Translated “Originally issued in Arabic”

Maridive & Oil Services
An Egyptian Joint Stock Company
Free Zone Company
Separate financial statements
For the year ended 31 December 2023
And auditor’s report

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Maridive & Oil Services
An Egyptian Joint Stock Company (Free Zone Company)
Separate financial statements
For the year ended 31 December 2023

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KPMG

Hazem Hassan
Public Accountants & Consultants

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Auditor's report on the separate financial statements

To: The Shareholders' of Maridive & Oil Services Company

Report on the financial statements

We have audited the accompanying separate financial statements of Maridive & Oil Services Company "an Egyptian Joint Stock Company – Free Zone Company", which comprise the separate statement of financial position as of 31 December 2023 and the related 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 Financial Statements

These separate financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Egyptian Accounting Standards, and in the light of the prevailing Egyptian laws, 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; management 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 separate financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws except for the effects of the matters described in the basis for qualified opinion. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

The audit work includes the performance of procedures to obtain audit evidence on values and disclosures in the separate financial statements, and the procedures selected depend on the professional judgment of the auditor's, including assessing the risk of significant and significant misstatement of the financial statements, whether resulting from fraud or error. In assessing these risks, the auditor will take into account the internal control relevant to the establishment of the enterprise prepare independent financial statements and a fair and clear presentation thereof in order to design audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the efficiency of internal control in the entity. The audit also includes assessing the appropriateness of accounting policies and significant accounting estimates prepared by management as well as the accuracy of the presentation of the separate financial statements.

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

Basis for Qualified Opinion

As stated in Note No. (19) of the notes to the separate financial statements, the company's management has not committed to pay the outstanding installments of Abu Dhabi Islamic Bank loans by the amount of USD 192,161,178 and the European Bank for Reconstruction and Development by the amount of USD 29,078,650 as at 31 December 2023 as per the schedule agreed upon in the loan contract, in addition to the company's failure to fulfill the financial pledges for these loans until December 31, 2023, which is contradict with the requirements of the Egyptian Accounting Standard no.(1) "Presentation of the Financial Statements"

Accordingly, the management is currently working on scheduling the loan payments by initiating communication with all lending banks. They have also presented a roadmap to the banks' management for approval. However, the management has not received the initial approval or official communication from the banks till now regarding the proposed roadmap and the banks did not object to the company request.

Qualified Opinion

Except for the effects of the matter described in the basis for qualified opinion, the accompanying separate financial statements present fairly, in all material respects, the unconsolidated financial position of Maridive and Oil Services Company as of December 31, 2023, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with the Egyptian Accounting Standards and in the light of the Egyptian laws and regulation.

Emphasis of matter

Without considering this as a qualification to our opinion as detailed in Note No. (29), we bring attention to the fact that the company has a net loss of USD 5 million for the financial year ended on December 31, 2023,with accumulated losses amounted to USD 252.4 million which exceeded the half of total equity and on that date it had current liabilities exceeded current assets by an amount of USD 73.4 million and these circumstances indicate the existence of a significant uncertainty that may lead to a doubt in the company's ability to continue as a going concern, the company financial statements have been prepared on the assumption that it will continue to practice its authority, through new contracts with the customers and the purchase offer to sale some owned assets of one of the company's subsidiaries which has accumulated losses for several years, that will positively affect the company's activity result in the foreseeable future.

According to article no. (69) of the companies' law no. (159) of 1981 and its amendments, an Extra-Ordinary General Assembly meeting has to be held to decide on the company's continuing as a going concern.

KPMG

Hazem Hassan

Report on Other Legal and Regulatory Requirements

The Company keeps proper accounting records, which include all that, is required by law and by the statutes of the Company, and the separate financial statements, are in agreement therewith. The Company maintains proper costing accounts; the inventory physical count was performed by the Company's management in accordance with methods in practice.

The financial information contained in the Board of Directors' report on the financial year ended December 31, 2023, prepared in accordance with companies' Law No. 72 of 2017 and its executive regulations in agreement with the Maridive and oil services accounting records within the limit that such information is recorded therein.

Hany Selim - Partner
Financial Regulatory Authority No. (397)
KPMG Hazem Hassan

KPMG Hazem Hassan
Public Accountants and Consultants
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Cairo, April 3, 2024

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Maridive & Oil Services Company
An Egyptian Joint Stock Company (Free Zone Company)
Separate statement of financial position
(All amounts are in US Dollar)

	Note	31/12/2023	31/12/2022
Assets			
Non-current assets			
Property, plant and equipment	10	274 400 348	285 696 388
Projects under construction	11	3 922 577	1 401 376
Investments in subsidiaries	12	66 062 813	66 062 813
Intangible assets	13	321 614	41 709
Total non-current assets		**344 707 352**	**353 202 286**
Current assets			
Inventories		3 740 423	4 555 838
Trade receivables	15	21 274 027	13 712 048
Debtors and other debit balances	16	10 539 364	6 080 153
Due from subsidiaries' companies	23-1	29 182 768	35 394 762
Cash and cash equivalents	17	1 226 007	1 371 427
Total current assets		**65 962 589**	**61 114 228**
Total assets		**410 669 941**	**414 316 514**
Equity			
Issued and paid-up capital	22	188 102 296	188 102 296
Reserves		113 111 157	113 111 157
Retained losses		(252 417 119)	(247 383 001)
Total equity		**48 796 334**	**53 830 452**
Non-current liabilities			
Long term loans installments	19	221 492 463	215 565 799
Lease liabilities	14-1	1 065 802	3 944 451
Total non-current liabilities		**222 558 265**	**219 510 250**
Current liabilities			
Provisions	21-1	6 207 001	6 528 825
Bank credit facilities	18	3 177 806	17 841 326
Long term loans - Current portion	19	13 102 480	4 841 087
Trade and notes payable		9 878 604	13 478 280
Creditors and other credit balances	20	51 894 798	53 851 916
Due to subsidiaries' companies	23-3	35 578 019	24 944 879
Due to related parties	23-2	19 476 634	19 489 499
Total current liabilities		**139 315 342**	**140 975 812**
Total liabilities		**361 873 607**	**360 486 062**
Total liabilities and shareholder's equity		**410 669 941**	**414 316 514**

The notes on pages 6 to 42 are an integral part of these separate financial statements.

