizing learning and career progression to all employees based exclusively on their talent and performance. Raya's career progression matrix was established to clearly communicate requirements for progression across divisions to provide progression opportunities for all employees.

Encouraging Engagement

ECHO

ECHO is an employment engagement survey designed for employees to candidly express their satisfaction levels to company executives. The survey is conducted biannually to allow for the monitoring of courses of action taken toward improving employees' experience and maintaining developments across all subsidiaries, with a Pulse Survey conducted in the odd years.

The survey conducted by Raya Holding's HR team is accompanied by a report analysis of results to be discussed at the executive and leadership levels. Communication meetings are

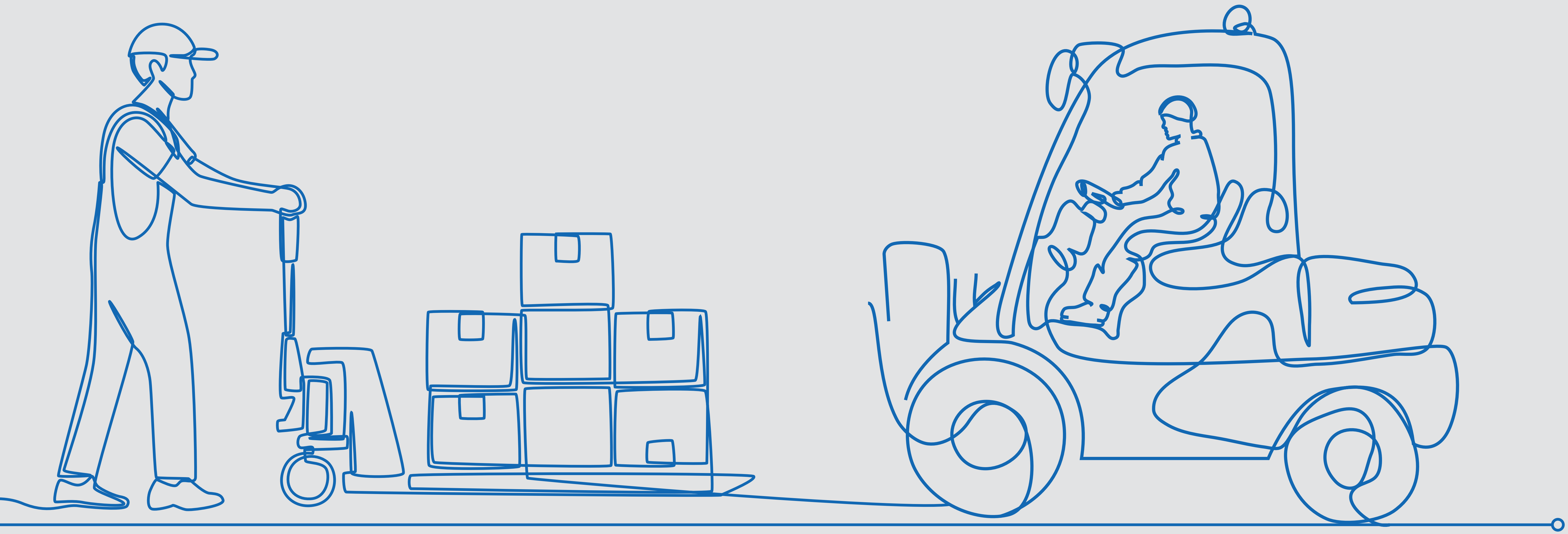
then held between management and employees to assess what the company is doing right and to ensure that satisfaction levels are maintained. In areas where there is dissatisfaction, we identify the root causes and look into areas of improvement. This process is concluded with the development of a tailored action plan dedicated to addressing these results. The HR team is then tasked with tracking the implementation to ensure the seamless execution of all processes in line with Raya Holding's strategic direction.

Code of Conduct

At Raya Holding, it is essential that all operations are conducted with integrity and diligence. All employees are required to exercise their roles in a manner that upholds company values. Raya's Code of Conduct is designed to guarantee that all operations are free of any corrupt practices and any behavior resulting in a hostile work environment. Awareness of these practices is raised through company-wide campaigns in the form of educational videos and training sessions conducted in both Arabic and English, effectively relaying Raya Holding's guidelines and expectations to all staff levels.

The company does not tolerate any threat to its employees' well-being and work environment. Raya Holding therefore eliminates any possibility for harassment, bullying, and discrimination through its Speak Up and Whistleblowing programs dedicated to protecting employee safety and fairness. The significance of these values is emphasized to all new hires as well and remain available to be accessed via the company's HRIS and online learning portal. Raya Holding thus continues to stay true to its core values of fostering teamwork with respect for all.

Company Investment Portfolio



Trade

Auto

FMCG

Trade & Distribution

Raya Trade

Overview of the Company

Raya Trade, a prominent subsidiary within Raya Holding's diverse portfolio, has emerged as a leading distributor, retailer, and maintenance provider of consumer electronics and home appliances. Established in Egypt in 1998, the company has expanded its operations to encompass Nigeria and Tanzania, solidifying its position as a major player in the African market.

The subsidiary comprises several operating entities, including Raya Distribution, Raya Retail, Raya Smart Care, Raya Nigeria, Raya Tanzania, and Raya Logistics. Additionally, it boasts innovative B2B E-Commerce platforms, Mazaya and Ezee, facilitating the distribution and sale of diverse consumer electronics across multiple markets.

Raya Trade's extensive network includes over 10,000 dealers, 65 retail outlets, and 70+ customer service points. Representing renowned brands such as Samsung, Lenovo, iTel, Nokia, De'Longhi, Kenwood, Braun, Philips, Microsoft, Canon, and Xerox, the company has positioned itself as a partner of choice for international brands seeking sustainable ventures in Egypt and Nigeria.

2023 in Review

In 2023, Raya Trade continued its commitment to excellence, solidifying its position in the African consumer electronics market. The company's dedication to providing high-quality products and services remained unwavering, contributing to its success in the dynamic markets of Egypt, Nigeria, and Tanzania.

Financial Updates

In 2023, Raya Trade demonstrated robust financial performance, achieving a total revenue of EGP 13.9 billion with a remarkable year-over-year growth of 53% The breakdown of revenue sources underscores the company's diversified portfolio: Retail & Care contributed 24%, Distribution accounted for 42%, Raya Logistics Contributed 8% From EBT, while Nigeria and Tanzania experienced an impressive growth of 112% year-on-year. Furthermore, the B2B Platforms (Mazaya and Ezee) showcased an outstanding growth rate of 145% year-on-year. Additionally, Rayashop.com increased more than 120% year-on-year.

Examining the gross profit distribution, Retail & Care constituted 35%, Distribution contributed 34%, Raya Logistics exhibited a substantial growth of 118% year-on-year, Nigeria and Tanzania demonstrated a 90% increase year-on-year, and B2B Platforms displayed a commendable growth rate of 154% year-on-year.

Operational Updates

In 2023, Raya Trade achieved significant operational milestones across its diversified business units. The retail sector underwent a comprehensive transformation, with stores adopting a modern concept to meet evolving consumer trends. Raya Retail expanded its presence, becoming a hub for consumer electronics and home appliances, experiencing notable growth in non-mobile segments. Strategic alliances were forged, including a partnership with Lexmark, Samsung, Jumia, and Etisalat. With consumer finance services growing more than 50% year-on-year, expansion in retail stores continued to achieve more coverage and gain market share supported by strong sales channels, such as online, corporate, aftersales service, and the successful operation of 125 Etisalat retail outlets.

In distribution, Raya Trade continued to serve as the primary entry point for international brands into the Egyptian market, launching new brands and strengthening its position in mobile and TV segments. Raya Logistics expanded nationwide, introducing ISO-certified operations and Value-Added Services in Ain Sokhna.

As for our B2B platforms, Mazaya and Ezee demonstrated substantial growth, with Mazaya expanding its product range and Ezee establishing itself as the first Consumer

Electronics B2B E-Commerce platform in Nigeria. In Nigeria, Raya Trade demonstrated substantial growth as well by targeting all potential growth coming from foreign currency.

Sustainability & CSR

Raya Trade's commitment to sustainability and corporate social responsibility (CSR) is exemplified through a partnership with E-Tadweer, the national electronic waste recycling app. Serving as drop-off points, Raya Trade stores facilitate the safe disposal of e-waste, reducing landfill impact. Customers are incentivized with discount vouchers for RayaShop. This initiative aligns with Raya Holding's environmental goals, showcasing dedication to responsible e-waste management and a sustainable future for Egypt.

Our People

At Raya Trade, our people are integral to our success. The Raya Trade Academy provides in-house training, with 38% of total human capital engaged in continuous learning. Employee engagement programs, including team-building activities, annual kick-offs, and CEO breakfasts, foster a collaborative and vibrant work culture. We prioritize well-being through a hybrid work policy, allowing flexibility and providing relocation options for retail representatives, thus ensuring a supportive and dynamic environment for our valued team members.

Future-Looking Strategy

Looking ahead to 2024, and beyond, Raya Trade is strategically positioning itself for continued success. Embracing a customer-centric approach,

the company aims to respond to evolving market trends, customer needs, and customer behaviors. Raya Trade remains committed to maintaining a leading position in mobile phones, consumer electronics, and IT business, ensuring a robust market presence.

Continued expansion is a key pillar of the future strategy, with plans to enhance coverage, convenience and market share through retail store expansions. The company is also dedicated to digital transformation across all business units, leveraging technological advancements to improve operations and customer experiences. In the distribution business, Raya Trade seeks to acquire new brands and products, addressing market needs and capitalizing on emerging opportunities. Global expansion is on the horizon, with plans to enter new markets, such as Tanzania, and extend mobile operations in the UAE. These strategic initiatives underscore Raya Trade's commitment to growth, innovation, and maintaining a strong competitive edge in the dynamic consumer electronics market.

13.9 EGP BN

2023 Revenue

55%

Increase in Gross Profit YoY

51%

Growth in Consumer Finance

27%

Contribution of International Operations to Total Revenue

Bassem Megahed
CEO

Raya Trade

Note from the CEO

Dear stakeholders,
As we reflect on the achievements of 2023, I am delighted to share the remarkable journey of Raya Trade, a pivotal subsidiary within Raya Holding. In our commitment to excellence, Raya Trade has emerged as a leading force in the African consumer electronics market.

In the past year, our financial performance was robust, achieving a total revenue of EGP 13.9 billion, a year-on-year growth of 53% This success is attributed to our diversified portfolio and strategic focus on key sectors. Our operational milestones are equally commendable—our retail sector underwent a comprehensive transformation, our distribution network expanded, and our B2B Platforms demonstrated significant growth.
In line with our commitment to sustainability, Raya Trade has partnered with E-Tadweer for e-waste recycling, marking a pivotal step toward responsible environmental practices.

Our people remain at the core of our success, and initiatives, such as the Raya Trade Academy, and employee well-being programs underscore our dedication to fostering a dynamic and collaborative work environment.

Looking forward, our strategic vision for 2024 revolves around customer-centricity, maintaining leadership positions, and embracing digitalization across all business units. We are excited about our expansion plans in retail, distribution, and global markets, with a keen focus on acquiring new brands and products.

> “In the past year, our financial performance was robust, achieving a total revenue of EGP 13.9 billion, a year-on-year growth of 53%.

As we navigate the dynamic landscape of consumer electronics, Raya Trade remains committed to growth, innovation, and sustainability. We appreciate the continued support of our stakeholders and look forward to a future of shared success.

Raya Auto

Overview of the Company

Raya Advanced Manufacturing, known as Raya Auto, has played a pivotal role in Raya Holding's diversified portfolio since 2018. This ISO-certified Egyptian company, with a substantial investment of EGP 200 million, specializes in the light mobility industry. Raya Auto assembles and operates international modern vehicle brands, introducing them to Egypt's market. The acquisition of a 10,000 sqm factory, assembling four-, three-, and two-wheel light transport vehicles, has positioned Raya Auto as a key runner within Raya Holding's portfolio. Beyond contributing to revenue diversification, the company is committed to providing environmentally friendly products to Egyptian consumers, aligning with global sustainability goals.

793 EGP MN

Total Revenue

154 EGP MN

Gross Profit

71%

Market Share

30%

Increase in Sales Volume

2023 in Review

In 2023, Raya Auto solidified its position as a market leader in the electric vehicle industry, boasting five years of continuous growth. Offering high-quality, innovative, and affordable light transport vehicles, the company expanded its customer base and maintained a leading market share of 71%. The year marked notable achievements in revenue growth, sales volume, and customer satisfaction.

Financial Updates

In 2023, Raya Auto achieved a substantial 44% increase in revenue, reaching EGP 793 million, driven by strategic initiatives and market positioning. The growth profit surged by 80%, totaling EGP 154 million, reflecting effective cost management and operational efficiency. Raya Auto significantly expanded its market share by 20%, attaining a dominant 71% share, indicative of successful market penetration. Sales volume experienced a robust 30% growth, totaling 18,000 vehicles, showcasing strong demand and effective sales channels.

Operational Updates

During 2023, Raya Auto attained ISO 9001, 14001, and 45001 certifications, highlighting its commitment to quality, environmental sustainability, and occupational health and safety. Market share increased by 20%, supported by a dealership network expansion from 14 to 22 distributors. The company enhanced production capacity by 30%, positioning itself to meet growing market demands. Product developments, including a mobile app for digital orders, contributed to increased sales volume and heightened customer satisfaction. These operational milestones underscore Raya Auto's dedication to innovation and efficiency.

Sustainability & CSR

Raya Auto is committed to sustainability and CSR, evident through its ISO 45001 certification for health and safety. The company is steering toward a greener future by expanding its investment in electric vehicles, aligning with global efforts to reduce carbon emissions. Initiatives also include eco-conscious operations, minimizing waste, and prioritizing health, safety, and environment (HSE) precautions.

Our People

Raya Auto prioritizes its workforce, fostering a positive workplace where employees flourish. Recognizing them as the company's greatest asset, Raya Auto invests in continuous education programs, ensuring every team member has access to training for skill enhancement and career progression. Open communication is championed through regular HR meetings, check-ins, and an open-door policy, fostering collaboration and inclusivity. Knowledge sharing is encouraged via internal training sessions and programs, like the Rock Star initiative, promoting cross-functional understanding. Employee well-being is a key focus, with initiatives like Marathon Day and Ice Cream Day contributing to a balanced work-life environment. Fun at Work activities, including the "Games Hour," enhances team cohesion. Raya Auto's holistic approach to employee development and well-being underscores its commitment to a thriving and supportive organizational culture.

Future-Looking Strategy

Raya Auto's future strategy centers on sustainability, innovation, and global expansion. Significant investments in electric vehicles, exemplified by the 2024 partnership with XPENG, a leading electric passenger car brand, align with global clean energy trends. The company plans to diversify into the golf cart market and invest in a lithium battery assembly line, demonstrating a forward-looking approach. Broadening after-market offerings and venturing into new markets, particularly in the Arab Gulf countries, signify Raya Auto's ambition to become a global automotive player. Strategic collaborations, such as with Shift-EV for lithium batteries, contribute to both Raya Auto's growth and the development of the local manufacturing sector.

Mohamed El Naggar
CEO

Raya Auto

Note from the CEO

Dear stakeholders,
Raya Auto stands proud of the milestones achieved and the resilience demonstrated throughout 2023. As a subsidiary of Raya Holding, we have solidified our position in the Egyptian light mobility industry since our inception in 2018. With an ISO certification and an EGP-200-million investment, Raya Auto has diversified Raya Holding's portfolio, offering innovative and environmentally conscious products to the Egyptian market, such as a move from internal combustion engine (ICE) motorbikes to electric ones.

In 2023, we emerged as a market leader in the electric vehicle industry, celebrating five years of continuous growth. Financially, we recorded significant increases in revenue, gross profit, market share, and sales volume. These achievements are a testament to the dedication of the entire Raya Auto team.

Our commitment to sustainability and CSR is evident through initiatives like ISO 45001 certification, expanded investment in electric vehicles, and eco-conscious operations, showcasing our responsibility to the environment and communities.

> “Raya Auto stands proud of the milestones achieved and the resilience demonstrated throughout the year.

Our people are at the core of our success. Through education empowerment, open communication, and well-being programs, we have fostered an environment where every team member can thrive.

Looking ahead, Raya Auto is set for transformative growth. Strategic partnerships, such as the collaboration with XPENG, a leading electric passenger car brand; entry into the golf cart market; and investments in lithium battery assembly, signify our commitment to innovation. I extend my deepest appreciation to the Raya Auto family, partners, and stakeholders for your dedication and support. As we navigate the path ahead, I am confident that the coming years will bring even more successes and milestones.

Raya FMCG

Overview of the Company

Raya FMCG, as Raya Holding's distribution arm in the FMCG sector, plays a pivotal role in serving various channels, including retail, wholesale, HORECA, B2B, and more. Our comprehensive services span across all product categories, reaching over 30,000 direct points of sale and indirectly serving 40,000+ clients. We pride ourselves on being a service-oriented entity, offering sales and distribution, merchandising, export, and logistics services. Our extensive partnerships include renowned local and global companies, such as Nestle, PepsiCo, Froneri, Hayat, Dairy Distributors, and others. Notably, not only do we collaborate with external brands but we also promote our own across diverse categories.

51%

Growth in Revenues

2.25x

Increase in Earnings After Tax (EAT)

11%

Expansion of Operating Branches

+30,000

Direct Point of Sale

2023 in Review

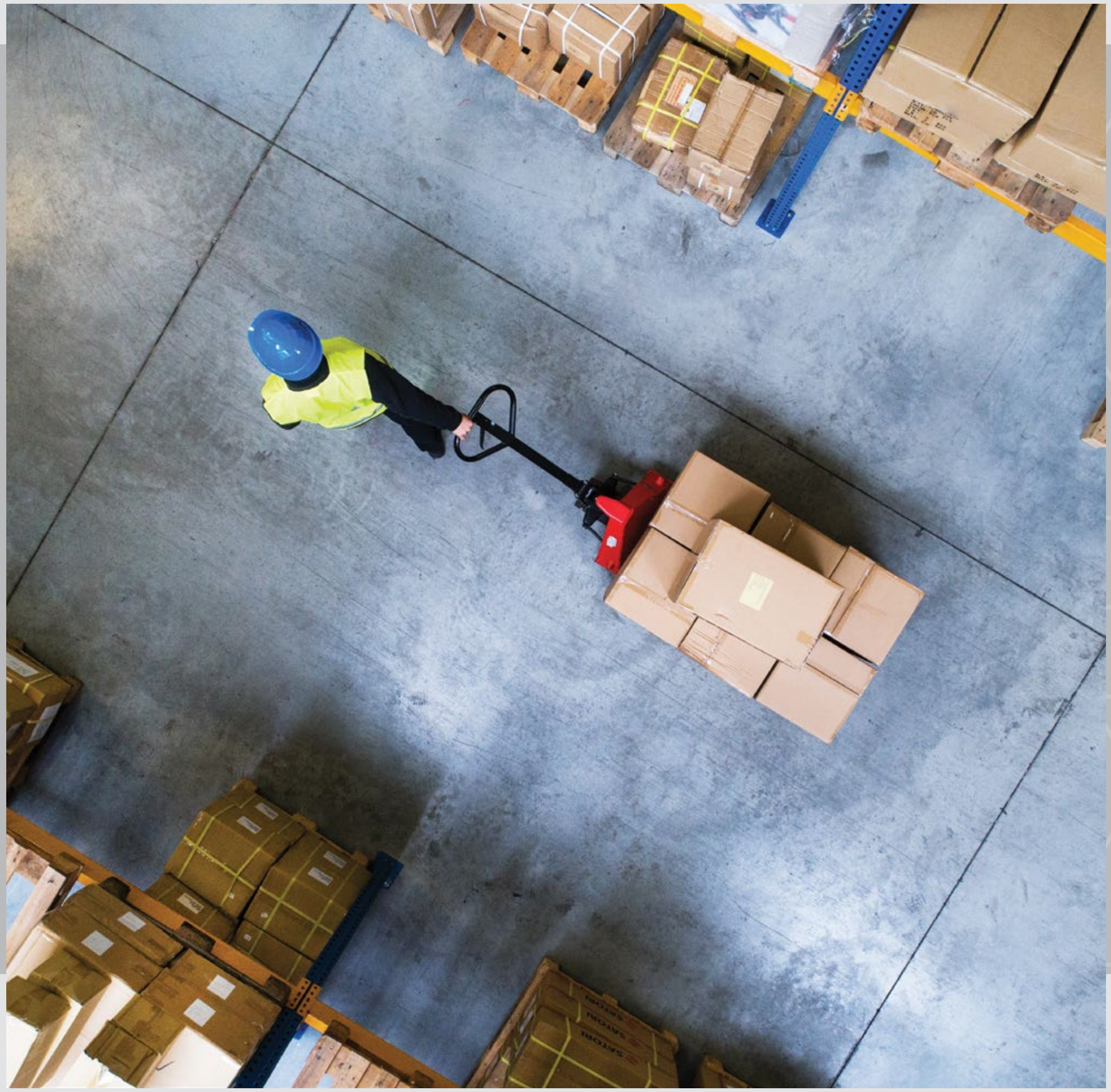
In 2023, Raya FMCG consolidated its position as the industry's premier service provider by focusing on transparency, professionalism, and agility. The commitment to these principles allowed the company to navigate a dynamic market environment successfully. The emphasis on being the employer of choice within the FMCG sector was reinforced through employee-centric initiatives and a commitment to fostering a positive work culture.

Financial Updates

Raya FMCG witnessed exceptional financial performance in 2023, marked by a substantial 51% growth in revenue, recording EGP 1.3 billion. This impressive growth is a testament to the effectiveness of our strategies and the strength of our partnerships. The company experienced a remarkable 2.25x increase in earnings after tax (EAT), underscoring our ability to achieve not only revenue growth but also profitability. The expansion of operating branches by 11% and the 16% increase in headcount are indicators of our commitment to scaling operations and investing in our workforce for sustained growth.

Operational Updates

Operational milestones in 2023 showcased Raya FMCG's commitment to growth and efficiency. The expansion of business with key partners, such as Hayat and Bin Laden, and the signing of agreements with new partners, like Silo Foods, have not only broadened our portfolio but also increased our team and coverage. The efficiency gains of 12–29% across various operational elements highlight our dedication to enhancing processes and delivering value to our partners.



The strategic expansion with key partners signifies our ability to navigate an evolving market land-scape and capitalize on emerging opportunities.

In addressing challenges related to product availability, foreign currency fluctuations, and price instability, Raya FMCG implemented robust risk management strategies. The pro-active approach to mitigating these challenges ensured the continuity of operations and sustained partnerships.

Sustainability & CSR

Raya FMCG's commitment to sustainability is manifested through the implementation of route optimization, which not only enhances operational efficiency but also contributes to a reduction in the company's environmental footprint. The collaboration with the Ministry of Environment to manage the disposal and recycling of damaged goods reflects our dedication to responsible business practices, aligning with broader environmental goals.

Our People

Our commitment to employee well-being and development is evident through programs such as medical insurance coverage upgrades, the Best Idea Program, and the Thank You Program. Internal and Raya Holding programs, including

Values and RAC, further enrich our positive work culture. In 2023, we also implemented various training programs ensuring that over 70% of our team members have been trained to further develop their skills and knowledge.

Future-Looking Strategy

Raya FMCG's visionary strategy focuses on digitization, expansion, and strategic partnerships. The company is committed to embracing digitization through the implementation of a B2B e-commerce app, ensuring seamless operations and enhancing stakeholder experiences. Geographical expansion is a key priority, both horizontally into new regions and vertically by diversifying into new product categories. Raya FMCG aims to solidify its market leadership by actively seeking strategic partnerships, particularly in the non-food category, fostering innovation and market growth.

The future holds plans for the company to strengthen its brand portfolio by introducing new products and expanding existing offerings across different categories. This approach reflects Raya FMCG's dedication to meeting evolving consumer demands and maintaining its dynamic position in the FMCG sector. Through these initiatives, Raya FMCG is poised to navigate a competitive landscape, contribute to sustainable industry growth, and create a lasting impact in the rapidly evolving FMCG market.

Gamal Hussein
CEO

Raya FMCG

Note from the CEO

Dear Valued Stakeholders,
Looking back on 2023, Raya FMCG continues to stand firm as Raya Holding's distribution arm, steering the FMCG sector toward excellence. Our commitment to transparency, professionalism, and agility has fortified our position as the industry's leading service provider.

Financially, 2023 has been remarkable with a 50%+ revenue surge and an impressive 2.25x growth in EAT, underlining our strategic prowess and profitability. Operational milestones include expanding partnerships with key players, such as Hayat and Bin Laden; optimizing efficiency by 12-29%; and overcoming challenges with resilience.

Looking forward, our strategy revolves around digitization, as we embrace a B2B e-commerce app to enhance stakeholder experiences. Geographical and vertical expansion, strengthened by new strategic partnerships, remains at the core of our growth. We are set to diversify our brand portfolio, introducing new products to meet evolving consumer demands.

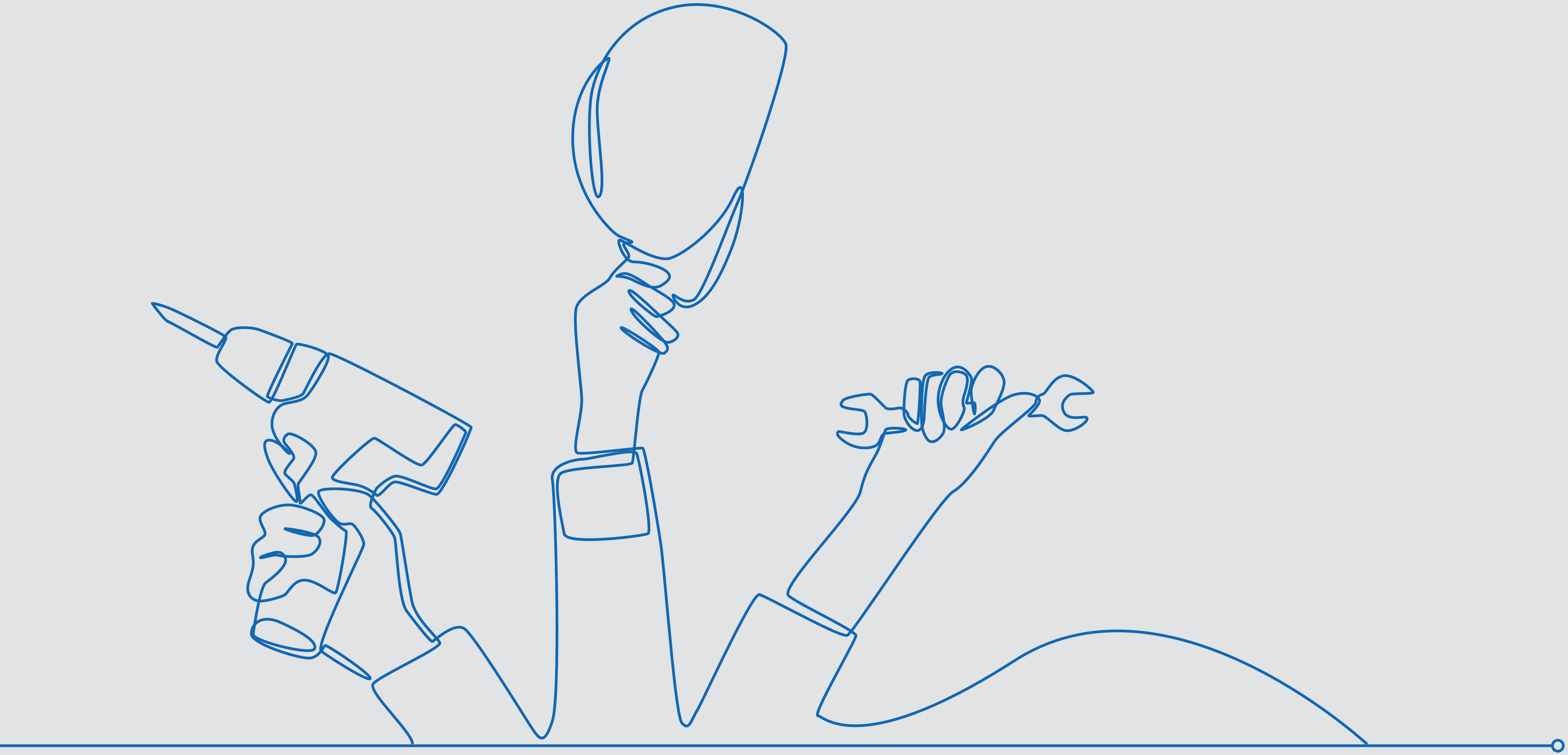
In 2023, we successfully optimized the majority of our routes in order to increase efficiency and reduce carbon emissions. We have also fully implemented our waste management system in collaboration with the Ministry of Environment, ensuring that we are working toward a greener future.

> "Looking forward, our strategy revolves around digitization, as we embrace a B2B e-commerce app to enhance stakeholder experiences.

Our people are central to our success, and initiatives like medical insurance upgrades and employee appreciation programs reflect our dedication to their well-being and development.

As we navigate the future, Raya FMCG pledges to continue delivering value, foster innovation, and contribute to the sustainable growth of the FMCG sector. Together, with our partners, stakeholders, and dedicated team, we aim to make a lasting impact in the dynamic world of FMCG.

Thank you for your unwavering support.



Manufacturing

Raya Foods

Overview of the Company

Raya Foods, a key player within Raya Holding's diversified portfolio, is a leading food processing company specialized in frozen vegetables and fruits. In 2023, we solidified our position as the second-largest exporter of frozen produce in Egypt, exporting 30,000 tons to over 50 countries globally. As the primary manufacturing arm of Raya Group, we contribute almost 99% of our produce to the international market, generating crucial foreign proceeds for Raya Holding's subsidiaries.

1.1 EGP BN

Total Revenue

30,000

Ton Exported

50

Countries

35 USD MN

Value of Exports in 2023

2023 in Review

In 2023, Raya Foods continued its trajectory of aggressive growth, anchored by 100% local raw materials and nearly 100% foreign proceeds. We remain well-positioned for future expansion in the dynamic economic landscape.

Financial Updates

Raya Foods demonstrated exceptional financial performance throughout 2023, culminating in a total revenue of EGP 1.1 billion. This noteworthy achievement underscores the effectiveness of the company's strategic initiatives, solid product quality, and strong global market presence. The gross margin stood at an impressive 46%, indicative of Raya Foods' commitment to efficient cost management and a compelling value proposition. Moreover, the company delivered a commendable EBITDA of EGP 290 million, delivering EBITDA margin of 27%, showcasing operational efficiency and sustained profitability.

Operational Updates

Operationally, Raya Foods reached a significant production milestone in 2023 by processing 35,000 tons of frozen vegetables and fruits, achieving a remarkable utilization rate of 78%. This not only highlights operational excellence but also signifies the company's adeptness in maximizing its production capacity. Despite industry challenges, Raya Foods maintained its position as the second-largest supplier in the market, exporting 30,000 tons of produce valued at USD 35 million. Of particular note is the strawberry category, where the export of 21,000 tons has positioned Raya Foods as a strong contender, challenging the market leader. Furthermore, the company's commitment to quality was recognized with an impressive AA+ rating in the BRC audit, emphasizing adherence to the highest standards of safety and quality.

Sustainability & CSR

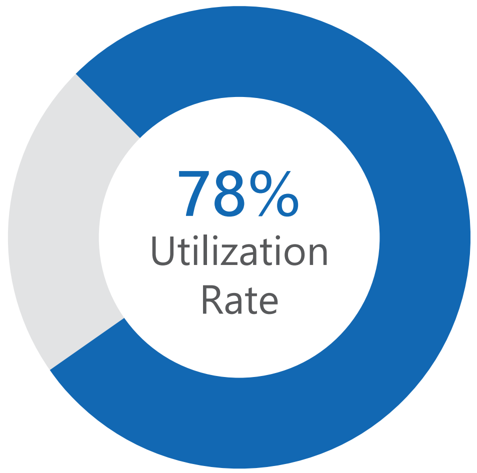
Raya Foods is committed to sustainability through energy efficiency initiatives and CSR activities, such as supporting The Jazam Colony during Eid and participating in tree-planting initiatives on International Youth Day.

Our People

Employee engagement initiatives, recognition programs, and well-being-focused activities underscore our commitment to our workforce. Notable programs include the Values Program, Rewards Hunt, and partnerships for employee well-being.

Future-Looking Strategy

Raya Foods is embarking on a transformative and ambitious five-year strategy to double



its business and fortify its standing in the food processing industry. At the core of this forward-looking plan is a substantial expansion of its Individual Quick Freezing (IQF) operations, with the aim of reaching an impressive 45,000 tons. For the second year in a row, Raya Foods proudly continues its Fresh Strawberry Exports to destinations like the UK, Germany, and the UAE. Looking forward, the company aims to expand its export portfolio, positioning itself as a comprehensive hub for vegetable and fruit exports in various forms, including Fresh, IQF, Freeze Dried, and Concentrates.

Simultaneously, the company is poised to pioneer its entry into the realm of freeze-dried strawberries, aspiring to become a paramount supplier in Egypt and the MENA region. This strategic move not only aligns with evolving consumer preferences but also positions Raya Foods as an innovator in the industry. Recognizing the imperative of meeting heightened product demand, the company is planning a significant increase in the capacity of its IQF processing lines. Additionally, Raya Foods is strategically diversifying its portfolio through its commitment to entering the concentrates business by 2026. This comprehensive strategy underscores Raya Foods' commitment to innovation, adaptability, and sustained growth, ensuring its continued leadership in the dynamic global food processing landscape. As Raya Foods charts this course for the future, these initiatives underscore its dedication to contributing significantly to the success of Raya Holding and solidifying its position as an industry leader.

Omar Abdel Aziz
CEO

Raya Foods

Note from the CEO

Dear Valued Stakeholders,
As the CEO of Raya Foods, I am delighted to share the remarkable achievements and strategic advancements that have defined our journey throughout 2023. Our commitment to excellence and innovation has propelled us to become the second-largest exporter of frozen vegetables and fruits in Egypt, a position solidified by the export of 30,000 tons to over 50 countries.

In 2023, we achieved significant milestones, including reaching a gross margin of 46% and generating a revenue of EGP 1.1 billion. Our operational prowess was showcased through the production of 35,000 tons at 78% utilization, retaining our #2 market position, and earning an AA+ rating in the BRC audit—a testament to our unwavering dedication to quality.

Market dynamics also saw us emerge as a formidable competitor, challenging the market leader in the strawberry category by exporting 21,000 tons. Looking forward, our strategy is ambitious and forward-thinking. We aim to double our business over the next five years by expanding IQF operations, venturing into freeze-dried strawberries, increasing processing capacity, and entering the concentrates business by 2026.

2nd largest

Exporter of Frozen Fruits & Vegetables in Egypt

Our commitment extends beyond financial success to employee well-being, sustainability, and CSR. Recognition programs, employee engagement initiatives, and sustainability projects underscore our dedication to our people and the communities we serve.

In closing, Raya Foods is not just a company; it is a dynamic force navigating the challenges of the food processing industry with resilience and foresight. As we chart our course into the future, I am confident that our strategic initiatives will not only fortify Raya Foods' position within Raya Holding but also set new standards of excellence in the global market. We look forward to the exciting journey ahead.

Raya Electric

Overview of the Company

Raya Electric is the newest subsidiary of Raya Holding for Financial Investments. Established in mid-2020, Raya Electric focuses on manufacturing home appliances and electronic devices, with a primary emphasis on air conditioners. With a strategic investment of EGP 350 million, Raya Electric has positioned itself as a key player in the industrial sector, aligning with the Egyptian government's vision for local manufacturing and export market development. The company aspires to be the manufacturing partner of choice for home appliances and electronics in Egypt and the MEA region, adhering to sustainable world-class manufacturing standards.

2.27x

Revenue Growth YoY

300,000

Air Conditioning Units Production Capacity

+60%

Localization Ratio

2023 in Review

Raya Electric achieved significant milestones in 2023, solidifying its position in the market as a leading independent air conditioner manufacturer in the MEA region. The company successfully transitioned from a joint venture to full ownership, becoming the manufacturing partner for both Egyptian and international brands.

Financial Updates

In 2023, Raya Electric demonstrated exceptional financial performance, recording EGP 161 million in total revenue, marking a significant chapter in its growth trajectory. This represents an impressive 2.27x increase in revenue growth. This remarkable achievement reflects Raya Electric's successful strategies in capturing a larger market share and meeting heightened consumer demand.

Amid the robust sales growth, Raya Electric prudently managed its financial stability. The company achieved its profit and efficiency targets through strategic measures, including the reduction of operating costs, improvements in productivity, and a steadfast commitment to enhancing customer satisfaction. This financial prowess allowed Raya Electric to maintain a robust liquidity position, generating cash flows from operations and strategically investing in profitable projects.

Operational Updates

Raya Electric reached notable operational milestones throughout 2023, solidifying its reputation as a leader in air conditioner manufacturing. Leveraging its Research and Development (R&D) competencies, the company successfully built an Original Design Manufacturing (ODM) platform that complies with the latest Egyptian and international industry standards. This platform not only enhances Raya Electric's offerings but also positions it as a front-runner in providing best-in-class performance to customers.

The manufacturing capabilities were bolstered through upgrades, strengthening the multi-brand ODM/OEM offering. Raya Electric's commitment to quality was reaffirmed by passing LG, Beko, and El-Araby Group (Sharp and Tornado) as four rigorous international and local brand owners' quality compliance audits. The company achieved a significant milestone by achieving 100% compliance with the safety, health, and environmental standards set by Egypt. Further operational enhancements included the implementation of strict cost control measures to ensure product cost competitiveness and the establishment of KPIs visual dashboards for progress tracking.

> The company recorded an impressive sales growth exceeding 2x year-on-year. This remarkable achievement reflects Raya Electric's successful strategies in capturing a larger market share and meeting heightened consumer demand.

Sustainability & CSR

Raya Electric is unwavering in its commitment to sustainability and CSR, aligning its practices with internationally recognized ISO standards. As an ISO-certified entity, the company actively contributes to achieving sustainable development goals (SDGs). The ISO 9001 certification ensures improved product and service quality, leading to increased customer satisfaction and loyalty.

Embracing ISO 45001 for Occupational Health and Safety Management Systems, Raya

Electric operates in a safe and healthy work environment for its employees. The ISO 14001 certification for Environmental Management Systems reflects the company's dedication to reducing its environmental impact through efficient waste management, emission reduction, and resource consumption.

Moreover, adherence to ISO/IEC 17025, a fundamental standard for testing and calibration laboratories, empowers Raya Electric to promote energy efficiency, thermal comfort, and well-being. In collaboration with the United Nations Industrial Development Organization (UNIDO), the company engages in initiatives aimed at reducing global warming in the air-conditioning sector. This strategic partnership showcases Raya Electric's commitment to environmental stewardship, aligning seamlessly with Raya Holding's broader CSR goals and ensuring a positive impact on both local and global communities.

Our People

Raya Electric places paramount importance on its workforce, implementing the World-Class Factory Foundation Program to ensure technical standards are met. Recognized as a Top Employer in Egypt 2023, the company focuses on employee well-being, gender equality, and diversity. The completion of the Administration Building reflects Raya Electric's commitment to providing a safe and comfortable workplace.

Engaging in the SEAL Certification Program and collaborating with Raya Holding underscores the company's dedication to fostering employee satisfaction, development, and a positive work environment, ensuring alignment with the company's objectives and values.

Future-Looking Strategy

Raya Electric's visionary strategy is centered on innovation, expansion, and market leadership. The company aims to extend its Air Conditioner (AC) Original Design Manufacturing (ODM) platform for both residential and commercial units, showcasing a commitment to providing cutting-edge solutions. With a focus on export opportunities, Raya Electric seeks to broaden its footprint beyond local markets, capitalizing on its manufacturing excellence and diverse product offerings.

An exciting development lies in the establishment of a Small Domestic Appliances (SDA) Manufacturing Facility by Q4 2024. This strategic move underscores Raya Electric's versatility, as it plans to produce a wide range of products for top-notch global brands. Additionally, the company plans to extend its AC ODM platform, introducing new models for residential units and expanding manufacturing capabilities for commercial air conditioners.

Usama Zaki
CEO

Raya Electric

Note from the CEO

Dear stakeholders,
I am pleased to present Raya Electric's overview for 2023—a testament to our unwavering commitment to excellence, innovation, and sustainable growth.

In the face of dynamic market conditions, Raya Electric has emerged as a leader in the air conditioner manufacturing sector, achieving extraordinary milestones. Our sales growth exceeded 2x year-on-year, reflecting our resilience and market agility. Financially, we not only met profit targets but strategically managed operating costs, ensuring a robust liquidity position for future endeavors.

Operationally, our focus on quality is evident in passing four international brand compliance audits and achieving 100% adherence to safety, health, and environmental standards. The establishment of an AC ODM platform that complies with the latest Egyptian and international industry standards, while satisfying the requirements of top-tear brands and upgrading our manufacturing capabilities, positions us as a reliable partner for leading Egyptian, regional, and international brands, such as LG, Beko, and El-Araby Group's two brands.

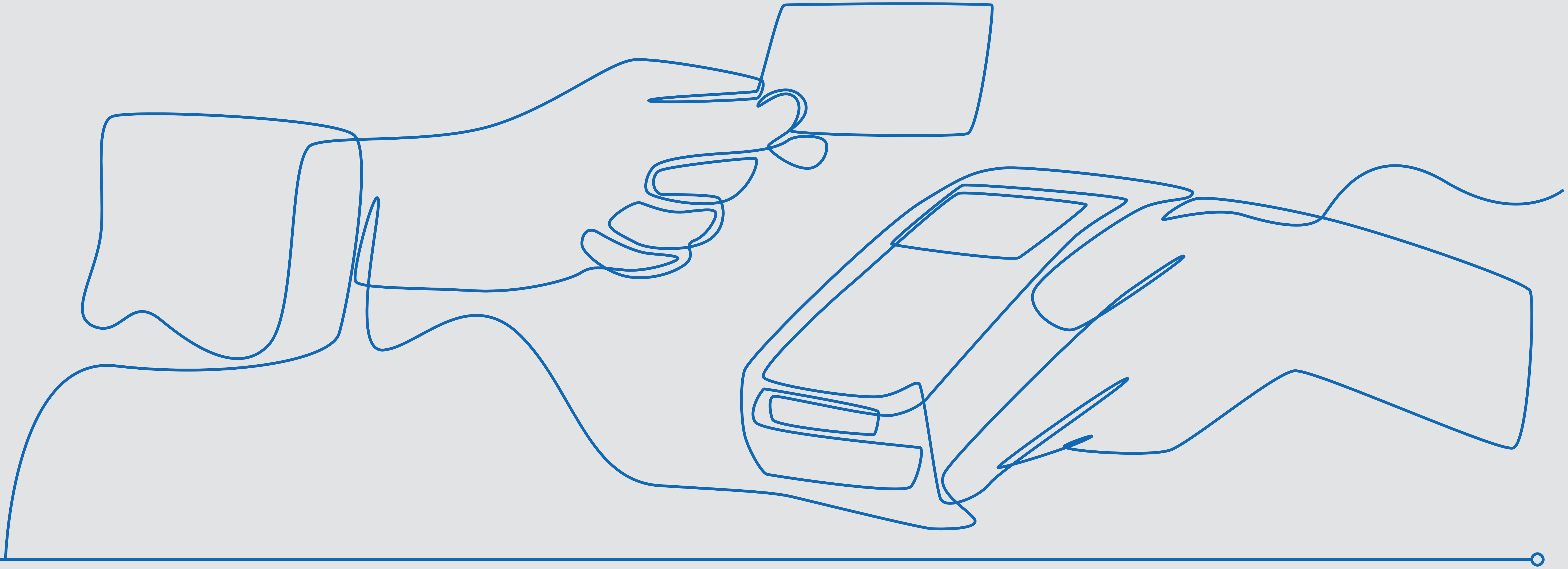
Established

2020

Our commitment to sustainability is reflected in ISO certifications and strategic partnerships with UNIDO, and our CSR initiatives underscore our dedication to reducing environmental impact and promoting economic prosperity.

As we look ahead, our future-looking strategy encompasses extending our AC ODM platform, exploring export opportunities, and establishing an SDA Manufacturing Facility. These initiatives, coupled with our focus on employee engagement and well-being, position Raya Electric for sustained success and growth.

We extend our gratitude to our dedicated team, supportive stakeholders, and valued customers. Together, we look forward to a future marked by innovation, collaboration, and continued achievements.



Non-Banking Financial Services

Aman Holding

Overview of the Company

Raya Holding's subsidiary, Aman Holding, stands at the forefront of e-payments and non-banking financial services (NBFI) sector in Egypt. Established in 2016, Aman Holding has evolved from offering a single product, "Bill Payments," to managing a diverse portfolio of 18 products that cater to the financial needs of one million Egyptian consumers and 500,000 merchants. The company's mission extends beyond Egypt, aiming to transform financial services across Africa and the Middle East.

4.6 EGP BN

Total Revenue

9 EGP BN

Lending Disbursement

1 million

Number of Customers

500,000

Number of Merchants

18

Products

2023 in Review

Throughout 2023, Aman Holding continued its trajectory as a dynamic and ambitious entity within Raya Holding. The company showcased adaptability and resilience in the face of challenges, solidifying its unique position in the market. This year marked a significant phase of growth and transformation for Aman Holding.

Financial Updates

In 2023, Aman Holding continued its impressive financial trajectory, solidifying its position as a key player in the Egyptian financial services sector. Noteworthy financial achievements during this period contribute to the compelling narrative of Aman Holding's success. Managing an expansive total lending disbursement of approximately EGP 9 billion, the company demonstrated its significant financial reach and influence in addressing a spectrum of consumer needs. Equally impressive, the total revenue soared to surpass a remarkable EGP 4.6 billion, along with EBITDA reaching EGP 663 million, providing a clear testament to Aman Holding's enduring strength in financial performance and its commendable ability to generate substantial revenue.

Operational Updates

Operationally, Aman Holding experienced significant achievements and milestones throughout 2023. The company underwent a strategic organizational restructuring to enhance its agility and responsiveness in a dynamic business environment. After seven years of operations, Aman Holding sought to rejuvenate its operational model, fostering a sense of youthful agility while leveraging synergies, data, and knowledge from various teams and products.

The restructuring initiative resulted in a modern matrix structure, dividing commercial and operational teams into autonomous business units. These units were efficiently supported by dedicated teams from centralized technology and support functions. This organizational revamp aimed to streamline operations, enhance adaptability, and extract maximum value from the accumulated experiences within the company.

Our People

Aman Holding places high emphasis on employee engagement and development. A robust culture management strategy involves regular engagement surveys, transforming feedback into actionable plans through focus groups. The "Connect" theme permeates various activities, from frequent meetings at different levels to quarterly updates and innovation initiatives. Employee development is prioritized, with internal and external training programs ensuring continuous growth. The company's commitment to fostering a positive work culture is reflected in its people-centric approach.

Sustainability & CSR

As an integral part of Raya Holding, Aman Holding remains committed to aligning its sustainability and CSR initiatives with broader corporate goals. The company's ethos emphasizes responsible business practices and community engagement. Aman Holding participated in a fruitful initiative dedicated to the distribution of 1,500 POS machines recharged with EGP 500 in Luxor, Beni Suef, and Fayoum, achieved in collaboration with the Egyptian Banks Company (EBC) and El Orman Association. This initiative was a great opportunity to advance e-payments literacy, highlighting the advantages of e-payment channels and methods, and giving owners of micro-businesses an opportunity to increase their income.

The company recognizes its unique responsibility to the community, being the sponsor of the Baheya Awareness Conference in 2023, coinciding with World Breast Cancer Awareness Month. The conference addressed critical topics related to breast cancer awareness and early detection while celebrating breast cancer fighters.

Future-Looking Strategy

Looking ahead, Aman Holding envisions a transformative journey into a fully fledged

digital bank, extending its reach beyond Egypt to encompass the vast territories of Africa and the Middle East. The focal point of this vision is delivering a seamless, digitally driven banking experience that exceeds customer expectations. In the upcoming year, Aman Holding strategically positions itself to scale operations through cutting-edge technology, recognizing the pivotal role of digital innovation in shaping the future of banking.

Crucial to this evolution is a steadfast commitment to governance and compliance. As Aman Holding emerges as a digital banking leader, it prioritizes the establishment of a well-governed and compliant environment.

This commitment ensures that Aman Holding's expansion aligns seamlessly with regulatory standards, fostering trust and reliability among its growing customer bases.

At its core, Aman Holding's forward-looking strategy is deeply rooted in its mission to democratize financial services across Africa and the Middle East. By embracing digital transformation, forging strategic partnerships, and maintaining regulatory compliance, Aman Holding sets the stage for sustained growth. The impact of its innovative financial solutions is poised to extend beyond borders, marking a new era of accessible and customer-centric financial services.

Mohamed Wahby
Co-CEO

Aman Holding

Hazem Moghazy
Co-CEO

Aman Holding

Note from the CEO

Dear Shareholders and Stakeholders,
As the Co-CEOs of Aman Holding, we are delighted to share the remarkable journey and achievements of our company in 2023.

Aman Holding, a beacon in Raya Holding's diverse portfolio, continued its mission to democratize financial services across Egypt, Africa, and the Middle East. In a year marked by challenges and opportunities, our commitment to innovation and customer-centricity remained unwavering.

Financially, Aman Holding soared to new heights with a lending disbursement of EGP 9 billion and total revenue exceeding EGP 4.6 billion. These impressive figures underscore our strategic focus on sustainable growth and financial prudence.

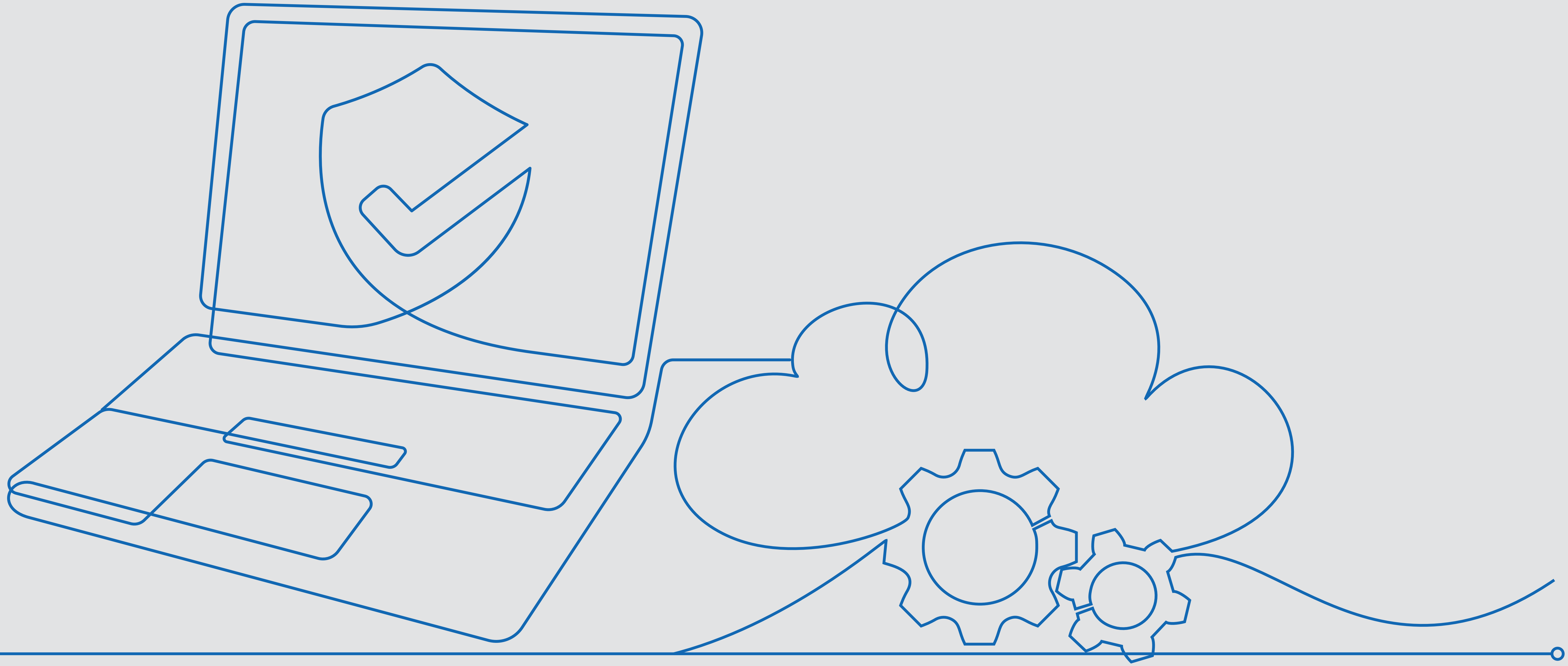
Operationally, 2023 witnessed a transformative restructuring, propelling us back to the agility of our early years. Our shift to a modern matrix structure ensures autonomy and efficiency across business units, fostering innovation and synergy.

Looking ahead, our sights are set on the Saudi market, a significant geo-expansion that aligns with our vision of becoming a fully digital bank for Africa and the Middle East in 2024. Aman Holding has proactively undertaken the expansion initiative, broadening our services internationally, with an initial emphasis on consumer finance within our financial services portfolio. Our collaboration with one of the biggest retailers in the Saudi market marks the first phase of offering installment solutions to new markets. Embarking on the dynamic Saudi market is a source of great excitement for us. We look forward with enthusiasm to the possibilities and growth this initiative will unlock for our organization.

Our commitment to people is evident in our culture management initiatives, fostering engagement and development. We cherish our employees' creativity, culminating in numerous innovative ideas to enhance our business.

Aman Holding's journey is inseparable from our commitment to sustainability, CSR, and strategic partnerships. We are not just a company; we are a force for positive change. Implementing sustainable investment strategies, achieving financial inclusion advancement, bridging economic disparity across Egypt, managing environmental and social risks, and climate-related risk management initiatives reflect our dedication to social responsibility.

In closing, We extend our gratitude to our dedicated team and valued stakeholders. Together, we will continue to redefine the landscape of financial services.



RAYA Information Technology

RAYA Customer Experience

Technology & Infrastructure

Raya Information Technology (RIT)

Overview of the Company

Raya Information Technology (RIT) stands as a key player within Raya Holding's diversified portfolio, playing a pivotal role in driving innovation and digital transformation across various industries. Positioned as the IT arm of Raya Holding, RIT has been instrumental in deploying cutting-edge technologies, solidifying the conglomerate's growth trajectory, and enhancing operational efficiency.

82%

Increase in Revenue

1.1 EGP BN

Gross profit

2023 in Review

In the dynamic landscape of 2023, RIT maintained its commitment to innovation and adaptability, positioning itself as a trailblazer in the Information and Communication Technology (ICT) industry. Emphasizing digital transformation, RIT invested in emerging technologies, such as artificial intelligence and cloud computing, securing its position as a leader in the ever-evolving market.

Financial Updates

RIT's financial performance in 2023 is a testament to its strategic financial management and market leadership. With a remarkable 82% year-to-date growth in revenue, RIT has significantly outpaced industry standards. The achievement of 94% in sales gross profit (GP) showcases RIT's efficiency in revenue generation and cost management. The company has not only met but exceeded revenue targets by an impressive 106% year-to-date, reinforcing its robust financial position. The gross profit of EGP 1.1 billion and EBITDA of EGP 684 million underscore the effectiveness of RIT's operational and financial strategies. Furthermore, net profit of EGP 343 million demonstrates RIT's ability to convert revenue into sustained profitability, achieving a notable 56% increase.

This financial success is indicative of RIT's strong market positioning, sound financial practices, and the successful execution of its business strategies, showcasing its resilience in the face of economic challenges.

Operational Updates

Throughout 2023, RIT achieved significant operational milestones, solidifying its position as a leader in the technology industry. The company has received several prestigious partnership awards, including the Diebold Nixdorf Best Performing Partner in the Middle East, Riverbed Partner of the Year, and the Oracle Middle Market Award for being the top-winning partner in EMEA.

New partnerships with key technology players, such as Nutanix and Software AG, have expanded RIT's solutions portfolio, enhancing its ability to offer innovative solutions to clients. Regionally, RIT has secured new projects in Kuwait and Jordan, expanded its presence in KSA, and increased the capacity of Egypt's cloud nodes.

Operational achievements include the establishment of new units, such as the Software and Development unit, and the successful completion and operation of the third data center in 6th of October City. RIT has obtained crucial certifications, including PCI, ISO 20000-1, ISO 27001, and FRA, underscoring its commitment to quality and security.

The company's expanding presence, strong partnerships, and commitment to excellence position RIT as a driving force in the technology landscape.

Sustainability & CSR

Aligned with Raya Holding's broader goals, RIT has actively undertaken sustainability and CSR initiatives. These initiatives contribute to positive societal impact and environmental responsibility, fostering a corporate culture that prioritizes sustainability in tandem with business growth.

Raya IT is actively promoting gender diversity in the IT sector by implementing inclusive hiring practices and fostering a supportive work environment for female IT engineers. Additionally, the company is dedicated to creating environmentally friendly IT solutions, leveraging sustainable practices and technologies to reduce its carbon footprint. Through these initiatives, Raya IT aims to drive both social inclusion and environmental sustainability within the tech industry.

Our People

At RIT, our workforce stands at the heart of our success, and fostering a positive and supportive work environment is central to our ethos.

We prioritize strong connections through regular meetings and email newsletters, ensuring transparent and open communication. This approach keeps our employees informed about organizational updates, achievements, and future initiatives, fostering a culture of collaboration and trust.

RIT's commitment to recognizing and rewarding exceptional contributions is evident in various employee recognition programs. These initiatives not only acknowledge outstanding performance but also motivate our employees. To empower professional growth, we provide a comprehensive range of development programs, including in-house and external training opportunities, as well as tuition reimbursement programs, reinforcing our dedication to continuous learning and career advancement.

Understanding the importance of holistic well-being, RIT offers comprehensive health insurance, access to gym facilities, and the services of an in-house nutritionist and therapist. Our

commitment to healthy habits is supported by rewarding programs and activities. Flexible work arrangements, including remote work and flex-time, along with "wellness leave" or surprise days off, contribute to work-life balance, preventing burnout, and promoting sustained productivity.

Recognizing the significance of a strong team dynamic, RIT organizes social events that facilitate team bonding and create a sense of community. Celebrations and team gatherings contribute to a positive workplace culture, fostering camaraderie among our employees.

Future-Looking Strategy

As RIT sets its sights on the future, our strategy for 2023 and beyond is underpinned by a commitment to innovation, growth, and the delivery of cutting-edge solutions.

RIT aims to extend its technical team capabilities to independently manage solution implementations, reducing reliance on vendors. The strategic shift toward more innovative and integrated offerings emphasizes our expertise in diverse IT solutions, focusing on the inherent value of our software development capabilities. This move positions RIT as a digital transformation enabler, ensuring end-to-end customer experiences that align with their evolving business needs.

Geographically, RIT plans substantial expansion in key markets, particularly in KSA and across the Gulf region. A heightened focus on cybersecurity initiatives aligns with new governance and regulatory requirements. Moreover, RIT is set to adopt new products, with a specific emphasis on prefabricated data centers, showcasing our commitment to staying at the forefront of technological advancements.

RIT's strategy includes actively seeking partnerships with leading technology providers to enhance our product offerings and extend our global reach. The emphasis on managed services across Raya subsidiaries further strengthens our position in providing end-to-end solutions. The strategy maintains a keen focus on synergy between different lines of business to meet client and vendor needs comprehensively.

RIT remains dedicated to the continuous improvement of team capabilities and skills, ensuring the highest level of service and solution delivery. Additionally, the strategy includes maintaining RIT's leadership position as an Egyptian multi-cloud provider, with plans to expand data center services to align with hybrid cloud market trends.

Hesham Abdel Rassoul
CEO

Raya Information Technology (RIT)

Note from the CEO

Dear stakeholders,
Reflecting on an exceptional year, I am proud to share Raya Information Technology's journey in 2023. Despite global challenges, we have not only maintained our position but surpassed expectations, demonstrating resilience and unwavering commitment to innovation.

Our financial success, marked by a remarkable 82% year-to-date revenue growth, underscores our strategic acumen and market leadership. Operational milestones, prestigious partnerships, and regional expansions showcase our impact on the dynamic technology landscape.

Our people remain our greatest asset. Our commitment to employee well-being, development, and a positive work culture has fueled our success. Employee engagement, recognition, and comprehensive health and wellness initiatives underscore our dedication to creating an environment where our team thrives.

Looking forward, our future-looking strategy emphasizes innovation, customer-centricity, and global expansion. We aim to extend technical capabilities, forge strategic partnerships, and lead in cybersecurity. Our focus on continuous improvement ensures we stay at the forefront of technological trends.

As we navigate the evolving landscape, our team's dedication and our robust strategy position us for continued success. Together, we are not just adapting to change but driving it.

> “Our financial success, marked by a remarkable 82% YoY revenue growth, underscores our strategic acumen and market leadership.

Raya Customer Experience

Overview of the Company

Raya Customer Experience (RCX) holds a strategic position within Raya Holding's diversified portfolio, serving as a cornerstone in the company's global outreach. Since its establishment in 2001, RCX has evolved into a leading provider of next-generation Business Process Outsourcing (BPO) and customer experience management. Operating across North America, Europe, the Middle East, and Africa, RCX has been the preferred partner for Fortune 1000 companies. It stands out as the primary services exporter in Raya Holding, contributing significantly to foreign currency generation.

2 EGP BN

Total Revenue

60%

Growth in Revenue YoY

+81.3%

Client Satisfaction Rate

+29.2

Net Promoter Score (NPS)

2023 in Review

In 2023, RCX underwent a transformative journey, repositioning itself from a legacy contact center to a next-gen CX provider. This shift included embracing digital CX technologies and expanding its geographic footprint in Bahrain, UAE, and KSA. Notably, RCX achieved Star Performer status in the Everest Peak Matrix for the EMEA region, marking a significant milestone in its regional prominence.

Financial Updates

Key Performance Indicators (KPIs) for RCX in 2023 demonstrated robust financial performance, with revenues totaling EGP 1.9 billion, a remarkable growth of 60% year-on-year. Additionally, achieving an impressive +81.3% client satisfaction and +29.2 Net Promoter Score (NPS) showcased RCX's commitment to excellence.

Operational Updates

Operational milestones in 2023 included the successful launch of the Riyadh site in KSA, financial achievements surpassing targets, COPC certification for the 16th consecutive year, and full integration between RCX and its subsidiary GCX. The inauguration of RCX Dubai's mainland branch and the seamless transfer of authority to new management in various sites and countries underscored the company's operational excellence.

Sustainability & CSR

The CSR initiatives of RCX align with Raya Holding's broader goals. Through the "Empower Your Future Program" and a mentorship initiative with Alashanek Ya Balady, RCX actively contributes to sustainable development by providing essential skills to youth, bridging the gap between education and employment.

Our People

RCX places strong emphasis on employee development and engagement. In 2023, the company invested in +13,200 training hours covering leadership skills, global mindset, and technical expertise. This was accompanied by an additional 23,800 training hours of sessions for account advisors to enhance their product knowledge and various soft skills. Ongoing efforts focus on upskilling and reskilling the human capital, fostering a culture of continuous learning and development.

Digitization & Automation

In recognition of the evolutionary nature of technology, RCX is expanding its adoption of generative artificial intelligence to empower its agents with advanced tools and capabilities, including automating repetitive tasks, analyzing customer data, and providing innovative solutions. This integration will also help the company streamline operations, reduce response times, and deliver personalized experiences. RCX's continuous investment in innovation and R&D ensures that the company provides cutting-edge solutions while continuing to maintain the security and privacy of its clients' data.

Looking to enhance company offerings further, RCX is strategically developing its call center services by equipping its highly skilled workforce with advanced technological solutions that maximize efficiency, enhance customer experience, and maintain exceptional service quality. Through this integration of state-of-the-art technologies, RCX's employees will be supported in continuing to offer the highest level of customer service and client support.

Future-Looking Strategy

In pursuit of financial excellence, RCX aims to diversify portfolios and minimize concentration risk. The strategy involves increasing market share and actively seeking strategic acquisitions that align with the company's growth trajectory. This multifaceted approach positions RCX for sustained profitability and long-term growth.

At the heart of RCX's strategic vision is a commitment to maximizing customer satisfaction and fostering enduring client relationships. The company envisions a future where exceptional customer experiences are the hallmark of its services. Through a relentless focus on client retention, RCX aims to solidify its position as a trusted partner in the dynamic landscape of customer experience management.

RCX recognizes the pivotal role of internal processes in achieving service excellence. The strategic direction involves a comprehensive digital transformation, optimizing business processes, and implementing efficient cost management measures. By embracing these initiatives, RCX positions itself at the forefront of service management, ensuring agility and adaptability in a rapidly evolving market.

The strategic direction for RCX's human capital revolves around cultivating a cohesive organizational culture. This involves integrating a shared culture throughout the organization and investing in the upskilling and reskilling of the workforce. By fostering increased employee engagement, RCX aims to create a workplace where talent thrives, innovation flourishes, and the workforce is aligned with the company's overarching goals.

Ahmed Refky
Former CEO
and Vice Chaiman

Raya Customer Experience

Note from the Vice Chairman

+13,200

Training Hours

Dear Shareholders,
I am pleased to report a year marked by innovation, resilience, and strategic positioning. Our commitment to redefining customer experience, evident in our rebranding and repositioning as a next-gen CX provider, has propelled RCX into a prominent regional player within the EMEA market.

Financially, the year surpassed expectations with revenues amounting to EGP 1.9 billion, an impressive 60% year-on-year growth. Noteworthy recognitions in the IAOP top 100 and Everest PEAK Matrix reaffirm our industry standing and strategic prowess.

Operationally, our achievements are exemplified by the successful launch of the Riyadh site, maintaining financial targets, and attaining COPC certification for the 16th consecutive year. The seamless integration with GCX, inauguration of RCX Dubai's mainland branch, and the transition of authority to new management across various sites underscore our operational excellence.

Despite challenges, such as market saturation and client exits, RCX has embraced opportunities for renewal, introducing digital CX partners and planning geographic expansions. Looking forward, our 2023–2028 strategy is encapsulated in our commitment to maintaining Egyptian market dominance, propelling growth in KSA and Europe, and embarking on digitization, automation, and mergers.

In fostering our people-centric culture, we invested in extensive employee development initiatives, covering +13,200 training hours. Our CSR initiatives, including the "Empower Your Future Program," align with Raya Holding's broader goals, contributing to sustainable development.

As we navigate the dynamic landscape of CX, our forward-looking strategy centers around growth, geographic expansion, digitization, and enhancing customer experiences. I am confident that the dedication of our team and the strategic initiatives outlined will propel RCX toward a future defined by continued success and innovation.

RAYA Smart Buildings

RAYA Restaurants

Hospitality

Raya Smart Buildings

Overview of the Company

Raya Smart Buildings is a prominent player in Raya Holding's diversified portfolio, specializing in the development of sophisticated smart commercial and office complexes.
In collaboration with globally recognized architectural and green building technology firms, the company has established itself as a key contributor to Raya Holding's commitment to sustainable and energy-efficient real estate. Notably, Galleria40, stands as Raya Smart Buildings' flagship property, embodying a mixed-use development that encompasses offices, retail spaces, diverse cuisines, and fashion outlets. This premier commercial hub has successfully attracted multinational tenants, showcasing the company's dedication to offering high-end office spaces in prime locations.

189 EGP MN

Total Revenues

7%

Savings in Power Consumption YoY

90%

Occupant Satisfaction Rate

2023 in Review

In 2023, Raya Smart Buildings achieved significant milestones in its commitment to excellence and sustainability. Notably, our occupancy rates surged to 100% in Raya View and 96% in Galleria40, a substantial improvement from the previous year. This, coupled with a 20% to 25% increase in average rental rates, reflects the premium appeal and market recognition of our business spaces.

Despite increased occupancy, our commitment to sustainability is evident in a 7% reduction in power consumption, showcasing operational efficiency. Maintaining a 90% satisfaction rate among occupants and a 7% increase in social media engagement underscore our dedication to providing exceptional experiences and cultivating a vibrant community. These achievements position Raya Smart Buildings as a leader in the industry, poised for sustained success.

Financial Updates

In 2023, Raya Smart Buildings showcased a robust financial performance, with a notable uptick in key financial metrics. The company reported a substantial revenue increase, reaching EGP 189 million, reflecting its adept navigation of market dynamics. Net operating income also experienced a commendable rise, reaching EGP 102 million, underlining the efficiency of the company's operational strategies. The net income of EGP 47 million further solidified Raya Smart Buildings' financial standing, signaling a trajectory of sustained growth and profitability. These financial achievements underscore the company's resilience in a competitive market, driven by strategic positioning and effective financial management.

Operational Updates

Throughout 2023, Raya Smart Buildings achieved several operational milestones, attesting to its commitment to excellence. The successful partnership with multinational fashion brands contributed to an elevated tenant mix, enhancing the overall appeal of its properties. The diligent efforts invested in renovating Galleria40's indoor space aimed at delivering an enriched visitor experience, reflecting the company's dedication to continuous improvement. Operational efficiency received a significant boost through enhanced staff training, meticulous third-party provider selection, and the full activation of the cogeneration system, resulting in substantial energy savings. Engaging promotions and events further fortified community ties within its properties, fostering an environment of vibrancy and connection.

Sustainability & CSR

Raya Smart Buildings stands as a beacon of sustainability within Raya Holding's diverse portfolio. A flagship example of this commitment is Galleria40 with its achievement of the LEED Gold certification for its green building construction. This certification not only underscores the company's dedication to environmentally conscious practices but also positions Galleria40 as a model for sustainable development in the region.

The company's commitment extends beyond certifications, as it actively engages in CSR initiatives. Raya Smart Buildings consistently strives to improve operational efficiency, placing strong emphasis on power savings and waste disposal management. By implementing eco-friendly practices, the company minimizes its environmental footprint, contributing positively to the communities it serves. These sustainability and CSR endeavors align seamlessly with Raya Holding's broader goals, emphasizing a responsible and ethical approach to business.

Our People

Raya Smart Buildings is committed to creating a supportive workplace where open communication thrives. Regular one-to-one and one-to-all meetings ensure transparent dialogue, fostering a culture where every team member feels valued. The company takes a holistic approach to employee well-being, prioritizing

personal, professional, and career development. Initiatives like one-on-one coaching, mentoring, and innovative programs, such as financial wellness and tuition assistance, reflect this commitment. In 2023, these efforts aimed at enhancing academic credentials and supporting career growth within the Raya Holding group. Recognizing the importance of personal safety, the company addresses emotional, physical, and self-safety, cultivating a dynamic and engaged workforce.

Future-Looking Strategy

Looking ahead, Raya Smart Buildings is poised for dynamic growth and innovation. The company's primary focus is on ensuring the successful opening of its indoor mall, Galleria40, with a commitment to providing an exceptional experience for visitors. By curating a diverse range of high-quality retail and entertainment options, the company aims to attract increased footfall and position itself as a prominent destination in the market.

Additionally, Raya Smart Buildings is strategically expanding its Edge Innovation Center to the East, responding to the growing demand for innovative office spaces. This expansion aligns with the company's commitment to meeting evolving market needs and solidifying its position as a leader in the industry.

Prioritizing operational efficiency, Raya Smart Buildings is streamlining processes and optimizing resource utilization. Leveraging technology and implementing sustainable practices, the company is dedicated to maintaining its edge in the market. By aligning with these strategic pillars, Raya Smart Buildings is poised for continued success and a leadership role in the ever-evolving real estate and innovation landscape.

Ahmed Ibrahim
CEO

Raya Smart Buildings

Note from the CEO

Dear Shareholders,
Looking back at the remarkable year of 2023, I am pleased to share Raya Smart Buildings' journey and achievements. In 2023, we reaffirmed our commitment to excellence in smart commercial and office complexes. Galleria40, our flagship property, epitomizes our dedication to sustainable development and becoming a premier destination for multinational tenants.

Our financial success, with revenue reaching EGP 189 million, demonstrates the efficacy of our strategic positioning. We have not only expanded our tenant mix but also enhanced operational efficiency, achieving a 100% occupancy rate at Raya View and a 96% rate at Galleria40.

100%
Occupancy Rate at Raya View

96%
Occupancy Rate at Galleria40

Looking forward, our strategy is clear: to ensure the success of our indoor mall, attract increased footfall, and expand Edge Innovation Center to the East, meeting the rising demand for innovative office spaces. Operational efficiency remains at the forefront, with a focus on technology and sustainability.

Our people are the heartbeat of Raya Smart Buildings. We prioritize open communication, holistic employee well-being, and innovative programs. As we navigate challenges, such as import restrictions and market fluctuations, our proactive approach ensures resilience and continued growth.

In closing, I extend my gratitude to our dedicated team and valued stakeholders. Together, we look forward to a future marked by sustainable growth, innovation, and the continued success of Raya Smart Buildings.

Raya Restaurants

Overview of the Company

Raya Restaurants, an integral part of Raya Holding's diverse portfolio, celebrates its 10th year in the market in 2023. Home to the renowned "Ovio" concept, Raya Restaurants has become a cornerstone of Raya Holding's vision to be a leading player in the food and beverage (F&B) sector. With a portfolio of nine outlets, including well-established Ovio and Little Ovio brands, as well as the franchise-owned The Lebanese Bakery, Raya Restaurants epitomizes comfort, quality, and artisanal offerings. Positioned within the hospitality sector, Raya Restaurants boasts a B2C business model and a few B2B offerings, setting the stage for international competition.

2023 in Review

In the ever-evolving Egyptian F&B landscape, Raya Restaurants has emerged as a resilient force within Raya Holding. The corporate-led model, coupled with a commitment to talent retention and brand diversification, has proven instrumental in navigating challenges. Notably, Ovio stands as a stable and popular brand, with plans to inject more "Oviolicious" signature items to cater to diverse customer cravings.

147 EGP MN

Total Revenue

16%

YoY Growth in Revenue

24.2 EGP MN

Home Delivery Revenue

Financial Updates

In 2023, Raya Restaurants experienced a robust financial performance marked by a 16% year-on-year revenue growth, achieving an impressive EGP 147 million compared to EGP 127 million at the end of 2022. This growth, however, came amid challenges, particularly a slight drop in gross profit from 49.3% to 48.6%. The pressure on GP can be attributed to the escalating costs of materials and inflationary challenges. Despite these hurdles, Raya Restaurants navigated adeptly, with a keen focus on sustaining the quality of its products.

EBITDA, which was nearly break-even in 2022, faced additional strain in 2023. This decline is a testament to the persistent challenges posed by inflation and increased material costs. However, Raya Restaurants remains resilient, strategically addressing these challenges to ensure a sustainable and competitive financial position.

Operational Updates

Operational achievements in 2023 reflect Raya Restaurants' commitment to enhancing customer experiences and adapting to evolving market demands. The introduction of a new menu, catering to lunch and dinner preferences, stands as a strategic move to attract a broader customer base. Diverse monthly promotions also showcased the brand's agility and ability to surprise and engage customers.

Recognizing the growing demand for food delivery, Raya Restaurants expanded its delivery footprint, resulting in a doubling of delivery revenue in 2023 compared to the previous year. This expansion aligns with changing consumer behavior and positions the brand to capitalize on the increasing preference for convenient dining options.

Furthermore, Raya Restaurants prioritizes food safety, aiming for full HACCP certification. By March 2024, Ovio is set to be re-certified, reinforcing the brand's commitment to maintaining the highest standards in food safety. These operational milestones demonstrate Raya Restaurants' dedication to continuous improvement and meeting the dynamic needs of its customers.

Sustainability & CSR

In 2023, Raya Restaurants advanced its sustainability and CSR efforts, aligning with Raya Holding's goals for positive environmental and societal impact. Prioritizing environmental sustainability, the brand collaborated with "Tagaddod" to recycle 7,183 kilos of used cooking oil, significantly reducing CO_2 emissions by 19,752. This commitment extends to social responsibility, exemplified by partnering with the Egyptian Food Bank to provide 5,000 meals during the back-to-school season. Active participation in global forums, such as COP 27, underscores Raya Restaurants' dedication to shaping sustainable practices in the broader industry, further reinforcing its role as a socially responsible entity.

Our People

Our people stand as our most cherished asset, and our dedication to their growth is unwavering. In 2023, we emphasized internal talent mobility, promoting diverse experiences through management rotation across brands. Key technical advancements, including CSCP certification, management development, and train-the-trainer initiatives, were pivotal in upskilling our team.

Prioritizing continuous improvement, our culinary development thrived through on-the-job training with international experts, ensuring the highest standards and fostering a culture of creativity. Our commitment extends beyond operations, with the company's unwavering dedication to enrolling its managers in Raya Foundation programs, emphasizing essential managerial and supervisory development and serving as a testament to its

commitment to Raya Holding’s corporate values and leadership principles. Creating a positive work environment, we embrace an open-door policy, encouraging transparent communication, and periodic team meetings, fostering unity and idea-sharing among our dedicated team members.

Future-Looking Strategy

Guided by an unwavering commitment to our homegrown brand, Raya Restaurants aspires to secure a spot among Egypt's top five casual all-day dining options. Our strategic vision unfolds over the next 3–5 years, focusing on expanding Ovio's influence both nationally and regionally. Concurrently, we plan to fortify corporate partnerships and explore new B2B offerings. Ambitious sustainability targets define our commitment to environmental responsibility.

We aim to amplify initiatives, emphasizing carton and plastic recycling to reduce waste and champion a circular economy. Moreover, our dedication extends to impactful social projects centered around food, creating positive change in the communities we serve.

Looking forward, Raya Restaurants reaffirms its commitment to our people's ongoing development and well-being. Innovation in learning and growth programs remains paramount, ensuring our team is equipped with the skills essential for success in an ever-evolving industry. Our overarching goal is to sustain high levels of employee engagement, satisfaction, and retention, fostering a workplace where every team member feels valued, supported, and inspired to contribute their best.

Amira El Ebrashy
Senior Director
of Operations

Raya Restaurants

Note from the Senior Director

Dear Valued Stakeholders,
As we mark a decade of culinary excellence, Raya Restaurants stands proud, embodying resilience, innovation, and unwavering commitment to our patrons and team. In the ever-evolving F&B landscape, we have not merely endured; we have thrived. Established in 2013, Raya Restaurants, home to the beloved "Ovio" concept, has become synonymous with quality, comfort, and artisanal offerings.

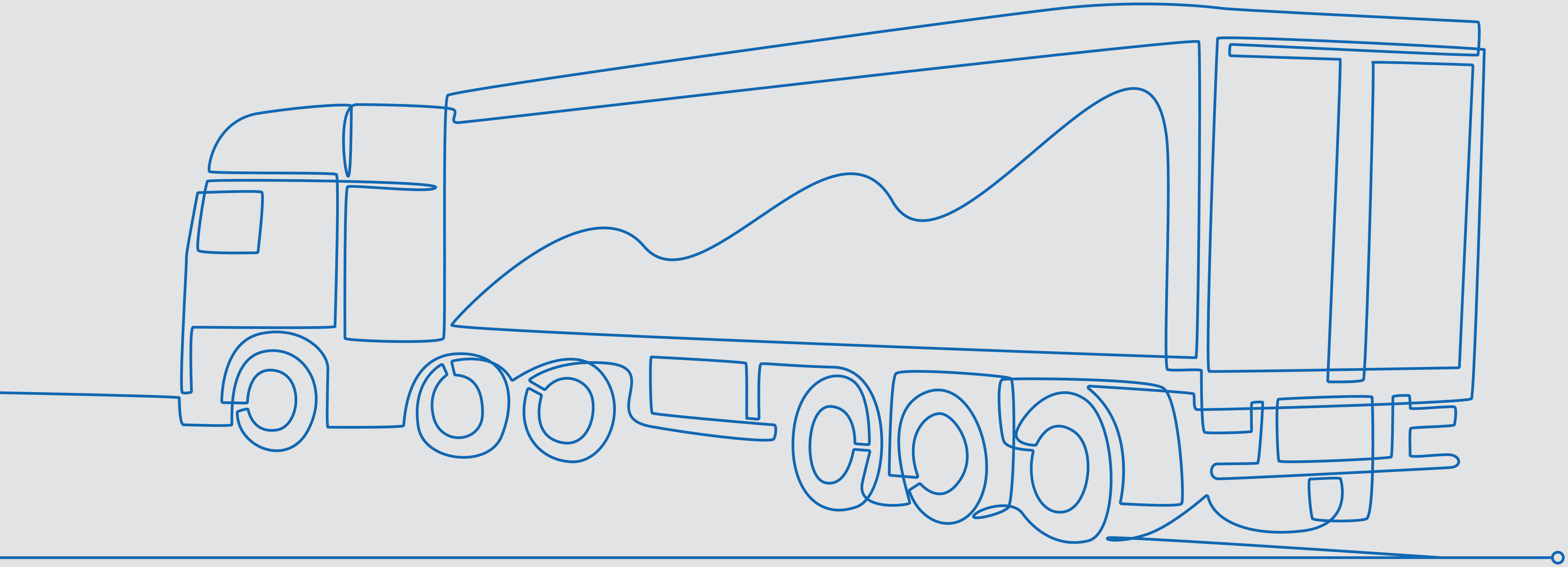
The year 2023 has been a testament to our ability to navigate challenges with agility. Despite the headwinds of a changing market and global uncertainties, our financial performance saw a commendable 16% year-on-year revenue growth, reaching EGP 147 million Operational milestones, from a diverse all-day menu to doubling delivery revenue, underscore our commitment to meeting dynamic customer needs.

Our people, the heartbeat of Raya Restaurants, have flourished through learning and growth initiatives. Internally, we embraced talent mobility and upskilling, ensuring our workforce is not only resilient but continuously evolving. Employee engagement initiatives, from open-door policies to personalized celebrations, foster a familial atmosphere that propels our success.

Our sustainability efforts, both environmental and social, reflect our commitment to a brighter future. Initiatives like recycling cooking oil and collaborating with the Egyptian Food Bank highlight our dedication to creating positive societal impacts.

> “Despite the headwinds of a changing market and global uncertainties, our financial performance saw a commendable 16% YoY revenue growth.

Looking forward, our strategy aligns with becoming one of Egypt's top five casual all-day dining destinations. Regional expansion, deeper corporate engagements, and a focus on sustainability will drive our next phase of growth. I extend heartfelt gratitude to our dedicated team, loyal customers, and esteemed partners. Together, we have built more than a brand; we have crafted a legacy of excellence.



أسطول للنقل البري

OSTOOL TRANSPORT

Logistics

Ostool

Overview of the Company

Ostool specializes in providing logistics and supply chain management services to Egypt's cement industry. Focused on trucking, coal import, and stevedoring, Ostool strategically aligns with Raya's horizontal diversification approach. This integration ensures mutual benefits across Raya's subsidiaries, exemplified by financial support from Aman Holding, IT services from Raya IT, and control room services from RCX. As a market leader in coal supply, Ostool continually competes and excels in cement transportation.

1.2 EGP BN

Total Revenues

93%

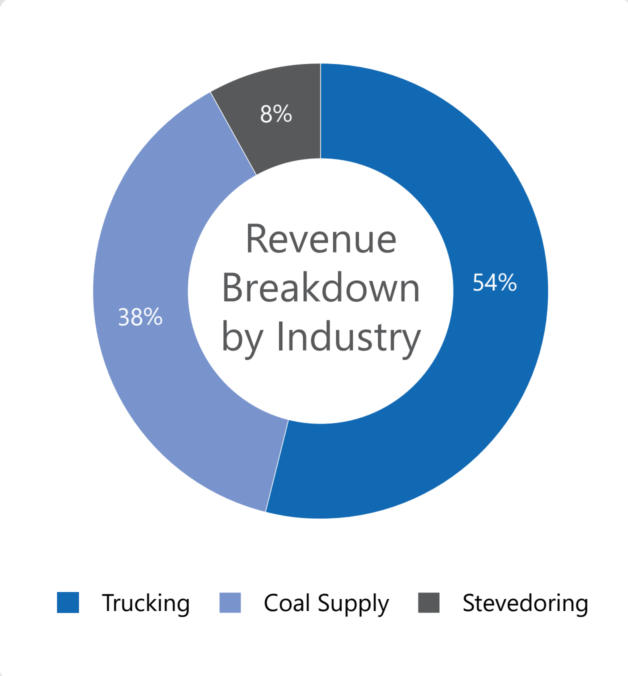
Fleet Utilization Rate

2023 in Review

Ostool achieved notable milestones in 2023, marked by increased fleet utilization, a reduction in accidents, and improved operational response times. These successes were attributed to meticulous maintenance planning, safety measures, and technological advancements.

Financial Updates

In 2023, Ostool exhibited a substantial financial upswing, with total revenue doubling from EGP 607million in 2022 to an impressive EGP 1,186 million. This robust performance underscores Ostool's commitment to a profitable growth strategy.



Diversification across sectors has been pivotal in Ostool's success, with trucking, coal supply, and stevedoring contributing 54%, 38%, and 8% to 2023 revenue, respectively. This balanced portfolio not only ensures revenue stability but also positions Ostool to navigate market fluctuations effectively.

Coal supply achieved 880,000 tons by year-end, generating a revenue of EGP 451 million. Simultaneously, the trucking sector recorded a substantial revenue of EGP 640 million, showcasing Ostool's strength in transportation services. Stevedoring is contributed an additional EGP 95 million, further diversifying Ostool's revenue streams.

Operational Updates

In 2023, Ostool achieved notable operational milestones, reflecting its commitment to efficiency and safety. The fleet utilization rate rose from 90% in 2022 to 93%, a testament to enhanced maintenance planning and the strategic reconditioning of spare parts. This approach not only reduced downtime but also increased stock availability, mitigating the impact of global financial implications on spare part shortages.

Furthermore, the number of accidents per year decreased from 22 to 16 in 2023, underscoring Ostool's dedication to safety measures. The improvement in the safety management system, emphasizing road risk assessments and periodic safety checks, contributed to this positive trend. With an 80% operation response time in 2023, Ostool aims to elevate this metric to 89% in 2024, reflecting a continuous commitment to operational excellence.

Sustainability & CSR

In 2023, Ostool embraced a profound commitment to sustainability and CSR. The company recognizes its unique responsibility to the communities it operates in and has undertaken impactful initiatives to contribute to environmental preservation. Notably, Ostool transitioned 31 trucks to natural gas, resulting in a 77% reduction in particle emissions and an 11% decrease in CO_2 emissions compared to diesel fuel. Additionally, the QHSE Manager and a key operational management member actively engage in Raya's sustainability program, ensuring Ostool's alignment with comprehensive sustainability requirements. Collaborating with a certified waste oil recycling supplier and a decade-long commitment to tire recycling, Ostool exemplifies a holistic approach to environmental responsibility, furthering its dedication to sustainability in the years to come.

Our People

Ostool prioritizes employee well-being through engaging initiatives and progressive policies. Scheduled site visits, robust communication

channels, and on-site HR representatives collectively contribute to fostering a positive work environment. Innovative programs, such as granting birthdays off and supporting high-school employees in pursuing higher education, underscore Ostool's commitment to its workforce.

In tandem, employee development initiatives, exemplified by a 79% attendance in the 2023 foundation program, highlight Ostool's dedication to nurturing a skilled and motivated workforce for future success. By prioritizing employee well-being, fostering a positive workplace culture, and investing in continuous development, Ostool actively shapes an environment that meets current needs and prepares employees for the challenges and opportunities ahead.

Future-Looking Strategy

Looking ahead, Ostool is poised for strategic expansion and innovation in 2024. The company aims to increase its footprint in the petroleum industry by adding more trucks to its fleet. Notably, plans include doubling the number of trucks transitioning from diesel to natural gas, promoting eco-friendly practices. Ostool envisions a significant boost in container capacity, with a targeted increase from 1,535 to 6,000 units in 2024. In a forward-thinking move, the company is also exploring the integration of electric trucks into its operations, aligning with global sustainability trends. Additionally, forging new partnerships with coal suppliers outside the USA diversifies Ostool's sourcing network. The relocation of the coal port to the east of Port Said demonstrates a strategic adaptation to optimize logistics and enhance operational efficiency, solidifying Ostool's commitment to progressive growth and sustainability.

Tamer Badrawi
CEO

Ostool

Note from the CEO

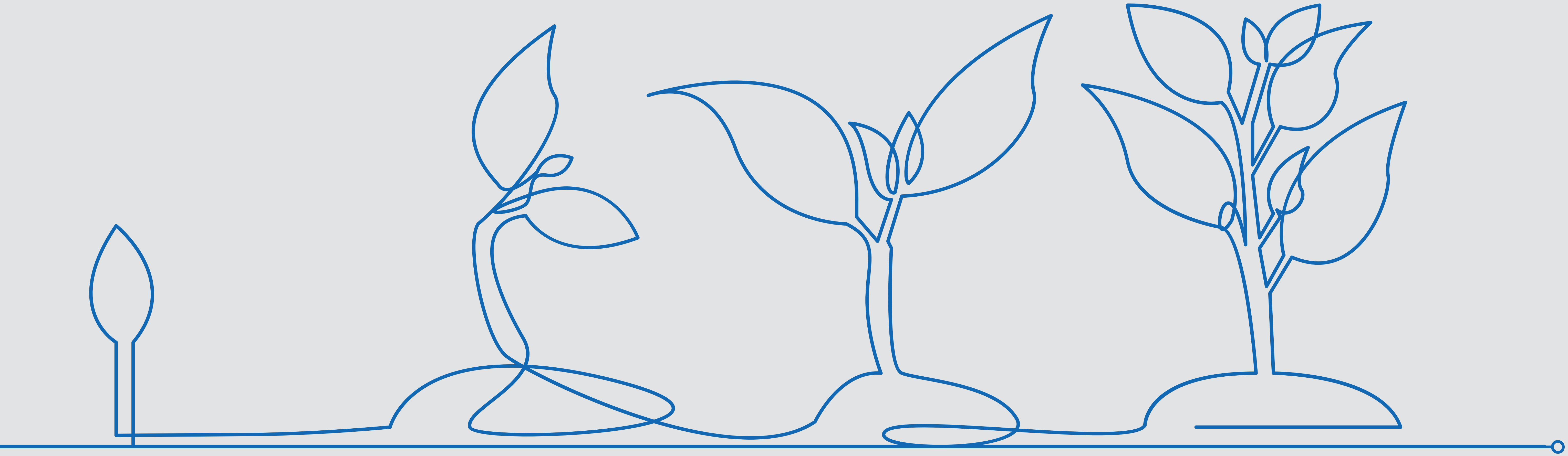
Dear Valued Stakeholders,
I am pleased to share an overview of Ostool's impactful journey in 2023. Our commitment to excellence, resilience, and sustainability has propelled Ostool to new heights, showcasing remarkable achievements across various fronts. Financially, Ostool has surged forward, with total revenue reaching an impressive 1,279 million EGP, a substantial improvement from the previous year. Our diversified revenue streams, spanning trucking, coal supply, and stevedoring, underscore our strategic prowess and resilience in navigating market dynamics.

Operationally, Ostool has prioritized efficiency and safety. The fleet utilization rate has surged to 93%, a result of meticulous maintenance planning and spare part reconditioning. Safety measures and road risk assessments have significantly reduced accidents from 28 in 2022 to 16 in 2023. Our commitment to employee development is evident in our foundation program attendance of 79%.

In the realm of sustainability and CSR, Ostool stands as a beacon. Transitioning trucks to natural gas, engaging in waste recycling programs, and actively participating in Raya's sustainability initiatives reflect our dedication to environmental stewardship.

> “Ostool has surged forward, with total revenue reaching an impressive EGP 1,186 million, a substantial improvement from the previous year. Our diversified revenue streams, spanning trucking, coal supply, and stevedoring, underscore our strategic prowess and resilience in navigating market dynamics.

Looking forward, Ostool's strategic vision for 2024 encompasses expansion in the petroleum industry, a substantial increase in container capacity, and the integration of electric trucks. Relocating our coal port to the east of Port Said optimizes logistics for future efficiency.
As we navigate challenges and embrace opportunities, Ostool remains resolute in its pursuit of excellence, sustainability, and growth.



Approach to ESG

Approach to ESG

Raya Holding's sustainability approach is guided by global goals and specific targets, forming the foundation for measuring our impact and progress toward our purpose-driven vision. With expertise spanning diverse industries, we have made a significant impact on our people, the environment, and the communities we serve. While expanding our business globally, our primary focus remains on purposeful growth. Through various initiatives and strategic partnerships, we actively promote sustainable development, aligning our business objectives with Egypt's Vision 2030 and the UN's SDGs. As committed members of the UNGC, we concentrate on areas where we can make the most substantial material change, integrating our environmental, social, and governance (ESG) approach into our overall business strategy to meet our ambitious targets.

We have developed a comprehensive sustainability policy to encompass our sustainability strategic pillars and commitments, which are:

Environmental Pillar:
Improving the Group's environmental footprint

- Climate Change and Energy Management
- Environmental Management
- Material Efficiency and Circular Economy

Social Pillar:
Engaged and inclusive workforce

- Occupational Health and Safety
- Human Capital Development
- Employee Diversity and Inclusion
- Financial Inclusion
- Customer Experience and Services Quality
- Community and Social Impact

Governance Pillar:
Improved ESG governance with digitalization

- Business Ethics and Integrity
- Quality, Compliance, and Risk Management
- Data Security and Cybersecurity
- Customer Data Privacy
- ESG data Digitalization
- Responsible Investment

Inclusion for All

	2021	2022	2023
Average number of employees	14,617	16,710	18,000
Employee engagement index	73%	N/A	82%
Employee attrition	60.9%	53.2%	27%
Women on the Board	1	2	2
Women as a percentage of employees	19.4%	18.9%	19.4%

Fostering Diversity and Inclusion: A Commitment to Progress

Improving Women's Representation

Raya Holding is dedicated to fostering diversity, and this commitment is reflected in various initiatives. The company initiated a comprehensive GAP analysis to assess its current diversity landscape. Working in collaboration with UN Women, Raya implemented the WEPs Gender action plan, aiming to enhance women's representation across all organizational levels. Furthermore, Raya forged a partnership with the USAID Women’s Economic and Social Empowerment Program by Pathfinder International, reinforcing its commitment to advancing gender equality throughout its value chain.

Measuring and Enhancing Employee Engagement

Raya Holding employs a robust system to measure and enhance employee engagement. Conducted biannually, the ECHO survey provides valuable insights into how employees feel about their work environment. Complemented by Pulse surveys in intervening years, this comprehensive approach ensures a continuous understanding of employee sentiments. The ECHO process involves not only reporting results but also conducting communication meetings to delve into the "why" behind the responses, leading to actionable strategies for sustained engagement.

Understanding Employee Attrition

Through analyzing trends in employee attrition rates, Raya Holding identifies key factors impacting employee retention. Results from the ECHO survey highlighted compensation schemes, inclusion in decision-making, recognition, and growth and development opportunities as pivotal elements contributing to better employee retention.

Equal Opportunities for Career Development

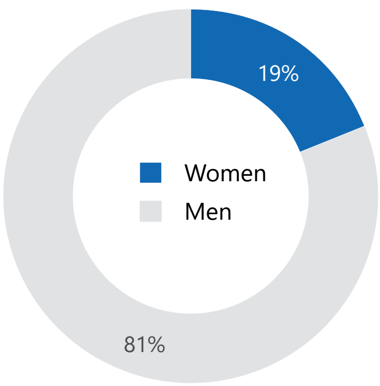
Raya Holding prioritizes equal opportunities for career development irrespective of gender. The Employee Value Proposition (EVP) pillars underscore a commitment to learning and career progression for all employees. Inclusive hiring practices, transparent career progression matrices, and talent review meetings, allowing lateral career movements, ensure a level playing field for career advancement.