Chief financial Officer	**Managing Director**	**Chairman**
Mr. Mostafa Mohamed	**Eng / Tarek Farid**	**Mrs. Shahira Zeid**

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Maridive & Oil Services Company
An Egyptian Joint Stock Company (Free Zone Company)
Separate statement of profit or loss
(All amounts are in US Dollar)

For the year ended December 31,

	Note	2023	2022
Operating revenues	4	57 395 694	47 684 086
Operating cost	5	(38 349 135)	(45 204 853)
Gross profit		**19 046 559**	**2 479 233**
Other revenues		4 104 363	512
Administrative expenses	6	(4 242 190)	(5 671 140)
Other expenses	7	(334 516)	(238 414)
Expected credit loss	21-2	(451 609)	(2 162 690)
Finance cost (Net)	8	(22 484 601)	(7 419 194)
Net loss for the year before income tax		(4 361 994)	(13 011 693)
Income tax for the year	24	(672 124)	(527 836)
Net loss for the year after income tax		**(5 034 118)**	**(13 539 529)**
Basic and diluted loss per share for the year (US Dollar / Share)	9	**(0.01)**	**(0.03)**

The notes on pages 6 to 42 are an integral part of these separate financial statements.

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Maridive & Oil Services Company
An Egyptian Joint Stock Company (Free Zone Company)
Separate statement of comprehensive income
(All amounts are in US Dollar)

For the year ended December 31,	2023	2022
Net loss for the year	(5 034 118)	(13 539 529)
Other comprehensive income	-	-
Total comprehensive income for the year	**(5 034 118)**	**(13 539 529)**

The notes on pages 6 to 42 are an integral part of these separate financial statements.

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Maridive & Oil Services Company
An Egyptian Joint Stock Company (Free Zone Company)
Separate statement of changes in equity
(All amounts are in US Dollar)

For the year ended December 31, 2023

	Issued and paid up capital	Private reserve	Legal reserve	Total reserves	Retained losses	Net loss for the year	Total
Balance at 1 January 2022	188 102 296	76 877 138	36 234 019	113 111 157	(233 843 472)	-	97 098 947
Comprehensive income							
Net loss for the year	-	-	-	-	-	(13 539 529)	(13 539 529)
Other comprehensive income	-		-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	**(13 539 529)**	**(13 539 529)**
Transferred to retained losses	-	-	-	-	(13 539 529)	13 539 529	-
Balance at 31 December 2022	**188 102 296**	**76 877 138**	**36 234 019**	**113 111 157**	**(247 383 001)**	**-**	**53 830 452**
Balance at 1 January 2023	188 102 296	76 877 138	36 234 019	113 111 157	(247 383 001)	-	53 830 452
Comprehensive income							
Net loss for the year	-	-	-	-	-	(5 034 118)	(5 034 118)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	**(5 034 118)**	**(5 034 118)**
Transferred to retained losses	-	-	-	-	(5 034 118)	5 034 118	-
Balance at 31 December 2023	**188 102 296**	**76 877 138**	**36 234 019**	**113 111 157**	**(252 417 119)**	**-**	**48 796 334**

The notes on pages 6 to 42 are an integral part of these separate financial statements.

Translated "Originally issued in Arabic"

Maridive & Oil Services Company
An Egyptian Joint Stock Company (Free Zone Company)
Separate statement of cash flows
(All amounts are in US Dollar)

For the year ended December 31,

	Note	2023	2022
Cash flows from operating activities:			
Net loss for the year		(5 034 118)	(13 539 529)
Adjustments :			
- Depreciation of property, plant and equipment	10	13 383 724	13 280 520
- Amortization of intangible assets		100 732	26 312
- Losses of disposal of projects under construction		42 618	-
- Impairment loss on projects under construction		288 106	-
- Finance costs		24 115 951	7 419 194
		32 897 013	**7 186 497**
Changes in:			
- Inventories		815 415	(478 859)
- Trade receivables		(7 561 979)	3 107 256
- Debtors and other debit balances		(4 459 211)	(1 480 882)
- Due from subsidaries' companies		6 211 994	(6 867 170)
- Trade and notes payable		(3 599 676)	(201 338)
- Creditors and other credit balances		(23 283 685)	(17 759 590)
- Due to subsidaries' companies		10 633 140	380 458
- Due to related parties		(12 865)	6 158 109
- Provisions		(321 824)	(1 254 029)
Cash generated from / (used in) operating activities		**11 318 322**	**(11 209 548)**
Interest paid		(3 127 615)	(7 286 684)
Net cash from / (used in) operating activities		**8 190 707**	**(18 496 232)**
Cash flows from investing activities:			
Payments for purchase of PP&E and projects under construction		(5 320 246)	(2 162 509)
Net cash used in investing activities		**(5 320 246)**	**(2 162 509)**
Cash flows from financing activities:			
Payments for loan installments		(2 136 266)	(544 264)
Proceeds from long term loans		16 324 323	24 773 550
Payments from bank credit facilities		(14 663 520)	(950 323)
Payments for lease liabilities		(2 540 418)	(1 395 861)
Net cash (used in) / from financing activities		**(3 015 881)**	**21 883 102**
Net (decrease) / increase in cash and cash equivalents during the year		(145 420)	1 224 361
Cash and cash equivalents at January 1,	17	1 371 427	147 066
Cash and cash equivalents at December 31,	17	**1 226 007**	**1 371 427**

The notes on pages 6 to 42 are an integral part of these separate financial statements.