Workforce Breakdown and Diversity Initiatives

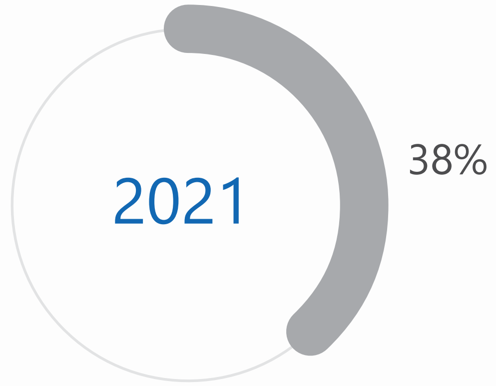
The breakdown of Raya Holding's workforce by gender in 2023 reveals a total headcount of 18,000, with 14,580 men and3,420women. The company actively promotes diversity through initiatives such as Tamkeen, an employability program for Persons with Disabilities (PwDs).

Enrollment in PathFinder International underscores the company's commitment to gender equality. CEOs across Raya Holding will now incorporate people-dimension goals to enhance the representation of female top management. Additionally, LoBs are encouraged to adhere to a 5% hiring plan for people with disabilities, promoting diversity and inclusivity within the workforce.

Gender Breakdown
of Employees



Loans to Women-Led Businesses
(as a % of total loans)



Upholding Ethical Standards: A Commitment to Integrity

Code of Conduct Implementation

At Raya Holding, the Code of Conduct (COC) serves as a compass for ethical corporate behavior, emphasizing honesty, objectivity, and diligence among employees. Elements of the COC strategically address practices to combat corruption, encompassing bribery, conflict of interest, and insider trading. It also provides guidance on responsible asset use, data privacy, and maintaining a respectful workplace. Ensuring a safe environment, the COC integrates SpeakUp and Whistleblowing initiatives, fostering an open culture. New hires undergo onboarding sessions, while the COC, available in both English and Arabic, is accessible to all employees via the HR Information System, complemented by a concise summary video on the online learning portal.

Ethical Education and Training

Raya Holding prioritizes ethical behavior and compliance through multifaceted training initiatives. COC campaigns, conducted by both corporate and LoB entities, employ educational videos and training sessions to disseminate guidelines to managers and staff. Additionally, the foundational programs designed for employees of all levels delve into Raya's core values and competencies, indirectly reinforcing the principles outlined in the COC.

Insights from "Speak Up" Reports

While Raya Holding maintains a robust "Speak Up" platform, which facilitates the reporting of ethical concerns, there have been no significant trends or insights leading to process improvements or policy changes. The absence of noteworthy reports attests to the company's proactive efforts in maintaining an ethical workplace, where employees feel secure and supported in voicing their concerns.

Sustainability Policy

Our ambition for Raya Holding extends beyond becoming a business powerhouse; we aim to serve as a catalyst for sustainable development in Egypt and beyond. This commitment entails decarbonizing our operations, leveraging digitalization to enhance resource efficiency, and instilling sustainable practices throughout our value chain. Our vision emanates from the understanding that our future prosperity is intertwined with the health of our planet, the well-being of our communities, embracing diversity and inclusion, and the transparency of our governance.

Sustainability, in our view, transcends a moral obligation; it is a strategic imperative that underpins our commitment to delivering superior value. We must harmonize our business growth with the ecological boundaries of our planet and societal needs. This conviction is the driving force behind our ESG Strategy 2024–2030, aimed at transforming Raya Holding toward a more sustainable, resilient, and inclusive business model. This model aligns with crucial global and national mandates, such as the UN's SDGs, the Paris Agreement, Egypt Vision 2030, and the National Renewable Energy Strategy 2035.

Tracking Sustainability

To monitor progress and ensure accountability, Raya Holding has established an Environmental, Social, and Governance (ESG) management system. This framework enables the measurement of sustainability efforts and the setting of targets. Currently, a comprehensive review of the ESG strategy and targets is underway, emphasizing key material topics such as climate change, environmental management, diversity and inclusion, and cybersecurity.

Commitment to Environmental Leadership: Improving Our Environmental Footprint

At Raya Holding, our commitment to being a market leader extends to environmental stewardship. With the aspiration to lead in every industry we operate in, we adhere to international best practices in environmental management. This commitment is integral to maintaining operational quality and business performance.

Our motto, "A Market Leader No Matter Where We Are," underscores our dedication to exemplary environmental performance.

Raya Foods:
Clean Energy and Energy Efficiencies

Raya Foods prioritizes adherence to Egyptian environmental laws, operating within permissible limits and legal requirements. The company's commitment to environmental management is evident through an allocated annual budget. The Environmental Management Committee, comprising representatives from each department, convenes monthly to enforce laws, address environmental issues, and rectify breaches impacting our environmental targets.

Solar Panel Installation with Infinity Egypt

In collaboration with Infinity Egypt, Raya Foods is undertaking a solar panel installation project with the goal of sourcing 50% of its factory's energy consumption from clean energy. The anticipated implementation is set for 2025, with a projected 10% cost saving, making a significant contribution to the company's commitment to cleaner energy practices.

Combined Cooling, Heat, and Power (CCHP) Project

Raya Foods is implementing a combined cooling, heat, and power (CCHP) project aimed at enhancing energy efficiency and reducing consumption. The expected outcome is a significant reduction in CO_2 emissions to 420 tons, in contrast to the 700 tons associated with conventional methods, while achieving a system efficiency of 87.5% in alignment with industry standards. The projected timeline for implementation spans 2023 and 2024, with the overarching goal of securing an additional 10% cost saving.

50%

of energy consumption will be from clean sources

280 tons

in CO_2 emissions reduction with CCHP

87.5%

Energy Efficiency

Raya Data Center:
Power Efficiency Initiatives

Raya Data Center (RDC) is dedicated to optimizing Power Usage Efficiency (PUE) and Data Center Infrastructure Efficiencies (DCIE) in line with industry standards. Through a blend of short- and long-term strategies, the company achieved an enhanced efficiency level of 1.93 PUE in 2023, directly impacting its carbon emissions (scope 2). To minimize its environmental footprint, RDC has initiated carbon footprint measurements, issuing Egypt's first Carbon Footprint Report in 2021. Short-term actions focus on temperature control, utilizing cubic feet meter (CFM) per grill measurement, and rigorous monitoring for equipment efficiency, while long-term plans include cable clean-ups, air flow optimization, motion-censor integration, and preventive measures for energy optimization and cool air preservation.

1.9 PUE

Energy Efficiency

Responsible Waste Management:
A Holistic Approach

Recognizing the diverse sectors Raya Holding operates in and their waste generation implications, the company is deeply committed to responsible waste management practices. Guided by the ISO 14001 certification and tailored to specific sectors, its facilities prioritize a reduction-first strategy, followed by reuse, recovery, and recycling. In 2021, Raya's total waste amounted to 2,651 tons, with 7.8% diverted through recycling. Emphasizing waste segregation, its facilities ensure proper disposal, with a dedicated focus on plastic recycling through strategic collaborations. Furthermore, the company's commitment extends to effective e-waste management, leveraging authorized recycling partners and innovative collaborations, like E-Tadweer. This multifaceted approach resulted in the collection of 3,934 items of e-waste, equivalent to 30.65 tons, saving around 57.5 tons of CO_2 emissions between May 2021 and December 2023.

Building Green and Smart:
Pioneering Sustainable Structures

In a groundbreaking move, Raya Holding established the first smart and green building in Egypt: its headquarters. Building upon this success, Raya Smart Buildings was born, revolutionizing the industry with innovative and value-driven approaches. Collaborating with esteemed architectural and green building firms, Raya Smart Buildings constructs environmentally conscious structures that optimize energy and water efficiency through interconnected systems. Galleria40, the company's flagship building, is a LEED Gold-certified business complex, setting new benchmarks in sustainable construction. For continuous optimization, Raya Smart Buildings revisits the performance of its buildings, particularly focusing on energy-intensive components like the HVAC system. Implementing cutting-edge solutions, it managed electricity consumption, switched to LED lighting, and introduced control systems to significantly reduce energy and water usage. The company's commitment to sustainability extends beyond energy to water conservation, exemplified by innovative adjustments at Galleria40 that resulted in substantial monthly savings and prolonged asset lifetime. Through these measures, Raya

Holding maintains its leadership in crafting intelligent, green, and resource-efficient buildings.

Our Climate Commitment and Emission Tracking

As the parent company overseeing 11 subsidiaries on four continents, Raya Holding is steadfast in supporting the Paris Agreement's goal of limiting global temperature rise to 1.5°C above pre-industrial levels. Aligning with TCFD recommendations, the company has integrated climate change considerations at the Group level to enhance decision-making for both internal and external stakeholders. Commencing our operational carbon footprint measurement in 2020, we demonstrated our commitment by quantifying the 2019 and 2020 GHG emissions at our Cairo headquarters. Expanding our scope to include Raya Data Center and Raya Foods, we are actively working to streamline data collection processes and fortify the accuracy and quality of our comprehensive GHG database. The report covers emissions from key entities within Raya Holding during the period from 1 January 2021 to 31 December 2021, and it adheres to established protocols and standards, including the Greenhouse Gas Protocol Guidelines, IPCC Guidelines, and ISO 14064-1:2019 Standards.

Compliance Assurance

Raya Holding prioritizes compliance with environmental regulations across all regions of operation. The company adheres to local environmental regulations and, where applicable, adopts relevant ISO standards. This commitment aligns with industry best practices and meets the expectations of key stakeholders, including customers (local, regional, and international), regulators, and creditors. Notably, relevant businesses within the Group adhere to standards like ISO 14001 for environmental management.

Promoting Diversity and Inclusion

Raya's CSR Strategic Pillars

Raya Holding has meticulously structured its CSR initiatives around three strategic pillars, ensuring a profound societal impact in the communities where it operates. These pillars encompass:

Creating Shared Value:
Focusing on human capital development as a means of fostering sustainable growth.

Awareness and Commitment:
Actively engaging in sustainability issues and promoting community awareness.

Employee Engagement:
Involving and empowering employees to contribute meaningfully to societal welfare.

Raya's Social Investment Portfolio

The company's social investment portfolio strategically addresses pivotal sustainability and development concerns, emphasizing education, nutrition, health, and social protection. By concentrating efforts on human capital investment, forging meaningful connections, and empowering the youth, Raya contributes to societal well-being. The portfolio aligns with SDGs 10 and 4, promoting social and economic inclusion and ensuring accessible, quality education while equipping the youth for employment and entrepreneurship.

Promoting Diversity, Equity, and Inclusion

Raya Holding actively fosters an organizational culture that champions diversity and inclusion through various programs:

TAMKEEN: Raya’s Inclusive Workplace Program

In collaboration with Helm, Raya Holding is driving inclusive workplace solutions, notably through participation in the Skills Enhancement and Employee Development (SEED) Program. Raya contributes by creating the "Customer Service Basics" course, which is accessible online on Helm Academy, aiming to equip individuals with disabilities for the job market. Beyond training, the company actively works to foster a diverse and inclusive workforce, supporting the SEED program by employing its graduates and providing disability ethics training. Raya Holding will cover 300 scholarships for persons with disabilities to enroll in the SEED program, further enhancing their skills and employability. Participation in the "Khatwa" employment fair has already shortlisted over 40 qualified candidates, aligning with Raya Holding's commitment to inclusive hiring practices as integrated into its 2023 Human Resources Business Plan.

UN Women WEPs Assessments

As a signatory, Raya conducted UN Women WEPs GAP analysis, identified improvement areas, and developed pertinent action plans.

Egypt Gender Equity Seal

In collaboration with Pathfinder, a USAID-funded program, Raya Holding works toward achieving the Egypt Gender Equity Seal. This partnership aims to enhance diversity practices related to recruitment, work-life balance, learning and development, and discrimination.

Raya's Commitment to Fair Labor Practices

Raya Holding is unwavering in its commitment to fair labor practices, adhering to national labor laws and implementing best practices in labor relations management. From recruitment to life insurance, medical coverage, compensation, and benefits, the company upholds high standards. Importantly, the Raya Code of Business Conduct and Anti-Harassment policies explicitly declare a zero-tolerance policy for all forms of harassment and discrimination, ensuring a conducive and equitable workplace environment.

Upholding Rigorous Governance Practices:

The governance of Raya Holding is overseen by the Board of Directors, responsible for establishing and upholding the company's corporate governance framework. The key elements of this framework include an effective and independent Board of Directors, a proactive Audit Committee, a Remuneration Committee aligning executive compensation with shareholder value, a Nomination Committee ensuring effective board governance, a relevant Code of Ethical Behavior, clear policies and procedures, an objective internal audit function, and an independent External Audit conducted by one of the several big public accountancy firms. Transparent disclosure, effective communication, and systems ensuring accountability are integral aspects, aligning with the Corporate Citizenship Policy.

Balancing Power and Independence

To uphold a balance of power and independence, Raya Holding employs several practices. This includes the separation of the roles of Chairman and CEO, a strategic move to prevent the concentration of power. The appointment of independent directors who are not affiliated with the company's management further reinforces this commitment to independence. Clear governance guidelines and codes of conduct are established, providing a framework for ethical and effective decision-making within the organization.

This robust governance structure underscores Raya Holding's commitment to transparency, accountability, and ethical conduct, ensuring the company operates in the best interests of its shareholders and stakeholders.

Governance Committees and Responsibilities

In its commitment to robust corporate governance, Raya Holding has established six key committees, each playing a crucial role in ensuring transparency, ethical practices, and strategic alignment. These committees encompass a spectrum of responsibilities, from financial oversight to sustainability and risk management. The following is an overview of the committees and their respective roles:

Audit Committee

The Audit Committee oversees financial reporting and internal control processes, reviewing and approving financial statements. Responsibilities also include selecting and overseeing the external audit firm, monitoring compliance with accounting standards, investigating financial misconduct, and addressing other relevant matters.

Remuneration and Nomination Committee

This committee establishes executive compensation policies, ensuring alignment with company performance and shareholder interests. Responsibilities encompass reviewing and approving executive compensation packages, evaluating incentive and equity-based plans, and addressing other matters related to executive remuneration and nomination.

Sustainability Committee

This committee is responsible for developing and overseeing sustainability initiatives and strategies. It actively monitors and reports on the company's ESG performance. Ensuring alignment with sustainability goals, the committee engages stakeholders on relevant matters and addresses various aspects of ethical and sustainable practices.

ESOP Committee (Employee Stock Ownership Plan Committee)

Responsible for overseeing employee stock ownership plans, this committee determines eligibility criteria, administers stock options or shares distribution, communicates with employees about the ESOP program, and handles other matters related to employee ownership.

Investment Committee

The Investment Committee evaluates potential investment opportunities by conducting due diligence, making recommendations to the board, and monitoring the performance of the company's investment portfolio. Among its responsibilities is ensuring that investments align with the company's strategic objectives.

Governance and Risk Management Committee

This committee reviews and assesses the company's overall risk profile, including financial, operational, strategic, and compliance risks. It evaluates the effectiveness of risk management processes, ensures risk mitigation plans are in place, oversees compliance with laws and ethical standards, monitors the effectiveness of compliance programs, and addresses allegations of unethical behavior or non-compliance.

Governance Practices: Prioritizing Shareholder Interests and Ethical Conduct

Raya Holding prioritizes shareholder interests through transparent financial reporting and disclosure practices. This commitment provides stakeholders with clear insights into the company's financial health and performance.

Concurrently, the company maintains ethical conduct by implementing robust internal controls and risk management strategies. These measures not only ensure the integrity of operations but also effectively mitigate potential risks that could compromise shareholder interests. Additionally, adherence to relevant laws and regulations is a foundational element of governance practices at Raya Holding, underscoring a steadfast commitment to safeguarding shareholder interests and ensuring the company operates within legal and ethical boundaries.

Whistleblower Programs

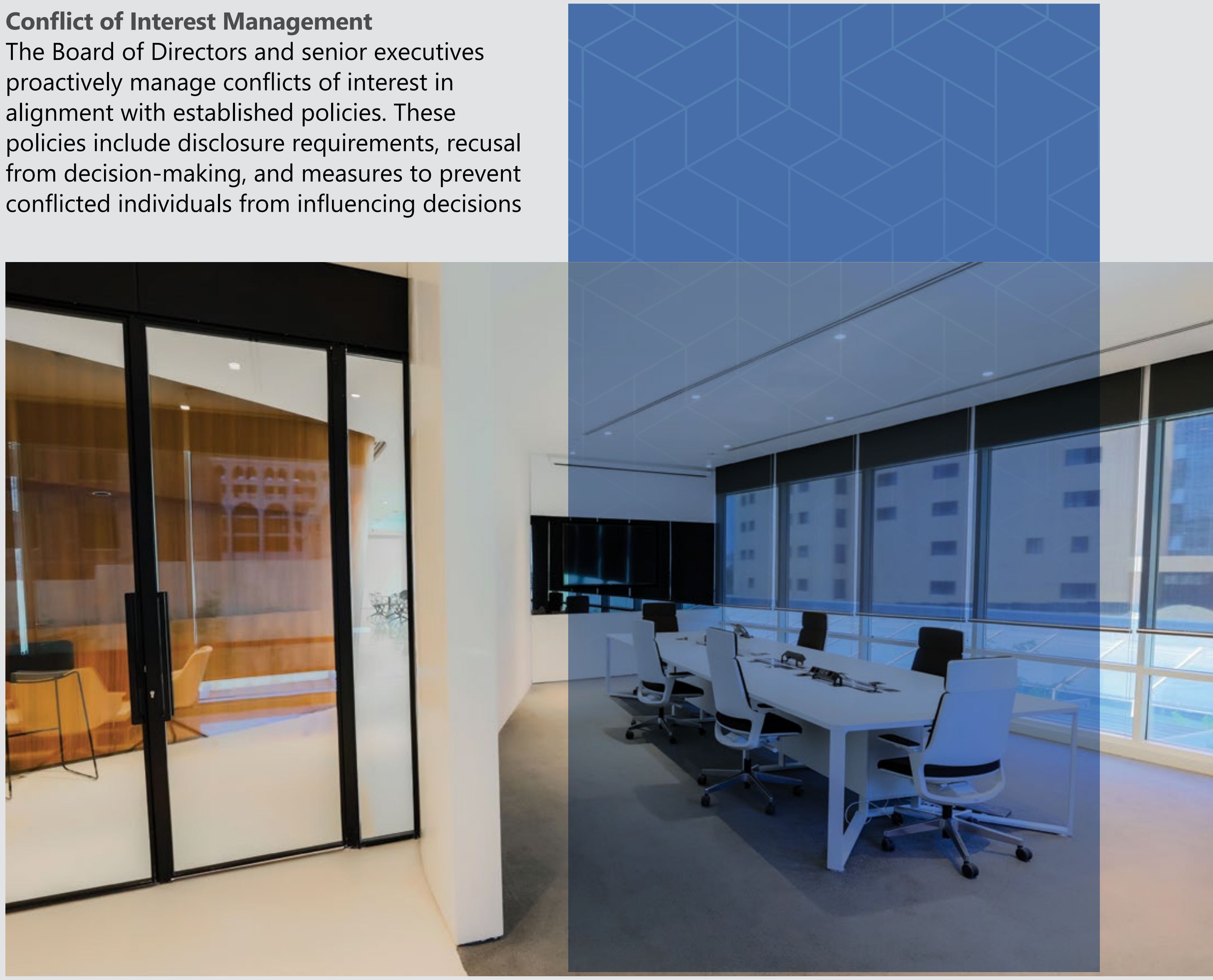
Raya fosters an ethical culture through whistleblower programs, enabling individuals to report unethical behavior confidentially. This commitment to transparency reinforces the company's dedication to ethical conduct.

Conflict of Interest Management

The Board of Directors and senior executives proactively manage conflicts of interest in alignment with established policies. These policies include disclosure requirements, recusal from decision-making, and measures to prevent conflicted individuals from influencing decisions that could compromise the organization's integrity. Comprehensive details of these policies are outlined in the company's Codes of Ethics and Business Conduct.

Shareholder Engagement in Governance Matters

Raya Holding actively engages with shareholders to gather input on governance matters. This engagement includes annual meetings where shareholders can vote on key matters, regular updates and communications, surveys, direct interactions, email communications, and discussions during committee meetings. This multi-faceted approach ensures that shareholder perspectives are considered in shaping the company's governance practices.



Corporate Social Responsibility Projects Report

Report on the Impact of Corporate Social Responsibility Projects

Raya Holding's CSR strategic mandate is to focus on human capital development and supporting programs to equip youth with the necessary knowledge and skills to drive our industries, economy, and communities forward.

Following this strategic direction, we have the following three strategic interrelated pillars:

1. Supporting Community Development Activities: Focusing on Youth Development
2. Encouraging Employee Engagement & Corporate Volunteering
3. Creating Awareness about Key CSR issues

Community Development Activities:

Estedama: empowering women of Menofia through artisanship

Estedama is a multi-governorate project by Sona3 el Kheir NGO, which trains and employs women in handicrafts through Estedama centers. Raya collaborated with Sona3 el Kheir to establish a center in Barheem village, Menofia. Training will be provided to 90 women in four types of handicrafts, and 60 of them will be employed in the centers after completing their training.

Raya's Initiative for Fighting Stunting "نمو "

In Egypt, nationwide, about one in five children under the age of five (21%) is stunted or too short for his or her age. Egypt ranked 11 among the 14 countries with the largest number of stunted children all over the world. Childhood stunting and anemia are significant hindrances to children's cognitive and physiological development. The purpose of the project is to develop an effective and efficient integrated preventive intervention in Ezbet Khairallah community, which suffers from high rates of stunting.

This program aims to achieve the realization of children's rights of proper health care and nutrition to protect them from stunting and anemia through decreasing the percentage of stunting and anemia by in Ezbet Khairallah. This will be achieved through providing caregivers (mothers and family members) with the knowledge, skills, and the needed support to achieve optimal feeding practices for their children. We work on achieving measurable outcomes and impact, which include job creation, medical intervention to infants and mothers, food support, and awareness sessions for the community.

KEY FACTS & STATISTICS

135 mothers were impacted by this program

137 infants were impacted by this program

1,000 community members

Raya's Scholarship Program

Aligned with Raya's CSR mandate to equip Egyptian youth with the necessary skills and knowledge to drive our industries and economy forward, Raya Holding launched a scholarship program in 2019 providing candidates with strong academic records the opportunity to pursue their undergraduate studies. As a start, in collaboration with Nile University, this program is offered to the children of Raya's employees, aspiring to scale this program to a bigger pool of Egyptian students within our community. Eight students are currently benefiting from this scholarship.

Corporate Volunteering and Civic Engagement Activities

Substantial and true impact lies in being connected and engaged in the community. Thus, Raya's CSR department is focusing on corporate volunteering and engaging employees in the company's CSR initiatives.

Gaza Urgent Relief Campaign

Upon the tragic events that began in October 2023, Raya quickly offered a lump-sum amount to the Egyptian Food Bank for their urgent Gaza relief campaign. 25 Raya volunteers went to the Egyptian Food Bank to pack food boxes for the same campaign.

Ramadan Campaign

In collaboration with Resalet Nour Ala Nour Raya Holding provided food boxes containing Raya Food Trading brands in ultra-poor villages in el Ismaleya. 48 Raya employees eagerly participated this Ramadan in entirely packing the 1,480 food boxes.

KEY FACTS & STATISTICS

1,480 families impacted

48 Raya corporate volunteers

Creating Awareness About Key Sustainability Issues

Toward a More Diverse and Inclusive Workforce

Committed to promoting gender diversity and inclusion, Raya Holding Chairman and Founder Mr. Medhat Khalil signed the Women's Empowerment Principles (WEP) Statement of Support. Established through an initiative between UN Women and the UN Global Compact (UNGC), the WEPs are a set of seven steps providing guidance to businesses on how to promote women's participation and leadership in the workforce.

Pathfinder Collaboration: World Bank Gender Equity Model (GEM) and Egyptian Equity Seal (EGES)

In collaboration with Pathfinder International, Raya is implementing a Gender Equity Framework consisting of three pillars: Sustainability Management Framework, The Women's Empowerment Principles (WEPs), and the Egyptian Equity Seal (EGES).

The aim of this project is to create a more equitable ecosystem and to integrate more women into the value chain of Raya. This includes using the World Bank Gender Equity Model (GEM) and applying for the EGES. The GEM focuses on the following areas: recruitment, career development, family-work balance, and sexual harassment policies. The process is a grassroots one, with the company developing its own committee, leading the adoption of the Gender Equality Measurements (GEM) in company policies and in human resource management, with Pathfinder acting as a consultant.

Developing Inclusive Workplace Solutions

In collaboration with Helm, providing full-pledged solutions toward effective and sustainable inclusion of persons with disabilities in the workplace, Raya is contributing to the SEED Program by creating an accessible online "Customer Service Basics" course on Helm Academy.

This program aims to prepare people with disabilities for the labor market and teach them about customer service basics, positive attitude benefits, and how to deliver a high customer experience to achieve and maintain customer satisfaction.

In addition to creating and sponsoring the course, Raya Holding covered 300 scholarships for persons with disabilities to attend the SEED program.

Moreover, in our efforts to promote a more inclusive workplace, Raya offered Helm's Disability Ethics Course to 100 employees. This course aims to teach participants how to deal with persons with disabilities and offer help when required. This helps individuals and organizations break down social barriers and end tricky situations.

Breast Cancer Awareness Day x Baheya

Considering the well-being and health of our employees is part of being a responsible business. For that purpose, we are keen to conduct wellness sessions for our staff. This year, in collaboration with Baheya Hospital, we conducted breast cancer awareness campaigns, enabling our female employees to better understand what cancer is, correct misconceptions about this disease, how to detect it early, and conduct regular self-tests. We also invited one of Raya's cancer fighters to share her story of battling cancer, providing words of hope and wisdom.

Planting Seeds of Hope

This year, we have conducted a planting tree event in two public schools in 6th of October City. Raya volunteers participated in planting 300 trees in these schools in an effort to combat climate change and improve our environmental footprint.

Advocating Responsible Business Practices and Sustainability

Raya Holding: An Active Participant in UNGC

Acknowledging the significance of promoting sustainable business practices, Raya was among the first companies in Egypt to be a signatory to the UNGC initiative, a global initiative promoting corporate sustainability and development. Raya has been an active participant in this initiative since 2004, showing its support to protect human rights, preserve the environment, and conduct ethical business.

Raya Holding Participating in UN Climate Accelerator

As an active member of the UNGC, Raya Holding decided to join the UNGC Climate Ambition Accelerator in 2023. This is a six-month program designed to equip companies with the knowledge and skills they need to accelerate progress toward setting science-based emission reduction targets aligned with the 1.5°C pathway, setting them on a path toward net-zero emissions by 2050. The program has given us access to global best practices in measuring and setting carbon emission targets. In addition to participating in the program, we have developed, in parallel, our internal capacity-building training focusing on key concepts outlined in the program, such as the usage of GHG protocol standards.

Raya's Sustainability Report for 2022

The role of CSR in corporations is to concretize business contributions toward sustainable development. Through CSR, each company develops a holistic view of its role in society, examining its business practices for "good" business. Businesses must deal with their stakeholders responsibly and ethically to ensure a healthy and safe working environment and to promote the well-being of their employees and other stakeholders. As part of the group's transparency and disclosure practices, Raya Holding published its Sustainability Report for 2022.

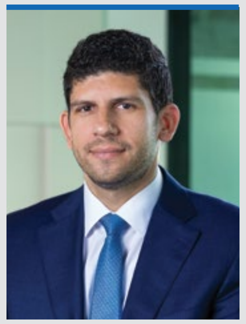
The report is based on a comprehensive materiality assessment and has been aligned with the Global Reporting Initiative Standards (GRI), UN Global Compact Ten Principles, and the UN Sustainable Development Goals. It also presents Raya's progress on the Task Force on Climate-Related Financial Disclosure and includes Carbon Footprint Calculation for Raya Holding Headquarters, Raya Data Center, and Raya Foods.

The importance of this report lies in communicating to the stakeholders, employees, business partners, investors, and the public Raya's commitment to the continuous improvement toward sustainable business practices, addressing economic, governance, environmental, and social performance.

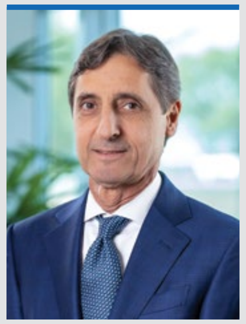
Leadership

Board of Directors

Medhat Khalil
Chairman,
Raya Holding

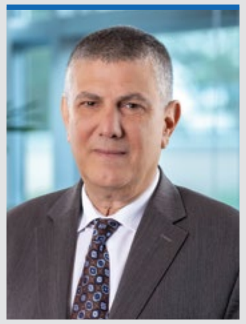


Ahmed Khalil
Executive Board Member
CEO,
Raya Holding



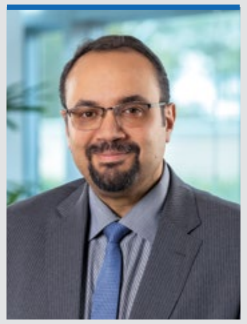
Yasser Hashem
Non-Executive
Board Member, MD,
Zaki Hashem & Partners

Moustafa Mubarak
Independent
Board Member,
Managing Partner,
Solera

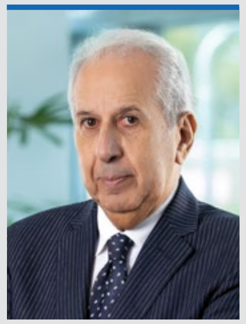


Ashraf Kheir El Din
Non-Executive Board
Member, CEO,
First Distribution
& Trading

Sherif Kamel
Independent Board
Member, Dean,
AUC's Business School

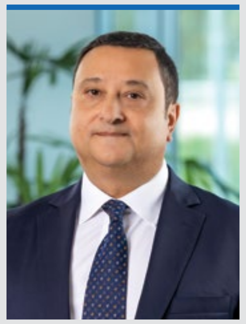


Malek Sultan
Non-Executive Board
Member, Co-founder of
Disruptech VC.

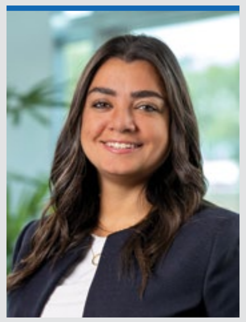


Seif Coutry
Non-Executive Board
Member, Chairman,
Fawry

Mohamed Hawa
Non-Executive
Board Member, CEO,
Whitebridge Holding



Amr El Tawil
Non-Executive Board
Member, CEO,
Triangle Group



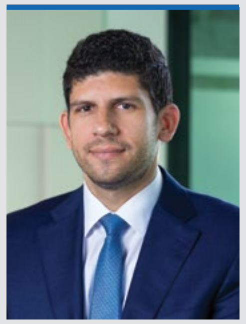
Noha El Ghazaly
Independent Board
Member, Egypt
Country Advisor,
Mediterrania Capital

Samer El Waziri
Non-Executive Board
Member, Senior Adviser,
Raya Holding

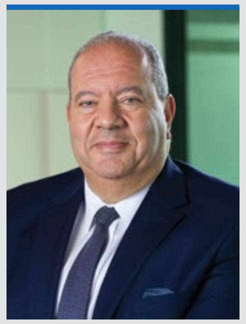
Reem El-Saady
Independent Board
Member, Head of MENA
SME Funding, EBRD

Hamed Shamma
Assistant Professor of
Marketing at The American
University in Cairo

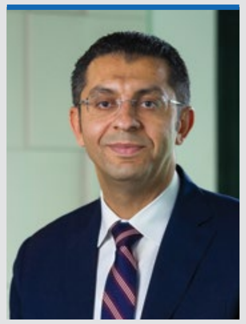
Executive Management



Ahmed Khalil
Executive Board Member,
CEO, Raya Holding

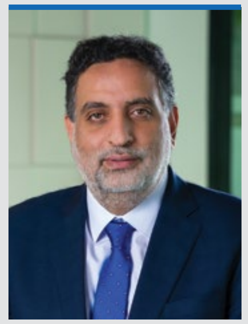


Hesham Abdel Rassoul
CEO, Raya Information
Technology



Mohamed Wahby
Co-CEO,
Aman Holding

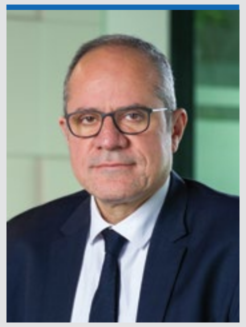
Hazem Moghazy
Co-CEO,
Aman Holding



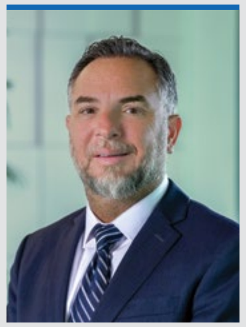
Bassem Megahed
CEO, Raya Trade

Mohamed el Naggar
CEO, Raya Advanced
Manufacturing

Omar Abdel Aziz
CEO, Raya Foods



Usama Zaki
CEO, Raya Electric



Tamer Badrawi
CEO, Ostool

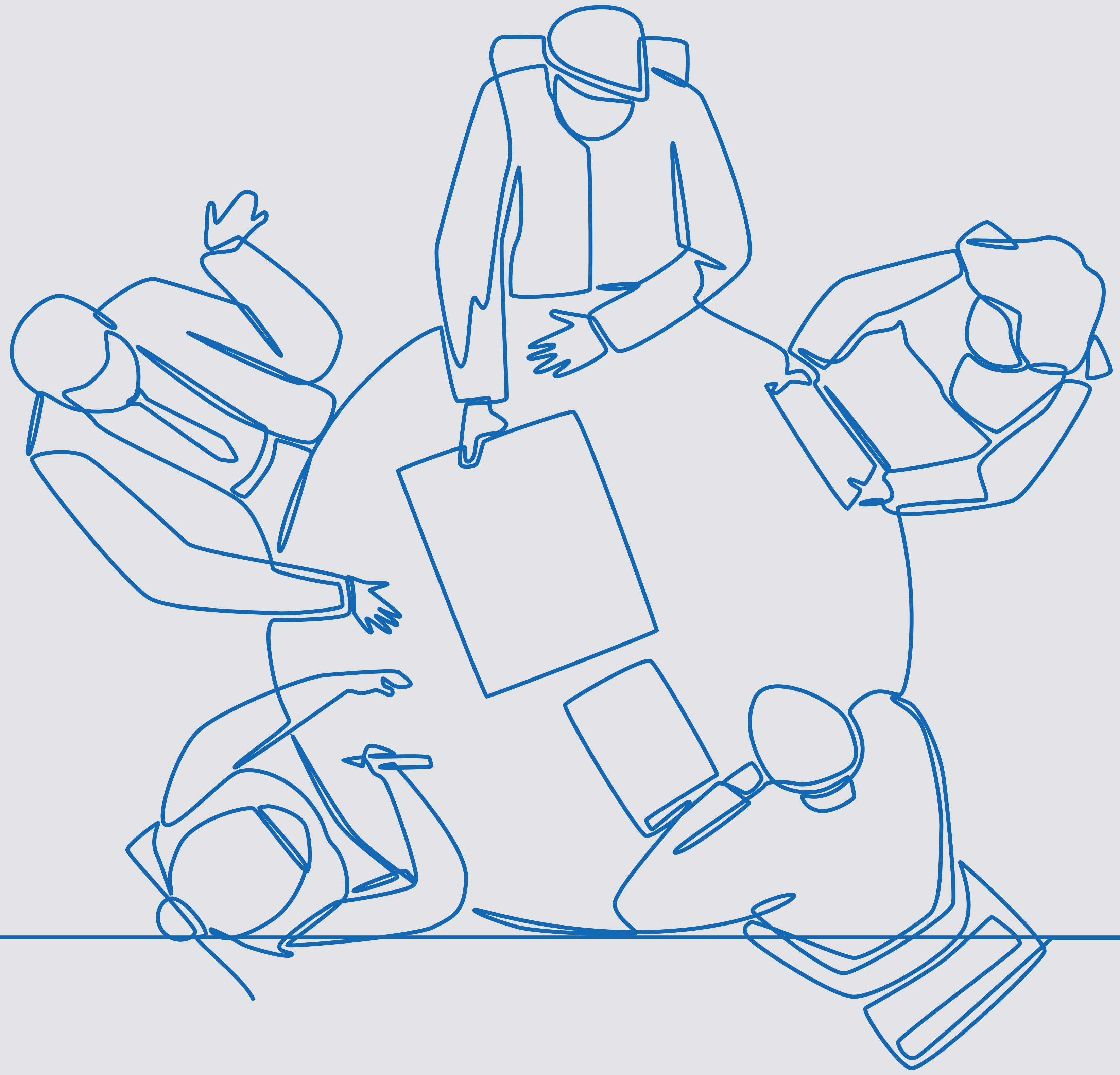
Ahmed Ibrahim
CEO, Raya Smart Buildings

Gamal Hussein
CEO, Raya FMCG

Hossam Hussein
Chief Financial Officer,
Raya Holding

Hazem AbdelHady
Chief HR Officer,
Raya Holding

Tamer Abdelaziz
Chief Business
Development Officer,
Raya Holding



Corporate Governance

Annual Corporate Governance Report

Ending 31 December 2023

1) Corporate Governance Framework

The company is committed to implementing the highest levels of governance by adhering to all laws and regulations governing corporate governance set forth by the Egyptian Financial Supervisory Authority and the Egyptian Exchange.

Corporate governance is defined as the framework that governs relationships between key parties in the company (Board members, executive management, shareholders) to distribute rights and responsibilities among various stakeholders; achieving transparency, fairness, accountability, securing the rights of shareholders and other interests; and ensuring that the company is managed in the best interest of its stakeholders.

Corporate governance is an integral part of Raya Holding's culture and its subsidiaries with the following objectives:

- **Transparency:** Openness in the company's operational and investment activities, moving away from ambiguity, secrecy, and deception, making all matters verifiable and confirmable.
- **Accountability:** Shareholders' right to hold management accountable for its performance, a right guaranteed by law and the company's bylaws. Executive management is accountable to the board, and the Board is accountable to the shareholders.
- **Equality:** Equality between small and large investors, locals and foreigners alike. The company's bylaws ensure this principle in terms of equal rights in voting, accountability, nomination, and access to information.
- **Responsibility:** The company's responsibility to recognize the rights of stakeholders granted by law and to encourage communication and participation between the company and stakeholders in creating opportunities, jobs, and sustainability.

2) General Assembly of Shareholders and Board of Directors

2.1 General Assembly

The Ordinary General Assembly of shareholders shall be convened within a maximum of three months following the end of the fiscal year. Each shareholder has the right to attend the General Assembly meetings, and the invitation shall be published in two daily newspapers. The General Assembly shall be held at a location affiliated with the company or its subsidiaries, with transportation provided to the meeting venue if necessary.

Shareholders holding 5% or more of the company's shares	Number of shares	Ownership %
Pharonia for Real Estate Investment-Mona Kheir El Din and Partners	569,192,630	26.55%
Medhat Mohamed Ibrahim Khalil	393,873,260	18.37%
Financial Holdings International Ltd	258,325,380	12.05%
Ashraf Mahmoud Abdo Kheir El Din	231,695,410	10.81%
Triangle Energy International Limited	170,028,850	7.93%
Mona Mahmoud Abdo Kheir El Din	124,199,730	5.79%
Total	**1,747,315,260**	**81.50%**

2.2 Board of Directors Composition

Board Member Name	Position (Executive – Non-Executive)	Number of Shares	Joining Date	Representation
Mr. Medhat Khalil	Executive	393,873,260	22/6/1999	None
Mr. Ahmed Khalil	Executive	64,838,490	4/11/2008	None
Mr. Ashraf Kheir El Din	Non-Executive	231,695,410	26/04/2012	None
Mr. Amr El Tawil	Non-Executive	185,028,850	25/8/1999	None
Mr. Mohamed Hawa	Non-Executive	258,325,380	20/12/2021	On behalf of Financial Holdings International LTD
Mr. Seif Allah Coutry	Non-Executive	-	31/01/2007	None
Mr. Samer El Waziri	Non-Executive	287,510	04/05/2014	None
Mr. Hamed Shamma	Non-Executive	3,248,660	21/04/2018	None
Mr. Yasser Hashem	Non-Executive	-	31/01/2007	None
Mr. Malek Sultan	Non-Executive	-	26/04/2012	None
Mr. Sherif Kamel	Independent	-	30/10/2018	None
Mr. Moustafa Mubarak	Independent	-	29/04/2017	None
Ms. Noha El Ghazaly	Independent	-	12/04/2022	None
Ms. Reem El Saady	Independent	-	12/04/2022	None

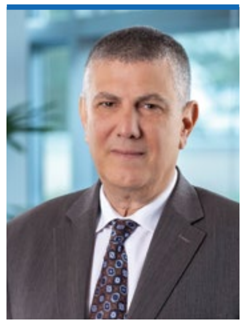
Mr. Medhat Khalil
Chairman of the Board of Directors

Engineer Medhat Khalil has dedicated his professional career to achieving a specific vision, which materialized within Raya Holding and its subsidiaries. He graduated from Cairo University's Faculty of Commerce (Business Administration Department) in 1977 and immediately joined the Arab Investment Bank as a financial analyst in the credit management department. He later joined the Egyptian branch of IBM, and after 15 years of holding senior and leadership positions at IBM, Khalil founded two leading companies in the field of information technology: Protech and Oratech in 1993 and 1997, respectively. In 1998, Protech and Oratech became two of the seven companies that merged to form Raya Holding. Since the establishment of Raya Holding in 1999, Khalil has served as Chairman of the Board of Directors and Managing Director of the group. The business volume of the subsidiaries has grown from around EGP 88 million in 1999 to over EGP 10.8 billion in 2020, and the workforce has expanded from 285 individuals to more than 12,250, mostly comprising specialized technical expertise.

Engineer Khalil held leadership positions in many prestigious companies and institutions in the country, including, but not limited to, former Chairman of the Board of Directors of the Smart Villages Company, affiliated with the Egyptian Ministry of Communications, and a member of the Egyptian-American Economic Council. Additionally, Khalil has been actively involved in various sports, community, and charitable activities, including his membership in the Board of Trustees of Sadat Academy and University and his membership in the Board of Directors of the Egyptian National Fund for Youth and Sports Activities. He is also a member of the National Sports Council and Chairman of the Egyptian Sailing Federation, contributing significantly to the development of this beloved sport over the years.

Mr. Ahmed Khalil
CEO

Khalil obtained a Bachelor's degree in Business Administration, with a dual concentration in Finance and Marketing, from The American University in Cairo in 2005. He also earned a Master's degree in Business Administration from Harvard Business School in 2012, focusing on corporate finance and real estate finance. Khalil's cognitive background includes expertise in sales, marketing, and business development, gained through his tenure at Microsoft Egypt. Prior to joining Microsoft, Khalil gained extensive experience in retail sales services through his managerial role in the family business, where he managed and developed a chain of local retail stores selling fashion and apparel.
Khalil has been serving as a member of the Board of Directors of Raya Holding since 2008. He previously held positions as a board member in other leading companies, such as Fourie Technologies and Rameda Pharmaceuticals.

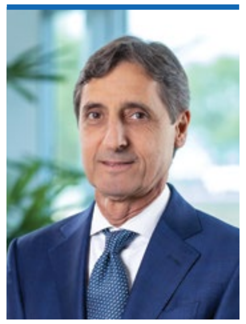


Mr. Ashraf Kheir El Din
CEO of First Trading and Distribution Company

Ashraf Kheir El Din obtained a Bachelor's degree in Business Administration from Cairo University in 1992. He served as the Sales Manager at Protech Company from 1996 to 1998. Subsequently, Kheir El Din became the owner and General Manager of First Trading and Distribution Company, a Vodafone agent. Currently, he serves as the Chairman of the Board and Chief Executive Officer of First Trading and Distribution Company, which is a franchise partner of Vodafone.

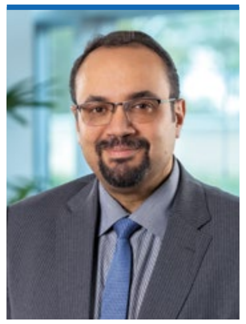
Dr. Hamed Shamma
Assistant Professor of Marketing at The American University in Cairo

Dr. Hamed Shamma is an Assistant Professor of Marketing at the School of Business at The American University in Cairo. He holds a PhD in Marketing from George Washington University in Washington, D.C., USA. He also holds a Bachelor of Arts (BA) in Business Administration with a specialization in Marketing and a Master of Business Administration (MBA) with dual concentration in Marketing and International Business from The American University in Cairo. Shamma began his professional career at Orange Egypt, where he was involved in evaluating company performance, analyzing business strategies, forecasting outcomes, and developing appropriate budgets. After earning his PhD, Dr. Shamma embarked on an academic career in the field of marketing, accumulating extensive knowledge and experience. He has taught 15 different marketing courses at the undergraduate and graduate levels in Egypt and several other countries. Dr. Shamma has been actively engaged in serving the business and management community, providing consulting and training services to numerous large institutions within and outside Egypt, including the Ministry of Civil Aviation, the Ministry of Administrative Development, Eva Pharma Company, Orange Group Laboratories, Telecom Egypt, the International Advertising Association (IAA), and Flat6Labs business accelerator.



Mr. Yasser Hashem
Managing Partner at Zaki Hashem & Partners

Yasser Hashem is the Managing Partner at Zaki Hashem & Partners, a leading law firm in Egypt founded in 1953. The firm comprises approximately 80 lawyers with strong local and international legal backgrounds. Zaki Hashem & Partners manages a large portfolio of multinational and local clients. Hashem specializes in corporate law, mergers and acquisitions, capital markets, and telecommunications.



Mr. Malek Sultan

Co-founder of Disruptech VC

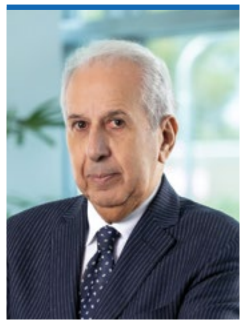
Malek Sultan holds a Master's degree in Business Administration with a specialization in Finance and Electronic Business from Georgia State University, as well as a Bachelor's degree in Business Administration from Cairo University. Sultan serves as the Operations Manager of a reputable company in Egypt and sits on the board representing the company's investments in various ventures across Egypt.

Sultan has played a pivotal role in orchestrating numerous significant deals in the information technology, real estate development, and financial sectors for major institutions in Egypt, Sudan, Kenya, and Uganda. His extensive experience in investments and information technology spans over a decade.
Sultan is also proficient in restructuring operations to maximize returns on private equity deals.

Mr. Amr El Tawil

CEO of Triangle Group

Amr El Tawil returned to Egypt from the United States in 1993, holding an advanced degree from Texas A&M University and bringing practical experience from his role as Director of Construction Management in a real estate development company. In Egypt, he applied his knowledge and experience to expand his family company, Triangle Holdings, which operates in utilities, oil and gas projects and services, and engineering construction. El Tawil is known as an innovative entrepreneur and currently serves as the CEO of Triangle Holdings.



Mr. Seif Coutry

Chairman of the Board of Directors of Fori Bank Technology and Electronic Payments Company
Managing Director of Fori Microfinance Company

Mr. Seif Qatari has over 30 years of experience in the field of banking services, both domestically and internationally. He also served as an advisor to the Egyptian Minister of Finance for tax administration reform and modernization for three years between 2005 and 2007. Previously, he held the position of Chairman of the Board of Directors and Managing Director of United Bank of Egypt upon his return from the United Kingdom, where he spent eight years with Bank of America, London, as the General Manager of Private Banking Services for Europe and the Middle East.

Mr. Seif Qatari worked in various sectors and activities in both the public and private sectors, including, but not limited to:

- Chairman of the Board of Directors of the Railway Projects Company (Ministry of Transportation)
- Chairman of the Major Financiers Center (Ministry of Finance)
- Executive Director of the "Will" project (Ministry of Industry)
- Board member of Helwan Fertilizers Company
- Member of the General Assembly of EgyptAir (representing the Ministry of Finance)
- Board member of Suez Canal Bank
- Chairman of the Board of Directors and Managing Director of Capital Trust for Consulting and Investment

Mr. Samer El Waziri

Financial Advisor and Board Member of Raya Holding Company for Financial Investments

Samer El Waziri holds a Bachelor's degree in Commerce from Cairo University and a Diploma in Management from Harvard Business School. El Waziri played a significant role as a member of the management team, achieving substantial financial returns and contributing to building the company, which is now one of the strongest information technology and telecommunications companies in the region.

Previously, El Waziri served as the Chief Financial Officer and a Board Member of GlaxoSmithKline until December 2005. He brings with him 29 years of experience in financial management, including interpreting financial data related to manufacturing, marketing, evaluation, general coordination of investment decisions in companies, and strategic planning.

Mr. Moustafa Mubarak
Managing Partner at Solera Company

Moustafa Mubarak graduated with a Bachelor's degree in Electronics Engineering with a specialization in Communications from The American University in Cairo in 2005. He then pursued a Master's degree in Business Administration with a focus on Financial Management Strategies from the University of Pennsylvania in 2010.

Mubarak began his career as a software engineer at IBM from 2005 to 2006. He later worked as an economic researcher at the Ministry of Trade and Industry from 2006 to 2007. He then moved to the Reserve Management Unit at the Central Bank from 2007 to 2008. Subsequently, he held the position of Contracts Manager at McKinsey Middle East in 2010.

In 2013, Mubarak founded Solera Company, where he currently serves as the Managing Partner.

Dr. Sherif Kamel
Dean of the School of Business at The American University in Cairo

Dr. Sherif Kamel is the founding Dean of the School of Business at The American University in Cairo and the President of the American Chamber of Commerce in Egypt. As a researcher, consultant, and strategic planner for over 25 years, Kamel is a proponent of diversity and inclusion policies, following a leadership approach to achieve desired goals. He served as the Regional Institute for Information Technology (1992–2001) and was the Director of Training and Professional Development at the Information Center and Decision Support of the Egyptian Cabinet, thus advising governmental organizations and some companies in organizational transformation, executive development policy, information technology, and strategic management. Dr. Sherif Kamel holds a PhD in Information Systems from the London School of Economics and Political Science, in addition to a Bachelor's and Master's degree in Business Administration from The American University in Cairo.

Due to his diverse services in information technology, Kamel won numerous awards from the International Association for Information Management in Canada and the United States (1999) and the Egyptian Cabinet (2011). Dr. Kamel is a member of several international organizations and institutions, including:

- Member of the Advisory Board of the Association to Advance Collegiate Schools of Business (AACSB) in the Middle East
- Member of the Egyptian American Business Council
- Member of the International Scientific Committee
- Member of the Board of Trustees of the Education for Employment Foundation
- Former Non-Executive Board Member of the Commercial International Bank (CIB) Egypt

Ms. Noha El Ghazaly
Egypt Advisor at Mediterranean Capital Partners

Noha El-Ghazaly has over 14 years of experience in financial services markets. She earned her Bachelor's degree in Economics from the Faculty of Economics and Political Science at Cairo University in 2007. She also holds a Master's degree in Business Administration from Edinburgh Business School – Herriot Watt University, United Kingdom. She began her professional career in 2007 as an analyst at HC Securities & Investment.

She currently serves as the Egypt Advisor at Mediterrania Capital Partners, a private investment company focusing on African assets, with a value of EUR 450 million and headquartered in Barcelona, Spain. She is also a member of the Investment Committee at SANAD ESF II, a direct investment fund based in Luxembourg, initiated by the German Development Bank, which invests in regional financial institutions focusing on micro, small, and medium enterprises and startups in the financial technology sector. Additionally, she is an independent board member at Middle East Glass Manufacturing, the second-largest glass factory in Africa.

El-Ghazaly led and participated in over 25 merger and acquisition deals, as well as capital market transactions totaling over USD 1.4 billion. She held positions as Executive Board Member and Head of Investment Banking Sector at Pharos Holding for Financial Investments and as CEO at HC Securities & Investment. She also served as a board member at HC Brokerage.

She has been recognized by Forbes magazine as one of the Top 100 Powerful Businesswomen in 2020 and Top 100 Influential Women in 2018 in the Middle East, as well as by Financial News London as one of the Top 50 Financial Businesswomen in the Middle East in 2019.

Mr. Mohamed Hawa
Board Member

Mohamed Hawa is a seasoned banker with 15 years of experience at Credit Suisse and Deutsche Bank. He has a proven track record in direct equity investment, investment banking services, providing consultations, and executing transactions worth billions of US dollars in regional and global assets through stocks, merger and acquisition operations, and structured financing. Mr. Mohamed holds top rankings in stock research and is a skilled analyst and strategist in the banking sector, covering over 19 banks with a market capitalization of USD 300 billion and USD 800 billion in regional market capitalization.

Hawa obtained a Bachelor's degree in Business Administration, with a double concentration in Finance and Finance Specialization, from The American University of Beirut, Lebanon, in 2002. He also obtained a Master's degree in Economics from the London School of Economics in 2005, with a specialization in Corporate Finance.

Ms. Reem El Saady
Senior Regional Manager for Small and Medium Enterprise Development and Financing Program (Consultancy) for Egypt and the Arab Levant

Reem El Saady boasts over 25 years of experience in international financial institutions, governmental, and development organizations. She earned her Bachelor's degree in Economics from the Faculty of Economics and Political Science at The American University in Cairo in 1987. She then obtained a Master's degree in Economics and Political Science from The American University in Cairo in 1991. Currently, she is a doctoral candidate at the Faculty of Economics and Political Science, putting the final touches on her dissertation focusing on Egyptian small and medium-sized enterprises in the era of reforms. El Saady joined the European Bank for Reconstruction and Development in May 2012 and currently serves as the Senior Regional Manager for the Small and Medium Enterprise Development and Financing Program (Consultancy) for Egypt and the Arab Levant. The program supports the growth of small businesses with a particular focus on women and youth.

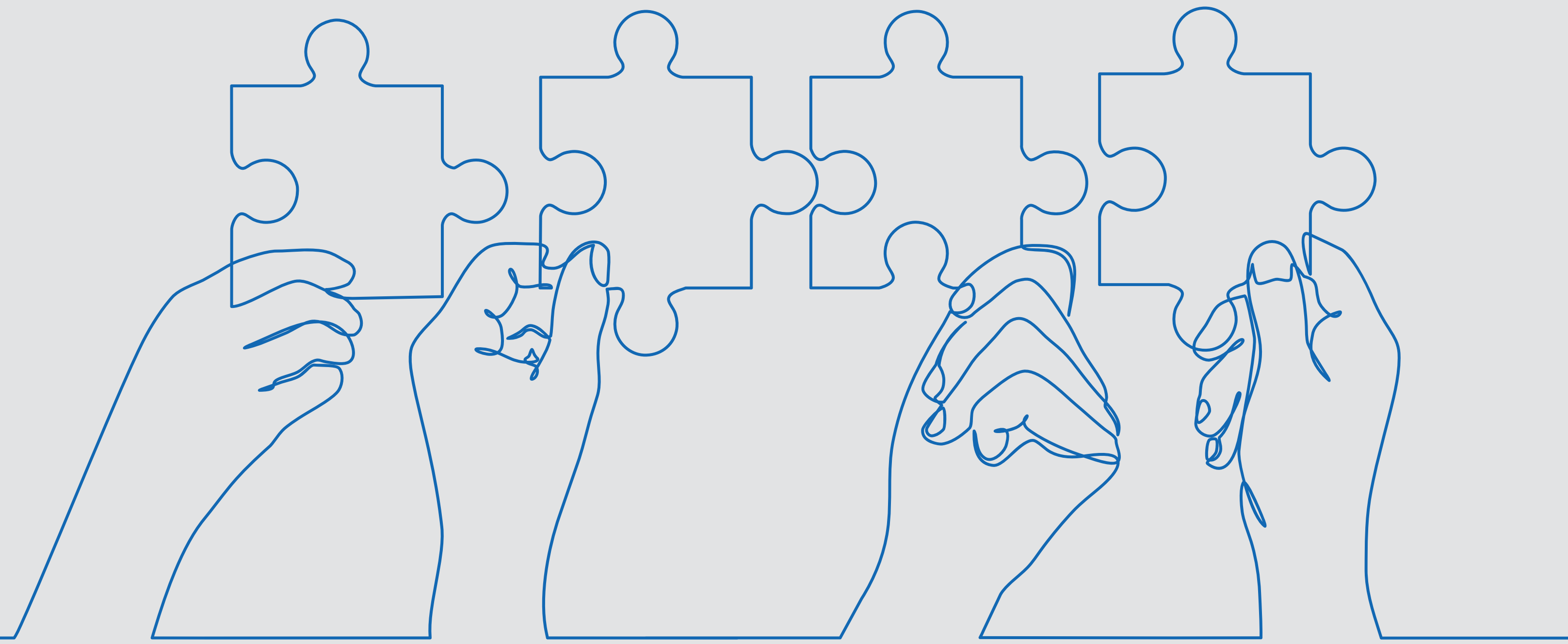
Before joining the European Bank for Reconstruction and Development, El Saady worked as an advisor to the Minister of Investment. During her tenure at the ministry, she established the "Start-Up Center for Entrepreneurship and SME Development" and the "Start-Up Fund for SME Development," one of the first venture capital funds dedicated to financing small and medium-sized enterprises and innovative startups.

From 2010 to March 2012, she served as a board member and CEO of the Start-Up Private Equity Fund for SME Financing Projects. El Saady was also appointed as a designated member of the technical committee established by the Minister of Trade and Industry in 2017 to design the organizational structure of the new National Agency for SME Development. From 1996 to 2009, she served as the Program Coordinator for the Swiss Egyptian Development Fund, a private fund dedicated to supporting social and economic development in deprived communities and empowering women.

2.3 Roles and Responsibilities of the Board of Directors

The Board of Directors plays a pivotal administrative role within the company. It assumes the management of the company's affairs based on the mandate issued by its General Assembly. The Board presents the annual report on the business results for the fiscal year to the Ordinary General Assembly within three months following the end of the fiscal year. The responsibilities and duties of the Board are outlined in the company's bylaws and the decisions of the Egyptian Financial Regulatory Authority, which include:

- Establishing mechanisms and systems to ensure compliance of all company employees with laws, regulations, and internal policies. The Board is also responsible for establishing an early warning system to detect any irregularities or deviations and ensuring prompt action is taken. This system should include measures to protect sources of information and whistleblowers reporting corruption and misconduct.
- Developing a plan for monitoring authority within the company for senior management positions and Board members to ensure the sustainability and effective operation of the company.
- Identifying the powers delegated to one of its members, committees, or others. The Board must also specify the duration of the delegation, the periodic reports received from the committees and the executive management, and monitor the results of exercising those delegated powers.
- Establishing preventive procedures, tools, and mechanisms to secure the flow of information and control the accuracy and integrity of data within the company, protecting it from manipulation and breaches whether from within the company or externally, such as securing internet usage and mobile devices against hacking and piracy.
- General oversight of the data disclosure process and communication channels, ensuring the integrity of the financial and accounting reports issued by the company, as well as ensuring the independence of both internal audit activity and compliance with the company's policies.



Formation of Board Committees

Audit Committee		
Name	**Member Status**	**Position**
Mr. Seif Allah Coutry	Non-Executive Board Member with expertise	Commitee Chairman
Mr. Yasser Zaki Hashem	Non-Executive Board Member	Member
Mr. Sherif Hussein Kamel	Independent Board Member	Member
Mr. Moustafa Amin Mubarak	Independent Board Member with expertise	Member
Ms. Noha Hesham El Ghazaly	Independent Board Member with expertise	Member

Nomination and Remuneration Committee		
Name	**Member Status**	**Position**
Mr. Medhat Mohamed Khalil	Chairman of the Board	Committee Chairman
Mr. Amr Mohamed El Tawil	Non-Executive Board Member	Member
Mr. Yasser Zaki Hashem	Non-Executive Board Member	Member
Mr. Moustafa Amin Mubarak	Independent Board Member with expertise	Member

Investment Committee		
Name	**Member Status**	**Position**
Mr. Ahmed Medhat Khalil	Executive Board Member	Committee Chairman
Mr. Amr Mohamed El Tawil	Non-Executive Board Member	Member
Ms. Noha Hesham El Ghazaly	Independent Board Member	Member
Mr. Hossam Hussein Mohamed	Chief Financial Officer	Member

Sustainability Committee		
Name	**Member Status**	**Position**
Mr. Ahmed Medhat Khalil	Executive Board Member	Committee Chairman
Ms. Reem Moftah El Saady	Independent Board Member	Member
Mr. Usama Zaki	CEO of Raya Electric	Member
Mr. Hamed Mahmoud Shamma	Non-Executive Board Member	Member
Ms. Yasmin Sakr	Corporate Social Responsibility and Sustainability Senior Manager	Member

ESOP Committee		
Name	**Member Status**	**Position**
Hossam Hussein	Chief Financial Officer	Committee Chairman
Hazem Abdelhady	Chief Human Resources Officer	Member
Helal El Housary	Committee Member with Expertise	Member

2.4 Advisory Committees

Audit Committee:

- Reviews and audits the company's internal control procedures.
- Reviews and audits the accounting policies applied in the company and the changes resulting from the application of new accounting standards.
- Reviews and audits the internal audit function, its procedures, plans, and results.
- Reviews and audits periodic management information presented to various management levels, its preparation systems, and timing of presentation.
- Reviews the procedures followed in preparing and reviewing the following:

A. Periodic and annual financial statements;

B. Public or private offering prospectuses for securities; and

C. Budgets, including cash flow statements and estimated income statements.

- Ensures the implementation of necessary control methods to safeguard the company's assets, periodically evaluates those administrative procedures to ensure compliance with the rules, and prepares reports to the Board of Directors accordingly.
- The committee is responsible for verifying the company management's response to the recommendations of the company's auditor and the Financial Regulatory Authority.
- Any other powers deemed appropriate by the company's Board of Directors, in accordance with the rules of listing and delisting securities on the stock exchange.

Remuneration Committee:

- Periodically and continuously reviews the required skills needed for Board membership and prepares a statement of the qualifications required for Board membership.
- Reviews the composition of the Board of Directors and makes recommendations regarding changes that can be made, notifying the Board accordingly in preparation for presenting them to the General Assembly.
- Continuously verifies the independence of independent members and ensures there are no conflicts of interest if a member serves on the board of another company whose interests conflict with Raya Holding for Financial Investments S.A.L.
- Proposes clear policies for compensating Board members and senior executives, utilizing performance-related criteria in determining such compensations within the framework of using performance-based standards.
- Proposes the monetary remuneration received by the company's Board members and key executives.

Investment Committee

- Oversees the management of the company's investment portfolio, including asset allocation, risk management, and investment strategy development.

- Conducts thorough due diligence on potential investment opportunities, including financial analysis, market research, and risk assessment, to ensure alignment with the company's investment objectives and risk tolerance.

- Makes investment decisions based on the committee's analysis and evaluation of investment opportunities, taking into account factors such as financial performance, market conditions, and regulatory considerations.

- Monitors the performance of existing investments on an ongoing basis, assessing their financial and operational performance, identifying emerging risks, and making adjustments to the investment portfolio as needed.

- Ensures compliance with relevant laws, regulations, and internal policies governing investment activities, maintaining high standards of corporate governance and transparency.

- Communicates investment strategies, performance updates, and investment decisions to key stakeholders, including company executives, Board members, and shareholders, providing transparency and accountability.

- Prepares and presents regular reports to the Board of Directors and senior management on investment activities, performance metrics, and market trends, providing insights and recommendations for strategic decision-making.

Sustainability Committee

- Developed a sustainability policy that includes various environmental policies that take into account global environmental standards and local regulations in Egypt.

- Provides necessary consultations for the development and review of sustainability practices.

- Reviews studies and reports related to sustainability in the securities market issued by the Egyptian Exchange.

- Develops necessary training plans regarding sustainability.

ESOP Committee

- Conducts periodic reviews of the executive regulations of the Companies Law.

- Establishes the standards adhered to within the system.

- Supervises the system by studying the addition of new beneficiaries.

- Determines the number of shares allocated to beneficiaries that the company intends to grant according to the established criteria.

Executive Committee

The Executive Committee is chaired by the Chief Executive Officer and Managing Director and includes the Chief Executive Officers as its members. Its meetings are held regularly with the attendance of sector directors and heads of key departments to monitor the group's operations and ensure the implementation of executive and operational decisions through regular monitoring reports. The committee also ensures the adherence to all company policies, regulations, and internal systems.

3) Regulatory Environment

Internal Control System:

- The company's Board of Directors is responsible for the internal control system of the company, reviewing it annually to ensure its effectiveness. This is achieved through adopting responsibilities and governance structures aimed at effectively fulfilling the tasks of internal control and ensuring the efficiency and continuity of internal control aspects within the company. The company adopts a set of policies, procedures, and work ethics to:

- Completely separate the responsibilities and authorities of all employees within the company.

- Completely separate the positions of the Chairman of the Board of Directors and the Managing Director, in line with recent amendments to laws and regulations issued by the Egyptian Financial Regulatory Authority.

- Ensure the accuracy and quality of information, providing accurate and precise information about the company to both the company and others.

- Protect the company's physical assets from potential risks and document and record those assets in the company's records.

- Optimize the company's productivity and efficiency to attain its objectives while minimizing costs and maintaining high quality standards.

- Ensure the accuracy of instruction execution, to ensure that all instructions have been implemented as required.

- Ensure the application of corporate governance rules through the precise implementation of various governance instructions and rules.

- The Audit Committee presents its report to the Board of Directors every three months. The committee is entitled to request information from any department in the company and exercises its powers in accordance with the decision of the Board of Directors of the Egyptian Financial Regulatory Authority.

Internal Audit Management:

- There is an independent internal audit management in the company, led by Mr. Amir Anwar, representing the role of management in evaluating and improving the effectiveness of internal control and the company's management system, to achieve the company's objectives, protect its assets, and add value to the company.

Scope of Work of the Internal Audit Management Includes:

- Conducting periodic examinations of departments, including control systems and risk management within the company, during suitable periods to determine whether administrative, accounting, and control tasks and functions are effectively accomplished, in accordance with the policies, procedures, and instructions approved by the company and in line with the company's objectives and best management practices, including:

A. The methods and techniques used to maintain and protect the company's assets, including informational assets, from the risks of theft, damage, destruction, misuse, neglect, inefficiency, improper business practices, and inadequate or inappropriate disclosure.

B. The reliability and quality of financial and operational information security, as well as the methods used to identify, measure, classify, and report on such information.

D. The existing systems to ensure compliance with policies, plans, and procedures that affect the company.

E. The effectiveness and efficiency of resource utilization at reasonable costs.

F. Communicating the outcomes of internal audits, along with opinions and recommendations, to pertinent management personnel within the audited departments is essential to prompt necessary actions for addressing identified weaknesses. Furthermore, it involves assessing the plans and procedures implemented by relevant departments to tackle observations and recommendations outlined in the audit report. In cases where actions are deemed inadequate, engaging in discussions with responsible employees becomes imperative to ensure the efficacy and sufficiency of the measures taken.

G. Assisting in planning, designing, and developing information systems to ensure adequate control over the systems, and ensuring that all system audit procedures are conducted in a timely manner.

H. Providing consultancy services upon request from the Board of Directors, Audit Committee, or executive management to improve the effectiveness and efficiency of the company's operations, as well as conducting investigations into cases of fraud, corruption, or any special examination at the request of the Board of Directors, Audit Committee, or company management, or if the internal audit has sufficient evidence indicating the possibility of such cases.

I. Formulating an audit plan tailored to the departments slated for evaluation, grounded in a comprehensive assessment of the overarching risks prevalent throughout the company. The management delivers quarterly and annual reports, alongside task-specific and activity-centric reports, to facilitate the planning process.

The Company's Auditor:
The company's auditor is appointed through nomination by the Audit and Governance Committee, and this nomination is presented to the Board of Directors for submission to the company's General Assembly at the end of the fiscal year. Mr. Mohamed Ahmed Abu Al-Qasim has been reappointed as the company's auditor according to the decision of the Ordinary General Assembly dated 30 April 2020. The auditor submits a semi-annual report on the company's periodic financial statements and an annual report on the independent review of the financial statements to the members of the company's General Assembly. The auditor is engaged with and responds to their inquiries regarding the company's financial statements and all audit- and governance-related matters in a timely manner.

4) Disclosure and Transparency

Essential Information and Financial and Non-Financial Disclosure
The company is dedicated to fulfilling the disclosure standards stipulated by the Egyptian Financial Regulatory Authority and the Egyptian Exchange. Our commitment to transparency is manifested through the comprehensive disclosure of both financial and non-financial data. This includes information disseminated via annual and periodic financial statements, auditor reports, Board of Directors' assessments, accounting policies, budget projections, key updates, Board member profiles, shareholder distributions, and dividends. These disclosures are made accessible on our official website and submitted to the Egyptian Exchange. Furthermore, they are disseminated through daily newspapers, ensuring widespread visibility of our periodic and annual financial statements as well as executive management reports.

The company also discloses the following information through its periodic and annual financial reports, the Egyptian Exchange, and its website:

- Internal information, including the company's objectives, vision, nature of activities, and future plans.
- Ownership structures of subsidiary companies related to the company.
- Transactions with related parties and swap contracts.
- Disclosure to shareholders and regulatory authorities about treasury shares.
- Providing the Financial Regulatory Authority and Egyptian Exchange with decisions of the Ordinary and Extraordinary General Assembly immediately after their conclusion and at least before the start of the next trading session following the meeting. The company also commits to providing the Egyptian Exchange with the minutes within a week from the date of the General Assembly, approved by the Chairman of the Board of Directors.
- Providing the Authority and the Exchange with a statement, approved by the Board of Directors of the company, of its most significant business results compared to the corresponding period, immediately after the approval of the annual or periodic financial statements and before the start of the next trading session following the meeting.
- Announcement of the competent authority's decision on cash dividends, bonus shares, or both.
- Disclosure when a shareholder or related party exceeds or decreases their ownership stake by 5% or its multiples of the company's listed capital on the Exchange or voting rights, including shares acquired through subscription rights.
- Disclosure of the company's future investment plan and the shareholders' views on the company's management if their stake and related parties reach 25% or more of the company's capital or voting rights.
- Immediate disclosure of any judicial rulings imposing imprisonment penalties against any members of the issuing body's Board of Directors or key officials.

5) Investor Relations

The Investor Relations Department of the company, led by Mr. Ahmed Nour El-Din Hassan, works on enhancing the quality of its services and relations with investors by connecting the company with the investment market.
It establishes communication channels with investors, conveying market perspectives and investor concerns to the Board of Directors continuously. This is achieved through ongoing communication with financial portfolio managers, financial analysts, brokers, and other stakeholders in the market. The following are the main activities conducted to strengthen relationships with current and potential investors:

- Regular participation in both domestic and international investment conferences and meetings.
- Holding meetings with prospective investors and developing necessary strategies to target and attract long-term investors.
- Enhancing the company's image in financial markets and financial media.
- Building a lasting relationship with financial analysts through special and general meetings, conferences, forecast studies, inquiries, and analysis of feedback.
- Writing and distributing periodic and annual financial reports and press releases.
- Coordinating internal financial report sources and ensuring data is interpreted appropriately.
- Collaborating with the financial management of the company regarding disclosure matters.
- Enhancing participation on the company's website, preparing required disclosure reports, and updating investor relations pages on the company's website continuously.
- Maintaining current investors and attracting new ones by raising market awareness about the company's operations and future growth opportunities, as well as understanding factors affecting its profitability.
- Communicating with analysts, investors, and media representatives and providing information to minimize rumors and incorrect data leading to fluctuations in prices and trading volumes.
- Organizing company information according to applicable disclosure rules.
- Establishing and maintaining a database of investors, financial analysts, and portfolio managers.

During 2023, the Investor Relations Management and the team engaged in the following activities:

- Communicating and hosting investors and analysts in meetings held at the company and project sites.
- Holding regular phone meetings with analysts and investors to discuss the company's financial and investment developments.
- Contacting buy and sell operations analysts to follow up on matters related to the company and the market, monitoring new investment bank reports issued regarding the company and the market and educating investors.
- Preparing a daily report for the group's management on the company's stock performance and the stock market, including related news.

6) Disclosure Tools

Board of Directors Report
The company issues an annual report in accordance with Law No. 159 of the year 1981 and its executive regulations, to be presented to the General Assembly of Shareholders and regulatory authorities. This is in addition to the executive management report on periodic financial statements.

Disclosure Report
The company issues a quarterly disclosure report on the shareholders' structure and members of the Board of Directors, prepared by the company's management with the assistance of its Investor Relations Department.

Website
The company's website http://www.rayacorp.com is divided into six main sections, which include both financial and non-financial data related to the company and its various projects:
1. About Us
2. Raya Holding Subsidiaries (The Group)
3. Corporate Social Responsibility
4. Latest Company News
5. Investor Relations
6. Media Center

7) Charters and Policies

Code of Ethics and Business Conduct
The Code of Ethics and Business Conduct entails employees performing their duties with honesty, integrity, and objectivity, continuously working toward the group's objectives within the limits of their delegated authority, and executing their tasks with good faith, free from malice, negligence, violation of the law, or harm to public interest, whether for personal gain or that of others. The company conducts its business with integrity and honesty, respecting the interests of business partners, while adhering to the group's policies and prevailing principles of operation.

All members of the company are always committed to maintaining the company's good reputation, focusing on key points outlined in the company's policies, such as conflict of interest, dealing with others, maintaining confidentiality, accepting and giving gifts, bribery and corruption, non-discrimination, compliance with laws and regulations, and preventing sexual harassment.

Succession Planning Policy
The Succession Planning Policy entails the creation of a career ladder framework and the reinforcement of commitment and developmental readiness values across all management tiers within the organization. This encompasses the establishment of a system for cultivating second-tier talent (Succession Plan) to guarantee seamless operations and the implementation of group policies. Such a strategy mandates the availability of alternatives for key leadership roles to ensure the uninterrupted realization of senior management's vision, independent of individual influence or unforeseen circumstances
Additionally, it involves addressing organizational needs by appointing suitable employees (based on the skills and competencies required for the position), whether from existing staff or through new hires.

Whistleblowing Policy
Whistleblowing is the process of reporting unethical matters within the company, which may include wrongful actions, illegal behavior, financial misconduct, or threats to employees or the organization. Raya Holding Group is committed to providing a policy to protect the individual who reports such incidents, ensuring the encouragement of employees and others within the group to come forward with disclosures while guaranteeing complete confidentiality for the reporting individual. It is important to note that the reporting process is based on objective documents or information.

Related Party Transactions Policy
The company takes necessary measures that aim to control the trading activities of insiders in the company's shares and regulate relationships with related parties, as well as enter into swap contracts in accordance with the rules of the Egyptian Financial Regulatory Authority through:

1. Prohibiting insiders or related parties from trading in the company's shares during five business days before and one business day after the publication of any material news, with notification to the Egyptian Exchange.

2. Notifying the Egyptian Exchange's Disclosure Department immediately upon any changes to the composition of the Board of Directors or executive management.

3. Not allowing insiders to exceed a trading period of one month from the date of delivering the trading notice to the Egyptian Exchange.

4. Insiders' transactions in the company's shares (selling or buying) must be conducted on the specified trading form and after obtaining prior approval from the Compliance Officer or the Head of Corporate Governance, in accordance with the rules and instructions of the relevant regulatory authorities.

Corporate Social Responsibility and Environmental Policy
The strategic focus of CSR at Raya Holdings is centered on programs aimed at developing and supporting human capital, with the goal of equipping youth with the knowledge and skills necessary to drive our industrial, economic, and societal progress forward.

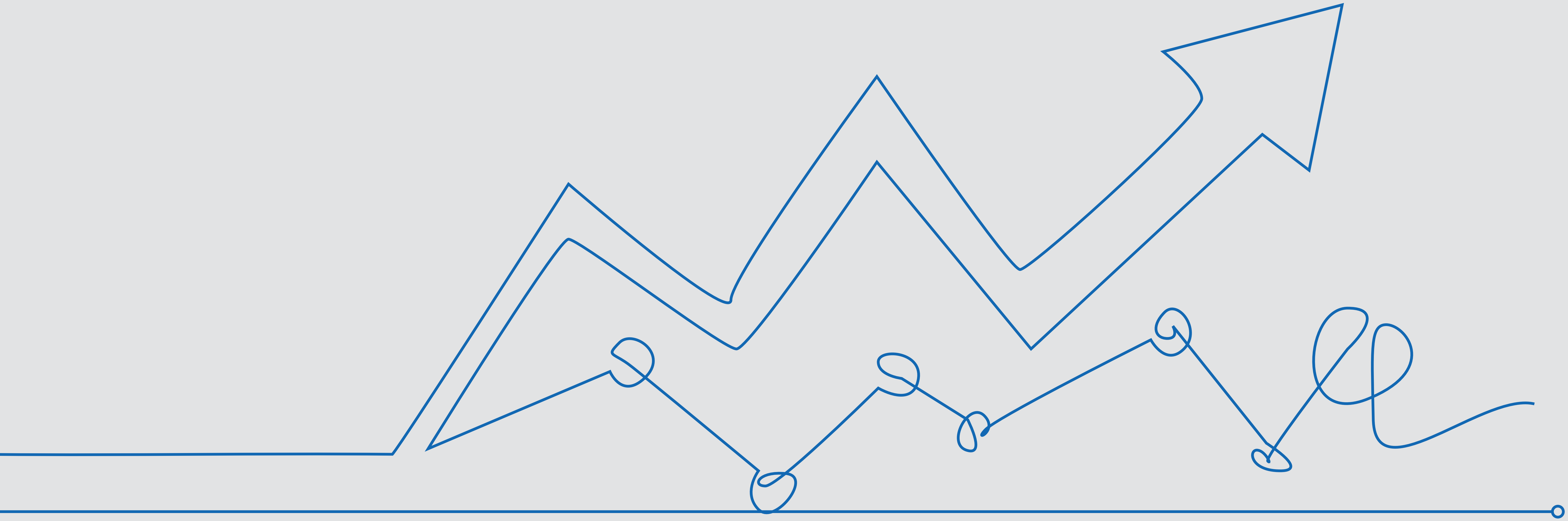
Aligned with this strategic direction, we have three interconnected pillars of strategy:

1. Supporting Community Development Activities: This involves a focus on youth development initiatives.

2. Encouraging Employee Engagement and Volunteerism.

3. Raising Awareness about Key Corporate Social Responsibility Issues.

4. Through these initiatives, we aim to positively impact society, empower individuals, and address pressing social and environmental challenges, all while advancing our organizational objectives.



Financial Statements

Auditor's report

TO THE SHAREHOLDERS OF RAYA HOLDING COMPANY FOR FINANCIAL INVESTMENTS (S.A.E)

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of RAYA HOLDING COMPANY FOR FINANCIAL INVESTMENTS (S.A.E) represented in the consolidated financial position as of 31 December 2023, and the related consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the consolidated financial statements

These consolidated financial statements are the responsibility of the Company's Management, as Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Egyptian Accounting Standards and applicable Egyptian laws. Management responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and applicable Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Consolidated financial statements.

Opinion

In our opinion, the consolidated financial statements referred to above, give a true and fair view, in all material respects, of the consolidated financial position of RAYA HOLDING COMPANY FOR FINANCIAL INVESTMENTS (S.A.E) as of 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the related applicable laws and regulations.

Cairo: 7 March 2024

Auditor
Mohamed Ahmed Abu Elkassim
FESAA – FEST
RAA 17553
CMAR 359
United for Auditing and Tax
UHY - United

Statement of consolidated financial position

As of 31 December 2023

	Note	31 December 2023 EGP	31 December 2022 EGP
Non-current assets			
Fixed assets	(4)	1,964,957,130	1,787,779,250
Investment property	(5)	608,711,014	633,777,806
Projects under construction	(6)	239,587,014	190,425,827
Intangible assets	(7)	30,742,030	19,661,819
Right of use assets	(8)	819,385,150	809,609,083
Goodwill	(9)	297,251,819	325,268,113
Investments in associates	(10)	167,897,225	126,991,578
Investments at fair value through other comprehensive income	(11)	25,604,787	22,980,050
Long term investments through other comprehensive income		1,130,150	1,031,230
Deferred tax assets		-	87,711,999
Total non-current assets		4,155,266,319	4,005,236,755
Current assets			
Inventory	(12)	2,858,524,718	2,208,840,001
Work in progress		916,768,032	411,315,053
Accounts and notes receivable	(13)	9,460,906,134	9,166,401,363
Short term investments through profit and loss		4,514,949	4,119,764
Prepayments and other debit balances	(14)	6,344,541,686	3,456,243,137
Share based compensation	(15)	2,993,892	7,087,952
Debit balances (tax authority)		211,038,335	181,505,161
Cash on hand and at banks	(16)	3,194,399,517	1,329,422,769
Total current assets		22,993,687,263	16,764,935,200
Total assets		27,148,953,582	20,770,171,955
Equity			
Issued and paid-up capital	(17)	1,071,997,595	1,071,997,595
Legal reserve		96,298,025	92,010,015
General reserve		41,935,960	41,935,960
Treasury shares	(28)	(7,868,547)	(53,685,978)
Net profit from selling aman shares		78,461,196	-
Revaluation reserve of investments at fair value through other comprehensive income		5,424,460	3,390,288
Accumulated foreign currency translation		71,333,237	(2,849,605)
Retained earnings		274,817,088	190,453,776
Profits for the year after deducting non- controlling interest		441,356,745	347,313,087
Total equity before deducting non- controlling interest		2,073,755,759	1,690,565,139
Non- controlling interest		849,644,442	566,757,426
Total equity		2,923,400,201	2,257,322,564
Non-current liabilities			
Long term notes payable		20,393,217	64,723,947
Long term loans and finance lease arrangements	(18)	1,352,911,485	1,664,907,683
Finance lease liability		884,655,787	855,743,403
Other long-term liabilities	(30)	121,982,598	104,327,165
Deferred tax liabilities		4,920,708	-
Total non-current liabilities		2,384,863,795	2,689,702,198
Current liabilities			
Provisions	(19)	169,931,660	141,406,483
Accounts and notes payable	(20)	4,805,707,049	3,318,501,534
Short term loans		614,404,698	396,037,477
Long term loans and finance lease – current portion	(18)	1,353,071,690	979,871,734
Finance lease liability – current portion		49,106,571	51,397,780
Bank overdraft	(22)	9,128,146,931	6,567,615,358
Accrued expenses and other credit balances	(21)	5,684,053,260	4,360,523,784
Dividends payable	(23)	36,267,727	7,793,043
Total current liabilities		21,840,689,586	15,823,147,193
Total liabilities		24,225,553,381	18,512,849,391
Total equity and liabilities		27,148,953,582	20,770,171,955

Chief Financial Officer	Chief Executive Officer	Chairman
Hossam Hussein	Ahmed Khalil	Medhat Khalil

- The accompanying notes from (1) to (34) are an integral part of these consolidated financial statements.
- Auditor's report is attached.

Statement of consolidated profit or loss

For the year ended 31 December 2023

	Note	31 December 2023 EGP	31 December 2022 EGP
Revenues	(24)	31,295,348,778	20,413,178,508
Cost of revenues	(25)	(24,917,023,895)	(16,340,567,809)
Gross profit		6,378,324,883	4,072,610,699
General and administrative expenses		(2,659,139,000)	(1,868,223,019)
Board of directors remuneration		(2,565,000)	(820,000)
Selling and marketing expenses		(1,085,157,685)	(767,822,103)
Expected credit losses	(13)	(352,293,596)	(188,247,921)
Reversal of expected credit losses	(13)	15,690,511	19,043,583
Provisions	(19)	(63,221,353)	(22,194,225)
Provisions no longer required		3,762,864	3,479,760
Operating profit		2,235,401,624	1,247,826,774
Finance cost (net)		(1,137,512,475)	(651,081,349)
Foreign exchange differences		(148,339,975)	17,505,592
Company's share from profits of associates	(10)	51,578,609	25,287,465
Dividends distribution from financial investments at fair value		1,405,880	1,008,410
Earnings / (loss) from disposal of investments in subsidiaries		-	(10,937,030)
Earnings from sale of fixed assets		6,557,959	570,303
Other (loss) / income		(3,037,027)	25,837,947
Takaful contribution		(48,465,846)	(31,697,442)
Goodwill impairment		(28,016,294)	-
Profits for the year before income taxes and non-controlling interest		929,572,455	624,320,670
Income taxes	(26)	(365,690,953)	(205,087,593)
Profits for the year		563,881,502	419,233,077
Distributed as follows:			
Holding company		441,356,745	347,313,087
Non-controlling interest		122,524,757	71,919,990
Profits for the year		563,881,502	419,233,077

Chief Financial Officer	Chief Executive Officer	Chairman
Hossam Hussein	Ahmed Khalil	Medhat Khalil

-The accompanying notes from (1) to (34) are an integral part of these consolidated financial statements.

Statement of consolidated comprehensive income

AS OF 31 DECEMBER 2023

	Note	31 December 2023 EGP	31 December 2022 EGP
Profits for the year		563,881,502	419,233,077
Other comprehensive income			
Differences of foreign currency translation through other comprehensive income	(34)	(130,701,371)	77,035,399
Income tax related to foreign currency valuation differences	(34)	29,407,808	(17,332,965)
Transferred from translation differences losses of foreign currencies to accumulated losses	(34)	130,701,371	(77,035,399)
Transferred of income tax related to currency differences through comprehensive income to carryover losses	(34)	(29,407,808)	17,332,965
Translation differences		74,182,842	10,463,794
Available for sale investments revaluation differences before tax		2,624,738	3,641,303
Income tax related to other comprehensive income items		(590,566)	(819,293)
Total of other comperhensive income		76,217,014	13,285,804
Total comprehensive income		640,098,516	432,518,881

Chief Financial Officer	Chief Executive Officer	Chairman
Hossam Hussein	Ahmed Khalil	Medhat Khalil

-The accompanying notes from (1) to (34) are an integral part of these consolidated financial statements.

Statement of consolidated changes in equity

For the year ended 31 December 2023

	Issued and paid up capital EGP	Legal reserve EGP	General reserve EGP	Reservation of investments at fair value through other comprehensive income EGP	Treasury shares EGP	Finance risk reserve EGP	Foreign currency translation differences EGP	Retained Earnings EGP	Dividends distribution EGP	Profits for the year after deducting non-controlling interest EGP	Total before non-controlling interest equity EGP	Non-controlling interest equity EGP	Total
1 January 2023	1,071,997,595	92,010,015	41,935,960	3,390,288	(53,685,977)	-	(2,849,605)	190,453,776	-	347,313,087	1,690,565,139	566,757,426	2,257,322,565
Transferred to retained earnings	-	4,288,010	-	-	-	-	-	343,025,077	-	(347,313,087)	-	-	-
Accumulated foreign currency translation differences	-	-	-	-	-	-	74,182,842	-	-	-	74,182,842	-	74,182,842
Change in minority rights	-	-	-	-	-	-	-	-	-	-	-	(2,868,311)	(2,868,311)
Dividends	-	-	-	-	-	-	-	(86,266,480)	-	-	(86,266,480)	-	(86,266,480)
Capital increase of Aman companies	-	-	-	-	-	-	-	-	-	-	-	209,048,000	209,048,000
Treasury shares	-	-	-	-	45,817,430	-	-	-	-	-	45,817,430	(45,817,430)	-
Transferred from provisions to finance risk reserve*	-	-	-	-	-	36,767,282	-	-	-	-	36,767,282	-	36,767,282
Transferred from retained earnings to finance risk reserve **	-	-	-	-	-	41,693,914	-	(41,693,914)	-	-	-	-	-
Differences in the valuation of foreign currencies	-	-	-	-	-	-	-	(130,701,371)	-	-	(130,701,371)	-	(130,701,371)
Reserve of investments at fair value through OCI	-	-	-	2,034,172	-	-	-	-	-	-	2,034,172	-	2,034,172
Profits for the year	-	-	-	-	-	-	-	-	-	441,356,745	441,356,745	122,524,757	563,881,502
31 December 2023	1,071,997,595	96,298,025	41,935,960	5,424,460	(7,868,547)	78,461,196	71,333,237	274,817,088	-	441,356,745	2,073,755,759	849,644,442	2,923,400,201
1 January 2022	1,071,997,595	92,010,015	41,935,960	568,278	(7,183,130)	387,171,382	(13,313,399)	(470,425,631)	(290,662,575)	487,335,201	1,299,433,696	454,202,463	1,753,636,159
Transferred to retained earnings	-	-	-	-	-	-	-	487,335,201	-	(487,335,201)	-	-	-
Accumulated foreign currency translation differences	-	-	-	-	-	-	10,463,794	-	-	-	10,463,794	-	10,463,794
Net profit from selling aman shares	-	-	-	-	-	(387,171,382)	-	387,171,382	-	-	-	-	-
Change in minority rights	-	-	-	-	-	-	-	-	-	-	-	40,634,973	40,634,973
Treasury shares	-	-	-	-	(46,502,848)	-	-	-	-	-	(46,502,848)	-	(46,502,848)
Dividends	-	-	-	-	-	-	-	(290,662,575)	290,662,575	-	-	-	-
Differences in the valuation of foreign currencies	-	-	-	-	-	-	-	77,035,399	-	-	77,035,399	-	77,035,399
Reserve of investments at fair value through OCI	-	-	-	2,822,010	-	-	-	-	-		2,822,010		2,822,010
Profits for the year	-	-	-	-	-	-	-	-	-	347,313,087	347,313,087	71,919,990	419,233,077
31 December 2022	1,071,997,595	92,010,015	41,935,960	3,390,288	(53,685,978)	-	(2,849,605)	190,453,776	-	347,313,087	1,690,565,138	566,757,426	2,257,322,564

** The value of the difference between the accounts receivable provision calculated according to the percentages stated in the Authority's decision and the accounts receivable provision calculated in accordance with the Egyptian Accounting Standard No. (47) as a result of the first application of the Authority's decision issued to the company on February 20, 2023.*

*** The value of the difference between the accounts receivable provision calculated according to the percentages stated in the Authority's decision and the accounts receivable provision calculated in accordance with the Egyptian Accounting Standard No. (47) for the fiscal year ending on December 31, 2023.*

The accompanying notes from (1) to (34) are an integral part of these consolidated financial statements.

Statement of consolidated cash flows

For the year ended 31 December 2023

	Note	31 December 2023 EGP	31 December 2022 EGP
Cash flows from operating activities			
Profits for the year before income tax and non- controlling interest		929,572,455	624,320,669
Depreciation of fixed assets, amortization of intangible assets, and investment property	(7,4,5)	370,511,758	304,156,224
Profit from disposal of fixed assets		(6,557,959)	(570,303)
Finance cost (net)		1,137,512,475	651,081,349
Company's share from profits of associates	(10)	(51,578,609)	(25,287,465)
Provisions	(19)	80,217,072	59,880,374
Provisions no longer required	(19)	(24,668,249)	(11,775,300)
Write-down of inventory	(12)	69,179,690	38,652,352
Write-down of inventory reversal	(12)	(12,845,709)	(18,357,086)
Impairment of accounts receivable	(13)	352,293,596	188,247,921
Impairment of accounts receivables reversal	(13)	(15,690,511)	(19,043,583)
Treasury shares		-	(46,502,848)
		2,827,946,009	1,744,802,304
Change in inventory	(12)	(706,018,697)	(110,724,565)
Change in projects under construction		(505,452,979)	(204,041,147)
Change in accounts and notes receivable	(13)	(805,265,025)	(4,004,491,102)
Change in prepayments and other debit balances	(14)	(2,884,204,485)	(1,288,859,075)
Change in accounts and notes payable	(20)	1,487,205,511	842,563,610
Change in bank overdraft Non-Bank Finance Sector	(22)	1,614,651,499	1,346,315,426
Change in loans Non-Bank Finance Sector		521,549,739	827,559,727
Change in accrued expenses and other credit balances	(21)	1,352,004,163	2,141,248,249
Change in other long-term liabilities		17,655,433	12,080,090
Cash flows provided from operating activities		2,920,071,168	1,306,453,517
Income tax paid		(352,254,670)	(363,115,109)
Doubtful Debts		174,157,169	5,434,852
Used provisions		(27,023,646)	(13,864,356)
Net cash flows provided from operating activities		**2,714,950,021**	**934,908,904**
Cash flows from investing activities			
(Payments) to acquire fixed assets, intangible assets and investment property	(7,4,5)	(421,858,493)	(485,749,408)
Proceeds from disposal of fixed assets and intangible assets	(4)	10,190,967	(4,158,292)
(Payments) in projects under construction	(6)	(164,638,761)	(148,114,423)
Proceeds from investments in associates (Dividends)		10,672,962	-
(Payments) to acquire long-term investments		(98,920)	(1,031,230)
(Payments) to acquire short-term investments		(395,186)	(4,119,764)
(Payments) in respect of restricted time deposits in favor of letters of credit	(16)	42,670,154	(55,191,063)
Net cash flows (used in) investing activities		**(523,457,277)**	**(698,364,180)**
Cash flows from financing activities			
Proceeds from credit facilities	(22)	945,880,074	311,051,008
(Payments) in long term loans	(18)	(1,206,288,397)	(1,043,082,091)
Proceeds from long term loans	(18)	964,309,636	1,505,339,797
Dividends paid		(86,266,480)	(136,952,591)
Change in non-controlling interest		206,179,689	40,634,973
Finance cost		(1,137,512,475)	(651,081,349)
(Payments) in long term notes payables		(44,330,729)	(29,109,739)
Net cash flow (used in) financing activities		(358,028,682)	(3,199,992)
Accumulated foreign currency translation		74,182,842	10,463,794
Net increase in cash and cash equivalent during the year		1,907,646,904	243,808,526
Cash and cash equivalent - beginning of the year	(16)	1,240,400,493	996,591,968
Cash and cash equivalent - end of the year		3,148,047,397	1,240,400,494
Cash on hand and at banks – end of the year	(16)	3,194,399,517	1,329,422,769
Deduct: Restricted time deposits		(46,352,120)	(89,022,275)
Cash and cash equivalent- end of the year		3,148,047,397	1,240,400,494

The accompanying notes from (1) to (34) are an integral part of these consolidated financial statements.