1. Reporting entity

Maridive and Oil Services S.A.E. Company – an Egyptian Joint Stock Company – was established under the framework of the provisions of the Arab and Foreign Investment and Free Zones Law No. 43 of 1974 which was replaced by the Investment Law No. 230 of 1989 and subsequently replaced by the Investment Guarantees and Incentives Law No. 8 of 1997. And replaced by law No. 72 of 2017 The Ministerial Decree of the incorporation of the Company and its articles of incorporation were published in the Egyptian Gazette Issue No. 29 dated March 19, 1978.

The Company is registered in commercial registry under No. 19564 on 19 March 1978.

The license for the company's operation has been extended for a period of five years starting from July 20, 2017, in accordance with decision No. 27 of 2017 issued by the General Authority for Investment and Free Zones dated August 21, 2017. The license for the company's operation has been extended for a period of one year, starting from July 20, 2022 and ending on July 19, 2023, in accordance with the decision of the Chairman of the General Authority for Investment and Free Zones on September 1, 2022.
In addition to that, The license for the company's operation has been extended for a period of one year, starting from July 20, 2023 and ending on July 19, 2024, in accordance with the decision of the Chairman of the General Authority for Investment and Free Zones on September 18, 2023.

Address of the Company is Plot 13-line F, General Free Zone, Port Said – Arab Republic of Egypt.

In 1993, the Company established a branch in Abu Dhabi in the United Arab Emirates; which was registered under No. 25391 dated June 26, 1993.

2. The Company's purpose

A) The purpose of Maridive and Oil Services S.A.E. is to provide in the free zone of the Arab Republic of Egypt all marine services, including the supply of services, maintenance, construction, establishment, and rescue operations whether under or above the level of the sea.

B) All works related to manufacturing services for marine and land establishments including cleaning, maintenance, construction, transportation, supplies and all related equipment and spare parts required for those services.

C) Owning and renting launches, marine loaders, supplying ships and all marine equipment.

D) The company may benefit or participate by any kind with individuals and companies which have the same similar work, or which may cooperate in reaching objectives. Also, the company may merge with previously mentioned companies or acquire them. In addition, the company has the right to establish specialized companies in relation to its various activities. All the above decisions must be approved by the investment and zone general authority.

3. Basis of preparation

3.1 Statement of compliance

The separate financial statements for the year ended December 31, 2023 have been prepared in accordance with Egyptian Accounting Standards (EAS), and in the light of the prevailing Egyptian laws.

The financial statements were authorized for issue by the Board of Directors on March 20, 2024.

(All amounts are in US dollar unless otherwise stated)

3.2 Important accounting policies

The separate financial statements were prepared as of 31 December 2023 following the same accounting policies that were applied and followed when preparing the Company's financial statements for the financial year ended 31 December 2022, and these policies were consistently followed throughout the periods presented in these separate financial statements.

3.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material item in the balance sheet:

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

3.3.1 Use of estimates and judgments

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

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

3.4 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of EAS, including the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

4. Operating revenues

	2023	2022
Revenues from renting marines' units	43 455 333	35 379 425
Revenues from subsidiaries	12 489 956	11 314 309
Revenues from supplying goods	1 450 405	990 352
	57 395 694	**47 684 086**

(All amounts are in US dollar unless otherwise stated)

5. Operating costs

	2023	2022
Salaries & wages	12 133 941	18 096 373
Spare parts & utilities	5 148 442	5 434 047
Amortization of intangible assets - Note No. (13)	10 000	10 000
Depreciation of PP&E - Note No. (10)	13 208 288	13 111 586
Insurance expenses	1 441 737	2 058 401
Services from others	1 835 020	2 673 879
Fees and License	1 019 078	1 114 468
Others	3 552 629	2 706 099
	38 349 135	**45 204 853**

6. Administrative expenses

	2023	2022
Salaries & wages	3 088 959	4 076 473
Spare parts, utilities & insurance expense	887 063	1 409 421
Amortization of intangible assets- Note No. (13)	90 732	16 312
Depreciation of PP&E - Note No. (10)	175 436	168 934
	4 242 190	**5 671 140**

7. Other expenses

	Note	2023	2022
Provisions	20-1	3 792	238 414
Impairment loss on projects under construction	20-2	288 106	-
Loss on disposal of projects under construction		42 618	-
		334 516	**238 414**

8. Net finance (cost) / income

	2023	2022
Credit interest	61 077	5 455
Finance income	**61 077**	**5 455**
Interest on loans	(24 115 951)	(14 581 259)
Finance cost	**(24 115 951)**	**(14 581 259)**
Foreign exchange translation differences	1 570 273	7 156 610
Foreign exchange translation differences	**1 570 273**	**7 156 610**
Net finance cost	**(22 484 601)**	**(7 419 194)**

(All amounts are in US dollar unless otherwise stated)

9. Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own Shares held.

	2023	2022
Net loss for the year (U.S)	(5 034 118)	(13 539 529)
Number of outstanding shares during the year (Share)	470 225 740	470 255 740
Basic & diluted loss per share for the year (US dollar /share)	**(0.01)**	**(0.03)**

(All amounts are in US Dollar unless otherwise stated)

10. Property, plant and equipment (Net)

	Marine units*	Marine Refurbishment	Machinery	Buildings and Improvements	Means of transportation	Furniture & office equipment	Total
Cost							
Cost at 1 January 2022	396 847 462	43 378 845	9 612 696	3 493 036	893 803	2 576 399	456 802 241
Additions during the year	-	4 006 690	-	-	-		4 006 690
Cost at 31 December 2022	**396 847 462**	**47 385 535**	**9 612 696**	**3 493 036**	**893 803**	**2 576 399**	**460 808 931**
Cost at 1 January 2023	396 847 462	47 385 535	9 612 696	3 493 036	893 803	2 576 399	460 808 931
Additions during the year	229 004	1 848 784	8 611	-	-	1 285	2 087 684
Cost at 31 December 2023	**397 076 466**	**49 234 319**	**9 621 307**	**3 493 036**	**893 803**	**2 577 684**	**462 896 615**
Depreciation and impairment loss							
Accumulated depreciation and impairment at 1 January 2022	113 515 878	34 195 120	9 093 341	1 688 849	893 803	2 445 032	161 832 023
Depreciation for the year*	9 321 743	3 605 645	162 548	148 673	-	41 911	13 280 520
Accumulated depreciation and impairment at 31 December 2022	**122 837 621**	**37 800 765**	**9 255 889**	**1 837 522**	**893 803**	**2 486 943**	**175 112 543**
Accumulated depreciation and impairment at 1 January 2023	122 837 621	37 800 765	9 255 889	1 837 522	893 803	2 486 943	175 112 543
Depreciation for the year*	9 322 416	3 697 588	150 515	148 673	-	64 532	13 383 724
Accumulated depreciation and impairment at 31 December 2023	**132 160 037**	**41 498 353**	**9 406 404**	**1 986 195**	**893 803**	**2 551 475**	**188 496 267**
Net Carrying amounts at 31 December 2023	**264 916 429**	**7 735 966**	**214 903**	**1 506 841**	**-**	**26 209**	**274 400 348**
Net Carrying amounts at 31 December 2022	**274 009 841**	**9 584 770**	**356 807**	**1 655 514**	**-**	**89 456**	**285 696 388**
Fully depreciated at 31 December 2023	**-**	**30 638 711**	**4 430 675**	**65 543**	**893 803**	**2 479 274**	**38 508 006**

***Depereciation of PP&E for the year is charged on the statement of profit and loss as follows:**

	Note	2023	2022
Operating cost	5	13 208 288	13 111 586
Administrative expenses	6	175 436	168 934
		13 383 724	**13 280 520**

(All amounts are in US dollar unless otherwise stated)

* The Company has mortgaged some of its marine units as a guarantee for the loans that were obtained to finance the construction of the new marine units.
First: Mortgaging marine units No. (208 and 212) to Arab International Bank as a guarantee of the credit facilities granted to the company

Second: Mortgaging marine units No. (42, 43, 229, 230, 231, 232, 510, 515, 518, 519, 520, 521, 522, 601, 602, 701, 702, 703, 704, 32, 35, 36 and 601 MWM) to Abu Dhabi Islamic Bank as a guarantee of the loan granted to the company.

Third: Mortgaging marine unit No. (4000) (to The National Bank of Egypt)

Fourth: Mortgaging Maridive Dahr-1 and Maridive Dahr-2 to Mashreq Bank (agent for the European Bank for Reconstruction and Development)

Fifth: Mortgaging the marine unit (Harmonyado) according to the contract with Global Lease Financial Leasing Company.

11. Projects under construction

	Note	31 December 2023	31 December 2022
Cost at January 1		1 401 376	3 245 557
Additions during the year		3 922 577	532 226
Transferred to PP&E during the year	10	(690 015)	(2 376 407)
Transferred to intangible assets during the year	13	(380 637)	-
Disposals during the year		(42 618)	-
		4 210 683	1 401 376
Impairment on projects under construction	7	(288 106)	-
		3 922 577	**1 401 376**

Projects under construction consists of:

	31 December 2023	31 December 2022
Marine units refurbishment	3 922 577	720 493
Buildings and improvements	-	24 384
Information Systems Programs	-	656 499
	3 922 577	**1 401 376**

(All amounts are in US dollar unless otherwise stated)

12. Investments in subsidiaries

	Contribution Percentage %	31 December 2023	31 December 2022
Valentine Maritime Ltd	100%	170 826 600	170 826 600
Maritide Offshore Oil Services	99.46%	11 248 155	11 248 155
Ocean Marine (F.Z.C)	51%	29 005 662	29 005 662
Maridive Offshore Projects	99.98%	25 808 996	25 808 996
		236 889 413	236 889 413
Less:			
Impairment on investments in subsidiaries - note no. (21)& (26)		(170 826 600)	(170 826 600)
		66 062 813	**66 062 813**

13. Intangible Assets

	31 December 2023	31 December 2022
Cost at 1 January	650 774	650 774
Additions during year	380 637	-
Cost at December 31,	**1 031 411**	**650 774**
Accumulated amortization at 1 January	(609 065)	(582 753)
Amortization for the year	(100 732)	(26 312)
Accumulated amortization at December 31,	**(709 797)**	**(609 065)**
Net at December 31,	**321 614**	**41 709**

* The amortization of the year was charged on the operating costs and administrative expenses in the profit or loss statement on the same bases used during previous years.

The intangible assets are representing in programs and operating licenses used.

14. Lease contracts

According to the requirements of the Egyptian Accounting Standards no. 49 for 2019 related to lease contracts, the application for standard no. 49 is the beginning of the annual report at which the law for finance leasing no. 95 for 1995 was cancelled and the issue of law organizing financial leasing and discounting no. 176 for 2018. For lease contracts which were subject to law no. 95 for 1995 and were treated according to the Egyptian Accounting Standard no. (20), The required adjustments have been made in application of the Egyptian Accounting Standards no. (49) the result from such change made during 2019.