Notes to the consolidated financial statementsfor

31 December 2023

1. Group Background

- Raya Holding Company for Financial Investments (S.A.E) was established as holding company on 9 May 1999, The main purpose of the company is to subscribe in establishing companies that issue securities or increasing their capital in accordance with the regulations of Law number 146 for the year 1988. The company should submit a separate fusibility study to the general authority for investment for each project the company will invest or share in by any means as a per meant condition for approval of the general authority for investment, and the company has investments in subsidiaries.
- On 12 October 2016, the Commercial Register was added to the activity of the company which is the practice of promotion and coverage of subscription securities and financial advisory services on securities and the formation and management of portfolios of securities with take into consideration of laws and regulations and decisions in force and require the issuance of licenses crisis to exercise these activities taking into account Article 127 of the Annual Regulations The company may have a reformer and participate in any way with the companies of funds that carry out business similar to their work which may cooperate to achieve its purpose in Egypt or abroad, which may be merged into those companies or purchaser or their equity and in accordance with the provisions of laws and its executive regulations.
- On 27 June 2016, the Board of Directors approved the proposal to amend the Company's name and amend Article (2) of the Company's Articles of Association. The proposed name will be Raya Holding for Financial Investments (S.A.E), this was indicated in the commercial register on 12 October.
- The following are the details of investment in subsidiaries included in the consolidated financial statements as of 31 December 2023:

Notes to the consolidated financial statements

31 December 2023

	Company name	Country	Percentage of ownership
1.	Raya Distribution Company	Egypt	100%
2.	Raya Integration Company	Egypt	100%
3.	Raya International Service Company	Egypt	100%
4.	Raya Network Services Company	Egypt	100%
5.	Raya Gulf Company	UAE	100%
6.	Raya Technology Company Ltd.	Saudi Arabia	100%
7.	Raya Contact Centre Company	Egypt	59.15%
8.	Raya Electronics Company (Previously Sama)	Egypt	100%
9.	Call Centre Company - C3	Egypt	100%
10.	Best Service Company- Nigeria	Nigeria	100%
11.	Raya Smart Building	Egypt	100%
12.	Raya for Contact Centre Building Management Company	Egypt	100%
13.	Ostool for Land Transport Company	Egypt	62.31%
14.	Raya Restaurants Company	Egypt	95.423%
15.	Raya Tech Distribution Company	Egypt	100%
16.	Raya for Social Media Company	Egypt	100%
17.	Raya for Data Centres Company	Egypt	100%
18.	Raya Venture and Investment Company	Egypt	100%
19.	Raya Contact Centre Gulf	UAE	100%
20.	Raya for Food and Beverages Company	Egypt	100%
21.	Raya Contact Centre Company – Europe	Poland	100%
22.	Aman for Electronic Payments Company	Egypt	100%
23.	Raya for Manufacturing and logistics Services Company	Egypt	100%
24.	Raya Network power Company	Egypt	100%
25.	Eden for Import and Export Company	Egypt	100%
26.	Integrated Technology Systems Company	Egypt	100%
27.	Madova Company	Poland	100%
28.	Raya Foods Company	Egypt	100%
29.	Aman for Financial Services Company	Egypt	100%
30.	Aman for Micro finance Company	Egypt	100%
31.	Raya for Modern vehicles Company	Egypt	100%
32.	Raya for advanced manufacturing Company	Egypt	100%
33.	Aman holding company for non-banking financial services and electronic payments	Egypt	76%
34.	Raya Electric	Egypt	100%
35.	Raya For Agricultural Products	Egypt	100%
36.	United stores company	Egypt	100%
37.	Egypt international communication company	Egypt	100%
38.	Gulf customer experience	Bahrain	85%
39.	Aman Securitization	Egypt	76%
40.	Aman Taqa	Egypt	39%

B. Suspended companies

	Company Name	Country	Shareholding %
1.	International Business Ventures Company – IBVC	Britain	100%
2.	Raya U.S.A. Company	USA	100%
3.	Egyptian Company for Investment and Glass Production	Egypt	100%
4.	Oratech for communication and Information Systems Company*	Egypt	50%
5.	Oratech for Management and Information Technology Company **	Egypt	50%
6.	Al Byoot Alarabia for Finance Lease Company	Egypt	100%
7.	Ain Company for Networks	Egypt	100%
8.	Raya Academy For It Training & Management	Egypt	100%
9.	Interpain Egypt Company	Egypt	100%
10.	Raya Algeria Company	Algeria	100%
11.	Raya East Africa for financial investments company	Tanzania	100%
12.	Best services company	Egypt	100%
13.	Tadweer company for advanced industries	Egypt	100%
14.	International Business System Company – IBSE	Egypt	100%
15.	Raya Qatar Company	Egypt	100%
16.	Integrated Systems Company	Egypt	100%

* On 13 January 2004, Oratech for Communication and Information Systems Company notified the tax authority about its need to temporary suspend its activities starting from 21 March 2003 and it handed over its tax card.

** On 25 May 2008, Oratech for Management and Information Technology Company notified the tax authority about its need to temporary suspend its activities starting from 31 September 2007 and it handed over its tax card.

*** The consolidated financial statements include the assets, liabilities and results of operations of Oratech for Communication and Information Systems Company and Oratech for Management & Information Technology Company.

The consolidated financial statements of the company for the year ended 31 December 2023 were authorized for issuance in accordance with the decision of the board of directors meeting dated on 7 March 2024.

2. Basis of consolidation significant accounting estimates

2.1 Basis of consolidation

- The following steps are followed when preparing the consolidated financial position:

a. The carrying amount of the holding company's investment in each subsidiary and the holding company share of equity of each subsidiary are eliminated.
b. Non-controlling interest in the net profit or loss of the consolidated subsidiaries for the reporting year is identified.
c. Non-controlling interests in the net assets of consolidated subsidiaries are identified and presented in the financial statement separately from the parent's ownership interests.Non-controlling interests in the net assets consist of:
1. The amount of those non-controlling interests at the date of the original combination.
2. The non-controlling interests' share of changes in equity since the date of the combination.
d. Intergroup balances of transactions, income and expenses are fully eliminated.

Notes to the consolidated financial statements

31 December 2023

- The financial statements of the parent and its subsidiaries used in the preparation of the consolidated financial statements are prepared as of the same date.
- Consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.
- Non-controlling interests are presented in the consolidated financial position within equity, separately from the equity of the owners of the parent. Also, the non-controlling interests share in the group profit or loss appears separately.

Non-controlling interests shown in the consolidated financial statements are as follows:

	Percentage
Ostool for Land Transport Company	37.69%
Oratech for Communication and Information System Company	50%
Oratech for Management and Information Technology Company	50%
Raya Restaurants Company	4.577%
Raya Contact Centre Company	43.68%

2.2. Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the values of revenues, expenses, assets, and obligations included in the financial statements and the accompanying disclosures, as well as the disclosure of potential liabilities at the date of the financial statements. The uncertainty surrounding these assumptions and estimates may have consequences that require substantial adjustments to the carrying amount of affected assets and liabilities in future years.

Estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised.

The following are the main judgments and estimates that materially affect the company's Consolidated periodic financial statements.

2.2.1. Judgments

Recognition of revenue from the sale of products

In making its own provisions, management has considered the detailed requirements for the recognition of revenue arising from the sale of products as set out in Egyptian Accounting Standard No. (48) "Revenue from Contracts with Customers" regarding whether the company has transferred to the buyer significant risks and returns arising from the ownership of the products.

2.2.2. Estimates

Decreased value of customer balances and notes receivable

An estimate of the collectible amount is made from customer balances and notes receivable when collection of the full amount is no longer expected. For individually significant amounts, the estimation is made on an individual basis. As for amounts that are not individually significant, but which are past their due date, they are assessed collectively, and a provision is made according to the period that has elapsed since their maturity date based on historical recovery rates.

Useful life of fixed assets

The company's management determines the estimated useful life of fixed assets for the purpose of calculating depreciation. This estimate shall be determined after considering the expected useful life of the asset or the physical depreciation of the assets. Management periodically reviews the estimated useful life and the method of depreciation to ensure that the method and duration of depreciation are consistent with the expected pattern of economic benefits arising from these assets.

Taxes

The company is subject to income tax imposed in Egypt. Important judgments are required to determine the total provisions for current and deferred taxes. The company has made provisions, based on reasonable estimates, bearing in mind the potential consequences of the examinations conducted by the tax authorities in Egypt. The amount of this provision is based on several factors, including experience with previous tax checks and differing interpretations of tax regulations by the company and the responsible tax authority. Such differences in interpretation may arise in several issues according to the conditions prevailing in Egypt at the time.

Deferred tax assets are recognized for unused and carried forward tax losses so that it is probable that they will be offset by taxable profits that these losses can be used to offset. Substantial management judgments must determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits, as well as future tax planning strategies.

Impairment of non-financial assets

The company assesses whether there are indications of impairment of non-financial assets in each of the reporting years. Non-financial assets are tested for impairment when there are indications that the carrying value may not be recoverable. When calculating value in use, management estimates the expected future cash flows from the asset or cash-generating unit and chooses the appropriate discount rate to calculate the present value of those cash flows.

3. Significant accounting policies applied

Statement of compliance

The periodic Consolidated financial statements are prepared in accordance with the Egyptian Accounting Standards and the applicable laws and regulations.

3.1. Changes in accounting policies

The accounting policies applied in this period are consistent with those applied in the previous period.
As Shown in (Note.34), on 6 March 2023, Council of Minister's was issued decision No. 883 of 2023 to amend some provisions of Egyptian Accounting Standards, and these amendments did not affect on the company's financial statements on 31 December 2023 (Note.34).

3.1.1. Financial instruments

Egyptian Accounting Standard 47 "Financial Instruments" which replaced Egyptian Accounting Standard 26 Financial Instruments: Recognition and Measurement. Egyptian Accounting Standard 47 was issued in 2019 and the standard began to be applied on or after 1 January 2021 in Egypt Except for coverage accounting, it must be applied retroactively but adjusting the comparative information is not mandatory.

The standard deals with three aspects of accounting for financial instruments: classification and measurement impairment, and coverage accounting.

Classification and measurement

According to Egyptian Accounting Standard 47, debt instruments are subsequently measured at fair value through profits, losses, amortized cost, or fair value through other comprehensive income. The classification is based on two classification criteria: the company's business model for asset management; and whether the contractual cash flows of the instruments represent "principal and interest payments only" on the outstanding principal amount.

The Company's business model was evaluated as of the date of initial application and assessed whether the contractual cash flows of debt instruments consisted only of principal amount and interest based on the facts and circumstances at the initial recognition of the assets.

Impairment

The new impairment model in accordance with Egyptian Accounting Standard 47 requires the recognition of impairment provisions based on expected credit losses rather than only credit losses incurred as in Egyptian Accounting Standard 26. Applicable to financial assets classified at amortized cost and debt instruments measured at fair value through other comprehensive income, Egyptian Accounting Standard 48 contract assets "Revenue from contracts with customers", rental receipts, loan commitments and certain financial guarantee contracts.

Financial Instruments - Recognition and Measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial obligation or proprietary instrument of another entity.

A) Financial assets

Financial assets, at initial recognition, as measured later, are classified by depreciated cost, fair value through other comprehensive income or fair value through profit or loss. The classification of financial assets at initial recognition is based on the characteristics of the contractual cash flow of the financial asset and the company's business model for its management. For a financial asset to be classified and measured at amortized cost or fair value by other comprehensive income, it must result in cash flows that are "principal and interest payments only" on the outstanding principal amount.

This test is referred to as the "principal and interest payments only" test and is performed at the instrument level. Financial assets that do not pass the "principal and interest payments only" test are classified and measured at fair value through profit or loss, regardless of business model. A company's business model for financial asset management refers to how it manages its financial assets to generate cash flows.

The business model determines whether cash flows will result from the collection of contractual cash flows, the sale of financial assets, or both. Financial assets classified and measured at depreciated cost are held within the business model for the purpose of holding financial assets for the purpose of collecting contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within the business model for the purpose of collecting contractual cash flows and selling.

Impairment of financial assets

The Company recognizes the provision for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due under the contract and all cash flows expected by the Company, discounted at a rate close to the original effective interest rate.

The provision for expected credit losses is recognized in two stages. For credit exposures for which there has been no significant increase in credit risk since initial recognition, expected credit losses for credit losses are measured by the value of credit losses resulting from potential defaults over the next 12 months (expected credit losses 12-month).

For credit exposures for which credit risk has significantly increased since initial recognition, expected credit losses are measured over the remaining life of exposure, regardless of the timing of default (expected credit losses over a lifetime).

When determining whether the credit risk of the financial asset has increased materially since the initial recognition and when estimating the expected credit losses, the Company shall consider reasonable, supportive, and available information at no cost or excessive effort, including quantitative and qualitative information and analysis based on the Company's experience, enhanced credit ratings and future information.

The Company may also consider a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Company The financial assets are excluded when there is no reasonable recovery expectation of expected cash flows. At the date of each report, the Company assesses whether financial assets recorded at amortized cost and debt securities at fair value through other comprehensive income have experienced credit impairment.

An asset is considered to have experienced an impairment when one or more events occur that have a negative impact on the estimated future cash flows of the financial asset.

B) Financial obligations

All financial obligations are recognized primarily at fair value and in the case of loans, debts, and credit balances less the cost directly attributable to the transaction.

The new Egyptian Accounting Standard "Revenue from contracts with customers" No. 48 establishes a new five-step model, which will be applied to revenue arising from contracts with customers as follows:

Step 1: Define the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations. It outlines the bases and criteria that must be met for each contract.

Step 2: Identify the performance obligations in the contract: A performance obligation is an undertaking in the contract to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration the company expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations stipulated in the contract. For contracts that have more than one performance obligation, the Group will allocate a transaction price to each performance obligation in the amount to which the Group expects to be entitled in exchange for meeting each performance obligation.

Step 5: Recognize revenue when the entity fulfills the performance obligation.

The company fulfills the performance obligation and recognizes revenue over a period, if one of the following conditions is met:

A. It does not create performance for the company and that the company has an enforceable right to a payment for the performance completed to date.
B. The performance of the company creates or improves the asset that the customer controls while the asset is being built and improved.
C. The customer receives the benefits provided by the performance of the facility and consumes them at the same time as the company performs.

For performance obligations, if any of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

If the company fulfills the performance obligation by providing the services that were promised, this leads to the creation of an asset based on a contract in exchange for the consideration gained from the performance. If the consideration received by the customer exceeds the amount of revenue that has been recognized, this may create a contract obligation.

Revenue is measured at the fair value of the consideration received or receivable, after considering the contractual terms of payment, and after excluding taxes and fees.

The Company reviews its revenue arrangements against specific criteria to ascertain whether it is acting as principal or agent. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and that the revenue and costs, if applicable, can be measured reliably.

A. Providing of services

Revenue from providing services is recognized when services are provided, and this is done based on contracts with customers.

B. Financing income

Finance income is recognized using the effective commission rate, which represents the rate at which estimated future cash receipts are discounted over the expected life of the financial instrument or less, whichever is appropriate to the net book value of the financial asset.

C. Dividends

Revenue is recognized when the company's eligibility to receive it is recognized, which is usually done by the distribution decision issued by the general assemblies of the investee companies.

3.1.3. Financial leasing

Egyptian Accounting Standard 49 replaces Egyptian Accounting Standard 20 "Accounting Rules and Standards Related to Financial Leasing Operations".

Egyptian Accounting Standard 49 now requires tenants to recognize lease obligations that reflect future rent.
payments and "right of use asset" for almost all leases. There is an optional exemption for some short-term leases and leases for low-value assets.

When the contract arises, it is evaluated whether the contract is a lease contract or includes a lease contract. The contract is a lease contract or includes a lease if it transfers the right of control over the use of the specified asset for a period for a fee. A single recognition and measurement policy applies to all leases, except for short-term leases and leases of small-value assets. Rent obligations are recognized for rent payments and "usufruct assets" which represent the right to use the assets subject to the lease contract.

A) Right of Use Assets

Right of use assets are recognized at the beginning of the lease (on the date on which the asset becomes available for use). Right of use assets are measured at cost minus any combined depreciation or impairment losses and adjusted by any revaluation of lease liabilities. Usufruct Asset Cost includes the amount of recognized lease obligations plus any direct costs or down payments made on or before the contract date minus any rental incentives received. The depreciation of the right of use assets shall be made based on the fixed premium over the term of the lease contract or the estimated useful life of the assets in accordance with the depreciation policy applied in the establishment, whichever is less. If the ownership of the asset subject to the contract devolves to the lessee at the end of the contract or the cost reflects the right of the lessee to exercise the purchase option at the end of the contract, the original usufruct right shall be depreciated over the estimated useful life of the asset in accordance with the depreciation policy applied in the establishment.
right of use assets are subject to an impairment policy.

B) Rent obligations

The "lease obligation" at the beginning of the lease is recognized by calculating the present value of the unpaid lease payments on that date using the interest rate implied in the lease if determined. If it cannot be easily determined, the interest rate on the additional borrowing of the tenant is used.

Lease payments on the date of commencement of the lease included in the measurement of the lease obligation shall consist of the following payments for the right to use the underlying asset during the term of the lease that have not been paid on the lease commencement date and include:

Fixed payments less any receivable rental incentives.
Variable lease payments based on an index or rate and are initially measured using the index or rate on the lease start date.
Amounts expected to be paid by the lessee under residual value guarantees.

The price of exercising the call option if the lessee is sure that the option is reasonably exercised.

Penalty payments for termination of the lease if the duration of the lease reflects the tenant's exercise of the option to terminate the lease.

3.2. Summary of significant accounting policies

3.2.1. Foreign currency translation

Transactions in foreign currencies are initially recorded at the rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated using the exchange rates prevailing at the balance sheet date. All differences are recognized in the Consolidated statement of profit or loss.

Nonmonetary items that are measured at historical cost in foreign currencies are translated using the exchange rates prevailing at the date of the initial recognition. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates prevailing at the date when the fair value is determined.

3.2.2. Goodwill

At the date of acquisition, the company recognizes the acquired goodwill in business combination as an asset. Goodwill is initially measured at cost. Goodwill represents the excess of the cost of the combination of businesses over the company's interest in the net fair value of the assets, liabilities and contingent liabilities recognized.

After initial recognition, the company measures the goodwill resulting from business combination at cost less impairment loss. Goodwill is not amortized, instead the company tests the impairment of goodwill annually or periodically if the events or change in circumstances indicates that there is impairment in goodwill.

3.2.3. Fixed assets

Initial recognition

The cost of any fixed asset item is recognized as an asset only when:
A- Metabolic economic benefits are likely to flow from this item.
B - The cost of the item can be measured reliably.

Subsequent measurement

The entity must choose either the cost model or the revaluation model as the accounting policy, and that policy must be applied to each class of fixed assets in its entirety.

Cost Model

Fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the fixed assets when that cost is incurred if the recognition criteria are met. Likewise, when a major improvement is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Consolidated statement of profit or loss as incurred.

Depreciation of an asset begins when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is computed using the straight-line method according to the estimated useful life of the asset as follows:

	Years	Production unites
Buildings	40	
Vehicles and transportation	4-7	
Communication centers	4-5	
Furniture and office equipment	5-10	
Leasehold improvements	5-8 or lease duration	
Computers	2-3	
Fixtures and fitting	10-30	
Productive assets	-	400.000 Ton

Fixed assets are derecognized upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from derecognizing the asset is included in the Consolidated statement of profit or loss when the asset is derecognized.

Post-acquisition costs

The cost of substantial renovations is recognized on the cost of fixed assets by the cost of replacing a component of that item when it is likely to bring future economic benefits to the company with the possibility of reliably measuring the cost and depreciating over the remaining useful life of the asset or the expected useful life of such renovations, whichever is less, and other costs are recognized in the statement of profits or losses as expenses when incurred.

The residual values of assets, their useful lives and methods of depreciation are reviewed at the end of each fiscal year.
The company periodically on the date of each budget
The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end.

The company periodically on the date of each budget the Company assesses at each balance sheet date whether there is an indication that fixed assets may be impaired. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the Consolidated statement of profit or loss.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such a reversal is recognized in the Consolidated statement of profit or loss.

3.2.4. Intangible assets

Initial recognition

Intangible assets acquired individually are initially recognized at cost if it is probable that future economic benefits that can be attributed to the asset will flow to the entity and the cost of that asset can be measured reliably.

Subsequent measurement

The entity must choose either the cost model or the revaluation model as its accounting policy.

The Cost Model

After the initial recognition the intangible asset is recorded at cost less accumulated depreciation and accumulated impairment losses and the shelf life of intangible assets is determined as finite or indefinite.

For impairment when there is an indication of the impairment of the asset and the depreciation period and the depreciation method for the intangible asset with a specific age are reviewed at the end of each fiscal year.

3.2.5. Projects under construction

Assets under construction represent the amounts that are incurred for the purpose of constructing or purchasing fixed assets until it is ready to be used in the operation, upon which it is transferred to fixed assets. Assets under construction are valued at cost less impairment.

3.2.6. Investments

Investing in a subsidiary

Investments in a subsidiary are investments in companies in which the company has control. Control is assumed when the holding company owns, directly or indirectly, through its subsidiaries, more than half of the voting rights in the investee company, except for those exceptional cases in which it is clearly shown that such ownership does not represent control.

The investment in a subsidiary company is accounted for at cost, including the cost of acquisition, and in the event of impairment in the value of those investments, the book value is adjusted by the

The value of this impairment and included in the Consolidated statement of profits or losses for each investment separately. The value of the loss resulting from the impairment of the value shall be refunded in the Consolidated statement of profits or losses in the year in which the refund occurred.

Dividends on investments in the subsidiary are recognized as part of the company's profit or loss statement when it is entitled to receive dividends.

Investing in a subsidiary

Investments in a subsidiary are investments in companies over which the company has control. Control is assumed to exist when the holding company owns, whether directly or indirectly through its subsidiaries, more than half of the voting rights in the investee company, except in those exceptional cases in which it clearly appears that such ownership does not represent control.

Investments in a subsidiary company are accounted for at cost, including the acquisition cost. In the event of a decline in the value of those investments, the book value is adjusted by the value of this decline and is included in the consolidated statement of profits or losses for each investment separately.

Dividends on investments in the subsidiary company are recognized in the company's statement of profit or loss when it is issued the right to receive the distributions.

Investment in associates
Investments in associate companies are investments in companies in which the company has significant influence but it is not a subsidiary nor is it a share in a joint venture. Significant influence is presumed when the company owns directly or indirectly through its subsidiaries a percentage of 20% or more of the voting rights in the investee company except in cases where it appears clearly that such ownership does not represent significant influence. Investments in associate companies are accounted for in the financial statements at cost including the cost of acquisition in accordance with Egyptian Accounting Standard No. (18) The share of long-term investments in the profits that is decided to be distributed from the profits of the investee companies is included in the income statement as investment income.

Investments at fair value through profit or loss.
Investments at fair value through profit or loss are financial assets that are classified either as assets held for trading purposes that were acquired for the purpose of selling in a short period of time, or financial assets that were classified upon initial recognition at fair value through profit or loss.

Upon initial recognition, investments at fair value through profit or loss are measured at fair value including direct related expenses.

Investments at fair value through profit or loss are recognized in the financial position at fair value, and their gains and losses are recognized in the statement of profit and loss.

Gains or losses on the sale of investments at fair value through profit or loss are recognized in the statement of profit and loss.

Investment at fair value through other comprehensive income
Investments through comprehensive income are non-derivative financial assets that have been classified as assets available for sale, unclassified as loans and debts or as investments held to maturity or as investments at fair value through profit or loss.

Upon initial recognition, available-for-sale investments are measured at fair value including expenses directly related to them.

After the initial measurement, the investments available for sale are measured at fair value with the recognition of unrealized gains or losses directly within equity until the financial asset is excluded from the books, at which point the accumulated gains or losses recorded in equity are recognized in the statement of profits or losses, or if it is determined that the asset has decayed, in which case the accumulated losses recorded in equity are recognized in the statement of profit or loss. If the fair value of investments in equity instruments cannot be measured in a reliable manner, the value of those investments is measured at cost.

Equity investments: in the event of evidence of impairment, Accumulated losses are excluded from equity and derecognized in the statement of profits or losses. Impairment losses on equity investments cannot be recovered through the statement of profit or loss, and the increase in fair value immediately after impairment is recognized within equity.

3.2.7. Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For assets traded in an active market, fair value is determined by reference to quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.

For unquoted assets, fair value is determined by reference to the market value of a similar asset or is based on the expected discounted cash flows.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest.
level input that is significant to the fair value measurement as a whole:

- Level 1 – Fair value measurements are those derived from quoted prices in an active market (that are unadjusted) for identical assets or liabilities.
- Level 2 – Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- For assets and liabilities that are recognized in the Consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.
- To fair value disclosures, the Company has determined classes of assets and liabilities based on their nature and characteristics.

and risks of the asset or liability and the level of the fair value hierarchy as explained above. The preparation of the Consolidated financial statements in accordance with Egyptian Accounting Standards requires management to make estimates and assumptions that affect the values of assets, liabilities, income, and expenses during the financial years. Actual results may differ from those estimates.

3.2.8. Recognition and disposal of financial assets and liabilities
Recognition:
The group first recognizes financial assets and liabilities at fair value on the date the transaction originated and the rest of the financial assets and liabilities are first recognized when the group becomes a party to the contract.

Disposal:
- The group will dispose the financial assets from the books after the contractual right ends the cash flows this asset, or transfer the contractual rights to collect cash flow from this asset, including transfer the risk and the benefits that are related the owning this asset significantly in case the development or the group keep the right of any financial assets without transfer. They recognized the right as an asset or an independent liability.
- The group will dispose financial liability in the book in case exemption, elimination, or end the contract liability that is related to it.
- When the company is keeping the contractual right to receive cash flow from financial asset (The original financial asset). But, the company uses this contractual right to paid this cash flow to another party or to other parties (the final receiver), so the source is treated this transaction to transfer it to financial asset if it is follow three conditions are met:

A. The company shouldn't obligate to paid amount to the final receiver if the amount doesn't collect from the owner of the financial assets that isn't equally the amount of the obligation. The short loan that the company is paid with right to refund the amount with the interest. It isn't considered contrary to theses condition.

b. According to contract, the company not allowed to Paid sales or mortgage the financial asset, But It allowed if it put as guaranty to the final receiver to pay the cash flows.
c. The company is committed to transfer the amount that is collected on behalf of the final receiver without any significant delay. In addition, the company has no right to reinvest this cash flow except the cash investment during short settlement from the date of collection to the date of last paid to the final receiver. Also, the source must transfer the interest from this investment to the final receiver.
d. 3.2.9. Inventory

Inventory items are evaluated as follows:
A- Raw materials spare parts and supplies: on the basis of cost (using a moving average) or net realizable value whichever is less.

B- Finished production: on the basis of production cost (according to cost lists) or net realizable value whichever is lower.
Cost includes direct materials direct labor and a share of manufacturing indirect costs excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

The write down of inventory is recognized to net value Sales and all inventory losses are included in the cost of sales in the consolidated statement of profit or loss in the year in which the decrease or loss occurred.

The reversal of write down of inventory resulting from the increase in the net realizable value is recognized in the consolidated statement of profit or loss as a reduction from the cost of sales in the year in which this reversal occurred.

3.2.10. Accounts and notes receivables, prepaid expenses, and other debit balances

Customers, receivables, prepaid expenses, and other debit balances are recognized at the original value of the invoice less impairment losses. The Company applies the simplified approach permitted by Egyptian Accounting Standard No. (47) “Financial Instruments”, which requires the recognition of expected credit losses on the reconstruction of debt to clients from the first recognition of the clients in the statement of profits or losses.

3.2.11. Assets held for sale

Assets (or disposals groups that include assets and liabilities) that are expected to be recovered initially by sale rather than by continuing use are classified as held-for-sale. The assets (or components of the disposal group) are remeasured immediately before they are classified as held for sale in accordance with the groups accounting policies. Thereafter the assets (or disposals group) are generally measured according to their book value or fair value less cost to sell whichever is lower.

3.2.12. Treasury bills

In accordance with the requirements of Egyptian Accounting Standard No. (47) “Financial Instruments”, treasury bills have been classified on the basis of measuring - later - by depreciated cost through profits or losses, and treasury bills purchased are valued at nominal value and the difference between the purchase cost and the nominal value is recognized in calculating an investment return in deferred treasury bills and is depreciated by the value of the returns of treasury bills due for the financial period through profits or losses until the maturity date of treasury bills and the tax due is proved. On the returns of treasury bills. When collecting the yield of treasury bills, the tax deducted is recognized in the statement of financial position until it is settled with the annual tax return.

3.2.13. Treasury Shares

Treasury shares (company shares) are listed at the cost of their acquisition and the cost of treasury shares appears deducted from the equity in the financial center, and profits or losses resulting from the disposal of treasury shares are recognized within the equity in the financial center, and according to the text of Article 48 of Law 159 of 1998, the company should dispose of these shares to others within a maximum period of one year from the date of acquisition, otherwise the company is obligated to reduce its capital by the nominal value of those shares.

3.2.14 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation because of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at the Consolidated financial position date and adjusted to reflect the current best estimate.
Where the effect of the time value of money is material, the amount of a provision should be the present value of the expected expenditures required to settle the obligation.

Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance expense in the periodic Consolidated statement of profit or loss.

3.2.15. Social insurance

The Company makes contributions to the Social Insurance Authority calculated as a percentage of the employees’ salaries. The Company’s obligations are limited to these contributions, which are expensed when due.

3.2.16. Legal reserve

According to the Company’s articles of association, 5% of the net profits for the year is transferred to the legal reserve until this reserve reaches 50% of the issued capital. The reserve is used upon a decision from the general assembly meeting based on the proposal of the board of directors.

3.2.17. Borrowings

Borrowings are initially recognized at the value of the consideration received. Amounts maturing within one year are classified as current liabilities, unless the Company has the right to postpone the settlement for a period exceeding one year after the periodic Consolidated financial statements date, then the loan balance should be classified as non-current liabilities.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the periodic Consolidated statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by considering any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance expenses in the periodic Consolidated statement of profit or loss.

3.2.18. Income taxes

Income tax is calculated in accordance with the Egyptian tax law.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority.

Deferred income tax

Deferred income tax is recognized using the liability method on temporary differences between the
amount attributed to an asset or liability for tax purposes (tax base) and it is carrying amount in the balance sheet (accounting base) using the applicable tax rate.

Deferred tax assets are recognized when it is probable that the asset can be utilized to reduce future taxable profits and the asset is reduced by the portion that will not create future benefit.

Current and deferred tax shall be recognized as income or an expense and included in the Consolidated statement of profit or loss for the period, except to the extent that the tax arises from a transaction or an event which is recognized, in the same or a different period, directly in equity.

3.2.19. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue. can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and value added taxes or duty.

The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and an invoice is issued.

Interest income

Interest income is recognized as interest accrues using the effective interest "EIR" method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

3.2.20 Expenses

All expenses including cost of sales, selling and marketing expenses, general and administrative expenses and other expenses are recognized and charged to the Consolidated statement of profit or loss for the six months ended 30 September 2023, in which these expenses were incurred.

3.2.21. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are incurred in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.2.22. Related party transactions

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the board of directors.

3.2.23. Contingent Liabilities and Assets

Contingent liabilities are not recognized in Consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized in the Consolidated financial statements but disclosed when an inflow of economic benefits is probable.

3-2-24. Impairment

Impairment of financial assets

At the date of each separate periodic financial statement, the Company determines whether there is objective evidence that a financial asset or group of financial assets has diminished. A financial asset or group of financial assets is deemed to have diminished if, and only if, there is objective evidence of impairment resulting from one or more events after the initial recognition of the asset and affecting the estimated cash flows of a financial asset or group of financial assets that can be reliably estimated.

Impairment of non-financial assets

At the date of each Consolidated periodic financial statements, the Company determines whether there is an indication that an asset has decayed. When the carrying amount of an asset or unit generating cash exceeds its redemption value, the asset is deemed to have diminished and is therefore reduced to its redemption value. The impairment loss is recognized by the statement of independent periodic profits or losses.

The impairment loss that was previously recognized shall be reimbursed only if there has been a change in the assumptions used to determine the redemption value of an asset since the last impairment loss has been recognized, and the reimbursement of impairment loss shall be limited to no more than the carrying amount of the asset, its redemption value or the carrying amount that would have been determined unless the impairment loss is recognized for the asset in prior periods. The refund for impairment loss is recognized in the statement of Consolidated periodic profits or losses.

Impairment of financial investments measured at fair value through comprehensive income

Available-for-sale investments are considered to be impaired if there is objective evidence that the cost of the asset cannot be recovered. In addition to objective evidence, the company uses qualitative evidence to determine impairment, and this evidence includes a significant or persistent decline in fair value below cost.

In the event of impairment, the accumulated losses are excluded from equity and re-recognized in the statement of profit and loss. Losses on decline in the value of equity investments cannot be recovered through the statement of profit and loss, and the increase in fair value after impairment is recognized directly in equity.

3.2.25. Pension system for employees

The company operating in the Arab Republic of Egypt contributes to the social insurance system for the benefit of its employees in accordance with the Social Insurance Law No. 148 of 2019 and its amendments and the company's contribution is charged to the list of profits or losses according to the accrual basis and according to this system the company's commitment is limited to the value of that contribution.

Subsidiaries operating outside the Arab Republic of Egypt follow the social insurance system applied in those countries.

3.2.26. Statement of cash flows

The statement of cash flows is prepared using the indirect method.

3.2.27. Cash and cash equivalent

For preparing the periodic Consolidated statement of cash flows, the cash and cash equivalent comprise cash on hand, current accounts with banks and time deposits maturing within the period after deducting bank credit balances.

3-2-28 The inclusive health insurance

On January 11, 2018, Law No. 2 of 2018 promulgating the Comprehensive Health Insurance System Law was issued and shall come into force from the day following the expiration of six months from the date of its publication in the Official Gazette. Employers are obliged to pay their monthly dues to the National Organization for Social Insurance.

Business owners are also obligated to pay a Takaful contribution at the rate of (0.0025) two and a half per thousand of the total annual revenues of individual establishments and companies, whatever their nature or the legal system to which they are subject, and this contribution is not considered one of the costs deductible in the application of the provisions of the Income Tax Law, and the Ministry of Finance shall collect this Takaful contribution in accordance with the financial report of the establishment submitted to the Tax Authority.

4. Fixed assets

	Land EGP	Buildings EGP	Furniture and office equipment EGP	Vehicles EGP	Leasehold improve-ments EGP	Switches EGP	Computers EGP	Fixtures EGP	Productive assets EGP	Total EGP
Cost										
1 January 2023	121,168,943	531,012,647	378,738,482	415,365,757	653,063,564	75,958,226	256,382,704	408,015,322	399,835,348	3,239,540,993
Additions during the year	4,105,640	9,054,267	73,412,517	15,325,905	181,627,918	1,274,601	36,688,700	29,376,611	2,615,947	353,482,106
Transferred from project under constrictions	21,213,900	52,702,022	6,264,235	47,500	28,920,556	-	4,892,697	-	1,436,664	115,477,574
Disposals	-	-	(2,348,991)	(168,056)	(8,774,850)	(634,204)	(6,918,467)	-	-	(18,844,568)
Reclassified assets	-	66,618,629	-	-	-	4,725,804	-	(164,701,694)	93,357,261	-
Foreign Exchange Valuation Differences	-	-	-	-	21,057,461	-	-	-	19,469,877	40,527,338
Translation differences	-	-	4,694,381	565,582	4,998,114	3,121,893	9,048,173	972,346	-	23,400,489
31 December 2023	146,488,483	659,387,565	460,760,624	431,136,688	880,892,763	84,446,320	300,093,805	273,662,585	516,715,097	3,753,583,932
Accumulated depreciation										
1 January 2023	-	(80,119,181)	(234,574,445)	(244,425,075)	(329,313,705)	(75,932,837)	(189,122,100)	(208,527,915)	(89,605,868)	(1,451,621,126)
Depreciation for the year	-	(19,464,919)	(53,989,313)	(40,097,661)	(106,272,565)	(3,157,133)	(34,595,708)	(35,078,113)	(36,020,716)	(328,676,128)
Depreciation of disposals	-	-	2,048,430	168,056	1,015,947	634,204	6,565,670	-	-	10,432,307
Reclassified assets	-	(55,398,390)	-	-	-	(1,147,075)	-	61,156,221	(4,610,756)	-
Translation differences	-	-	(4,091,000)	(188,026)	(4,055,789)	(2,987,435)	(6,746,288)	(552,696)	-	(18,621,234)
31 December 2023	-	(154,982,490)	(290,606,328)	(284,542,706)	(438,626,112)	(82,590,276)	(223,898,426)	(183,002,503)	(130,237,340)	(1,788,486,181)
Net book value as of 31 December 2023	146,488,483	504,405,075	170,154,296	146,593,982	442,266,651	1,856,044	76,195,381	90,660,082	386,477,757	1,965,097,751
Impairment of Raya Algeria Company's assets	-	-	(21,829)	-	(98,470)	-	(20,322)	-	-	(140,621)
31 December 2023	146,488,483	504,405,075	170,132,467	146,593,982	442,168,181	1,856,044	76,175,059	90,660,082	386,477,757	1,964,957,130

- There is a mortgage on the land located in 6th of October city on which the administrative building of Raya group is held.
- There is a mortgage on a store owned by Raya Distribution Company due to the loan granted to the company.
- There is no fixed asset not in use temporarily or permanently.
- The depreciation of fixed assets is allocated as follows:

	31 December 2023 EGP
Cost of revenues	(144,959,538)
General and administrative expenses	(44,781,867)
Selling and marketing expenses	(138,934,723)
	(328,676,128)

	Land EGP	Buildings EGP	Furniture and office equipment EGP	Vehicles EGP	Leasehold improve-ments EGP	Switches EGP	Computers EGP	Fixtures EGP	Productive assets EGP	Total EGP
Cost										
1 January 2022	79,597,943	412,495,574	304,382,158	409,640,329	457,509,919	70,707,149	205,992,094	366,170,745	329,192,464	2,635,688,375
Additions during the year	34,071,000	83,238,605	67,536,241	6,775,782	144,004,803	1,405,678	39,148,253	35,101,013	60,680,301	471,961,676
Transferred from project under constrictions	7,500,000	35,278,469	3,222,445	-	11,311,295	-	-	5,777,943	9,962,583	73,052,735
Disposals	-	-	(3,988,008)	(1,615,936)	(149,754)	(519,114)	(458,860)	(11,725)	-	(6,743,397)
Foreign Exchange Valuation Differences	-	-	1,655,518	-	33,885,183	-	-	-	-	35,540,701
Translation differences	-	-	5,930,128	565,582	6,502,117	4,364,513	11,701,218	977,346	-	430,040,90
31 December 2022	121,168,943	531,012,648	378,738,482	415,365,757	653,063,563	75,958,226	256,382,705	408,015,322	399,835,348	3,239,540,994
Accumulated depreciation										
1 January 2022	-	(64,650,534)	(186,817,760)	(205,356,610)	(260,166,522)	(66,680,955)	(152,703,182)	(173,991,316)	(58,182,794)	(1,168,549,673)
Depreciation for the year	-	(15,468,647)	(45,109,828)	(39,783,769)	(64,160,076)	(6,367,842)	(28,198,563)	(33,995,626)	(31,423,074)	(264,507,425)
Depreciation of disposals	-	-	2,353,344	903,331	58,322	518,831	214,677	11,723	-	4,060,228
Translation differences	-	-	(5,000,201)	(188,026)	(5,045,429)	(3,402,871)	(8,435,030)	(552,696)	-	(22,624,255)
31 December 2022	-	(80,119,181)	(234,574,445)	(244,425,074)	(329,313,705)	(75,932,837)	(189,122,098)	(208,527,915)	(89,605,868)	(1,451,621,123)
Net book value as of 31 December 2022	121,168,943	450,893,467	144,164,037	170,940,683	323,749,858	25,389	67,260,607	199,487,407	310,229,480	1,787,919,871
Impairment of Raya Algeria Company's assets	-	-	(21,829)	-	(98,470)	-	(20,322)	-	-	(140,621)
31 December 2022	121,168,943	450,893,467	144,142,208	170,940,683	323,651,389	25,389	67,240,285	199,487,407	310,229,480	1,787,779,250

- There is a mortgage on the land located in 6th of October city on which the administrative building of Raya group is held.
- There is a mortgage on a store owned by Raya Distribution Company due to the loan granted to the company.
- There is no fixed asset not in use temporarily or permanently.
- The depreciation of fixed assets is allocated as follows:

	31 December 2022 EGP
Cost of revenues	(117,723,955)
General and administrative expenses	(38,584,677)
Selling and marketing expenses	(108,198,793)
	(264,507,425)

5. Investment property

	Land EGP	Buildings EGP	Leasehold improvements EGP	Total EGP
1 January 2023	112,895,877	672,905,396	26,105,998	811,907,271
Transferred from project under constrictions	-	666,272	5,956,536	6,622,808
31 December 2023	112,895,877	673,571,668	32,062,534	818,530,079
Accumulated depreciation				
1 January 2023	-	(162,188,501)	(15,940,965)	(178,129,466)
Depreciation of the year	-	(27,726,047)	(3,963,552)	(31,689,599)
31 December 2023	-	(189,914,548)	(19,904,517)	(209,819,065)
Net book value 31 December 2023	112,895,877	483,657,120	12,158,017	608,711,014
Net book value 31 December 2022	112,895,877	510,716,896	10,165,033	633,777,806

6. Projects under construction

	31 December 2023 EGP	31 December 2022 EGP
Projects under construction –Fixed assets (6-1)	180,005,646	170,822,102
Projects under construction –Investment properties (6-2)	59,581,368	19,603,725
	239,587,014	190,425,827

6.1 Projects under construction fixed assets

	31 December 2023 EGP	31 December 2022 EGP
Beginning balance of the year	170,822,102	106,817,744
Additions during the year	124,661,118	135,355,528
Transferred to fixed assets during year	(115,477,574)	(73,052,734)
Foreign Exchange Valuation Differences	-	1,701,564
Ending balance for the year	180,005,646	170,822,102

Projects under construction balance for the parent company and its subsidiaries as follows:

	31 December 2023 EGP	31 December 2022 EGP
Raya Restaurants Company (A)	22,123,835	40,996,720
Raya Electronics Company	2,181,608	-
Aman for Electronic Payments	16,337,119	142,000
Raya Electric Haier	347,560	25,673,016
Raya for Data Centres Company	25,875,358	1,833,523
Raya Foods	164,534	8,487,686
Aman Micro Finance	112,975,632	81,827,100
Raya Call Centre Services Company	-	11,862,057
	180,005,646	170,822,102

A. The project under construction balance for Raya restaurants represents the cost of preparation of the restaurants.
B. The balance of projects under construction for Aman Micro Finance Company is the construction of an administrative building for the company.

6.2. Projects under construction investment properties

	31 December 2023 EGP	31 December 2022 EGP
Beginning balance of the year	19,603,725	8,546,395
Additions during the year	46,600,451	14,292,112
Transferred to investment property during the year	(6,622,808)	(3,234,782)
Ending balance for the year	59,581,368	19,603,725

	31 December 2023 EGP	31 December 2022 EGP
Raya For Finance Lease	59,581,368	19,603,725
	59,581,368	19,603,725

- The balance of projects under construction for Raya Leasing Company is represented in the value of the payment under the account of the improvements of an administrative building in the central hub at 6th October city.

7. Intangible assets

	31 December 2023 EGP	31 December 2022 EGP
Cost		
Beginning balance of the year	90,034,019	79,596,457
Additions during the year	21,263,065	10,552,950
Disposals	(47,723)	(115,388)
Ending balance for the year	111,249,361	90,034,019
Accumulated amortization		
Beginning balance of the year	(70,372,200)	(61,508,290)
Amortization for the year	(10,146,030)	(8,974,409)
Amortization of disposals	10,899	110,499
Ending balance for the year	(80,507,331)	(70,372,200)
Net book value	30,742,030	19,661,819

- The year amortization is charged to general and administrative expenses by EGP 837,284 and marketing expense 5,581,727 the cost of the revenues by EGP 3,727,019.

8. Right of use assets

	31 December 2023 EGP	31 December 2022 EGP
Cost		
Beginning balance of the year	1,256,619,609	965,056,910
Additions during the year	253,597,326	311,412,559
Adjustments during the year (disposals)	(135,354,687)	(36,354,813)
Currency Differences	40,928,672	13,119,250
Translation differences	(2,496,665)	3,385,703
Ending balance for the year	1,413,294,255	1,256,619,609
Accumulated depreciation		
Beginning balance of the year	(447,010,526)	(358,537,126)
Previous years adjustments	-	-
Amortization of the year	(199,538,806)	(120,443,642)
Adjustments during the year (disposals)	57,577,153	32,977,433
Currency Differences	(4,936,926)	(1,007,191)
Ending balance for the year	(593,909,105)	(447,010,526)
Net book value	819,385,150	809,609,083

9. Goodwill

	31 December 2023 EGP	31 December 2022 EGP
Raya Integration Company	6,019,341	6,019,341
Raya Contact Centers Company	3,160,166	3,160,166
Raya Electronics Company (Previously Sama)	33,236,748	33,236,748
Raya Call Centre Company - C3	26,582,777	26,582,777
Raya Technology Company Ltd.	1,926,942	1,926,942
Al Byoot Al Arabia for Finance Lease Company	2,626,725	2,626,725
International Business System Company – IBSE	32,139,604	32,139,604
Ostool for Land Transport Company	893,048	893,048
Raya foods	23,127,622	23,127,622
International communication company*	128,174,496	128,174,496
Gulf customer experience	115,451,911	115,451,911
Impairment of goodwill**	(76,087,561)	(48,071,267)
	297,251,819	325,268,113

The increase in a goodwill is:

* On 2, December 2021, the Board of Directors of Raya Holding Company for Financial Investments LLC decided to: (Major shareholder) in Raya Telecom LLC. By 56.32% by approving the purchase offer in order to acquire a majority stake of 85% of the shares of Gulf Customs Experience, a Bahraini closed joint stock company. The difference between the investment cost and the net equity of Gulf Customs Experience amounted to EGP 115,451,911 and the company recorded it as goodwill, using temporary values in accordance with paragraphs (45 and 46) of the Egyptian Standard No. 29 on business combination, provided that the company recognizes any settlements of these temporary values to complete the accounting Initial in a period not exceeding 12 months from the date of acquisition.

In accordance with the acquisition agreement, the value of the investment in Gulf Consumer Experience Company B.S.C. was reduced by BD 1,102,042 (equivalent to BD 45,996,458), the amount of BD 377,358 was recovered and the rest of the amount was refunded BD 724,684 equivalent to (EGP 47,146,065).

** At the end of 2023, a goodwill impairment test was conducted to ensure the fair value of Gulf Customer Experience (B.S.C) and the value of the investment was reduced by EGP 28,016,294.

***Goodwill Impairment Test**
The company tests the impairment of goodwill annually at 31 December to ensure that the fair value can be recovered but if there are impairment indicators require tests the company will do it within the year.

10. Investment in associates

	Ownership percentage	31 December 2023 EGP	31 December 2022 EGP
Allied Arab Company for Insurance	20%	1,727,067	1,253,455
Makarony Polskie	29.48%	166,170,158	125,738,123
		167,897,225	126,991,578

The company accounting for investment using the equity method:

	Cost EGP	Retained Earnings EGP	Increase in capital EGP	Dividends EGP	Profit for the year EGP	Balance EGP
Allied Arab Company for Insurance	642,000	611,455	-	-	473,612	1,727,067
*Makarony Polskie	37,607,595	46,774,783	41,355,746	(10,672,963)	51,104,997	166,170,158
	38,249,595	47,386,238	41,355,746	(10,672,963)	51,578,609	167,897,225

- At the end of December 2021, the capital increase of Makarony Polskie Company was subscribed and Raya Company's share in Makarony Polskie Company increased by 5% so that Raya's share became 29.48%, the amount of capital increase and increase in investment share amounted to EGP 41,355,742.