14.1 Liabilities from lease contracts

	Note	31 December 2023	31 December 2022
Lease liabilities – current portion (included in the creditors and other credit balances)	20	3 282 338	2 944 107
Lease liabilities - non-current portion		1 065 802	3 944 451
		4 348 140	**6 888 558**

(All amounts are in US dollar unless otherwise stated)

Payments for lease contract liabilities are being paid as follows:

	31 December 2023		31 December 2022	
	Principle liabilities	**Interest payments**	**Principle liabilities**	**Interest payments**
Less than a year	3 282 338	181 013	2 944 107	386 405
More than a year and less than two years	1 065 802	15 878	2 878 249	181 108
More than two years	-	-	1 065 802	15 878
	4 348 140	**196 891**	**6 888 558**	**583 391**

The lease contracts of Right of use assets (ROU) are as follows:
1- Buildings that have been included in the category of buildings and construction at PP&E, which are commercial units represented in the company's headquarters.
2- Machines that have been included in the category of machinery and equipment at PP&E, which are hydraulic equipment.
3- A marine unit that has been included in the item of marine units at PP&E, which is a propellant and tow ship to connect oil tankers to ports.

15. Trade receivables

	Notes	31 December 2023	31 December 2022
Trade receivables		31 868 696	60 998 194
Less:			
Expected credit loss on trade receivables	21-2	(10 594 669)	(47 286 146)
		21 274 027	**13 712 048**

16. Other debit balances

	Notes	31 December 2023	31 December 2022
Accrued revenue		73 790	70 494
Suppliers – advance payments		6 830 348	2 802 967
Employee's custodies		1 577 287	1 106 928
Prepaid expenses		633 520	744 578
General Authority for Investment and Free Zone (GAFI)		525 673	525 673
Insurance claims		82 844	82 844
Deposits with others		528 678	529 708
LG's cover		1 451 309	1 307 552
Other		162 265	235 759
		11 865 714	**7 406 503**
Less:			
Expected credit loss on debit and other debit balances	21-2	(1 326 350)	(1 326 350)
		10 539 364	**6 080 153**

17. Cash and cash equivalent

	31 December 2023	31 December 2022
Banks - Current accounts	758 877	1 366 839
Cash on hand	10 795	4 588
Treasury bills – due within 90 days	456 335	-
Cash and cash equivalent in cash flows statement	**1 226 007**	**1 371 427**

18. Short term bank facilities

The balances of short - term bank facilities as of December 31, 2023 amounted to USD 3 177 806 (USD 17 841 326 as of December 31, 2022). It should be noted that the Company did not obtain new bank facilities during the year ended at December 31, 2023.

The following is a statement of the banks dealt with during the financial year, as well as the balances related to them on the date of the financial position as of December 31, 2023 and included in current liabilities in the statement of financial position:

	31 December 2023	31 December 2022
1-Arab International Bank	2 504 196	11 566 893
2-Qatar National Bank-QNB	39 028	5 374 339
3-Emirates NBD	509 978	596 488
4-The National Bank of Egypt	-	237 417
5-Other banks	124 604	66 189
	3 177 806	**17 841 326**

1- Emirates NBD Bank

A credit facility of 10 million Egyptian pounds for the purpose of financing the Company's working capital requirements, and the duration of the facility is one year, at a rate of return of 3.5%, in addition to the overnight loan interest with the Central Bank for the Egyptian pound, the Company have been signed a settlement agreement for the whole amount due with the bank on January 28, 2024.

2- National Bank of Egypt

A debit current limit of USD 5 million for the purpose of withdrawing into a debit current account to finance the Company's current activity and pay bills payable to domestic and foreign suppliers.
These facilities, for the duration of the contract's validity period, bear a debit interest in US dollars at a margin of 4% over the three-month labor rate, and these facilities were fully paid at December 31, 2023.

(All amounts are in US dollar unless otherwise stated)

19. Long term loans

Outstanding loans on December 31, 2023, with a balance of $ 234 594 943 are representing of loans granted to the Company from Abu Dhabi Islamic Bank - UAE (co-financing), HSBC Bank. And the European Bank for Reconstruction and Development, Attjari Wafa Bank, QNB and Arab International Bank which were granted in exchange for mortgaging some marine units. The following is a statement of outstanding loan balances and terms of repayment:

	Loan principle	Short term loans installment	Long term loans installment	31/12/2023	31/12/2022
1-Abu Dhabi Islamic Bank – UAE	192 161 178	8 773 000	183 388 178	192 161 178	192 161 180
2-HSBC Bank	535 212	385 212	-	385 212	702 257
3- European Bank for Reconstruction and Development	37 208 998	3 096 652	25 981 998	29 078 650	30 450 994
4- Qatar National Bank - QNB	5 400 000	400 000	4 899 381	5 299 381	-
5-Arab International Bank	10 804 716	1 557 660	7 902 629	9 460 289	-
6- Attijari Wafa Bank	2 872 538	454 609	1 542 538	1 997 147	2 444 022
Total loans		**14 667 133**	**223 714 724**	**238 381 857**	**225 758 453**
Less:					
Loan acquiring cost		(1 564 653)	(2 222 261)	(3 786 914)	(5 351 567)
		13 102 480	**221 492 463**	**234 594 943**	**220 406 886**

1- Abu Dhabi Islamic Bank - UAE

On January 15, 2016, the Company's board of directors agreed to conclude an Islamic facility contract with Abu Dhabi Islamic Bank - UAE - with a maximum amount of USD 225 million (two hundred twenty-five million US dollars) to restructure the existing facilities and finance the purchase of new marine units in addition to the amount of USD 25 million (twenty-five million US dollars) to finance the working capital of the Company, including all interests, commissions, expenses, costs and any other amounts due to lenders in accordance with the aforementioned credit facility contract between the company and both Abu Dhabi Islamic Bank (UAE) and a group of other banks and financial institutions and the conclusion of documents to ensure the implementation of the Company's obligations under the Islamic facility contract according to the following:

a. The interest rate is 4.5% in addition to the labor rate (three months), which is the same as the current interest rate.

b. The loan contract includes some financial commitments that the Company must abide by as follows:

1. The debt service coverage ratio shall not be less than 0.25:1
2. The interest coverage ratio shall not be less than 2.25:1
3. The net leverage ratio shall not be more than 10:1
4. The debt to equity ratio shall not be more than 1.75:1

- On January 31, 2021, the Company communicated the group of joint banks with the amended financial studies to restructure the current facilities in line with the company's current situation, and the studies are still within the scope of review by the joint banks and their financial analysts.
- The Company addressed the bank to obtain a letter of forgiveness for non-compliance with the above financial commitments, and the bank accepted the Company's request on January 24, 2022 by e-mail.

- On June 9, 2022 the Company rescheduled the loan with new repayment terms in line with the Company's cash capabilities.

1. The first tranche amounted to USD 96.5 million is paid over a period of seven years with escalating installments starting from December 2023, until December 2028.
2. The second tranche amounted to USD 95.6 million will be paid upon completion of the first tranche.

3. Reducing of the interest rate on the loan to reach 2.75% in addition to the price of SOFR/LIBOR for every 3 months.

2- HSBC Bank

The Company has entered into a financing contract with HSBC, a medium-term loan of USD 535 211. This loan is subject to a financing return calculated based on the labor rate every three months, in addition to a margin of 4.5% annually, and the loan is repaid in 18 monthly installments, starting from July 31, 2023, until December 31, 2024.

3- European Bank for Reconstruction and Development

On April 13, 2017, a loan contract was signed with the European Bank for Reconstruction and Development in the amount of 50 million US dollars in 3 tranches as follows:

a. The first tranche in the amount of $25 million to complement the uncompleted portion of the syndicated loan previously arranged by a bank Abu Dhabi Islamic. This segment is concerned with financing the Company's expansion plan to purchase new marine units.

b. The second tranche in the amount of $15 million is to repay part of Abu Dhabi Islamic Bank's share of the syndicated loan.

c. The third tranche is in the amount of $10 million to finance the Company's working capital.

- The loan contract includes some financial commitments that the Company must comply with as follows: -

1. The debt service coverage ratio shall not be less than 0.25:1
2. The interest coverage ratio shall not be less than 2.25:1
3. The net leverage ratio shall not be more than 2:1
4. The debt-to-equity ratio shall not be more than 1.5:1

- On June 9, 2022, the Company rescheduled the loan. with new repayment terms in line with the Company's cash capabilities.

1. Tranche A of $13.4 million to be repaid over seven years with escalating installments starting from December 2023 through December 2028.
2. Tranche B for $10.4 million to be paid upon completion of the first tranche.
3. Tranche C in the amount of $30.0 million to be paid upon completion of the second tranche.
4. Reducing the interest rate on the loan to reach 2.75% in addition to the price of SUV/LIBOR for every 3 months.

4- Attijari wafa bank (formerly Barclays)

A medium-term loan of USD 2 872 538 million to finance working capital requirements at an annual interest rate of 3% above the LIBOR rate in 3 months and a commission on the highest debit balance of 0.05% per month, to be paid in 25 monthly installments until December 2026.

5- Qatar National Bank Alahli

- On September 24, 2023, the Company entered into a credit facility agreement in the form of a medium-term loan of a maximum of USD 5.4 million to be used to repay the debit balance arising from the facility granted by the Bank. The loan is repaid in monthly installments (29 payments) starting from the date of the contract until December 1, 2030.

- The loan applies to a compound return of 5.2% above the compound SOFR, calculated over a period of one month, provided that the price of the SOFR is at a minimum of 0.005%, and it is understood that this price is subject to adjustment and change according to the prices of the SOFR announced during that period.

- In the event that the Company is late in paying any installment or any part thereof or delays in paying any part of the returns or commissions on the date scheduled for their maturity in accordance with the provisions of this contract, a delay interest of 2.5% annually calculated in addition to the agreed rate of interest will apply to the agreed rate of return.

6- Arab International Bank

On October 24, 2023, the Company entered into a contract to restructure the outstanding indebtedness (credit facility) in addition to the accrued returns in the form of a long-term loan of USD 8.8 million and EGP 59.3 million to be repaid in semi-annual installments (22 payments) starting from June 30, 2023, to December 31, 2028.

Where the two parties agreed to apply the following returns and commissions:

- Debit interest of 3.20% annually above the LIBOR / SOFR rate for six months to be paid monthly on the debt in US dollars.
- Debit interest of 2.27% annually above the rate of the corridor lending announced by the Central Bank of Egypt to be paid monthly on the debt in Egyptian pounds.
- A delay interest of 1% annually above the applicable rate is applied to the balance of overdue amounts of principal, returns, commissions and expenses from the original due date until the actual payment date.

7- Reschedule – loans contract agreement

On April 12, 2022, Maridive and Oil Services S.A.E signed a loan rescheduling contract with Abu Dhabi Islamic Bank and the European Bank for Reconstruction and Development, with a total amount of USD 192 161 177 for Abu Dhabi Islamic Bank and USD 27 208 998 for the European Bank for Reconstruction and Development. The rescheduling and consequent modifications to the financial covenants described above have taken place.