Below is a summary of the company's shares in associate Companies' assets, liabilities, equity, revenue and net profit for the period: (value in thousands):

Company Name	Share %	Long term assets	Current assets	Current liabilities	Long term liabilities	Paid up capital and equity	Revenues	Expenses
Allied Arab Company for Insurance	20%	462	9,078	(2,207)	-	(7,332)	7,858	(7,080)
Makarony Polskie	29.48%	609,223	371,881	(331,642)	(194,155)	(455,307)	604,463	(546,783)

11. Investments at fair value through other comperhensive income

	31 December 2023 EGP	31 December 2022 EGP
Unquoted shares or inactive shares at stock market*	14,314,250	14,314,250
Quoted shares at stock market**	11,290,537	8,665,800
	25,604,787	22,980,050

* Investments are restricted at share cost, and the company is in the process of measuring them according to their fair value.
** Impairment in the value of investments in the statement of profit or loss, including impairment in value was recognized in the statement of comprehensive income and the difference in valuation is recognized in the statement of comprehensive income during the period, and the movement is as follows:

	31 December 2023 EGP	31 December 2022 EGP
Fair value of investment	8,665,800	5,024,497
Deduct: Revaluation of investment reserved during the year	2,624,737	3,641,303
Fair value of investment	11,290,537	8,665,800

12. Inventory

	31 December 2023 EGP	31 December 2022 EGP
Mobile phones, accessories, spare parts and television	1,645,965,270	1,211,927,781
Supplies, switches spare parts and networks	489,580,611	179,055,918
Raw materials, work in progress and finished goods	211,864,409	220,301,178
Raya Algeria - Mobile phones, and accessories spare parts	53,875,658	53,875,658
Canned foods	172,607,655	113,086,484
Food and restaurants accessories	9,762,493	8,842,441
Frozen Foods	385,721,324	306,772,221
Electronic payment machines	30,118,133	48,836,124
Raw Coal	29,352,746	181,270,793
Others	2,990,303	1,851,306
	3,031,838,602	2,325,819,904
Write-down of inventory	(119,438,226)	(63,104,245)
Write-down of Raya Algeria Company's inventory	(53,875,658)	(53,875,658)
	2,858,524,718	2,208,840,001

Net value of inventory appears after the decline in value by write down provision movement in inventory write down is as follows:

	31 December 2023 EGP	31 December 2022 EGP
Beginning balance of the year	63,104,245	42,808,980
Charged during the year	69,179,690	38,652,351
Reversal of Inventory write-down during the year	(12,845,709)	(18,357,086)
Ending balance for the year	119,438,226	63,104,245

- The amount of Inventory write-down and reversal are recorded in the cost of revenues.

13. Accounts And Notes Receivable

	31 December 2023 EGP	31 December 2022 EGP
Accounts receivable	2,670,393,709	2,652,398,702
Instalments receivables	6,492,509,180	6,575,743,017
Notes receivable	806,140,713	320,718,478
	9,969,043,602	9,548,860,197
Impairment in value of accounts receivable	(508,137,468)	(382,458,834)
	9,460,906,134	9,166,401,363

Balance of accounts and notes receivables presented in net value after deducting value of impairment the movements of accounts receivable impairment are represented as follows:

	31 December 2023 EGP	31 December 2022 EGP
Beginning balance of the year	382,458,834	218,689,350
Charged during the year	352,293,596	188,247,921
Reversal of impairment during the year	(15,690,511)	(19,043,585)
Used during the year	(174,157,169)	(5,434,852)
Transferred to credit risk reserve	(36,767,282)	-
Ending balance for the year	508,137,468	382,458,834

At 31 December 2023 and 31 December 2022, the aging analysis of net accounts and notes receivables is as follows:

			Past due but not impaired			
	Total EGP	Neither Past Due nor Impaired EGP	Less than 30 days EGP	Between 30 to 60 days EGP	Between 60 to 90 days EGP	More than 90 days EGP
31 December 2023	2,670,393,709	1,432,659,512	802,373,609	124,561,772	62,346,311	248,452,505
31 December 2022	2,652,398,702	650,597,595	1,205,837,676	255,476,800	243,956,156	296,530,475

14. Prepayments and other debit balances

	31 December 2023 EGP	31 December 2022 EGP
Prepaid expenses	215,554,600	140,798,284
Customs Authority	43,514,342	10,539,814
Accrued revenues	1,261,685,908	1,028,790,825
Deposits with others	140,340,258	80,446,495
Suppliers down payments	2,401,206,097	1,486,378,023
Value added tax	677,326,370	173,887,244
Letters of guarantee margin	315,357,254	105,193,289
Employees receivables	3,322,689	4,816,334
Governmental authorities' receivables	181,813,065	134,061,561
Amounts held by banks and securitization companies	377,124,603	-
Debit Balances-(Suppliers)	455,685,619	158,233,210
Other debit balances	271,610,881	133,098,058
	6,344,541,686	3,456,243,137

	31 December 2023 EGP	31 December 2022 EGP
Balances due within 12 months	6,344,541,686	3,456,243,139
Balances due in more than 12 months	-	-
	6,344,541,686	3,456,243,139

15. Share Based Compensation

	31 December 2023 EGP	31 December 2022 EGP
Share based compensation	2,993,892	7,087,952
	2,993,892	7,087,952

On June 26, 2022, the Extraordinary Assembly unanimously approved the adoption of share based compensation and the allocation of 107,199,760 shares, representing 5% of the company's shares, for the benefit of share based compensation for employees, managers and executive board members of the company, and these shares are provided by issuing new shares to increase the capital in cash or by using part of the carry-forward profits and/or reserves after obtaining the approval of the General Assembly, at the nominal value of the share to finance share based compensation and/or through treasury shares to finance the company's share based compensation.

During the fourth quarter of 2023, share based compensation by amount of EGP 4,094,061 were granted.

16. Cash On Hand And At Banks

	31 December 2023 EGP	31 December 2022 EGP
Cash on hand	71,025,038	39,093,265
Banks – current and investing accounts		
Local currency	2,088,225,723	546,807,695
Foreign currency	461,557,659	307,366,191
Documentary Credits – Shipments	-	75,178,931
Banks – Time deposits		
Local currency	118,624,199	161,668,599
Foreign currency	228,207,120	42,118,275
Checks under collection	226,759,778	157,189,813
	3,194,399,517	1,329,422,769

* The balance of time deposits held with banks represented in the following as at 31 December 2023:

- The amount of EGP 29,533,120 (equivalent to USD 957,313) and EGP 16,819,000 that represents restricted deposits against letters of guarantee and letters of credit (the balance of restricted time deposit against letters of guarantee and letters of credit as of 31 December 2022 was EGP 38,658,875 (equivalent to USD 1,564,503) and EGP 50,363,400.
- The amount of EGP 112,294,000 (equivalent to USD 3,640,000) deposit for in favor of the company Raya Contact Centers.
- The amount of EGP 86,380,000 (equivalent to USD 2,800,000) deposit for in favor of the company Raya Contact Centers.
- The amount of EGP 40,200,000 is deposited in favor of Aman for Electronic Payment Company.
- The amount of EGP 200,000 is deposited in favor of Raya for foods and drinks
- The amount of EGP 60,000,000 is deposited in favor of Aman for Micro Finance company,
- The amount of EGP 1,405,199 is deposited in favor of Raya holding for financial investments

17. Capital

	31 December 2023 EGP	31 December 2022 EGP
Authorized capital (EGP 0.5 - share par value)	5,000,000,000	5,000,000,000
Issued and paid-up capital	1,071,997,595	1,071,997,595
Shares number	2,143,995,190	2,143,995,190

18. Long term loans and finance lease arrangements

	31 December 2023 EGP	31 December 2022 EGP
Long term loans – current portion	1,353,071,690	979,871,734
Long term loans	1,352,911,485	1,664,907,683
	2,705,983,175	2,644,779,417

Loans balances are represented in the following:

		31 December 2023 EGP	31 December 2022 EGP
1	Loans-Raya Holding Company for Financial Investments	945,270,271	1,103,914,825
2	Loans-Raya Lease Company	73,303,464	112,362,530
3	Loans-Raya Restaurants Company	2,462,990	5,149,888
4	Loans- Raya Foods Company	127,563,651	164,268,492
5	Loans- Raya for Electronics Previously SAMA	71,177,395	67,581,526
6	Loans- Raya Distribution	62,243,307	47,728,027
7	Loans- Raya Integrations	-	5,390,991
8	Loans- Raya contact centre	68,053,857	85,657,416
9	Loans- Aman financial services	1,355,908,240	1,052,725,722
		2,705,983,175	2,644,779,417

(1) Raya Holding Company for Financial Investments

	31 December 2023 EGP	31 December 2022 EGP
Finance lease contract (loan)	945,270,271	1,103,914,825
	945,270,271	1,103,914,825

Finance lease contracts

Raya Holding Company, through its subsidiaries, has concluded contracts for the sale and leaseback of some assets owned by its subsidiaries, with the holding company obtaining financing directly.

The Group applied Egyptian Accounting Standard No. 49 on Lease to financial leases concluded in accordance with Law 95 and in applying the standard the Group evaluated whether the sales contracts met the requirements contained in Standard 48 on Revenue. It was found that the conditions for the transfer of control were not available and therefore all contracts were treated as financing and therefore the asset sold continues to be recognized with the amounts received as financing and there is no impact on the financial statements since the financing was recognized as a liability to their books and the subsidiaries recognize the assets sold within their fixed assets.

The company has obtained financing arrangement loans in the form of financial lease contracts with one of the financial leasing companies according to the following:

- The company signed a financial lease contract with one of the financial leasing companies to finance the completion of the administrative building of Raya Holding Group of Companies for Technology and Communications in Sixth of October City in the amount of 50,000,000 Egyptian pounds, and the loan is repaid in 60 monthly instalments starting from June 3, 2018 until May 3, 2023, and the loan balance on December 31, 2023 amounted to 0 EGP.
- The company signed a financial lease contract with one of the financial leasing companies to finance the completion of the administrative building of Raya Holding Group of Companies for Technology and Communications in Sixth of October City in the amount of 100,000,000 Egyptian pounds, and the loan is paid in 60 monthly instalments starting from November 3, 2018 until October 3, 2023, and the loan balance on December 31, 2023 amounted to 9,319,687 Egyptian pounds.

Collaterals provided by the company

- Promissory note signed by Raya Integration Company (subsidiary company) in favour of the financing company
- All documents related to this facility signed by Raya Integration Company (subsidiary company) and the company are considered promissory notes for this facility.

The company obtained a long-term loan in the form of a finance lease contract with a finance lease company to finance the completion of Raya Holding for Technology and communications Group administrative building in 6th of October city, with the amount of EGP 70,000,000 with current interest rate. The loan will be paid over 60 monthly installments starting on 3 October 2019 to 3 December 2024. The balance of the loan as of 31 December 2023 amounted to EGP 22,536,306

Collaterals provided by the company

- Promissory note signed by Raya Integration Company (subsidiary company) in favour of the financing company
- The factory land is mortgaged in favour of the financing company.
- All documents related to this facility signed by Raya Integration Company (subsidiary company) and the company are considered promissory notes for this facility.

The company has signed a finance lease contract with a leasing company to finance building a factory of Raya advanced technology in 6th of October city, with the amount of EGP 40,000,000. The loan will be paid over 60 monthly installments starting on 3 July 2020 to 3 June 2025. The balance of the loan as of 31 December 2023 amounted to LE 15,161,641.

The company has signed a finance lease contract with a leasing company to finance building a factory For Raya advanced technology in 6th of October city, with the amount of EGP 25,233,645 with 12 % current interest rate. The loan will be paid quarterly installment over 20 installments starting on 25 April 2018 to 25 January 2023. The balance of the loan as of 31 December 2023 amounted to LE 0.

The company has signed a finance lease contract with a leasing company to finance building a factory in 6th of October city, with the amount of EGP 20,695,996. The loan will be paid quarterly installment over 20 installments starting on 15 August 2018 to 15 May 2023. The balance of the loan as of 31 December 2023 amounted to EGP 0.

Collaterals provided by the company

- Promissory note signed by Raya Integration Company (subsidiary company) in favour of the financing company
- All documents related to this facility signed by Raya Integration Company (subsidiary company) and the company are considered promissory notes for this facility.

The company has signed a finance lease contract with a leasing company to Lease entire 1st Floor and land of Galleria 40 which owned by RAYA for finance leasing, with the amount of LE 100,000,000 with 11,75% current interest rate. The loan will be paid over 20 quarterly installments starting on 25 December 2019 to 25 September 2024. The balance of the loan as of 31 December 2023 amounted to EGP 20,320,030.

The company has signed a financial lease contract with a financial leasing company to rent the entire land and build the upper commercial basement in the eastern administrative building B in Galleria 40 building, owned by Raya Leasing Company, at an amount of $1,539,222, and the loan is repaid in 20 instalments. Quarterly starting from January 30, 2020 until October 30, 2024. The loan balance on December 31, 2023 amounted to 362,811 USD, equivalent to EGP 11,192,727.

The company has signed a financial lease agreement with one of the financial leasing companies in order to rent the entire land and build the commercial ground floor in the eastern administrative building B in Galleria 40 building owned by Raya Financial Leasing Company for an amount of 58,000,000 Egyptian pounds, the loan is repaid in 20 quarterly instalments Annual starting from May 12, 2020 until February 12, 2025, and the loan balance on December 31, 2023 amounted to EGP 15,309,107.

The company has signed a financial lease contract with one of the financial leasing companies in order to rent the entire land and build the upper commercial basement floor in the eastern administrative building B in Galleria 40 building owned by Raya Financial Leasing Company for an amount of $1,999,714, and the loan is repaid in 20 instalments Quarterly starting from March 5, 2020 until December 5, 2024. The loan balance on December 31, 2023 amounted to USD 471,473, equivalent to EGP 14,544,932.

Collaterals provided by the company

- Promissory note signed by Raya Holding Company (subsidiary company) in favour of the financing company
- Mortgage the entire land and buildings of the first floor recurring in favour of the financing company.
- All documents related to this facility signed by Raya Integration Company (subsidiary company) and the company are considered promissory notes for this facility.

The company signed a financial lease contract with one of the financial leasing companies in order to rent the entire land and build the upper commercial basement floor in the eastern administrative building B in Galleria 40 building, owned by Raya Company for the Construction and Management of Buildings at an amount of EGP113,400,000, and the loan is repaid on 20 Quarterly instalments starting from April 10, 2020 until January 10, 2025. The loan balance on 31 December 2023 amounted to EGP 36,767,231.

Collaterals provided by the company

- Guarantee checks signed by Raya Integration.
- All documents of that facility are signed by Raya Integration and Raya Leasing Company (a subsidiary company) and the lending company as a promissory note for this facility.

The company signed a financial lease contract with one of the financial leasing companies to rent a real estate area of 802.50 square meters and its share in the land and the common parts of the entire land and build the commercial upper basement floor in the eastern administrative building B in Galleria building 40 owned by Raya Construction and Management Company The buildings amounted to 50,033,037 EGP, and the loan is repaid in 20 quarterly instalments starting from April 30, 2020 until January 30, 2025. The loan balance on December 31, 2023 amounted to EGP 16,272,734

Collaterals provided by the company

- Guarantee checks signed by Raya Integration.
- All documents of that facility are signed by Raya Integration and Raya Leasing Company (a subsidiary company) and the lending company as a promissory note for this facility.

The company has signed a financial lease contract with one of the financial leasing companies in order to rent the entire land and build the basement floor in the eastern administrative building B in Galleria 40, owned by Raya Company for the Construction and Management of Buildings for an amount of EGP 29,966,963, and the loan is repaid in 20 quarterly instalments Annually starting from April 30, 2020 until January 30, 2025, and the loan balance on December 31, 2023 amounted to EGP 9,746,448.

Collaterals provided by the company

- Guarantee checks signed by Raya Integration.
- All documents of that facility are signed by Raya Integration and Raya Leasing Company (a subsidiary company) and the lending company as a promissory note for this facility.

The company has signed a financial lease contract with one of the financial leasing companies in order to rent the entire land and build the basement floor in the western administrative building in Galleria 40 building, owned by Raya Company for Construction and Building Management at an amount of EGP 100,000,000, and the loan is repaid in 20 quarterly instalments Annual starting from December 28, 2020 until September 28, 2025, and the loan balance on December 31, 2023 amounted to 44,176,229.

Collaterals provided by the company

- Guarantee checks signed by Raya Integration.
- All documents of that facility are signed by Raya Integration and Raya Leasing Company (a subsidiary company) and the lending company as a promissory note for this facility.

The company has signed a financial lease contract with one of the financial leasing companies in order to rent the entire land and build the basement floor in the western administrative building in Galleria 40 building, owned by Raya Construction and Building Management Company, at an amount of 50,000,000 Egyptian pounds, and the loan is repaid in 20 quarterly instalments Starting from May 25, 2022 until November 25, 2025, the loan balance on December 31, 2023 amounted to EGP 24,786,310.

Collaterals provided by the company

- Guarantee checks signed by Raya Integration.
- All documents of that facility are signed by Raya Integration and Raya Leasing Company (a subsidiary company) and the lending company as a promissory note for this facility.

The company has signed a financial lease agreement with one of the financial leasing companies in order to rent the entire land and build the commercial ground floor in the western administrative building in Galleria 40 building, owned by Raya Construction and Building Management Company for an amount of EGP 100,000,000 and the loan is repaid in 20 quarterly instalments Annually starting from December 25, 2021 until September 25, 2026, and the loan balance on December 31, 2023 amounted to EGP 65,379,812.

Collaterals provided by the company

- Guarantee checks signed by Raya Integration.
- All documents of that facility are signed by Raya Integration and Raya Leasing Company (a subsidiary
- company) and the lending company as a promissory note for this facility.

The company signed a financial lease contract with one of the financial leasing companies in order to lease the entire land and build the first administrative floor in the western administrative building in Galleria Building 40, owned by Raya Leasing Company for an amount of 100,000,000 Egyptian pounds, and the loan is repaid in 20 quarterly instalments starting from January 15, 2022 until October 15, 2026 the loan balance on December 31, 2023 amounted to 69,730,378 EGP

Collaterals provided by the company

- Guarantee cheques signed by Raya Holding Company.
- All papers of this facility are signed by Raya Holding Company, Raya Leasing Company (a subsidiary) and the lending company as a promissory note for this facility.

The company signed a financial lease contract with one of the financial leasing companies to lease the entire land and build the second and third floors in the western administrative building in Galleria Building 40, owned by Raya Leasing Company for an amount of 150,000,000 Egyptian pounds, and the loan is repaid in 20 quarterly instalments starting from January 25, 2022 until October 25, 2026 The loan balance on December 31, 2023 amounted to 104,948,644 EGP.

Collaterals provided by the company

- Guarantee cheques signed by Raya Holding Company.
- All papers of this facility are signed by Raya Systems Company and Raya Leasing Company (a subsidiary) and the lending company as a promissory note for this facility.

The company signed a financial lease contract with one of the financial leasing companies in order to lease the entire land and build the second floor above the ground and basement, in addition to an area of 5,223 m of the total flat floor of the middle basement floor in the eastern administrative building in Galleria Building 40, owned by Raya Leasing Company, for an amount of 122,792,454 Egyptian pounds, and the loan is repaid in 20 quarterly instalments starting from March 5, 2022 until December 5, 2026 The loan balance on December 31, 2023 amounted to 86,459,572 EGP Egyptian

Collaterals provided by the company

- Guarantee cheques signed by Raya Holding Company.
- All the papers of this facility are signed by Raya Holding Company and Raya Leasing Company The financing company (subsidiary) and the lending company act as a promissory note for this facility.

The company signed a financial lease contract with one of the financial leasing companies to finance the completion of the administrative building of Raya Holding Group of Companies for Financial Investments in Sixth of October City in the amount of 150,000,000 Egyptian pounds, and the loan is repaid in 60 monthly instalments starting from September 3, 2022 until August 3, 2027 the loan balance on December 30, 2023 amounted to 121,641,488 EGP.

Collaterals provided by the company

- Promissory note in favor of the lender submitted by Raya Systems Company (subsidiary).
- All papers of this facility are signed by Raya Systems Company (a subsidiary) and the lending company serves as a promissory note for this facility.

The company signed a financial lease contract with one of the financial leasing companies to lease the entire land and build the basement, which has an area of 5,223 m of the total flat floor of the middle basement floor in the eastern administrative building in Galleria Building 40, owned by Raya Leasing Company, for an amount of 149,095,661 EGP, and the loan is repaid in 20 quarterly instalments starting from December 27, 2022 until September 27, 2027 The loan balance on December 31, 2023 amounted to 125,152,502 EGP

Collaterals provided by the company

- Guarantee cheques signed by Raya Holding Company.
- All papers of this facility are signed by Raya Holding Company, Raya Leasing Company (a subsidiary) and the lending company as a promissory note for this facility.

- The company signed a financial lease contract with one of the financial leasing companies to lease the first administrative floor in the northern administrative building, with an area of 2,250 m in Galleria 40 building, owned by Raya Lease Company, at an amount of 150,000,000 Egyptian pounds, and the loan is repaid in 60 quarterly instalments starting from June 30, 2023 until April 30, 2028, and the loan balance on December 31, 2023 amounted to EGP 131,824,493.

Collaterals provided by the company

- Guarantee cheques signed by Raya Holding Company.
- All papers of this facility are signed by Raya Holding Company, Raya Leasing Company (a subsidiary) and the lending company as a promissory note for this facility.

(2) Raya for construction and building managements

The company has signed a financial lease contract with one of the financial leasing companies in order to rent the entire land and build the second and third floors above the ground in the eastern administrative building B in Galleria 40 building, owned by Raya Construction and Building Management Company in the amount of USD 10,000,000, and the loan is repaid on 20 Quarterly instalments starting from February 20, 2020 until November 20, 2024. The loan balance on December 31, 2023 amounted to 2,376,125 USD, equivalent to EGP 73,303,464.

(3) Raya Restaurants Company

On March 4, 2014, the company concluded a credit facility contract with a bank for an amount of EGP 19,000,000 for a period of six years after the end of the grace period of 9 months, starting from April 29, 2014 until October 1, 2019 and the loan balance reached EGP 10,640,684 as at December 31, 2018 (EGP 15,200,642 as at December 31, 2017) excluding interest as it is deducted from the company's current account with the bank monthly). The principal of the loan will be repaid as of 1 January 2017 for 58 months. It was agreed with the Bank to extend the grace period for another year to end on December 31, 2017, and that the loan will be repaid after the end of this period for a period ending on November 1, 2021.

On March 15, 2020, the company in accordance with the initiative of the Central Bank regarding the postponement of payment dues scheduled for banks for a period of 6 months ending on September 15, 2020, and the interest of the periods due was capitalized to the principal of the loan. The loan balance stood at 14,393,213 as at 31 December 2020 and is deducted from the current account regularly. The loan balance as at 31 December 2023 amounted to EGP 2,462,990

(4) Raya Foods

Raya Foods Company signed a loan contract with a bank with a total amount of EGP 40,000,000 for a period of five years, including a grace period for repayment of six months, starting from January 2018 to pay the amounts used from the loan and its interest, and the loan is repaid in 18 quarterly instalments starting from July 2018, and the loan balance on December 31, 2023 amounted to EGP 0.

- Raya Foods Company signed a financial lease contract with one of the financial leasing companies with a total amount of 80,950,000 Egyptian pounds, equivalent to 5,000,000 US dollars, for a period of six months, including a grace period of 180 days, and the balance on December 31, 2023 amounted to 44,993,218 Egyptian pounds, equivalent to 1,458,451 US dollars.

In 2021, on October 30, 2022, Raya Food Company applied the new Egyptian Accounting Standard No. (49) - Leasing Contracts and a sale contract was signed with re-lease on the land and buildings classified with the item (fixed assets), and the re-rented money amounted to 96,635,776 EGP and a down payment of 9,663,578.00 Egyptian pounds, provided that the quarterly rental value An amount of 5,631,450 EGP for a period of five years starting from October 31, 2022 to July 25, 2026 Due to the company's right to repurchase and the customer's failure to obtain control over the asset (lessor), the sale transaction with re-lease has been classified as financing in accordance with paragraphs (66b) to (68b) of the appendix of the new Egyptian standard No. (48), which resulted in the original rent amount of 60,723,845 in Egyptian pounds, and the instalments are loaded with rental returns, and the returns are evaluated according to the corridor price.

It was agreed on a medium-term loan from a bank, which agreed to grant the company various credit facilities worth 50,500,000 only fifty million five hundred thousand EGP for nothing but divided into two sections - in addition to the interests and expenses granted in the form of medium-term financing to be used in the import of machinery and new equipment for the production line and construction work for the new line and to ensure the payment of this loan and its interests it was agreed that the company will arrange a mortgage on the movables subject to the contract, which are some machines and production lines and the equipment that will be classified within fixed assets item.

The first section with a maximum amount of 1,500,000 US dollars (only one million five hundred thousand US dollars only) not exceeding the equivalent in Egyptian pounds amount of 25,500,000 Egyptian pounds (only twenty-five million five hundred thousand Egyptian pounds only).

The second section with a maximum amount of EGP 25,000,000 (only twenty-five million Egyptian pounds only) The withdrawal currency is the Egyptian pound and/or US dollar depending on the user segment. The loan period is five years after a period and the use of twelve months, starting from the date of signing the contract and ending on the maturity date of the last instalment of the loan payment, and the loan is paid in 20 quarterly instalments and the interest is paid monthly on December 31, 2023, the amount of 25,872,220 Egyptian pounds, equivalent to 838,646 dollars for the US.

(5) Raya for Electronics

The company has signed a finance lease contract with one of the financial leasing companies to rent a branch of Raya Electronics in the amount of 12,258,675 Egyptian pounds, and the loan is repaid in 20 quarterly instalments starting from February 25, 2019 until November 25, 2023. December 31, 2023, an amount of EGP 16,077,430.

The company signed a financial lease contract with one of the financial leasing companies to lease a branch of Raya Distribution Company for an amount of 67,500,000 EGP and the loan is repaid in 20 quarterly installments starting from April 15, 2022 until April 15, 2027 the loan balance on December 31, 2023 amounted to EGP 55,099,965.

(6) Raya Distribution

The company signed a financial lease contract with one of the financial leasing companies to finance the production line of washing machines of Raya Distribution Company for an amount of 36,235,260 Egyptian pounds, and the loan is repaid in 20 quarterly instalments, and the loan balance on December 31, 2023 amounted to 0 EGP, equivalent to 0 USD.

The company signed a finance lease contract with one of the financial leasing companies to lease a branch of Raya Distribution Company for an amount of 39,771,745 Egyptian pounds, and the loan is repaid in 20 quarterly instalments starting from July 27, 2020 until April 27, 2025, and this loan balance reached On December 31, 2023 the amount of EGP 9,743,28.

The company has signed a financing contract with one of the banks, and the loan is repaid in 12 quarterly instalments for a period of 3 years, starting from March 2021 until December 2023, with a total amount of 53,437,876.81 Egyptian pounds. The loan balance on December 31, 2023 amounted to EGP 0.

(7) Raya Integration

Raya Systems Company signed a financial lease contract with one of the companies with a total amount of 12,000,000 EGP at a reducing interest rate of 14.10% for a period of five years to be paid in quarterly installments (20 installments) starting on December 1, 2019, and the loan balance on December 31, 2023 amounted to EGP 0.

(8) Raya Contact centre

Raya Contact Center Services Company signed a loan contract with a bank with a total amount of USD 10,000,000 for a period of five and a half years, including a grace period for repayment of a period of six months, starting from March 2020 to repay the amounts used from the loan and its interest, and the loan will be repaid in 21 quarterly installments starting from August 2020, and the loan balance on December 31, 2023 amounted to 68,053,857 EGP equivalent to 2,205,960 USD.

(9) Aman For Financial Services

The company obtained medium and short-term loans, as shown below:

1. Aman Financial Services Company signed a loan contract with a bank with a total amount of 200,000,000 Egyptian pounds for a period of six years, and the loan balance as of December 31, 2023 amounted to 232,121,008 Egyptian pounds.
2. Aman Financial Services Company signed a loan contract with a bank with a total amount of 100,000,000 Egyptian pounds for a period of six years, and the loan will be paid in 24 monthly instalments as of October 2023, and the loan balance on December 31, 2023 amounted to 26,717,994 Egyptian pounds.
3. Aman for Financial Services signed a loan contract with a bank with a total amount of 400,000,000 Egyptian pounds for a period of six years, and the loan will be paid in 24 monthly instalments as of November 2023, and the loan balance on December 31, 2023 amounted to 427,456,196 Egyptian pounds.
4. Aman Financial Services Company signed a loan contract with a bank with a total amount of EGP 100,000,000 for a period of two years, and the loan will be paid in 24 monthly instalments as of May 2020, and the loan balance on December 31, 2023 amounted to EGP 72,315,858.
5. Aman for Financial Services signed a loan contract with a bank with a total amount of 200,000,000 Egyptian pounds for a period of five years, and the loan will be paid in 60 monthly instalments as of January 2023, and the loan balance on December 31, 2023 amounted to 7,658,60 Egyptian pounds.
6. Aman Financial Services Company signed a loan contract with a bank with a total amount of EGP 70,000,000 for a period of 24 months, and the loan balance on December 31, 2023 amounted to EGP 14,469,213.
7. Aman Financial Services signed a loan contract with a bank with a total amount of EGP 15,000,000 for a period of 24 months, and the loan balance as of December 31, 2023 amounted to EGP 4,070,678.
8. Aman for Financial Services signed a loan contract with a bank with a total amount of EGP 15,000,000 for a period of six years, and the loan balance on December 31, 2023 amounted to EGP 2,087,971.
9. Aman Financial Services Company signed a loan contract with a bank with a total amount of EGP 50,000,000 for a period of 24 months per draw, and the loan balance on December 31, 2023 amounted to EGP 30,752,841.
10. Aman Financial Services Company signed a loan contract with a bank with a total amount of 125,000,000 Egyptian pounds for a period of two years, and the loan will be paid in 18 monthly instalments as of May 2022, and the loan balance on December 31, 2023 amounted to 75,601,140 Egyptian pounds.
11. Aman for Financial Services has signed a loan contract with a bank with a total amount of 300,000,000 Egyptian pounds for a period of two years, and the loan will be paid in 24 monthly instalments as of August 2022, and the loan balance on December 31, 2023 amounted to 305,771,679 Egyptian pounds.
12. Aman Financial Services Company signed a loan contract with a bank with a total amount of 50,000,000 Egyptian pounds for a period of two years, and the loan will be paid in 24 monthly instalments as of November 2022, and the loan balance on December 31, 2023 amounted to 21,261,954 Egyptian pounds.
13. Aman Financial Services Company has signed a loan contract with a bank with a total amount of 50,000,000 Egyptian pounds for a period of two years, and the loan will be paid in 60 monthly instalments as of November 2022, and the loan balance on December 31, 2023 amounted to 40,093,262 Egyptian pounds.
14. Aman Financial Services Company signed a loan contract with a bank with a total amount of 200,000,000 Egyptian pounds for a period of two years, and the loan will be paid in 24 monthly instalments as of November 2022, and the loan balance on December 31, 2023 amounted to 55,491,224 Egyptian pounds.
15. Aman Financial Services Company signed a loan contract with a bank with a total amount of EGP 50,000,000 for a period of two years, and the loan will be paid in 24 monthly instalments as of November 2022, and the loan balance as of December 31, 2023 amounted to EGP 40,038,618

The average interest rate on credit facilities obtained during the year ended in 31 December 2023 is 1.71% above the price of the Corridor.

19. Provisons

	31 December 2023 EGP	31 December 2022 EGP
Beginning balance for the year	141,406,483	107,165,766
Charged during the year*	80,217,072	59,880,374
Used during the year	(27,023,646)	(13,864,356)
Provisions no longer required during the year	(24,668,249)	(11,775,301)
	169,931,660	141,406,483

* The component of the provisions was charged to the cost of the activity in the amount of 16,995,719 Egyptian pounds and the remaining amount was charged at the amount of 63,221,353 Egyptian pounds in the statement of profits and losses.

- Balance of provisions related to the parent company and its subsidiaries as follows:

	31 December 2023 EGP	31 December 2022 EGP
Claims provision	40,680,723	25,343,058
Warranty provision	517,267	517,267
Other provision	82,092,333	68,904,821
Provision for acquisition of a subsidiaries	46,641,337	46,641,337
	169,931,660	141,406,483

20.Accounts and notes payable

	31 December 2023 EGP	31 December 2022 EGP
Accounts payable	3,897,235,860	2,579,395,952
Notes payable	908,471,189	739,105,582
	4,805,707,049	3,318,501,534

21. Accrued expenses and other credit balances

	31 December 2023 EGP	31 December 2022 EGP
Accrued expenses	1,106,197,433	734,564,547
Unearned revenues and subscriptions	2,093,842,679	1,448,751,921
Customers down payments	1,756,648,849	1,643,508,312
Creditors – Consumer Finance	272,767,581	118,467,392
Other credit balances	454,596,718	415,231,612
	5,684,053,260	4,360,523,784

22. Bank overdraft

	31 December 2023 EGP	31 December 2022 EGP
Raya Distribution Company	1,695,786,731	1,496,948,230
Raya Integration Company	1,007,472,675	742,098,609
Raya Holding Company for Financial Investments	44,452,215	34,241,654
Raya Advanced Manufacturing Company	130,111,137	49,182,932
Raya Electronics Company	1,028,024,975	754,628,633
Best Service Company	27,869	27,869
Raya for Data Centres Company	10,497,134	10,639,962
Raya Foods Company	649,880,990	503,737,122
Raya Contact Centres Company – Poland	1,600,262	4,614,641
Raya Algeria Company	361,923	361,923
Aman for Financial Service	444,013,519	282,336,145
Aman for Micro Finance	3,799,053,708	2,346,079,580
Ostool For Land Transportation	53,874,229	28,281,022
Egypt international communication company	243,420,656	148,249,508
Raya Call Centre Services Company	-	542,262
Aman Company for Electronic Payments Technology	-	130,833,068
Raya Restaurants Company	-	3,336,802
Raya Electric Manufacturing Company	-	26,165,498
Raya Food & Beverage Company	19,568,908	5,309,898
	9,128,146,931	6,567,615,358

The subsidiaries obtained credit facilities guaranteed by Raya Holding Company for Financial Investments from several banks, and the interest rate for the local currency ranges from 21.75 % to 22.50 % and for foreign currency between 8% to 11%.

23. Dividends payable

	31 December 2023 EGP	31 December 2022 EGP
Dividends Payable – Employees	36,267,727	7,793,043
	36,267,727	7,793,043

24. A- Revenues According To Type:

	31 December 2023 EGP	31 December 2022 EGP
Devices and goods distribution revenue	15,834,804,337	11,055,227,922
Transportation service revenue	1,185,583,966	607,117,400
Supplies, and Installations revenue	6,749,213,336	3,616,289,292
Call Centre service revenue	1,922,535,758	1,210,859,903
Investment property revenue	189,379,383	174,671,336
Restaurant revenue	147,137,946	127,067,244
Non-bank financial services revenue	1,878,193,959	1,343,886,670
Manufacture, and export revenue	1,341,792,949	888,459,710
Canned foods revenue	1,089,634,662	789,890,376
Vehicles manufacturing revenue	793,269,184	550,337,135
Electrical appliances manufacturing revenue	161,303,298	49,371,520
Securitization revenue	2,500,000	-
	31,295,348,778	**20,413,178,508**

24 B- Revenues According To Currency:

	31 December 2023 EGP	31 December 2022 EGP
Revenues in Local currency	23,803,989,740	16,559,009,767
Revenues in Foreign Currency	7,491,359,038	3,854,168,741
	31,295,348,778	20,413,178,508

25.Cost of revenues

	31 December 2023 EGP	31 December 2022 EGP
Cost of martials used in the production	1,483,602,916	1,141,373,316
Devices and goods distribution cost	14,479,297,854	9,378,583,962
Supplies and Installations Cost	6,397,126,837	3,897,352,352
Transportation service cost	895,805,968	423,809,544
Salaries and wages	1,306,365,223	1,255,515,729
Fixed assets deprecation, Intangible assets and investment property	279,920,845	188,663,678
Finance cost	46,524,156	34,462,338
Other Direct Cost	28,380,095	20,806,890
	24,917,023,894	16,340,567,809

26.Income Tax

	31 December 2023 EGP	31 December 2022 EGP
Current income tax	329,754,799	203,258,176
Deferred income tax	35,936,154	1,829,417
	365,690,953	205,087,593

27. Related party transactions

Related parties represent in associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the boards of directors, and compensation contracts had been approved at general assembly meeting.

28. Treasury shares

On March 11, 2020, the Board of Directors of Raya Contact Center Services Company approved the company's purchase of treasury shares, for a period of one year within the limits of the legally prescribed percentages, and the balance of treasury shares during the year ended on December 31, 2021 amounted to 7,183,130 EGP.

On March 9, 2022, the Board of Directors of Raya Contact Center Services Company approved the purchase of treasury shares with a maximum of 10% of the company's total shares, taking into account the percentage that has already been purchased in advance, from the open market, and the company purchased treasury shares during the period ending on March 31, 2022 amounting to 35,659,233 EGP.

On June 10, 2022, the Board of Directors approved the purchase of treasury shares for a period of one year within the limits of 60,000,000 (sixty million Egyptian pounds), which represents about 1.45% of the company's total shares.

The balance of treasury shares as of 31 December 2023 amounted to EGP 7,868,548 for 3346306 shares.

Procedures are being taken to execute these shares in accordance with the law, and Form 48 has been prepared to proceed with the procedures for calling for the extraordinary general assembly of the company to approve the execution of shares and reduce the capital, and this form is being reviewed with the competent department of the Financial Regulatory Authority, The form shall be approved by the Board of Directors immediately once the Authority complete reviewing the form calling for the General Assembly.

29.Segement reporting

Year Ended 31 December 2023	Trade and distribution sector EGP	Information technology sector EGP	Call centers sector EGP	Finance lease sector EGP	International services sector EGP	Land Transportation sector EGP	Restaurants sector EGP	Non-Bank Financial Services sector EGP	Manufacturing & export sector EGP	canned foods sector EGP	Vehicles Manufacturing sector EGP	Electrical appliances manufacturing sector EGP	Securitization Sector EGP	Other activities EGP	Eliminations of intersegments EGP	Consolidated EGP
Revenues	13,918,310	6,570,609	1,946,152	189,379	311,362	1,185,584	147,138	4,555,372	1,341,793	1,089,635	793,269	161,303	2,500	-	(917,058)	31,295,349
Cost	(12,529,469)	(5,626,615)	(1,109,857)	(85,672)	(183,985)	(982,742)	(75,651)	(2,680,543)	(1,183,342)	(588,717)	(639,697)	(147,791)	-	-	917,058	(24,917,024)
Depreciation and amortization	(101,058)	(13,043)	(168,853)	(36,129)	(992)	(36,871)	(14,700)	(134,694)	(13,309)	(22,080)	(3,466)	(9,872)	-	(14,982)	-	(570,051)
Net profit for the year	239,541	353,862	159,521	47,009	(10,637)	56,934	(35,871)	211,033	16,979	62,849	55,364	(12,575)	534	(75,835)	(627,353)	441,357
Total Assets	6,472,321	6,681,249	2,090,212	1,008,208	297,919	1,360,298	165,052	9,293,139	246,022	2,638,958	373,779	387,531	8,482	4,836,791	(8,711,008)	27,148,954
Total Liabilities	(5,713,937)	(6,282,987)	(2,300,688)	(391,470)	(408,552)	(1,208,435)	(167,019)	(7,223,404)	(137,587)	(1,031,928)	(177,696)	(118,150)	(1,560)	(3,342,525)	4,280,385	(24,225,553)

Year Ended 31 December 2022	Trade and distribution sector EGP	Information technology sector EGP	Call centers sector EGP	Finance lease sector EGP	International services sector EGP	Land Transportation sector EGP	Restaurants sector EGP	Non-Bank Financial Services sector EGP	Manufacturing & export sector EGP	canned foods sector EGP	Vehicles Manufacturing sector EGP	Electrical appliances manufacturing sector EGP	Other activities EGP	Eliminations of intersegments EGP	Consolidated EGP
Revenues	9,108,670	3,629,796	1,226,250	174,671	150,179	607,117	127,067	3,429,492	888,460	789,890	550,337	49,372	-	(318,124)	20,413,179
Cost	(8,212,046)	(3,070,321)	(772,546)	(79,164)	(96,088)	(423,810)	(64,479)	(2,102,332)	(779,961)	(530,201)	(465,047)	(62,698)	-	318,124	(16,340,568)
Depreciation and amortization	(80,646)	(11,857)	(84,000)	(34,933)	(700)	(37,821)	(11,889)	(104,963)	(14,383)	(21,191)	(3,531)	(4,868)	(13,731)	-	(424,512)
Net profit for the year	152,359	253,100	42,225	38,230	(2,142)	69,994	(23,237)	136,990	5,218	4,423	20,579	(24,219)	(27,403)	(298,804)	347,313
Total Assets	4,722,151	4,136,506	1,416,278	818,261	166,577	1,287,904	159,006	8,543,724	249,024	2,151,241	299,197	388,477	3,061,263	(6,629,438)	20,770,171
Total Liabilities	(4,257,575)	(3,596,082)	(956,089)	(246,209)	(224,004)	(1,131,323)	(124,578)	(7,251,659)	(158,458)	(868,110)	(240,679)	(156,531)	(2,357,372)	3,055,819	(18,512,850)

30.Other long-term liabilities

Other Long-term liabilities represent value of the end of service benefits for some of Raya group employees, and business insurance.

31. Tax situation

Raya Holding Company for Financial Investments and some of its subsidiaries are subject to Egyptian income tax law. The income tax was calculated for each company individually, and the income tax amount shown in the consolidated profit or loss statement for the year ended 31 December 2021 represents the total income tax for the subsidiaries, which are subject to income tax, except other subsidiaries that are exempted from income tax according to law (8) of 1997, as they are established in pursuance of this law, so no income tax was calculated.

32.Financial risk management objectives and policies

Foreign Currency Risk

The foreign currency risk is the risk that the value of the financial assets and liabilities and the related cash inflows and outflows in foreign currencies will fluctuate due to changes in foreign currency exchange rates, and the value of monetary assets and liabilities denominated in foreign currencies which are translated using the current exchange rate were as follows:

	31 December 2023 Net EGP	31 December 2022 Net EGP
USD	586,881,829	291,115,452
EURO	9,312,797	4,480,557
GBP	43,800,275	14,079,559
AED	28,141,569	21,097,046
SAR	19,631,625	11,946,702

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, AED and SAR exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the value of monetary assets and liabilities. The company's exposure to foreign currency changes for all other currencies is not material.

	31 December 2023		31 December 2022	
Currency	Change Ratio %	The effect in profit before Tax EGP	Change Ratio %	The effect in profit before Tax EGP
USD	10%+	58,688,183	10%+	29,111,545
USD	10%-	(58,688,183)	10%-	(29,111,545)
EUR	10%+	931,280	10%+	448,056
EUR	10%-	(931,280)	10%-	(448,056)
GBP	10%+	4,380,028	10%+	1,407,956
GBP	10%-	(4,380,028)	10%-	(1,407,956)
AED	10%+	2,814,157	10%+	2,109,705
AED	10%-	(2,814,157)	10%-	(2,109,705)
SAR	10%+	1,963,163	10%+	1,194,670
SAR	10%-	(1,963,163)	10%-	(1,194,670)

Credit risk

The group does business with financial institutions with high credit solvency which limiting credit risk.

For the group customers, the Group legal arrangements and documents made at the transaction date reduces credit risk to a minimum, and allowances are necessary to mitigate the risk of default in payment by the customer for each individual case.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk principally from its Accounts and notes receivables, prepayments and other debit balances, due from related parties, and from its financial activities, including deposits with banks and financial institutions.

Trade and notes receivables

The Company has entered into contracts with customers. The Company is exposed to credit risk in respect of customers due amounts. In addition, due balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less influence on credit risk. The Company earns its revenues from a large number of customers.

Other financial assets and cash deposits

With respect to credit risk arising from the other financial assets of the Company, which comprise bank balances and cash on hand, financial assets at amortised cost, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

Credit risk from balances with banks and financial institutions is managed by local Company's treasury supported by the Parent Company. The Company limits its exposure to credit risk by only placing balances with international banks and local banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail to meet its obligations.

Due from related parties

Due from related parties relates to transactions arising in the normal course of business with minimal credit risk, with a maximum exposure equal to the carrying amount of these balances.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's obligations with floating interest rates and interest-bearing time deposits.

Interest on financial instruments having floating rates is re-priced at intervals of less than one year.

The risk of interest in the changes in interest rates which may have an adverse effect on the business results. The company's total liabilities from loans and credit facilities from banks as of 31 December 2023 are EGP 12,788,285,680 (31 December 2022 EGP 10,184,259,906) and value of related interest charged during the year ended 31 December 2023 was EGP 1,137,512,475 (31 December 2022 EGP 651,972,390), Charged interest was classified as finance cost in profit or loss statement. The company management is always working to get better borrowing terms available in the market.

	Change in rate	Effect on profit before tax EGP	Change in rate	Effect on profit before tax EGP
Financial asset	+1%	3,468,313	+1%	2,037,869
	- 1%	3,468,313)	- 1%	(2,037,869)
Financial liability	+1%	127,882,857	+1%	101,842,599
	- 1%	(127,882,857)	- 1%	(101,842,599)

Liquidity risk

Liquidity risk is the inability of the company to repay its obligations under the contractual terms with others.

The company's management on a regular basis to make sure of the availability of the necessary liquidity to pay obligations when due without incurring losses or risk the reputation of the company.

The company has sufficient cash to repay Batch projected expenditures include financial liabilities expenses.

The table below summarizes the maturity profile of the financial liabilities the company dates based on the contractual undiscounted payments

Financial liabilities 31 December 2023	Less than 3 Months EGP	From 3 to12 Months EGP	From 1 to 5 years EGP	Total EGP
Loans	204,880,701	741,654,183	1,759,448,291	2,705,983,175
Short term loans	-	614,404,698	-	614,404,698
Bank overdraft	1,700,632,285	6,174,176,245	1,253,338,401	9,128,146,931
Accrued expenses and other credit balances	3,813,547,326	1,906,773,661	-	5,720,320,987
Right of use long term loans	16,368,857	32,737,714	884,655,787	933,762,358
Other long-term liabilities	-	-	121,982,598	121,982,598
Accounts and notes payable	2,953,804,701	1,851,902,348	-	4,805,707,049
Long term notes payable	-	-	20,393,217	20,393,217
Total undiscounted financial liabilities	**8,689,233,870**	**11,321,648,849**	**4,039,818,294**	**24,050,701,013**

Financial liabilitie 31 December 2022	Less than 3 Months EGP	From 3 to12 Months EGP	From 1 to 5 years EGP	Total EGP
Loans	-	979,871,733	1,664,907,683	2,644,779,416
Short term loans	-	396,037,477	-	396,037,477
Bank overdraft	3,309,942,045	3,257,673,312	-	6,567,615,357
Accrued expenses and other credit balances	1,988,232,743	2,593,726,730	-	4,581,959,473
Right of use long term loans	32,301,447	51,397,782	823,441,956	907,141,185
Other long-term liabilities	-	-	104,327,165	104,327,165
Accounts and notes payable	1,972,695,120	1,345,806,414	-	3,318,501,534
Long term notes payable	-	-	64,723,947	64,723,947
Total undiscounted financial liabilities	7,303,171,355	8,624,513,448	2,657,400,751	18,585,085,554

Capital management

The main purpose of the company's capital management is to ensure that there is a good capital levels to support the business and maximize shareholder benefits. The Company manages its capital structure in light of changes in the conditions of activity. There are no changes occurred in the objectives and policies of the company during the year.

Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets of the company include cash on hand and at banks, fair value investments through profit or loss, accounts and notes receivables, and other debit balances, financial liabilities of the company include other credit balances, accounts and notes payable, loans, and credit facilities.

Note (2) from the notes to the financial statements accounting policies used to measure and recognize significant financial instruments and their related income.

Based on the methods used to evaluate the company's assets and liabilities contained in note (2) the fair values of the financial assets and liabilities are not materially different from their carrying value at the closing date of financial position.

33. Contingent liabilities

The value of letters of guarantee issued by the banks of the subsidiaries in favor of third parties on December 31, 2023 amounted to 5,112,055,307 Egyptian pounds (December 31, 2022 amounted to 2,818,710,083 Egyptian pounds) and the uncovered part as of December 31, 2023 amounted to 4,796,698,054 Egyptian pounds (December 31, 2022 amounted to 2,713,516,794 Egyptian pounds) and the covered part of 315,357,254 Egyptian pounds was included under prepaid expenses and other debit balances (31 December 2022 amount 105,193,289 Egyptian pounds) Note (14).