The total credit facilities, loans and lease liabilities are as follows:

	31 December 2023	31 December 2022
Non-current portion	222 558 265	219 510 250
Current portion	19 562 624	25 626 520
	242 120 889	**245 136 770**

20. Creditors and other credit balances

	Notes	31 December 2023	31 December 2022
Tax Authority- payroll tax		935 383	391 506
Tax Authority- withholding tax		35 195	20 531
Accrued expenses		10 352 067	11 079 269
Accrued interest expenses		27 166 671	7 797 314
Lease liabilities – Current portion	14-1	3 282 338	2 944 107
Trade receivables – advance payments		7 636 983	27 937 087
Social Insurance Authority		648 786	1 043 166
Purchasing factoring creditors		1 150 219	2 164 823
Other		687 156	474 113
		51 894 798	**53 851 916**

(All amounts are in US dollar unless otherwise stated)

The movement on purchasing factoring creditors during the year is as follows:

	31 December 2023	31 December 2022
Balance at January 1	2 164 823	2 381 504
Purchasing factoring	-	971 223
Service cost – debit interest	153 485	187 965
	2 318 308	3 540 692
Less:		
Payments during the year	(1 168 089)	(1 375 869)
	1 150 219	**2 164 823**

* On July 21, 2019, the Company concluded in obtaining purchasing factoring agreement with the Egyptian Company for Factoring (Egypt Factors) S.A.E, as the purpose of this special and long-term agreement is to allow the company to purchase on agreed open account terms while its suppliers are paid off immediately and the two parties agreed that the total outstanding amount of payment to the suppliers pursuant to this agreement at any given point of time shall be limited to USD 2,800,000 (only two millions and eight hundred thousands US Dollar) or equivalent, and such limit shall be reviewed from time to time by the factor at its sole discretion.

It was agreed that if the Company fail to pay any due amounts on the due date, the factor will be charge the Company interests amount to 3% over 6 months Libor / Euribor on the overdue amounts starting from the due date till the complete payment of such amounts, and the Company undertakes to pay on behalf of the supplier to the factor any amounts arising of any increases in the interest rate, according to any adjustments made by the factor at its sole discretion or forced by any laws, regulations, resolutions issued by governmental authority or the Central Bank of Egypt that require changes in the rate.

21. Provisions and impairment on assets
21-1 Provisions

	Balance at 01/01/2023	Charged on statement of profit or loss	Used during the year	Balance at 31/12/2023
Claims provision	6 528 825	3 792	(325 616)	6 207 001
	6 528 825	**3 792**	**(325 616)**	**6 207 001**

*Provisions represent probable but uncertain liabilities with unspecified timing and value in connection with the Company's activities, management reviews these provisions periodically and adjusts the value of the provision according to the latest developments, discussions and agreements.

The usual disclosures about provisions have not been disclosed in accordance with IAS 28 "Provisions for contingent assets and liabilities" as the Company believes that doing so may seriously affect the outcome of negotiations with the counterparties.

(All amounts are in US dollar unless otherwise stated)

21-2 Impairment on assets

	Balance at 01/01/2023	Charged on statement of profit or loss	Reverse during the year	Used during the year	Balance at 31/12/2023
Impairment on PP&E	1 172 920	-	-	-	1 172 920
Impairment on projects under construction	-	288 106	-	-	288 106
Expected credit loss on trade receivables	47 286 146	451 609	(3 677 996)	(33 465 090)*	10 594 669
Expected credit loss on other debit balances	1 326 350	-	-	-	1 326 350
Impairment on investments in subsidiaries	170 826 600	-	-	-	170 826 600
	220 612 016	**739 715**	**(3 677 996)**	**(33 465 090)**	**184 208 645**

*This amount includes some suspended balances from previous years and a provision for the full debt of USD 31.1 million. According to the Board of Directors decision in it's meeting no.(328) on November 7, 2023, it was approved to write off all of these debts by deducting them from the formed provision balance.

22. Capital

Authorized capital

The Company's authorized capital is determined to be one billion US dollar, according to Extraordinary General Assembly meeting held on September 16, 2019 has decided to increase the Company's authorized capital from USD 200 Million (two hundred million US dollar) to USD 1 Billion (one billion US dollar) and approved the increase in the commercial register on December 16, 2019 and published the changes in the articles in the Egyptian Gazette under no. 57668 on December 25, 2019.

Issued and paid - up capital

The issued and paid-up capital USD 188 102 296 divided among 470 255 740 shares (Only Four Hundred Seventy Million Two Hundred Fifty Five Thousand Seven Hundred Forty Dollars) with a par value of 40 cents each.

According to Extraordinary General meeting held on September 16, 2019 approval was made for the increase in the company's issued capital from USD 163 840 000 to USD 188 102 296 with an increase of USD 24 262 296 distributed over 60 655 740 shares for each share (USD 0.61) (Representing USD 0.40 par value and USD 0.21 for a premium totaling USD 12 737 704) representing 37 Million US dollars. All increase was allocated to Mr. Negad Zaini without applying the rights of the existing shareholders. The company completed the legal procedures for such increase and recorded in the commercial register on December 16, 2019 under no. 6501 and changes in the articles of incorporation were published in the Egyptian Gazette issue no 57668 on December 25, 2019. On December 26, 2019 approval was made by the committee for recording the financial investments in its meeting dated December 25, 2019 for the increase in issued and paid up capital.

(All amounts are in US dollar unless otherwise stated)

23. Transactions with related parties

Related parties' transactions represent transactions with the Company's shareholders and the companies in which they own shares that give them significant influence. The following table shows the volume and nature of transactions with related parties during the year as well as balances as of 31 December 2023.