34. Significant matters

The slowdown of many economies of major countries in the past period has led to a combination of rising global commodity prices, Supply chain disruption and high shipping costs, In addition to the volatility of financial markets in emerging countries, Which led to inflationary pressures that affected the economies of many countries, including the economy of the Arab Republic of Egypt, The war between Russia and Ukraine has led to a decline in foreign exchange flows from tourism as well as from foreign direct investment, which has resulted in higher prices in general. This increase in global prices put additional pressure on the local currency (the Egyptian pound). Which necessitated the intervention of the Central Bank of Egypt to raise the interest rate on the Egyptian pound and move the exchange rate during 2022,2023, and this movement resulted in a decrease in the value of the Egyptian pound against the US dollar during that period, which resulted in companies with large balances of foreign currency liabilities, whether short-term or long-term, being affected by large losses as a result of retranslating these balances according to the exchange rate after moving it.

These losses were significantly reflected on the results of the business of these companies in the income statement (profit or loss statement), and affected the financial performance of those companies.

On 16 May 2023, the Prime Minister's Decree No. 1847 of 2023 was issued amending some provisions of the Egyptian Accounting Standards - Annex (B) of the Egyptian Accounting Standard No. (13) amended 2015 "The effects of changes in foreign exchange rates" in order to develop an optional special accounting treatment through which the effects of moving the foreign exchange rate can be dealt with on the financial statements of the entity whose dealing currency is the Egyptian pound. This optional special accounting treatment issued Annex shall not be considered an amendment to the amended Egyptian Accounting Standards currently in force, beyond the time period of validity of this Annex.

The first treatment: Assets financed with liabilities in a foreign currency:

An entity that has established, during the period from the beginning of January 2020 until the date of moving the exchange rate, to acquire fixed assets and / or real estate investments and / or exploration and valuation assets and / or Intangible assets other than goodwill (funded by foreign currency liabilities), To make a Recognition in the cost of those assets the currency differences resulting from re-translation of the existing commitment balance related to the date of moving the exchange rate using the exchange rate on the date of exchange. The entity can apply this option for each asset separately, and the adjusted net cost should not exceed the recoverable value of the asset, which is measured in accordance with the requirements of Egyptian Accounting Standard No. (31) Modified "Impairment of Assets".

Second treatment: foreign exchange differences:

An exception from the requirements of paragraph No. "28" of the modified Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates" for recognizing currency differences, an entity whose business results have been affected by the net profit or loss of currency differences as a result of moving the exchange rate of foreign currencies can recognize the items of other comprehensive income the debit and credit currency differences resulting from the re-translation of the balances of items of a monetary nature that existed on 31 March 2023 using the closing price on the same date deduct from it any currency translation differences that have been recognized in the cost of assets in accordance with the first treatment of this Appendix, considering that such differences are primarily due to exchange rate changes.

The amount of currency differences arising on the re-translation of monetary items, which were presented in other comprehensive income, is recognized in the profit or loss carried at the end of the same financial period to apply the accounting treatment in this appendix.

The group has applied the first and second treatments to this supplement and the result of the application is as follows:

Item	2023 EGP	2022 EGP
Fixed Assets	40,527,238	35,540,710
Right of use assets	40,928,672	13,119,250
Foreign Currency Exchange Differences Losses-Statement of Comprehensive Income	(130,701,371)	77,035,399
Deferred income tax	29,407,808	(17,332,965)
	(19,837,653)	108,362,385

On March 6, 2024, the Central Bank issued a decision allowing the exchange rate of the Egyptian pound to be determined according to market mechanisms. The Central Bank also decided to raise interest rates by 600 basis points, equivalent to 6%, to reach levels of 27.25%. The company is currently studying the impact on future financial statements.

on 6 March 2023, Council of Minister's was issued decision No. 883 of 2023 to amend some provisions of Egyptian Accounting Standards. The following is a summary of the most important of these amendments:

New or reissued standards	Summary of the most important modifications	Potential impact on the financial statements	Application date
Egyptian Accounting Standard No. (10) Amended 2023 "Fixed Assets and Their Depreciation" Egyptian Accounting Standard No. (23) Amended 2023 "Intangible Assets"	These standards were reissued in 2023, which were allowed to use the revaluation model for some of the prevailing accounting standards, and the following is a list of those standards: •Egyptian No. 5 "Accounting policies and changes in accounting estimates and errors" • Egyptian Accounting Standard No. 24 "Income Taxes" • Egyptian Accounting Standard No. 30 "Interim Financial Statements" • Egyptian Accounting Standard No. 31 "impairment of assets" • Egyptian Accounting Standard No. 49 "Lease Contracts". " 2- In line with the amendments in amended Egyptian Accounting Standard No. 35 in 2023 "Agriculture", paragraphs (3), (6), (37) of the Egyptian Accounting Standard No. 10 "Fixed Assets and their Depreciation" were amended, and addition Paragraphs 22 (A), 80 (C) and 80 (D) in the same standard, with related to bearing plants. -The company is not required to disclose the quantitative information required under Paragraph 28 (f) of the Egyptian Accounting Standard No. 5 for the current period, which is the period of the financial statements in which applied the standard for the first time the Egyptian Accounting Standard No. 35 Accelerated 2023, and the Egyptian Accounting Standard No. 10 Amendment 2023 with related to bearing plants. However, the quantitative information disclosure was required by paragraph 28(F) of IAS 5 for each prior period presented. The company may choose to measure an item of bearing plants at its fair value at the beginning of the earliest period presented in the financial statements for the period in which the company applied the above amendments for first time and use that fair value as its default cost at this date. Any difference between the previous carrying amount and fair value in the opening balance, recognize the difference in surplus revaluation account in equity at the beginning of the earliest period presented.	In case the option of the revaluation model included in those standards is used, the company's management must study the possibility of changing the accounting policy followed and evaluate the potential impact on the financial statements if that option is used. If the management applied the amendments. the management must evaluate the potential impact on the financial statements."	Amendments application related to add the option of use the revaluation model beginning in or after 1 January 2023 retrospectively, in addition to mention the cumulative effect of applying the revaluation model initially by adding it to the revaluation surplus account in equity at beginning of the financial period which the company applied this model for the first time. The amendments will be applied for the annual periods that beginning of or after 1 January 2023 retrospectively, in addition to mention the cumulative effect of applying the accounting treatment of bearing plants initially by adding it to the profit or loss balance carried forward at the beginning of the financial period that the company will be apply this form for the first time.

New or reissued standards	Summary of the most important modifications	Potential impact on the financial statements	Application date
Egyptian Accounting Standard No. 34 Amended 2023 "Real Estate Investment"	1- These standards were reissued in 2023 which were allowed the use of the fair value model in subsequent measurement of real estate investments. 2- as a result there was amendment to some of the paragraphs related to the use of the fair value model option in some prevailing Egyptian accounting standards, and the following is a statement of those standards: Egyptian Accounting - Standard No. 1 "Presentation of Financial Statements" - Egyptian Accounting Standard No. 5 "Accounting policies, changes in accounting estimates and errors" - Egyptian Accounting Standard No. 13 "The Effects of Changes in Foreign Exchange Rates" - Egyptian Accounting Standard No. 24 "Income Taxes". - Egyptian Accounting Standard No. 30 "Interim Financial Statements" - Egyptian Accounting Standard No. 31 "impairment of assets" - Egyptian Accounting Standard No. 32 "Non-current assets held for sale and discontinuing operations." - Egyptian Accounting Standard No. 49 "Lease Contracts"	Recently, the management studied the potential of change accounting policy and using fair value model option and evaluated the impact on financial statements if the management used this option	The amendments will be applied for the annual periods that beginning of or after 1 January 2023 retrospectively, in addition to mention the cumulative effect when applying at first time the fair value model and add it to profit or loss balance would be transferred at the beginning of financial period that the company applied this model for first time.
Egyptian Accounting Standard No. 50 "Insurance Contracts"	1- This standard defines the principles of recognition insurance contracts that were in scope of this standard, and determines their measurement, presentation, and disclosure. The standard's objective is to ensure that the company provides appropriate information that fairly present those contracts. This information provides users of financial statements with the necessary basis for evaluating the impact of those insurance contracts on the company's financial position, financial performance, and cash flow. 2- Egyptian Accounting Standard No. 50 replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". 3- Any reference in other Egyptian Accounting Standards to Egyptian Accounting Standard No. (37) must be replaced by Egyptian Accounting Standard No. 50. 4- Amendments have been made to the following financial accounting standards to comply with the requirements of applying Egyptian Accounting Standard No. 50 Insurance Contracts", which are as follows: • Egyptian Accounting Standard No. 10 "Fixed Assets and Their Depreciation". • And Egyptian Accounting Standard No. 23 "Intangible Assets". •Egyptian Accounting Standard No. 34 "Real Estate Investment	Recently, the management evaluated the potential impact on financial statements from applying this standard.	The Egyptian accounting standards No. 50 must be applied for the annual periods that beginning of or after 1 July 2024. If the Egyptian Accounting Standard No. 50 was applied for an earlier period, the company must disclose.

AUDITOR’S REPORT

TO THE SHAREHOLDERS OF RAYA HOLDING COMPANY FOR FINANCIAL INVESTMENTS (S.A.E)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of RAYA HOLDING COMPANY FOR FINANCIAL INVESTMENTS (S.A.E.) represented in the standalone financial position as of 31 December 2023, and the related standalone statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management’s Responsibility for the Standalone Financial Statements

These standalone financial statements are the responsibility of the Company’s Management, as Management is responsible for the preparation and fair presentation of the financial statements in accordance with Egyptian accounting standards, Management responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, This responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor’s Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and applicable Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

Opinion

In our opinion, the standalone financial statements referred to above, give a true and fair view, in all material respects, of the financial position of RAYA HOLDING COMPANY FOR FINANCIAL INVESTMENTS (S.A.E.) as of 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with Egyptian accounting standards.

Report on Other Legal and Regulatory Requirements

The Company maintains proper accounting records that comply with the laws and the Company’s articles of association and the financial statements agree with the Company’s records.

The financial information included in the General Managers’ Report, prepared in accordance with Law No. 159 of 1981 and its executive regulation, agrees with the books of the Company insofar as such information is recorded therein.

Cairo on: 7 March 2024

Auditor
Mohamed Ahmed Abu Elkassim
FESAA - FEST
RAA 17553
CMAR 359
United for Auditing and Tax
UHY - United

Standalone statement of financial position

For the year ended 31 December 2023

	Note	31 December 2023 EGP	31 December 2022 EGP
Assets			
Non-current assets			
Fixed assets	(3)	72,416,280	76,092,427
Intangible assets	(4)	816,498	1,363,015
Investments in subsidiaries	(5)	3,250,817,090	2,759,717,090
Investments in associates	(6)	642,000	642,000
Investments at fair value through other comprehensive income	(7)	25,604,787	22,980,050
Deferred tax assets	(18-2)	15,530,199	548,088
Total non-current assets		3,365,826,854	2,861,342,670
Current assets			
Notes receivable		53,500	53,500
Due from related parties	(9)	599,852,091	652,740,028
Prepaid expenses and other debit balances	(8)	213,386,499	73,115,023
Share based compensation	(15)	2,993,891	7,087,952
Cash on hand and at banks	(10)	2,441,123	1,682,452
Total current assets		818,727,104	734,678,955
Total Assets		4,184,553,958	3,596,021,625
Equity and liabilities			
Equity			
Issued and paid-up capital	(14)	1,071,997,595	1,071,997,595
Legal reserve		96,298,025	96,298,025
General reserve		36,195,199	36,195,199
Treasury shares	(21)	(7,868,548)	(7,868,548)
Revaluation reserve of Investments at a fair value through OCI		5,424,460	3,390,288
Accumulated losses		(222,208,562)	(33,185,895)
(loss) for the year		(126,939,829)	(52,886,840)
Dividends		-	(86,266,480)
Total Equity		852,898,339	1,027,673,344
Liabilities			
Non-current liabilities			
long term loans and finance lease arrangements	(16)	608,822,684	794,183,391
Other long-term liabilities	(20)	45,523,835	37,381,788
Total Non-current liabilities		654,346,519	831,565,179
Current liabilities			
Credit facilities	(11)	44,452,214	34,241,654
Accrued expenses and other credit balances	(12)	268,299,167	344,643,849
Accounts and notes payable	(13)	429,303,614	102,372,693
Due to related parties	(9)	1,598,806,518	945,793,472
long term loans and finance lease arrangements	(16)	336,447,587	309,731,434
Total current liabilities		2,677,309,100	1,736,783,102
Total liabilities		3,331,655,619	2,568,348,281
Total liabilities and equity		4,184,553,958	3,596,021,625

Chief Financial Officer	Chief Executive Officer	Chairman
Hossam Hussein	Ahmed Khalil	Medhat Khalil

- The accompanying notes from (1) to (26) are an integral part of these Standalone financial statements.
- Auditors' report is attached.

Standalone statement of profit or loss

For the year ended 31 December 2023

	Note	31 December 2023 EGP	31 December 2022 EGP
Revenues of investing in subsidiaries	(17-C)	419,264,570	222,156,138
Service Revenue	(17-A,B)	97,627,414	60,897,396
Dividends from financial investments at a fair value through OCI		1,405,880	1,008,410
Gross profit		518,297,864	284,061,944
General and administrative expenses		(119,021,488)	(76,138,273)
Board of directors Remuneration		(1,155,000)	(565,000)
Selling and marketing expenses		(6,871,932)	(5,401,886)
Finance cost (net)	(23)	(520,271,054)	(222,827,173)
Foreign exchange differences		345,753	(9,074,514)
Other Income & (loss)		641,549	9,806,168
Impairment of investments in subsidiaries		-	(37,000,000)
Reversal of impairment of investments in subsidiaries		-	3,055,770
Takaful Contribution		-	(26,914)
(Losses) for the year before income taxes		(128,034,308)	(54,109,878)
Income tax	(18-1)	-	-
Deferred tax	(18-2)	1,094,479	1,223,038
(Losses) for the year		(126,939,829)	(52,886,840)
Earning per share (loss)	(19)	(0.059)	(0.025)

Chief Financial Officer	Chief Executive Officer	Chairman
Hossam Hussein	Ahmed Khalil	Medhat Khalil

-The accompanying notes from (1) to (26) are an integral part of these standalone financial statements.

Standalone statement of comprehensive income

For the year ended 31 December 2023

	Note	31 December 2023 EGP	31 December 2022 EGP
(Losses) for the year		(126,939,829)	(52,886,840)
Foreign currency translation differences	(26-A)	(64,347,547)	(40,061,125)
Income tax related to foreign currency translation differences	(18-2)	14,478,198	-
		(49,869,349)	(40,061,125)
Transfer from foreign currency translation losses to accumulated losses	(26)	49,869,349	40,061,125
Total foreign currency translation differences		0	0
Investment revaluation differences by fair value through OCI	(7)	2,624,737	3,641,303
Income tax related to other comprehensive income items	(18-2)	(590,566)	(819,293)
		2,034,171	2,822,010
Total comprehensive income		(124,905,658)	(50,064,830)

Chief Financial Officer	Chief Executive Officer	Chairman
Hossam Hussein	Ahmed Khalil	Medhat Khalil

-The accompanying notes from (1) to (26) are an integral part of these standalone financial statements.

Standalone statement of changes in equity

For the year ended 31 December 2023

	capital EGP	Legal reserve EGP	General reserve EGP	Treasury shares EGP	Reservation of investments at fair value through OCI after tax EGP	Accumulated losses EGP	(Losses) for the year EGP	Dividends distribution EGP	Total EGP
1 January 2023	1,071,997,595	96,298,025	36,195,199	(7,868,548)	3,390,288	(44,412,543)	(52,886,840)	(75,039,832)	1,027,673,344
Transferred to accumulated losses	-	-	-	-	-	(52,886,840)	52,886,840	-	-
Transfer from Dividends	-	-	-	-	-	(75,039,832)	-	75,039,832	-
Legal reserve for dividends	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-
Differences foreign currencies translation through OCI	-	-	-	-	-	(49,869,347)	-	-	(49,869,347)
Reserve of investments at fair value through OCI after taxes	-	-	-	-	2,034,171	-	-	-	2,034,171
Losses for the year	-	-	-	-	-	-	(126,939,829)	-	(126,939,829)
31 December 2023	1,071,997,595	96,298,025	36,195,199	(7,868,548)	5,424,459	(222,208,562)	(126,939,829)	-	852,898,339
1 January 2022	1,071,997,595	92,010,015	36,195,199	-	568,278	(156,406,106)	445,754,952	(278,185,606)	1,211,934,327
Transferred to accumulated losses	-	-	-	-	-	167,569,346	(445,754,952)	278,185,606	-
Transfer from Dividends	-	-	-	-	-	-	-	(86,266,480)	(86,266,480)
Legal reserve for periodic dividends	-	4,288,010	-	-	-	(4,288,010)	-	-	-
Treasury shares	-	-	-	(7,868,548)	-	-	-	-	(7,868,548)
Differences foreign currencies translation through OCI	-	-	-	-	-	(40,061,125)	-	-	(40,061,125)
Reserve of investments at fair value through OCI after taxes	-	-	-	-	2,822,010	-	-	-	2,822,010
Losses for the year	-	-	-	-	-	-	(52,886,840)	-	(52,886,840)
31 December 2022	1,071,997,595	96,298,025	36,195,199	(7,868,548)	3,390,288	(33,185,895)	(52,886,840)	(86,266,480)	1,027,673,344

** As a result of the company's application of the second treatment, Appendix (C), Egyptian Accounting Standard No. (13) Amended 2015 "Effects of change in foreign currency rates" as shown in note (26)*

-The accompanying notes from (1) to (26) are an integral part of these standalone financial statements.

Statement of standalone cash flows

For the year ended 31 December 2023

	Note	31 December 2023 EGP	31 December 2022 EGP
Cash flows from operating activities			
(Losses) for the year before income tax		(128,034,308)	(54,109,878)
Depreciation of fixed assets and amortization of intangible assets	(3,4)	14,982,395	13,730,521
Finance cost (net)	(23)	520,271,054	224,176,233
Dividends from investments in subsidiaries		(419,264,570)	-
Share based compensation		4,094,060	-
Impairment of investments in subsidiaries		-	37,000,000
Reversal of dividends from financial investments at fair value through OCI		(1,405,880)	-
		(9,357,249)	220,796,876
Change in due from related parties	(9)	52,887,937	9,811,853
Change in prepaid expenses and other debit balances	(8)	(140,271,475)	(50,832,732)
Change in accrued expenses and other credit balances	(12)	(76,344,682)	(47,405,826)
Change in accounts and notes payable	(13)	326,930,921	(44,554,752)
Change in due to related parties	(9)	653,013,045	249,992,601
Change in other long-term liabilities	(20)	8,142,047	5,048,674
Cash flows from operating activities		815,000,545	342,856,694
Income tax paid		-	(71,911,753)
Net cash flows from operating activities		815,000,545	270,944,941
Cash flows from investing activities			
(Payments) of purchasing fixed assets and intangible assets	(3,4)	(10,759,731)	(42,531,030)
(Payments) of purchasing investments in subsidiaries		(491,100,000)	(466,741,877)
Proceeds from dividends		420,670,451	-
Net cash flows (used in) investing activities		(81,189,280)	(509,272,907)
Cash flows from financing activities			
Proceeds from credit facilities	(11)	10,210,560	9,297,326
(Payments) in finance cost	(23)	(520,271,054)	(224,176,233)
(Payments) in treasury shares		-	(7,868,548)
(Payments) &proceeds in short term / long term loans	(16)	(222,992,100)	378,048,486
Net cash flow (used in) provided from financing activities		(733,052,593)	155,301,031
Cash and cash equivalent – during the year		758,671	(18,440,979)
Cash and cash equivalent – beginning of the year	(10)	1,682,452	84,709,387
Cash and cash equivalent- end of the year	(10)	2,441,123	1,682,452

Non-cash transactions:

- An amount of 503,913 deferred tax assets were eliminated
- An amount of 49,869,347 was excluded from foreign currency translation differences
- An amount of 2,624,738 was excluded from financial investments at fair value through comprehensive income.
- An amount of 2,034,171 was excluded from the reserve for evaluating financial investments at fair value through comprehensive income.

-The accompanying notes from (1) to (26) are an integral part of these standalone financial statements.

Notes to the standalone financial statements

For the year ended 31 December 2023

1. Group background

- Raya Holding Company for Financial Investments (S.A.E) was established in accordance with the provisions of Law 95 of 1992.
- On 9 May 1999, the company was registered in the Commercial Register under No. 127574.
- The Company's registered location is at central corridor behind Dar El-fouad hospital Elhay El motamayez -6th of october
- The main activity of the company is participating in the establishment of companies that issue securities or in increasing their capital.
- On 12 October 2016, in the Commercial Register was added to the activity of the company which is the practice of promotion and coverage of subscription securities and financial advisory services on securities and the formation and management of portfolios of securities with take into consideration of laws and regulations and decisions in force and require the issuance of licenses crisis to exercise these activities taking into account Article 127 of the Annual Regulations The company may have a reformer and participate in any way with the companies of funds that carry out business similar to their work which may cooperate to achieve its purpose in Egypt or abroad, which may be merged into those companies or purchaser or their equity and in accordance with the provisions of laws and its executive regulations.
- On 27 June 2016, the Board of Directors approved the proposal to amend the Company's name and amend Article (2) of the Company's Articles of Association. The proposed name will be Raya Holding for Financial Investments (S.A.E), this was indicated in the commercial register on 12 October 2016.
- The Company's standalone financial statements for the year ended 31 December 2023 have been approved according to the decision of the Board of Directors held on 07 Mar 2024.

2. Significant accounting policies applied

2.1. Basis of preparation of the standalone financial statements

The Standalone financial statements prepared under the going concern assumption on a historical cost basis.

The Standalone financial statements are prepared and presented in Egyptian pound, which is the Company's functional currency.

Statement of compliance

The periodic Standalone financial statements are prepared in accordance with the Egyptian Accounting Standards and the applicable laws and regulations.

2.2. Changes in accounting policies

The accounting policies applied in this year are consistent with those applied in the previous year.

As Shown in disclosure 35, on 6 March 2023, Council of Minister's was issued decision No. 883 of 2023 to amend some provisions of Egyptian Accounting Standards, and these amendments did not effect on the company's financial statements on 31 December 2023 (note 26).

2.2.1. Financial instruments

Egyptian Accounting Standard 47 "Financial Instruments" which replaced Egyptian Accounting Standard 26 Financial Instruments: Recognition and Measurement. Egyptian Accounting Standard 47 was issued in 2019 and the standard began to be applied on or after 1 January 2021 in Egypt Except for coverage accounting, it must be applied retroactively but adjusting the comparative information is not mandatory.
The standard deals with three aspects of accounting for financial instruments: classification and measurement, impairment, and coverage accounting.

Classification and measurement

According to Egyptian Accounting Standard 47, debt instruments are subsequently measured at fair value through profits, losses, amortized cost, or fair value through other comprehensive income. The classification is based on two classification criteria: the company's business model for asset management; and whether the contractual cash flows of the instruments represent "principal and interest payments only" on the outstanding principal amount.
The Company's business model was evaluated as of the date of initial application and assessed whether the contractual cash flows of debt instruments consisted only of principal amount and interest based on the facts and circumstances at the initial recognition of the assets.

impairment

The new impairment model in accordance with Egyptian Accounting Standard 47 requires the recognition of impairment provisions based on expected credit losses rather than only credit losses incurred as in Egyptian Accounting Standard 26. Applicable to financial assets classified at amortized cost and debt instruments measured at fair value through other comprehensive income, Egyptian Accounting Standard 48 contract assets "Revenue from contracts with customers", rental receipts, loan commitments and certain financial guarantee contracts.

Financial Instruments - Recognition and Measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial obligation or proprietary instrument of another entity.

A) Financial assets

Financial assets, at initial recognition, as measured later, are classified by depreciated cost, fair value through other comprehensive income or fair value through profit or loss. The classification of financial assets at initial recognition is based on the characteristics of the contractual cash flow of the financial asset and the company's business model for its management. For a financial asset to be classified and measured at amortized cost or fair value by other comprehensive income, it must result in cash flows that are "principal and interest payments only" on the outstanding principal amount.

This test is referred to as the "principal and interest payments only" test and is performed at the instrument level. Financial assets that do not pass the "principal and interest payments only" test are classified and measured at fair value through profit or loss, regardless of business model. A company's business model for financial asset management refers to how it manages its financial assets to generate cash flows.

The business model determines whether cash flows will result from the collection of contractual cash flows, the sale of financial assets, or both. Financial assets classified and measured at depreciated cost are held within the business model for the purpose of holding financial assets for the purpose of collecting contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within the business model for the purpose of collecting contractual cash flows and selling.

Impairment of financial assets

The Company recognizes the provision for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due under the contract and all cash flows expected by the Company, discounted at a rate close to the original effective interest rate.

The provision for expected credit losses is recognized in two stages. For credit exposures for which there has been no significant increase in credit risk since initial recognition, expected credit losses for credit losses are measured by the value of credit losses resulting from potential defaults over the next 12 months (expected credit losses 12-month).

For credit exposures for which credit risk has significantly increased since initial recognition, expected credit losses are measured over the remaining life of exposure, regardless of the timing of default (expected credit losses over a lifetime).

When determining whether the credit risk of the financial asset has increased materially since the initial recognition and when estimating the expected credit losses, the Company shall consider reasonable, supportive, and available information at no cost or excessive effort, including quantitative and qualitative information and analysis based on the Company's past experience, enhanced credit ratings and future information.

The Company may also consider a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Company The financial assets are excluded when there is no reasonable recovery expectation of expected cash flows. At the date of each report, the Company assesses whether financial assets recorded at amortized cost and debt securities at fair value through other comprehensive income have experienced credit impairment.

An asset is considered to have experienced an impairment when one or more events occur that have a negative impact on the estimated future cash flows of the financial asset.

B) Financial obligations

All financial obligations are recognized primarily at fair value and in the case of loans, debts, and credit balances less the cost directly attributable to the transaction.

2.2.2. Revenue from contracts with customers

The new Egyptian Accounting Standard “Revenue from contracts with customers” No. 48 establishes a new five-step model, which will be applied to revenue arising from contracts with customers as follows:

Step 1: Define the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations. It outlines the bases and criteria that must be met for each contract.
Step 2: Identify the performance obligations in the contract: A performance obligation is an undertaking in the contract to transfer a good or service to the customer.
Step 3: Determine the transaction price: The transaction price is the amount of consideration the company expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price to the performance obligations stipulated in the contract. For contracts that have more than one performance obligation,
The Group will allocate a transaction price to each performance obligation in the amount to which the Group expects to be entitled in exchange for meeting each performance obligation.
Step 5: Recognize revenue when the entity fulfills the performance obligation.
The company fulfills the performance obligation and recognizes revenue over a period, if one of the following conditions is met:

A.It does not create performance for the company and that the company has an enforceable right to a payment for the performance completed to date.
B.The performance of the company creates or improves the asset that the customer controls while the asset is being built and improved.
C.The customer receives the benefits provided by the performance of the facility and consumes them at the same time as the company performs.

For performance obligations, if any of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

If the company fulfills the performance obligation by providing the services that were promised, this leads to the creation of an asset based on a contract in exchange for the consideration gained from the performance. If the consideration received by the customer exceeds the amount of revenue that has been recognized, this may create a contract obligation.

Revenue is measured at the fair value of the consideration received or receivable, after considering the contractual terms of payment, and after excluding taxes and fees.

The Company reviews its revenue arrangements against specific criteria to ascertain whether it is acting as principal or agent.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and that the revenue and costs, if applicable, can be measured reliably.

A. The provision of services
Revenue from providing services is recognized when services are provided, and this is done based on contracts with customers.

B. Financing income
Finance income is recognized using the effective commission rate, which represents the rate at which estimated future cash receipts are discounted over the expected life of the financial instrument or less, whichever is appropriate to the net book value of the financial asset.

C. Dividends
Revenue is recognized when the company's eligibility to receive it is recognized, which is usually done by the distribution decision issued by the general assemblies of the investee companies.

2.2.3. Financial leasing
Egyptian Accounting Standard 49 replaces Egyptian Accounting Standard 20 "Accounting Rules and Standards Related to Financial Leasing Operations".

Egyptian Accounting Standard 49 now requires tenants to recognize lease obligations that reflect future rent.

payments and "right of use asset" for almost all leases. There is an optional exemption for some short-term leases and leases for low-value assets.

When the contract arises, it is evaluated whether the contract is a lease contract or includes a lease contract. The contract is a lease contract or includes a lease if it transfers the right of control over the use of the specified asset for a period for a fee. A single recognition and measurement policy applies to all leases, except for short-term leases and leases of small-value assets.

Rent obligations are recognized for rent payments and "usufruct assets" which represent the right to use the assets subject to the lease contract.

A) Right of Use Assets
Right of use assets are recognized at the beginning of the lease (on the date on which the asset becomes available for use). Right of use assets are measured at cost minus any combined depreciation or impairment losses and adjusted by any revaluation of lease liabilities. Usufruct Asset Cost includes the amount of recognized lease obligations plus any direct costs or down payments made on or before the contract date minus any rental incentives received. The depreciation of the right of use assets shall be made based on the fixed premium over the term of the lease contract or the estimated useful life of the assets in accordance with the depreciation policy applied in the establishment, whichever is less. If the ownership of the asset subject to the contract devolves to the lessee at the end of the contract or the cost reflects the right of the lessee to exercise the purchase option at the end of the contract, the original usufruct right shall be depreciated over the estimated useful life of the asset in accordance with the depreciation policy applied in the establishment.
right of use assets are subject to an impairment policy.

B) Rent obligations
The "lease obligation" at the beginning of the lease is recognized by calculating the present value of the unpaid lease payments on that date using the interest rate implied in the lease if determined. If it cannot be easily determined, the interest rate on the additional borrowing of the tenant is used.

Lease payments on the date of commencement of the lease included in the measurement of the lease obligation shall consist of the following payments for the right to use the underlying asset during the term of the lease that have not been paid on the lease commencement date and include:

Fixed payments less any receivable rental incentives.

Variable lease payments based on an index or rate and are initially measured using the index or rate on the lease start date.
Amounts expected to be paid by the lessee under residual value guarantees.

The price of exercising the call option if the lessee is sure that the option is reasonably exercised.

Penalty payments for termination of the lease if the duration of the lease reflects the tenant's exercise of the option to terminate the lease.

2.3. Significant accounting judgments and estimates
The preparation of these financial statements requires management to make judgments and estimates that affect the values of revenues, expenses, assets, and obligations included in the financial statements and the accompanying disclosures, as well as the disclosure of potential liabilities at the date of the financial statements. The uncertainty surrounding these assumptions and estimates may have consequences that require substantial adjustments to the carrying amount of affected assets and liabilities in future years.

Estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised.

The following are the main judgments and estimates that materially affect the company's standalone periodic financial statements.

2.3.1. Judgments
Recognition of revenue from the sale of products
In making its own provisions, management has considered the detailed requirements for the recognition of revenue arising from the sale of products as set out in Egyptian Accounting Standard No. (48) "Revenue from Contracts with Customers" regarding whether the company has transferred to the buyer significant risks and returns arising from the ownership of the products.

2.3.2 Estimates

Decreased value of customer balances and notes receivable

An estimate of the collectible amount is made from customer balances and notes receivable when collection of the full amount is no longer expected. For individually significant amounts, the estimation is made on an individual basis. As for amounts that are not individually significant, but which are past their due date, they are assessed collectively, and a provision is made according to the period that has elapsed since their maturity date based on historical recovery rates.

Useful life of fixed assets

The company's management determines the estimated useful life of fixed assets for the purpose of calculating depreciation. This estimate shall be determined after considering the expected useful life of the asset or the physical depreciation of the assets. Management periodically reviews the estimated useful life and the method of depreciation to ensure that the method and duration of depreciation are consistent with the expected pattern of economic benefits arising from these assets.

Taxes

The company is subject to income tax imposed in Egypt. Important judgments are required to determine the total provisions for current and deferred taxes. The company has made provisions, based on reasonable estimates, bearing in mind the potential consequences of the examinations conducted by the tax authorities in Egypt. The amount of this provision is based on several factors, including experience with previous tax checks and differing interpretations of tax regulations by the company and the responsible tax authority. Such differences in interpretation may arise in several issues according to the conditions prevailing in Egypt at the time.

Deferred tax assets are recognized for unused and carried forward tax losses so that it is probable that they will be offset by taxable profits that these losses can be used to offset. Substantial management judgments must determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits, as well as future tax planning strategies.

Depreciation of non-financial assets

The company assesses whether there are indications of impairment of non-financial assets in each of the reporting years. Non-financial assets are tested for impairment when there are indications that the carrying value may not be recoverable. When calculating value in use, management estimates the expected future cash flows from the asset or cash-generating unit and chooses the appropriate discount rate to calculate the present value of those cash flows.

2.4. Summary of significant accounting policies

2.4.1. Foreign currency translation

Transactions in foreign currencies are initially recorded at the rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated using the exchange rates prevailing at the balance sheet date. All differences are recognized in the standalone statement of profit or loss.

Nonmonetary items that are measured at historical cost in foreign currencies are translated using the exchange rates prevailing at the date of the initial recognition. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates prevailing at the date when the fair value is determined.

2.4.2. Fixed assets

Initial recognition

The cost of any fixed asset item is recognized as an asset only when:

A- Metabolic economic benefits are likely to flow from this item.
B - The cost of the item can be measured reliably.

Subsequent measurement

The entity must choose either the cost model or the revaluation model as the accounting policy, and that policy must be applied to each class of fixed assets in its entirety.

First: Cost Model

Fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the fixed assets when that cost is incurred if the recognition criteria are met. Likewise, when a major improvement is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the standalone statement of profit or loss as incurred.

Depreciation of an asset begins when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is computed using the straight-line method according to the estimated useful life of the asset as follows:

	Years
Buildings	40
Switches	4
Leasehold improvements	5-8 or lease duration whichever is less
Furniture and office equipment	8
Computers	3
Fixtures and fitting	4

Fixed assets are derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognizing the asset is included in the standalone statement of profit or loss when the asset is derecognized.

Post-acquisition costs

The cost of substantial renovations is recognized on the cost of fixed assets by the cost of replacing a component of that item when it is likely to bring future economic benefits to the company with the possibility of reliably measuring the cost and depreciating over the remaining useful life of the asset or the expected useful life of such renovations, whichever is less, and other costs are recognized in the statement of profits or losses as expenses when incurred.

The residual values of assets, their useful lives and methods of depreciation are reviewed at the end of each fiscal year.

The company periodically on the date of each budget

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end.

The company periodically on the date of each budget the Company assesses at each balance sheet date whether there is an indication that fixed assets may be impaired. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the standalone statement of profit or loss.
A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such a reversal is recognized in the standalone statement of profit or loss.

2.4.3. Intangible assets

Initial recognition

Intangible assets acquired individually are initially recognized at cost if it is probable that future economic benefits that can be attributed to the asset will flow to the entity and the cost of that asset can be measured reliably.

Subsequent measurement

The entity must choose either the cost model or the revaluation model as its accounting policy.

The Cost Model

After the initial recognition the intangible asset is recorded at cost less accumulated depreciation and accumulated impairment losses and the shelf life of intangible assets is determined as finite or indefinite.

For impairment when there is an indication of the impairment of the asset and the depreciation period and the depreciation method for the intangible asset with a specific age are reviewed at the end of each fiscal year.

2.4.4. Projects under construction

Assets under construction represent the amounts that are incurred for the purpose of constructing or purchasing fixed assets until it is ready to be used in the operation, upon which it is transferred to fixed assets. Assets under construction are valued at cost less impairment.

2.4.5. Investments

Investing in a subsidiary

Investments in a subsidiary are investments in companies in which the company has control. Control is assumed when the holding company owns, directly or indirectly, through its subsidiaries, more than half of the voting rights in the investee company, except for those exceptional cases in which it is clearly shown that such ownership does not represent control.

The investment in a subsidiary company is accounted for at cost, including the cost of acquisition, and in the event of impairment in the value of those investments, the book value is adjusted by the

The value of this impairment and included in the standalone statement of profits or losses for each investment separately.

The value of the loss resulting from the impairment of the value shall be refunded in the standalone statement of profits or losses in the year in which the refund occurred.

Dividends on investments in the subsidiary are recognized as part of the company's profit or loss statement when it is entitled to receive dividends.

Investment in associates

Investments in associate companies are investments in companies in which the company has significant influence but it is not a subsidiary nor is it a share in a joint venture. Significant influence is presumed when the company owns directly or indirectly through its subsidiaries a percentage of 20% or more of the voting rights in the investee company except in cases where it appears clearly that such ownership does not represent significant influence. Investments in associate companies are accounted for in the financial statements at cost including the cost of acquisition in accordance with Egyptian Accounting Standard No. (18) The share of long-term investments in the profits that is decided to be distributed from the profits of the investee companies is included in the income statement as investment income.

Investment at fair value through other comprehensive income

Investments through comprehensive income are non-derivative financial assets that have been classified as assets available for sale, unclassified as loans and debts or as investments held to maturity or as investments at fair value through profit or loss.

Upon initial recognition, available-for-sale investments are measured at fair value including expenses directly related to them. After the initial measurement, the investments available for sale are measured at fair value with the recognition of unrealized gains or losses directly within equity until the financial asset is excluded from the books, at which point the accumulated gains or losses recorded in equity are recognized in the statement of profits or losses, or if it is determined that the asset has decayed, in which case the accumulated losses recorded in equity are recognized in the statement of profit or loss. If the fair value of investments in equity instruments cannot be measured in a reliable manner, the value of those investments is measured at cost.

Equity investments: in the event of evidence of impairment, Accumulated losses are excluded from equity and derecognized in the statement of profits or losses. Impairment losses on equity investments cannot be recovered through the statement of profit or loss, and the increase in fair value immediately after impairment is recognized within equity.

Treasury bills

In accordance with the requirements of Egyptian Accounting Standard No. (47) "Financial Instruments", treasury bills have been classified on the basis of measuring - later - by depreciated cost through profits or losses, and treasury bills purchased are valued at nominal value and the difference between the purchase cost and the nominal value is recognized in calculating an investment return in deferred treasury bills and is depreciated by the value of the returns of treasury bills due for the financial period through profits or losses until the maturity date of treasury bills and the tax due is proved. On the returns of treasury bills. When collecting the yield of treasury bills, the tax deducted is recognized in the statement of financial position until it is settled with the annual tax return.

Treasury Share

Treasury shares (company shares) are listed at the cost of their acquisition and the cost of treasury shares appears deducted from the equity in the financial center, and profits or losses resulting from the disposal of treasury shares are recognized within the equity in the financial center, and according to the text of Article 48 of Law 159 of 1998, the company should dispose of these shares to others within a maximum period of one year from the date of acquisition, otherwise the company is obligated to reduce its capital by the nominal value of those shares.

2.4.6. Accounts and notes receivables, prepaid expenses, and other debit balances

Customers, receivables, prepaid expenses, and other debit balances are recognized at the original value of the invoice less impairment losses. The Company applies the simplified approach permitted by Egyptian Accounting Standard No. (47) "Financial Instruments", which requires the recognition of expected credit losses on the reconstruction of debt to clients from the first recognition of the clients in the statement of profits or losses.

2.4.7. Accounts and notes payable, accrued expenses and other credit balances.

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

2.4.8. Provisions

Provisions are recognized when the Company has a present legal or constructive obligation because of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at the standalone financial position date and adjusted to reflect the current best estimate.

Where the effect of the time value of money is material, the amount of a provision should be the present value of the expected expenditures required to settle the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance expense in the periodic standalone statement of profit or loss.

2.4.9. Social insurance

The Company makes contributions to the Social Insurance Authority calculated as a percentage of the employees' salaries. The Company's obligations are limited to these contributions, which are expensed when due.

2.4.10. Legal reserve

According to the Company's articles of association, 5% of the net profits for the year is transferred to the legal reserve until this reserve reaches 50% of the issued capital. The reserve is used upon a decision from the general assembly meeting based on the proposal of the board of directors.

2.4.11. Borrowings

Borrowings are initially recognized at the value of the consideration received. Amounts maturing within one year are classified as current liabilities, unless the Company has the right to postpone the settlement for a period exceeding one year after the periodic standalone financial statements date, then the loan balance should be classified as non-current liabilities.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the periodic standalone statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by considering any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance expenses in the periodic standalone statement of profit or loss.

2.4.12. Income taxes

Income tax is calculated in accordance with the Egyptian tax law.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority.

Deferred income tax

Deferred income tax is recognized using the liability method on temporary differences between the amount attributed to an asset or liability for tax purposes (tax base) and it is carrying amount in the balance sheet (accounting base) using the applicable tax rate.

Deferred tax assets are recognized when it is probable that the asset can be utilized to reduce future taxable profits and the asset is reduced by the portion that will not create future benefit.

Current and deferred tax shall be recognized as income or an expense and included in the standalone statement of profit or loss for the period, except to the extent that the tax arises from a transaction or an event which is recognized, in the same or a different period, directly in equity.

2.4.13. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue.

can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and value added taxes or duty.

The following specific recognition criteria must also be met before revenue is recognized:

- **Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and an invoice is issued.

- **Interest income**

Interest income is recognized as interest accrues using the effective interest "EIR" method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

2.4.14. Expenses

All expenses including cost of sales, selling and marketing expenses, general and administrative expenses and other expenses are recognized and charged to the standalone statement of profit or loss for the nine months ended 31 December 2023, in which these expenses were incurred.

2.4.15. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are incurred in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4.16. Related party transactions

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the board of directors.

2.4.17. Contingent liabilities and assets

Contingent liabilities are not recognized in standalone financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized in the standalone financial statements but disclosed when an inflow of economic benefits is probable.

2.4.18. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For assets traded in an active market, fair value is determined by reference to quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.

For unquoted assets, fair value is determined by reference to the market value of a similar asset or is based on the expected discounted cash flows.

The Company uses valuation techniques that are appropriate in the circumstances and for which.

sufficient data are available to measure fair value, maximizing the use of relevant observable inputs.

and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest.

level input that is significant to the fair value measurement as a whole:

- Level 1 – Fair value measurements are those derived from quoted prices in an active market (that are unadjusted) for identical assets or liabilities.
- Level 2 – Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

To fair value disclosures, the Company has determined classes of assets and liabilities based on their nature and characteristics.

and risks of the asset or liability and the level of the fair value hierarchy as explained above. The preparation of the standalone financial statements in accordance with Egyptian Accounting Standards requires management to make estimates and assumptions that affect the values of assets, liabilities, income, and expenses during the financial years. Actual results may differ from those estimates.

2.4.19. Impairment

Impairment of financial assets

At the date of each separate periodic financial statements, the Company determines whether there is objective evidence that a financial asset or group of financial assets has diminished. A financial asset or group of financial assets is deemed to have diminished if, and only if, there is objective evidence of impairment resulting from one or more events after the initial recognition of the asset and affecting the estimated cash flows of a financial asset or group of financial assets that can be reliably estimated.

Impairment of non-financial assets

At the date of each standalone periodic financial statements, the Company determines whether there is an indication that an asset has decayed. When the carrying amount of an asset or unit generating cash exceeds its redemption value, the asset is deemed to have diminished and is therefore reduced to its redemption value. The impairment loss is recognized by the statement of independent periodic profits or losses.

The impairment loss that was previously recognized shall be reimbursed only if there has been a change in the assumptions used to determine the redemption value of an asset since the last impairment loss has been recognized, and the reimbursement of impairment loss shall be limited to no more than the carrying amount of the asset, its redemption value or the carrying amount that would have been determined unless the impairment loss is recognized for the asset in prior periods. The refund for impairment loss is recognized in the statement of standalone periodic profits or losses.

2.4.20. Pension system for employees

The company operating in the Arab Republic of Egypt contributes to the social insurance system for the benefit of its employees in accordance with the Social Insurance Law No. 148 of 2019 and its amendments and the company's contribution is charged to the list of profits or losses according to the accrual basis and according to this system the company's commitment is limited to the value of that contribution.

Subsidiaries operating outside the Arab Republic of Egypt follow the social insurance system applied in those countries.

2.4.21. Statement of cash flows

The statement of cash flows is prepared using the indirect method.

2.4.22. Cash and cash equivalent

For preparing the periodic standalone statement of cash flows, the cash and cash equivalent comprise cash on hand, current accounts with banks and time deposits maturing within the period after deducting bank credit balances.

2.4.23. The inclusive health insurance

On January 11, 2018, Law No. 2 of 2018 promulgating the Comprehensive Health Insurance System Law was issued and shall come into force from the day following the expiration of six months from the date of its publication in the Official Gazette.

Employers are obliged to pay their monthly dues to the National Organization for Social Insurance.

Business owners are also obligated to pay a Takaful contribution at the rate of (0.0025) two and a half per thousand of the total annual revenues of individual establishments and companies, whatever their nature or the legal system to which they are subject, and this contribution is not considered one of the costs deductible in the application of the provisions of the Income Tax Law, and the Ministry of Finance shall collect this Takaful contribution in accordance with the financial report of the establishment submitted to the Tax Authority.

2.4.24. Segment information

The main business sector of the company is represented in participating in the establishment of companies that issue securities or in increasing their capital.

Profits and investments related to other business sectors are not considered material at the time and all the company's revenues for the financial period ending on 31 December 2023 were reported on the basis of the presence of an operating sector in the financial statements.

3. Fixed assets

	Land EGP	Buildings EGP	Electrical equipment EGP	Leasehold improvements EGP	Furniture & office equipment EGP	Computers EGP	Fixtures EGP	Total EGP
Cost								
1 January 2023	37,728,852	123,749,549	6,651,676	38,076,577	19,366,037	6,056,000	37,555,140	269,183,832
Additions during the year	-	-	977,396	5,705,793	2,147,421	1,929,121	-	10,759,731
31 December 2023	37,728,852	123,749,549	7,629,072	43,782,370	21,513,458	7,985,121	37,555,141	279,943,563
Accumulated depreciation								
1 January 2023	-	(103,875,557)	(5,288,973)	(26,847,640)	(17,861,666)	(5,186,852)	(34,030,714)	(193,091,402)
Depreciation for the year	-	(6,855,114)	(562,780)	(4,064,981)	(506,556)	(766,147)	(1,680,300)	(14,435,878)
31 December 2023	-	(110,730,671)	(5,851,754)	(30,912,621)	(18,368,222)	(5,953,000)	(35,711,015)	(207,527,283)
Net book value as of 31 December 2023	37,728,852	13,018,877	1,777,319	12,869,748	3,145,236	2,032,122	1,844,126	72,416,280

- There is no mortgage or restriction on fixed assets.
- Depreciation expenses charged to general and administrative expenses.
- There are fully depreciated assets that are still used and their statement is as follows:

	31 December 2023 EGP
Electrical equipment	1,950,520
Leasehold improvements	3,823,642
Furniture & office equipment	3,125,950
Computers	1,393,552
Fixtures	13,453,388
	23,747,052

	Land EGP	Buildings EGP	Electrical equipment EGP	Leasehold improvements EGP	Furniture & office equipment EGP	Computers EGP	Fixtures EGP	Total EGP
Cost								
1 January 2022	22,007,852	650,002	5,642,817	37,431,563	19,348,237	5,233,707	37,227,877	127,542,055
Transfer from subsidiary company	4,150,000	123,099,547	-	-	-	-	-	127,249,547
Additions during the year	11,571,000	-	1,008,859	645,014	17,800	822,293	327,264	14,392,230
31 December 2022	37,728,852	123,749,549	6,651,676	38,076,577	19,366,037	6,056,000	37,555,141	269,183,832
Accumulated depreciation								
1 January 2022	-	(189,319)	(4,649,428)	(23,219,263)	(16,841,840)	(4,589,142)	(31,350,205)	(80,839,197)
Transfer from subsidiary company	-	(99,110,746)	-	-	-	-	-	(99,110,746)
Depreciation for the year	-	(4,575,492)	(639,546)	(3,628,377)	(1,019,826)	(597,711)	(2,680,510)	(13,141,462)
31 December 2022	-	(103,875,557)	(5,288,974)	(26,847,640)	(17,861,666)	(5,186,853)	(34,030,715)	(193,091,405)
Net book value as of 31 December 2022	37,728,852	19,873,992	1,362,702	11,228,937	1,504,371	869,147	3,524,426	76,092,427
fully depreciated assets and still being used	-	-	1,950,520	3,823,642	3,125,950	1,393,552	13,453,388	23,747,052

During the second quarter, a plot of land and its buildings allocated to Raya Integration were transferred to Raya Holding in accordance with the decision of the General Assembly held on October 6, 2021.

During the year, the activity of plot No. 1/5 in Basin 3 in the Green Belt was changed from residential to a social club with an area of 221,000 meters at a cost of 11,571,000 EGP.

- There is no mortgage or restriction on fixed assets
- Depreciation expenses charged to general and administrative expenses.

4. Intangible assets

	31 December 2023 EGP	31 December 2022 EGP
Cost		
1 January 2023	15,108,925	15,108,925
	15,108,925	15,108,925
Accumulated amortization		
Beginning year	(13,745,910)	(13,156,852)
Amortization for the year	(546,517)	(589,058)
31 December 2023	(14,292,427)	(13,745,910)
Net book value at the end of the year	816,498	1,363,015

Intangible assets are represented in computer software, Amortization expense charged to general and administrative expenses.

5. Investing in subsidiaries

The item of investments in subsidiaries is represented in the company's investments in the Arab Republic of Egypt and in the International Business Ventures Company established in the British Virgin Islands (BVI), as well as Raya Gulf Company established in the United Arab Emirates, Raya Technology Company Ltd. in the Kingdom of Saudi Arabia, Raya Algeria Company in the State of Algeria, Best Service Nigeria Company in Nigeria, Medova Company in Poland and Raya East Africa for financial investments company in Tanzania and its statement is as follows:

a. The following is a statement of all investments of subsidiaries:

Company name	Country of Incorporation	Contribution %	31 December 2023 EGP	Contribution %	31 December 2022 EGP
Raya Technology Company Ltd.	Saudi Arabia	100	4,584,777	100	4,584,777
Raya Gulf Company	UAE	100	1,273,973	100	1,273,973
Raya Integration Company	Egypt	99.9	111,433,152	99.9	111,433,152
Raya Electronics Company (Previously Sama)	Egypt	9.98	54,462,790	9.98	54,462,790
Raya Distribution Company	Egypt	99.56	570,496,447	99.56	420,496,447
Raya Network Services Company	Egypt	25	5,000	25	5,000
Raya International Service Company	Egypt	90	5,262,810	90	5,262,810
Raya Contact Centre Company	Egypt	59.15	26,119,144	59.15	26,119,144
Raya Smart Building	Egypt	99.937	774,645,455	99.937	774,645,455
Contact Centre Building Management Company	Egypt	2.97	245,000	2.97	245,000
Best Service Company- Nigeria	Nigeria	15	396,000	15	396,000
Raya logistics	Egypt	98	985,000	98	985,000
Raya for Food and Beverages Company	Egypt	98	48,480,000	98	48,480,000
Raya for social media Company	Egypt	80	1,200,000	80	1,200,000
Ostool for Land Transport Company	Egypt	62.31	24,923,400	62.31	24,923,400
Raya Venture and Investment Company	Egypt	98	21,250,000	98	21,250,000
Manufacturing and logistics Services Company	Egypt	98	2,450,000	98	2,450,000
Raya Restaurants Company	Egypt	33.3	27,359,616	33.3	27,359,616
Madova Company	Poland	100	78,963,337	100	78,963,337
Raya Foods Company	Egypt	99.99	299,583,066	99.99	299,583,066
Tadweer company for advanced industries	Egypt	99.2	248,000	99.2	248,000
Raya for advanced manufacturing Company	Egypt	99	172,790,000	99	172,790,000
Raya for Modern vehicles Company	Egypt	80	4,000,000	80	4,000,000
Aman holding company *	Egypt	75.8	807,769,052	75.8	466,669,053
Raya Haier Electric	Egypt	89.04	307,726,086	89.04	307,726,086
Aman for Micro finance Company	Egypt	0.4	500,000	0.4	500,000
Total investments in subsidiaries			3,347,152,106		2,856,052,106

** On 24/7/2023 the Extraordinary General Assembly of Aman Holding Company approved an increase in the capital and amendment of Article 6 and 7 of the company's bylaws so that the issued capital after the increase became EGP 1,065,000,000 (one billion and sixty-five million Egyptian pounds), The notation was made in the commercial registry on 25/9/2023.*

5.B. suspended companies

	Country of Incorporation	Contribution %	31 December 2023 EGP	Contribution %	31 December 2022 EGP
Raya Algeria Company	Algeria	100	5,496,050	100	5,496,050
International Business Ventures Company – IBVC	UK	100	5,000	100	5,000
Al Byoot Alarabia for Finance Lease Company	Egypt	100	12,365,400	100	12,365,400
Raya Academy for It Training & Management	Egypt	99.95	247,500	99.95	247,500
Best services company	Egypt	99.5	2,000,000	99.5	2,000,000
Ain Company for Networks	Egypt	96	24,000	96	24,000
Oratech for Management and Information Technology Company	Egypt	25	500,000	25	500,000
Oratech for communication and Information Systems Company	Egypt	50	575,542	50	575,542
Egyptian Company for Investment and Glass Production	Egypt	50	119,731	50	119,731
International Business System Company – IBSE	Egypt	100	17,000,000	100	17,000,000
Information Technology Company	Egypt	96	312,500	96	312,500
Raya East Africa for financial investments company	Tanzania	99	1,806,750	99	1,806,750
Total investments in suspended companies			40,452,473		40,700,473

	31 December 2023 EGP	31 December 2022 EGP
Total investments in subsidiaries	3,196,904,105	2,855,804,106
Total investments in suspended subsidiaries	40,452,473	40,700,473
Impairment of investments in subsidiaries	(136,787,489)	(136,787,489)
	3,250,817,090	2,759,717,090

Impairment of investments in subsidiaries represented in:

	31 December 2023 EGP	31 December 2022 EGP
Raya Algeria Company	(5,496,050)	(5,496,050)
Al Byoot Alarabia for Finance Lease Company	(3,000,000)	(3,000,000)
Raya Software Company	(7,881,711)	(7,881,711)
Best services company	(2,000,000)	(2,000,000)
Ain Company for Networks	(24,000)	(24,000)
Raya for Food and Beverages Company	(245,000)	(245,000)
Oratech for Management and Information Technology Company **	(500,000)	(500,000)
Oratech for communication and Information Systems Company*	(575,542)	(575,542)
Egyptian Company for Investment and Glass Production	(119,731)	(119,731)
International Business System Company – IBSE	(17,000,000)	(17,000,000)
Raya Smart Building	(99,945,455)	(99,945,455)
Impairment of investments in subsidiaries	(136,787,489)	(136,787,489)

6 Investment in associates

	Ownership percentage	31 December 2023 EGP	31 December 2022 EGP
Allied Arab Company for Insurance	20%	642,000	642,000
		642,000	642,000

7 Investments at fair value through OCI

	Contribution %	31 December 2023 EGP	31 December 2022 EGP
Smart village development & management company*	3.39%	14,314,250	14,314,250
Qalaa holdings for financial consultancy	0.26%	11,290,537	8,665,800
		25,604,787	22,980,050

** Investments are restricted at share cost, and the company is in the process of measuring them according to their fair value.*

- Impairment in the value of investments in the statement of profit or loss, including impairment in value was recognized in the statement of comprehensive income and the difference in valuation is recognized in the statement of comprehensive income during the period, and the investment movement is as follows:

	31 December 2023 EGP	31 December 2022 EGP
Fair value of investment on 1 January	8,665,800	5,024,497
Add/Deduct: investment reserved Revaluation during the year	2,624,737	3,641,303
Fair value of investment on 31 December	11,290,537	8,665,800

8 Prepaid expenses and other debit balances

	31 December 2023 EGP	31 December 2022 EGP
Prepaid expenses	3,537,812	3,892,538
Suppliers down payments	6,890,222	6,833,476
Deposit to others	37,451	37,451
Letters of guarantee	1,923,011	1,923,011
Other debit balances	200,998,003	60,428,547
	213,386,499	73,115,023

9. Due to/due from related parties

	31 December 2022		31 December 2022	
	Debit	Credit	Debit	Credit
	EGP	EGP	EGP	EGP
Raya Academy for It Training & Management	2,646,691	-	2,646,691	-
Raya Electronics Company (Previously Sama)	40,564,720	-	33,449,168	-
Raya Distribution Company	-	650,662,649	-	376,886,714
Best Service Company- Nigeria	-	1,197,661	-	1,197,661
Al Byoot Alarabia for Finance Lease Company	-	11,200,258	-	11,222,653
Raya Network Services Company	1,472,141	-	932,755	-
Raya International Service Company	18,176,363	-	22,624,308	-
Raya Contact Centre Company	5,930,534	-	5,073,319	-
Raya for Contact Centre Building Management Company	3,751,252	-	3,343,964	-
Raya for social media Company	9,441,792	-	10,394,299	-
Ostool for Land Transport Company	1,240,513	-	671,545	-
Raya logistics	-	341,758,092	4,777	-
Raya Network power Company	12,293,635	-	-	2,159,345
Raya for Food and Beverages Company	62,348,119	-	61,873,127	-
Raya for Data Centres Company	-	415,776	-	2,064,284
Raya Restaurants Company	97,391,058	-	37,523,521	-
Raya Venture and Investment Company	43,027,725	-	42,515,059	-
Allied Arab Company for Insurance	-	-	210,000	-
Raya Integration Company	-	450,553,811	-	503,086,995
Integrated Technology Systems Company	3,904	-	730	-
Aman for Electronic Payments Company	-	2,217,482	891,117	-
Eden for Import and Export Company	81,503,516	-	1,408,440	-
Raya for Manufacturing and logistics Services Company	96,651,511	-	96,357,585	-
Aman for Financial Services Company	70,467,176	-	246,624,044	-
Raya Foods Company	35,000,000	76,804,173	44,087,904	-
Raya for advanced manufacturing Company	8,594,354	-	47,024,699	-
Aman for Micro finance Company	-	10,937,161	697,744	-
Aman holding company	163,298	-	4,895,697	-
Tadweer company for advanced industries	-	5,490,268	-	5,490,268
Raya for Modern vehicles Company	2,756,922	-	2,650,277	-
Raya Gulf Company	32,812,191	-	24,113,820	-
Raya Smart Building	-	42,250,287	-	43,685,552
Raya Haier Electric	54,863,393	-	46,054,392	-
Egypt international communication company	368,551	-	181,303	-
Raya For Agricultural Products	2,627,587	-	2,550,924	-
Raya international business furniture	54,743,683	-	9,946,566	-
United stores company	247,743	-	69,398	-
Aman Tawriq	2,865,262	-	10,000	-
Madova Company	-	5,318,900	1,315,718	-
Mazaya Company	13,686	-	-	-
Aman Consumer Finance	84,751	-	-	-
Impairment in Due from	(142,199,980)	-	(142,199,980)	-
	599,852,091	1,598,806,518	652,740,028	945,793,472

The Impairment movement represented in:

	Debit
	EGP
1 January 2023	(142,199,980)
Charged during the year	-
31 December 2023	(142,199,980)

9.a. Dues to / from subsidiaries and related parties

On December 31,2022 Raya Holding Company for financial investments took a decision to reduce the current balance due from Raya Restaurants Company by an amount of 37,000,000 Egyptian Pounds, and an impairment of balances due from subsidiaries was recorded in the income statement by an amount of 37,000,000 Egyptian Pounds.

The Impairment movement in due from represented in:

	31 December 2023
	EGP
1 January 2023	
Raya Academy for It Training & Management	(2,595,309)
Raya for Manufacturing and logistics Services Company	(44,797,117)
Raya for social media Company	(7,208,033)
Raya Network power Company	(15,599,521)
Raya Foods Company	(35,000,000)
Raya Restaurants Company	(37,000,000)
The Impairment in due from subsidies and associates	(142,199,980)

10. Cash on hand and at banks

	31 December 2023	31 December 2022
	EGP	EGP
Local currency		
Cash on hand	50,259	53,182
Time deposits – less than 3 months	1,405,199	1,405,199
Current accounts	117,541	130,779
	1,572,999	1,589,160
Foreign currency		
Current accounts	868,122	93,292
	2,441,121	1,682,452

11. Credit facilities

The movement of credit facilities during the year ended 31 December 2023 and the year ended 31 December 2022 is as follows:

	31 December 2023	31 December 2022
	EGP	EGP
1 January	(34,241,654)	24,944,329
Used during the year	(1,619,570,969)	2,216,488,197
(payment) during the year	1,609,360,409	(2,207,190,872)
31 December	(44,452,214)	34,241,654

	31 December 2023	31 December 2022
	EGP	EGP
Credit Facilities accrued due for 12 months	(44,452,214)	34,241,654
	(44,452,214)	34,241,654

	Interest Rate	31 December 2023 EGP	31 December 2022 EGP
Credit facility (1)	2,60%+ CBE Corridor	(3,812,068)	(3,969,285)
Credit facility (2)	1,64%+ CBE Corridor	(3,959,562)	(5,009,849)
Credit facility (3)	1.97%+ CBE Corridor	(36,680,584)	(25,262,520)
	Total credit facilities Current portion	(44,452,214)	(34,241,654)

- The average interest rate on credit facilities granted to the company during the year was 12.40%.

12. Accrued expenses and other credit balances

	31 December 2023 EGP	31 December 2022 EGP
Accrued expenses	61,482,640	54,898,643
Dividends payable	907,392	86,266,480
Other credit balances	205,909,135	203,478,726
	268,299,167	344,643,849

13. Accounts and notes payable

	31 December 2023 EGP	31 December 2022 EGP
Accounts payable	1,963,232	1,745,410
Notes payable	427,000,000	100,000,000
Accounts payable - subsidiaries	340,382	627,283
	429,303,614	102,372,693

14. Capital

	31 December 2023 EGP	31 December 2022 EGP
Accounts payable	5,000,000,000	5,000,000,000
Notes payable	1,071,997,595	1,071,997,595
Accounts payable - subsidiaries	2,143,995,190	2,143,995,190

15. Share based compensation

	31 December 2023 EGP	31 December 2022 EGP
Share based compensation*	2,993,891	7,087,952
	2,993,891	7,087,952

** On June 26, 2022, the Extraordinary Assembly unanimously approved the adoption of the draft reward and incentive system and the allocation of 107,199,760 shares, representing 5% of the company's shares, for the benefit of the* reward and incentive system for employees, managers and executive board members of the company, and these shares are provided by issuing new shares to increase the capital in cash or by using part of the carry-forward profits and/or reserves after obtaining the approval of the General Assembly, at the nominal value of the share to finance the reward and incentive program and/or through treasury shares to finance the company's reward and incentive system.

During the fourth quarter of 2023, Share based compensation shares of EGP 4,094,061 were granted.

16. Long term loans and finance lease arrangements

	The current portion of the loan EGP	The non-current portion of the loan EGP	Loans on 31 December 2023 EGP	Loans on 31 December 2022 EGP
Financial lease contract	336,447,587	608,822,684	945,270,271	-
Administrative building loan	-	-	-	1,103,914,825
	336,447,587	608,822,684	945,270,271	1,103,914,825

Finance lease contracts

Raya Holding Company, through its subsidiaries, has concluded contracts for the sale and leaseback of some assets owned by its subsidiaries, with the holding company obtaining financing directly.

The Group applied Egyptian Accounting Standard No. 49 on Lease to financial leases concluded in accordance with Law 95 and in applying the standard the Group evaluated whether the sales contracts met the requirements contained in Standard 48 on Revenue. It was found that the conditions for the transfer of control were not available and therefore all contracts were treated as financing and therefore the asset sold continues to be recognized with the amounts received as financing and there is no impact on the financial statements since the financing was recognized as a liability to their books and the subsidiaries recognize the assets sold within their fixed assets.

The company has obtained financing arrangement loans in the form of financial lease contracts with one of the financial leasing companies according to the following:

First Contract

First Contract

The company signed a financial lease contract with one of the financial leasing companies to finance the completion of the administrative building of Raya Holding Group of Companies for Technology and Communications in Sixth of October City in the amount of 100,000,000 Egyptian pounds, and the loan is paid in 60 monthly instalments starting from November 3, 2018 until October 3, 2023, and the loan balance on 31 December 2023 amounted to 9,319,687 EGP (31 December 2022 EGP 33,800,491)

Collaterals provided by the company.

- Promissory note for lender signed by Raya Integration Company (subsidiary company)
- All documents related to this facility signed by Raya Integration Company (subsidiary company) and the company are considered promissory notes for this facility.

Second Contract

The company obtained a long-term loan in the form of a finance lease contract with a finance lease company to finance the completion of Raya Holding for Technology and communications Group administrative building in 6th of October city, with the amount of EGP 70,000,000 with current interest rate. The loan will be paid over 60 monthly installments starting on 3 October 2019 to 3 December 2024. The balance of the loan on 31 December 2023 amounted to 22,536,306EGP (31 December 2022 EGP 36,789,783)

Collaterals provided by the company.

- Promissory note for lender signed by Raya Integration Company (subsidiary company)
- All documents related to this facility signed by Raya Integration Company (subsidiary company) and the company are considered promissory notes for this facility.

Third Contract

The company has signed a finance lease contract with a leasing company to finance building a factory of Raya advanced technology in 6th of October city, with the amount of EGP 40,000,000. The loan will be paid over 60 monthly installments starting on 3 July 2020 to 3 December 2025. The balance of the loan on 31 December 2023 amounted to 15,161,641EGP (31 December 2022 EGP 22,906,341).

Collaterals provided by the company.

- Promissory note for lender signed by Raya Integration Company (subsidiary company)
- All documents related to this facility signed by Raya Integration Company (subsidiary company) and the company are considered promissory notes for this facility.

Fourth Contract

The company has signed a financial lease agreement with one of the financial leasing companies in order to rent the entire land and build the commercial ground floor in the eastern administrative building B in Galleria 40 building owned by Raya Financial Leasing Company for an amount of EGP 100,000,000. The loan will be paid quarterly installments over 20 installments starting on 25 December 2019 to 25 December 2024. The balance of the loan on 31 December 2023 amounted to 20,320,030EGP (31 December 2022 amount of 42,779,634EGP).

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company (subsidiary company), Raya advanced manufacturing (subsidiary company) and the company are considered promissory notes for this facility.

Fifth Contract

The company has signed a financial lease agreement with one of the financial leasing companies in order to rent the entire land and build the commercial ground floor in the eastern administrative building B in Galleria 40 building owned by Raya Financial Leasing Company for an amount of USD 1,539,222. The loan will be paid quarterly installment over 20 installments starting on 30 January 2020 to 30 October 2024. The balance of the loan on 31 December 2023 amounted to 362,811USD. equivalent to EGP 11,192,727.

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company (subsidiary company), Raya advanced manufacturing (subsidiary company) and the company are considered promissory notes for this facility.

Sixth Contract

The company has signed a finance lease contract with a leasing company to Lease entire 1st Floor and land of Galleria 40 which owned by RAYA for finance leasing, with the amount of LE 58,000,000. The loan will be paid over 20 quarterly installments starting on 12 May 2020 to 12 February 2025. The balance of the loan on 31 December 2023 amounted to 15,309,107EGP. (31 December 2022 EGP 27,690,953).

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company (subsidiary company), Raya advanced manufacturing (subsidiary company) and the company are considered promissory notes for this facility.

Seventh Contract

The company has signed a financial lease contract with a financial leasing company to rent the entire land and build the upper commercial basement in the eastern administrative building B in Galleria 40 building, owned by Raya Leasing Company, at an amount of $1,999,714 and the loan is repaid in 20 instalments. Quarterly starting from 05 March 2020, until 05 December 2024. The loan balance on 31 December 2023 amounted to 471,473USD, equivalent to EGP 14,544,932.

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company (subsidiary company), Raya advanced manufacturing (subsidiary company) and the company are considered promissory notes for this facility.

Eighth Contract

The company has signed a financial lease agreement with one of the financial leasing companies in order to rent the entire land and build the commercial ground floor in the eastern administrative building B in Galleria 40 building owned by Raya Financial Leasing Company for an amount of 113,400,000Egyptian pounds, the loan is repaid in 20 quarterly instalments Annual starting from Apr 10, 2020 until January 10, 2025, and the loan balance on 31 December 2023 amounted to 36,767,231EGP (31 December 2022 EGP 59,916,119).

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company (subsidiary company), Raya advanced manufacturing (subsidiary company) and the company are considered promissory notes for this facility.

Nineth Contract

The company signed a financial lease contract with one of the financial leasing companies to rent a real estate area of 802.50 square meters and its share in the land and the common parts of the entire land and build the commercial upper basement floor in the eastern administrative building B in Galleria building 40 owned by Raya Construction and Management Company The building2020,ounted to 50,033,037 EGP, and the loan is repaid in 20 quarterly instalments starting from 30 April 2020 until January 30, 2025. The loan balance on 31 December 2023 amounted to 16,272,734EGP (31 December 2022 EGP 26,488,843).

Collaterals provided by the company.

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Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Tenth Contract

The company has signed a financial lease contract with one of the financial leasing companies to rent the entire land and build the basement floor in the eastern administrative building B in Galleria 40, owned by Raya Company for the Construction and Management of Buildings for an amount of EGP 29,966,963, and the loan is repaid in 20 quarterly instalments Annually starting from 30 April 2020 until January 30, 2025. The loan balance on 31 March 2023, amounted to EGP 24,060,069 (31 December until January 30, 2025, and the loan balance on 31 December 2023 amounted to 9,746,448 EGP (31 December 2022 EGP 15,865,320).

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Eleventh Contract

The company has signed a financial lease contract with one of the financial leasing companies to rent the entire land and build the basement floor in the western administrative building ion 31ria 40 building, owned by Raya Company for Construction and Building Management at an amount of EGP 100,000,000, and the loan is repaid in 20 quarterly instalments Annual starting from 28 December 2020 until 28 December 2025, and the loan balance on 31 December 2023 amounted to 44,176,229EGP (31 December 2021 EGP 62,934,784).

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Twelfth Contract

The company has signed a financial lease contract with one of the financial leasing companies in order to rent the entire land and build the basement floor in the western administrative building in Galleria 40 building, owned by Raya Construction and Building Management Company, at an amount of 50,000,000 Egyptian pounds, and the loan is repaid in 20 quarterly instalments Starting from 25 May 2022 until 15 November 2025 the loan balance on 31 December 2023 amounted to 24,786,310EGP (31 December 2022 33,749,350 EGP).

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Thirteenth Contract

The company has signed a financial lease agreement with one of the financial leasing companies in order to rent the entire land and build the commercial ground floor in the western administrative building in Galleria 40 building, owned by Raya Construction and Building Management Company for an amount of EGP 100,000,000 and the loan is repaid in 20 quarterly instalments Annually starting from 25 December 2021 until 25 December 2026, and the loan balance on 31 December 2023 amounted to 65,379,812EGP (31 December 2022 EGP 81,265,888).

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Fourteenth Contract

The company signed a financial lease contract with one of the financial leasing companies in order to lease the entire land and build the first administrative floor in the western administrative building in Galleria Building 40, owned by Raya Leasing Company for an amount of 100,000,000 Egyptian pounds, and the loan is repaid in 20 quarterly instalments starting from 15 January 2022 until 15 October 2026 The loan balance on 31 December 2023 amounted to 69,730,378 EGP (31 December 2022 amounted to 80,043,639 EGP)

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Fifteenth Contract

The company signed a financial lease contract with one of the financial leasing companies to lease the entire land and build the second and third floors in the western administrative building in Galleria Building 40, owned by Raya Leasing Company for an amount of 150,000,000 Egyptian pounds, and the loan is repaid in 20 quarterly instalments starting from 25 January 2022 until 25 October 2026 The loan balance on 31 December 2023 amounted to 104,948,644EGP (31 December 2022 amounted to 127,496,029 EGP.)

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Sixteenth Contract

The company signed a financial lease contract with one of the financial leasing companies in order to lease the entire land and build the second floor above the ground and basement, in addition to an area of 5,223 m of the total flat floor of the middle basement floor in the eastern administrative building in Galleria Building 40, owned by Raya Leasing Company, for an amount of 122,792454 Egyptian pounds, and the loan is repaid in 20 quarterly instalments starting from 5 March 2022 until 5 December 2026 The loan balance on 31 December 2023 amounted to 86,459,572 EGP (31 December 2022 amounted to 104,798,698 EGP)

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Seventeenth Contract

The company signed a financial lease contract with one of the financial leasing companies to finance the completion of the administrative building of Raya Holding Group of Companies for Financial Investments in Sixth of October City in the amount of 150,000,000 Egyptian pounds, and the loan is repaid in 60 monthly instalments starting from 3 December 2022 until 3 August 2027. The loan balance on 31 December 2023 amounted to 121,641,48EGP (31 December 2022 EGP 141,443,849).

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Eighteenth Contract

The company signed a financial lease contract with one of the financial leasing companies to lease the entire land and build the basement, which has an area of 5,223 m of the total flat floor of the middle basement floor in the eastern administrative building in Galleria Building 40, owned by Raya Leasing Company, for an amount of 149,095,661 EGP, and the loan is repaid in 20 quarterly instalments starting from 27 December 2022 until 27 December 2027. The loan balance on 31 December 2023 amounted to 125,152,502 EGP (31December 2022 amounted to 144,522,338 EGP)

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

Nineteenth Contract

The company signed a financial lease contract with one of the financial leasing companies to lease the entire land and build the basement, which has an area of 2,250 m of the total flat floor of the middle basement floor in the eastern administrative building in Galleria Building 40, owned by Raya Leasing Company, for an amount of 150,000,000 EGP, and the loan is repaid in 60 quarterly instalments starting from 30 June 2023 until 30 April 2028. The loan balance on 31 December 2023 amounted to 131,824,493 EGP.

Collaterals provided by the company.

- Promissory note signed by Raya Holding Company.
- All documents related to this facility signed by Raya Distribution Company and Raya Smart (subsidiary company) and the company are considered promissory notes for this facility.

17. Related party disclosures

For preparing the financial statements, a party is considered related to the company if the company could control or has influential influence, directly or indirectly, in making financial and operational decisions or vice versa, or if the company and this party are under the joint control of other individuals or companies.

- Related parties represented in Ultimate Parent Company, associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly or significantly influenced by such parties, pricing policies and term of these transactions are approved by the Company's management.
- Transactions with related parties are carried out on terms equivalent to those prevailing in free transactions and netting contracts have been approved at the Ordinary General Assembly.

The following is a statement of the most important of these transactions:

A. Service revenue

An amount of EGP 89,573,455for the year ended on 31 December 2023 was charged to some subsidiaries calculated as a percentage of the revenues of these subsidiaries (31 December 2022 amounted to 56,300,234EGP).

B. Administration Services

The company provides administrative and financial services to its subsidiaries through its central service departments (Personnel Department, Information Systems Department, Legal Department, Marketing Department, Financial Department) and these services are charged to the subsidiaries, and the cost of those services charged to the subsidiaries for the year ended on 31 December 2023 amounted to 8,053,959EGP (31 December 2022 amount of 4,597,222EGP) and the general and administrative expenses were reduced by these amounts due to charging the subsidiaries.

C. Transactions with related during the year are as follows:

		31 December 2023		
Company	Nature of relationship	Net financing EGP	Purchases EGP	Distribution EGP
Raya Integration Company	Subsidiary company	(255,630,289)	17,281,221	309,396,593
Raya Network power Company	Subsidiary company	-	6,584,834	-
Raya Distribution Company	Subsidiary company	(362,207,112)	20,314,281	68,118,196
Raya Network Services Company	Subsidiary company	-	539,387	-
Raya Contact Centre Company	Subsidiary company	(3,927,548)	8,652,963	-
Raya International Service Company	Subsidiary company	-	3,420,201	-
Ostool for Land Transport Company	Subsidiary company	(1,119,972)	1,688,940	31,076,821
Raya for Manufacturing and logistics Services Company	Subsidiary company	-	285,458	-
Raya for social media Company	Subsidiary company	-	(952,507)	-
Information Technology Centre Company	Subsidiary company	-	3,174	-
Raya Electronics Company (Previously Sama)	Subsidiary company	-	7,167,441	-
Raya for Data Centres Company	Subsidiary company	-	2,117,816	-
Raya logistics	Subsidiary company	(341,894,961)	132,093	-
Raya Restaurants Company	Subsidiary company	(469,307)	-	-
Raya Building Management Company	Subsidiary company	(3,677,615)	5,112,880	-
Aman for Electronic Payments Company	Subsidiary company	(920,341)	(2,188,257)	-
Raya for Contact Centre	Subsidiary company	(2,366,000)	2,773,288	-
Raya Gulf Company	Subsidiary company	-	8,698,370	-
Raya Foods Company	Subsidiary company	(86,932,322)	1,040,245	-
Raya Venture and Investment Company	Subsidiary company	-	502,476	-
Aman holding company	Subsidiary company	(5,000,000)	267,601	-
Raya for Modern vehicles Company	Subsidiary company	-	106,645	-
Raya Haier Electric	Subsidiary company	573,226	8,235,775	-
Raya For Agricultural Products	Subsidiary company	-	76,663	-
United stores company	Subsidiary company	-	130,910	-
Egypt international communication company	Subsidiary company	-	187,248	-
Aman for Micro finance Company	Subsidiary company	(10,383,889)	(1,251,016)	-
Aman for Financial Services Company	Subsidiary company	(191,611,641)	15,454,773	-
Raya for advanced manufacturing Company	Subsidiary company	(42,418,000)	3,987,655	-
Import and Export Eden Company	Subsidiary company	80,000,000	95,076	-
Mazya Company	Subsidiary company	-	13,686	-
Madova Company	Subsidiary company	-	-	10,672,960
Aman Consumer finance	Subsidiary company	-	73,434	-
Raya for Food and Beverages Company	Subsidiary company	-	(2,534,970)	-
		(1,227,985,771)	108,040,179	419,264,570

18. Income tax

	31 December 2023 EGP	31 December 2022 EGP
Deferred tax	1,094,479	1,223,038
	1,094,479	1,223,038

18.2. Deferred tax

	Statement of financial position		Statement of profit or loss		Statement of owner's equity	
	31 December 2023	31December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Depreciation of fixed assets	2,626,843	1,532,364	1,094,479	1,223,038	-	-
Investment at fair value through other comprehensive income	(1,574,842)	(984,276)	-	-	(590,566)	819,293
Differences of foreign currency translation	14,478,198	-	-	-	14,478,198	-
Net deferred tax	15,530,199	548,088	1,094,479	1,223,038	15,068,764	819,293

19. Earnings per share

Earnings per share amounts are calculated by dividing net profit attributable to the equity holders by the weighted average number of shares outstanding during the year.

	31 December 2023 EGP	31 December 2022 EGP
Net profits for the year	(126,939,829)	(52,886,840)
Net profit attributable to the equity holders (estimated)	**(126,939,829)**	**(52,886,840)**
Weighted average number of shares for the year	2,143,995,190	2,143,995,190
	(0.059)	(0.025)

The employees' share and the remuneration of the members of the Board of Directors were calculated on the basis of a hypothetical distribution project for the year's net profits, for the purpose of calculating the earnings per share.

20. Other long-term liabilities

Other Long-term liabilities represent value of the end of service benefits for more than five years.

21. Treasury shares

On December 10, 2022, the Board of Directors approved the company's purchase of treasury shares, about 60,000,000 (sixty million Egyptian pounds) for one year, which represents about 1.45% of the company's total shares. The balance of treasury shares in June 30,2023, with total amount 7,868,547 Egyptian Pound for total shares 3346306 share. We started to proceed with the procedures for destroy of Those shares according to the law, a model 48 has been prepared in order to proceed with the preparation for Calling the General Assembly. The procedures for destroy of those shares have already begun in accordance with the law, and this model is currently being reviewed with the competent department, leading the company to approve the cancellation of the shares and the reduction of capital at the General Authority for Financial Supervision, shall be approved by the Board of Directors immediately upon completion of the Authority's review of the form calling. We expect, to complete all procedures and mark the capital reduction in the commercial registry before the end of This current year.

22. Contingent liabilities

Contingent liabilities as of 31 December 2023 amounted to 3,310,599 EGP (31 December 2022 EGP 3,310,599) to guarantee Raya smart building with banks in exchange for granting long-term loans.

23. Finance cost (net)

	31 December 2023 EGP	31 December 2022 EGP
Finance expenses	(520,271,054)	(154,393,554)
Finance income	-	**1,221,208**
	(520,271,054)	(153,172,346)

24. Financial risk management objectives and policies

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

a) Market risk
b) Credit risk
c) Liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies, and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's senior management are responsible for developing and monitoring the risk management policies and report regularly on their activities.

The Company's current financial risk management framework is a combination of formally documented risk management policies in certain areas and informal risk management policies in other areas.

And the company financial instruments represented in financial assets (Cash in hand and at bank, notes receivable, financial investments, due from related parties and other debit balances) and financial liabilities.

(Loans and credit facilities, due to related parties, long term liabilities, dividends payable).

And note (2) of the financial statements notes and accounting policies followed to the basis for recognizing the above-mentioned financial assets and liabilities and related income and expenses.

The fair value of financial assets and liabilities does not differ materially from their book value at the financial position.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as currency risk and interest rate risk, which will affect the Company's income. Financial instruments affected by market risk include credit facilities with interests and deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign Currency Risk

The foreign currency risk is the risk that the value of the financial assets and liabilities and the related cash inflows and outflows in foreign currencies will fluctuate due to changes in foreign currency exchange rates, and the value of monetary assets and liabilities denominated in foreign currencies which are translated using the current exchange rate were as follows:

	31 December 2023	31 December 2022
	EGP	EGP
USD	716,989	14,453
EURO	149,642	76,243
GBP	1,492	2,597

Currency	31 December 2023		31 December 2022	
	Change Ratio	The effect in profit before Tax	Change Ratio	The effect in profit before Tax
	%	EGP	%	EGP
USD	10%+	71,699	10%+	1,445
USD	10%-	(71,699)	10%-	(1,445)
EUR	10%+	14,964	10%+	7,624
EUR	10%-	(14,964)	10%-	(7,624)
GBP	10%+	149	10%+	260
GBP	10%-	(149)	10%-	(260)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk of interest in the changes in interest rates which may have an adverse effect on the business results. The company's total liabilities from loans and credit facilities from banks as of 31 December 2023 are 2,588,529,003EGP (31 December 2022 EGP 1,443,358,413) and value of related interest charged during the year ended 31 December 2023 are 363,285,518 EGP (31 December 2022 EGP 168,034,288), Charged interest was classified as finance cost in profit or loss statement. The company management is always working to get better borrowing terms available in the market.

This change has no effect on equity other than the impact of profits as described below:

Financial liabilities	Less than 3 Months	From 3 to12 Months	From 1 to 5 years	Total
	EGP	EGP	EGP	EGP
Financial asset	+1%	2,588,529	+1%	2,241,762
	- 1%	(2,588,529)	- 1%	(2,241,762)
Financial liability	+1%	52,027,105	+1%	20,839,500
	- 1%	(52,027,105)	- 1%	(20,839,500)

Credit risk

Credit risk is the risk of financial losses incurred by the company in the event that the customer or counterparty fails to fulfill its contractual obligations. The Company is exposed to credit risk mainly from customer balances and receivables, miscellaneous debtors and other debit balances, related party receivables and Credit granted to subsidiaries and associates companies as well as from its financial activities, including deposits with banks and financial institutions.

Other financial assets and cash deposits

With respect to credit risk arising from the other financial assets of the Company, which comprise bank balances and cash on hand, financial assets at amortised cost, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

Credit risk from balances with banks and financial institutions is managed by the local Company's treasury supported by the Parent Company. The Company limits its exposure to credit risk by only placing balances with international banks and local banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail to meet its obligations.

Due from related parties

Due from related parties relates to transactions arising in the normal course of business with minimal credit risk, with a maximum exposure equal to the carrying amount of these balances.

Liquidity risk

The cash flows, funding requirements and liquidity of the Company are monitored by Company's management. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities. The Company manages liquidity risk by maintaining adequate reserves and credit facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

The table below Summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Financial liabilities	Less than 3 Months	From 3 to12 Months	From 1 to 5 years	Total
31 December 2023	EGP	EGP	EGP	EGP
Loans & finance lease arrangement contracts	-	265,219,662	680,050,609	945,270,271
Credit Facilities	44,452,214	-	-	44,452,214
Accounts payable and other credit balances	429,303,614	-	-	429,303,614
Accrued expenses and other credit balances	-	268,299,168	-	268,299,168
Due to related parties	-	532,935,505	1,065,871,013	1,598,806,518
Long term liabilities	-	45,523,835	-	45,523,835
Total undiscounted financial liabilities	473,755,828	1,111,978,170	1,745,921,622	3,331,655,620

Financial liabilities	Less than 3 Months	From 3 to12 Months	From 1 to 5 years	Total
31 December 2022	EGP	EGP	EGP	EGP
Loans & finance lease arrangement contracts	-	309,731,434	794,183,390	1,103,914,824
Credit Facilities	34,241,654	-	-	34,241,654
Accounts payable and other credit balances	102,372,693	-	-	102,372,693
Accrued expenses and other credit balances	-	259,472,476	-	259,472,476
Due to related parties	-	315,264,490	630,528,982	945,793,472
Long term liabilities	-	36,286,682	-	36,286,682
Total undiscounted financial liabilities	136,614,347	920,755,082	1,424,712,372	2,482,081,801

25.Tax position

Corporate Tax

- The Company is committed to submit tax returns in accordance with the Law No. 91 of 2005 and it amendments in legal due dates.
- The Company's records were inspected since inception till the year 2004 and all tax differences were paid.
- The Company was not notified for inspection for the years from 2005 till 2008.
- The Company's records were inspected on estimated basis for the years from 2009 till 2014. The dispute was issued to legal authority. Some items were re-examined in the tax authority, and the dispute regarding. the re-examination was settled, and the dispute is being resolved to the court.
- The Company's records were inspected on estimated basis for the years from 2015 till 2022. The Company is currently preparing for actual basis inspection.

Salary Tax

- The Company's records were inspected till the year 2017 and all tax differences were paid.
- The company's records weren't examined for the period from 2018 to 2022.

Stamp duty Tax

- The Company's records were inspected since inception till 2014 and all tax differences were paid till first quarter of 2018.
- The company's records weren't examined for the period from 2015 to 2022.

Value added Tax.

- The company was registered in the General Tax on Value Added in accordance with the provisions of Law No. 67 of 2016.
- The company submits the declarations on the legal date.
- The company's records were examined for the years 2016 to 2017, and all tax differences were paid.
- The company's records weren't examined for the period from 2018 to 2022.

Property Tax

- The property tax has been paid until 31 December 2022.

26. Significant matters

The slowdown of many economies of major countries in the past period has led to a combination of rising global commodity prices, Supply chain disruption and high shipping costs, In addition to the volatility of financial markets in emerging countries, Which led to inflationary pressures that affected the economies of many countries, including the economy of the Arab Republic of Egypt, The war between Russia and Ukraine has led to a decline in foreign exchange flows from tourism as well as from foreign direct investment, which has resulted in higher prices in general. This increase in global prices put additional pressure on the local currency (the Egyptian pound). Which necessitated the intervention of the Central Bank of Egypt to raise the interest rate on the Egyptian pound and move the exchange rate during 2022 and 2023, and this movement resulted in a decrease in the value of the Egyptian pound against the US dollar during that period, which resulted in companies with large balances of foreign currency liabilities, whether short-term or long-term, being affected by large losses as a result of retranslating these balances according to the exchange rate after moving it.

These losses were significantly reflected on the results of the business of these companies in the income statement (profit or loss statement), and affected the financial performance of those companies.

On 16 May 2023, the Prime Minister's Decree No. 1847 of 2023 was issued amending some provisions of the Egyptian Accounting Standards - Annex (B) of the Egyptian Accounting Standard No. (13) amended 2015 "The effects of changes in foreign exchange rates" in order to develop an optional special accounting treatment through which the effects of moving the foreign exchange rate can be dealt with on the financial statements of the entity whose dealing currency is the Egyptian pound. This optional special accounting treatment issued Annex shall not be considered an amendment to the amended Egyptian Accounting Standards currently in force, beyond the time period of validity of this Appendix.

The first treatment: Assets financed with liabilities in a foreign currency:

An entity that has established, during the period from the beginning of January 2020 until the date of moving the exchange rate, to acquire fixed assets and / or real estate investments and / or exploration and valuation assets and / or Intangible assets other than goodwill (funded by foreign currency liabilities), To make a Recognition in the cost of those assets the currency differences resulting from re-translation of the existing commitment balance related to the date of moving the exchange rate using the exchange rate on the date of exchange. The entity can apply this option for each asset separately, and the adjusted net cost should not exceed the recoverable value of the asset, which is measured in accordance with the requirements of Egyptian Accounting Standard No. (31) Modified "Impairment of Assets".

Second treatment: foreign exchange differences:

An exception from the requirements of paragraph No. "28" of the modified Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates" for recognizing currency differences, an entity whose business results have been affected by the net profit or loss of currency differences as a result of moving the exchange rate of foreign currencies can recognize the items of other comprehensive income the debit and credit currency differences resulting from the re-translation of the balances of items of a monetary nature that existed on 31 March 2022 using the closing price on the same date deduct from it any currency translation differences that have been recognized in the cost of assets in accordance with the first treatment of this Appendix, considering that such differences are primarily due to exchange rate changes.

The amount of currency differences arising on the re-translation of monetary items, which were presented in other comprehensive income, is recognized in the profit or loss carried at the end of the same financial period to apply the accounting treatment in this appendix.

The group has applied the first and second treatments to this supplement and the result of the application is as follows:

	31 December 2023	31 December 2022
	EGP	EGP
Foreign Exchange Valuation Differences (Statement of Comprehensive Income)	(64,347,545)	40,061,125
Deferred Income tax	14,478,198	-
	(49,869,347)	(40,061,125)

On March 6, 2024, the Central Bank of Egypt issued a decision to allow the exchange rate of the Egyptian pound to be determined according to market mechanisms, and the Central Bank decided to raise interest rates by 600 basis points, equivalent to 6%, to reach levels of 27.25%.

B. New issues and amendments to Egyptian accounting standards

on 6 March 2023, Council of Minister's was issued decision No. 883 of 2023 to amend some provisions of Egyptian Accounting Standards, there was no impact on the company's financial statements. The following is a summary of the most important of these amendments:

New or reissued standards	Summary of the most important modifications	Potential impact on the financial statements	Application date
Egyptian Accounting Standard No. (10) Amended 2023 "Fixed Assets and Their Depreciation" Egyptian Accounting Standard No. (23) Amended 2023 "Intangible Assets"	These standards were reissued in 2023, which were allowed to use the revaluation model for some of the prevailing accounting standards, and the following is a list of those standards: • Egyptian No. 5 "Accounting policies and changes in accounting estimates and errors" • Egyptian Accounting Standard No. 24 "Income Taxes" • Egyptian Accounting Standard No. 30 "Interim Financial Statements" • Egyptian Accounting Standard No. 31 "impairment of assets" • Egyptian Accounting Standard No. 49 "Lease Contracts". " 2- In line with the amendments in amended Egyptian Accounting Standard No. 35 in 2023 "Agriculture", paragraphs (3), (6), (37) of the Egyptian Accounting Standard No. 10 "Fixed Assets and their Depreciation" were amended, and addition Paragraphs 22 (A), 80 (C) and 80 (D) in the same standard, with related to bearing plants. -The company is not required to disclose the quantitative information required under Paragraph 28 (f) of the Egyptian Accounting Standard No. 5 for the current period, which is the period of the financial statements in which applied the standard for the first time the Egyptian Accounting Standard No. 35 Accelerated 2023, and the Egyptian Accounting Standard No. 10 Amendment 2023 with related to bearing plants. However, the quantitative information disclosure was required by paragraph 28(F) of IAS 5 for each prior period presented. The company may choose to measure an item of bearing plants at its fair value at the beginning of the earliest period presented in the financial statements for the period in which the company applied the above amendments for first time and use that fair value as its default cost at this date. Any difference between the previous carrying amount and fair value in the opening balance, recognize the difference in surplus revaluation account in equity at the beginning of the earliest period presented.	In case the option of the revaluation model included in those standards is used, the company's management must study the possibility of changing the accounting policy followed and evaluate the potential impact on the financial statements if that option is used. If the management applied the amendments. the management must evaluate the potential impact on the financial statements."	Amendments application related to add the option of use the revaluation model beginning in or after 1 January 2023 retrospectively, in addition to mention the cumulative effect of applying the revaluation model initially by adding it to the revaluation surplus account in equity at beginning of the financial period which the company applied this model for the first time. The amendments will be applied for the annual periods that beginning of or after 1 January 2023 retrospectively, in addition to mention the cumulative effect of applying the accounting treatment of bearing plants initially by adding it to the profit or loss balance carried forward at the beginning of the financial period that the company will be apply this form for the first time.

New or reissued standards	Summary of the most important modifications	Potential impact on the financial statements	Application date
Egyptian Accounting Standard No. 34 Amended 2023 "Real Estate Investment"	1- These standards were reissued in 2023 which were allowed the use of the fair value model in subsequent measurement of real estate investments. 2- as a result there was amendment to some of the paragraphs related to the use of the fair value model option in some prevailing Egyptian accounting standards, and the following is a statement of those standards: Egyptian Accounting • Standard No. 1 "Presentation of Financial State-ments" • Egyptian Accounting Standard No. 5 "Accounting policies, changes in accounting estimates and errors" • Egyptian Accounting Standard No. 13 "The Effects of Changes in Foreign Exchange Rates" • Egyptian Accounting Standard No. 24 "Income Taxes". • Egyptian Accounting Standard No. 30 "Interim Financial Statements" • Egyptian Accounting Standard No. 31 "impairment of assets" • Egyptian Accounting Standard No. 32 "Non-current assets held for sale and discontinuing operations." • Egyptian Accounting Standard No. 49 "Lease Contracts"	Recently, the management studied the potential of change accounting policy and using fair value model option and evaluated the impact on financial statements if the management used this option	The amendments will be applied for the annual periods that beginning of or after 1 January 2023 retrospectively, in addition to mention the cumulative effect when applying at first time the fair value model and add it to profit or loss balance would be transferred at the beginning of the financial period that the company applied this model for first time.
Egyptian Accounting Standard No. 50 "Insurance Contracts"	1- This standard defines the principles of recognition insurance contracts that were in scope of this standard, and determines their measurement, presentation, and disclosure. The standard's objective is to ensure that the company provides appropriate information that fairly present those contracts. This information provides users of financial statements with the necessary basis for evaluating the impact of those insurance contracts on the company's financial position, financial performance, and cash flow. 2- Egyptian Accounting Standard No. 50 replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". 3- Any reference in other Egyptian Accounting Standards to Egyptian Accounting Standard No. (37) must be replaced by Egyptian Accounting Standard No. 50. 4- Amendments have been made to the following financial accounting standards to comply with the requirements of applying Egyptian Accounting Standard No. 50 Insurance Contracts", which are as follows: Egyptian Accounting Standard No. 10 "Fixed Assets and Their Depreciation". And Egyptian Accounting Standard No. 23 "Intangible Assets". Egyptian Accounting Standard No. 34 "Real Estate Investment	Recently, the management evaluated the potential impact on financial statements from applying this standard.	The Egyptian accounting standards No. 50 must be applied for the annual periods that beginning of or after 1 July 2024. If the Egyptian Accounting Standard No. 50 was applied for an earlier period, the company must disclose.

**Raya Holding For
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