	Type of relation	Nature of transactions	Transaction's volume during the year Debit	Transaction's volume during the year Credit	31/12/2023	31/12/2022
23.1 Due from subsidiaries' companies						
Ocean Marine FZC	Subsidiary	Operating revenue	37 360 842	49 812 018	18 683 937	31 135 113
Valentine Maritime Limited	Subsidiary	Current	14 056 476	7 315 267	8 780 005	2 038 796
Maritide Offshore Oil Services S.A.E.	Subsidiary	Marine unit rental	19 529 350	20 026 634	117 468	614 752
Maridive Tunisia	Subsidiary	Current	613 506	604 899	1 582 092	1 573 485
Maritide Nigeria	Subsidiary	Current	3 080	16 430	19 266	32 616
					29 182 768	**35 394 762**
23.2 Due to related parties						
National Transport & Overseas Services Co.	Affiliated	Current	-	1 444	10 950	9 506
Accounts due to board of directors' members	Board of directors	Current	218 113	203 804	19 464 781	19 479 090
El Rowda for Agriculture and Animal Development	Affiliated	Current	-	-	903	903
					19 476 634	**19 489 499**
23.3 Due to subsidiaries' companies						
Maridive Offshore Projects S.A.E.	Subsidiary	Operating revenue Consultations Diving services	10 597 863	21 231 003	35 578 019	24 944 879
					35 578 019	**24 944 879**

(All amounts are in US dollar unless otherwise stated)

24. Income tax

Income tax for the year consists of the following:

	2023	2022
Tax Authority – Withholding tax	87 214	50 935
1% of revenues according to Investment Law No. 72 of 2017	584 910	476 901
	672 124	**527 836**

25. Tax position

Corporate income tax

- According to the company's tax card, the company is exempt from tax on the profits of legal persons in accordance with the provisions of the applicable tax and fee laws in the Arab Republic of Egypt, within the limits of the purpose mentioned in the tax card, noted that the license period is ten years from July 21, 2002 until July 20, 2012, and according to the letter received from the authority The General Investment and Free Zones Authority, dated July 17, 2012 and approved on July 16, 2012, which includes the extension of the license to practice the activity for a period of five years starting from July 20, 2012 to end on July 20, 2017.
- The license to practice the activity was extended for a period of five years starting from July 20, 2017, in accordance with Resolution No. 27 of 2017 issued by the General Authority for Investment and Free Zones dated August 21, 2017. The license to practice the activity was extended for a period of one year starting from July 20, 2022 and ending on the 19th. July 2023, according to the decision of the Chairman of the General Authority for Investment and Free Zones on September 1, 2022.
- In addition to that, The license for the company's operation has been extended for a period of one year, starting from July 20, 2023 and ending on July 19, 2024, in accordance with the decision of the Chairman of the General Authority for Investment and Free Zones on September 18, 2023.

Salary tax

Years till 2019

- The final settlement has been made with the Tax Authority and payment is made until 2019.

Years from 2020 to 2022

The Tax authority did not inspect these years and therefore no claims were received for these years

26. Contingent liabilities

	Total liabilities 31/12/2023	Covered 31/12/2022	Not covered 31/12/2023	Total liabilities 31/12/2022
Letters of guarantee	5 615 937	1 451 309	4 164 628	3 864 693
	5 615 937	**1 451 309**	**4 164 628**	**3 864 693**

(All amounts are in US dollar unless otherwise stated)

27. Financial instruments
Financial risk management
Overview
The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework
The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The audit committee is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

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

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

Credit risk
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 and arises principally from the company's customers and investment securities.

The carrying amount of financial assets represents credit exposure. The exposure to credit risk at the end of the reporting period was as follows:

	Note	31 December 2023	31 December 2022
Trade receivables	15	21 274 027	13 712 048
Debtors and other debit balances	16	4 401 846	3 858 958
Due from subsidiaries companies	23-1	29 182 768	35 394 762
Cash at banks	17	1 215 212	1 366 839
		56 073 853	**54 332 607**

Trade and other receivables
Creditworthiness for Trade and other receivables based on a credit policy set by the Board of Directors Committee.
The company monitoring the credit risk of the customers by collecting debtors and other debit balance according to their classifications, credit position and the guarantees provided by him. And customer balances are more than 60 days, most of which represent the balances of government agencies.

(All amounts are in US dollar unless otherwise stated)

Cash and cash equivalents
The Company held cash and cash equivalents of USD 1 215 212 at December 31, 2023 (December 31, 2022: USD 1 366 839), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with bank and financial institution counterparties.

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

The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. The Company aims to maintain the level of its cash and cash equivalents and at an amount in excess of expected cash outflows on financial liabilities Except creditors for the period of time 60 days.
The Company also monitors the level of expected cash inflows on debtors and other debit balances together with expected cash outflows on creditors and others credit balances, at December 31, 2023.

The maturity dates of financial obligations according to the expected repayment schedules are as follows:

December 31, 2023	Book value	12 months or less	1-2 Years	2-5 Years
Banks - credit facilities	3 177 806	3 177 806	-	-
Long term loans	234 594 943	13 102 480	221 492 463	-
Lease liabilities	4 348 140	3 282 338	1 065 802	-
Trade, notes payable & other credit balances	50 854 081	50 854 081	-	-
Due to related parties and subsidiaries	55 054 653	55 054 653	-	-
	348 029 623	**125 471 358**	**222 558 265**	**-**

December 31, 2022	Book value	12 months or less	1-2 Years	2-5 Years
Banks - credit facilities	17 841 326	17 841 326	-	-
Long term loans	220 406 886	4 841 087	215 565 799	-
Lease liabilities	6 888 558	2 944 107	3 944 451	-
Trade, notes payable & other credit balances	36 449 002	36 449 002	-	-
Due to related parties and subsidiaries	44 434 378	44 434 378	-	-
	326 020 150	**106 509 900**	**219 510 250**	**-**

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. The company incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by B.O.D committee.

Interest rate risk

Interest rate risk is represented in fluctuation of interest rates on the facilities granted to the company by the banks. This risk is covered through getting the best available interest rate in the market on the credit facilities as well as determining fixed interest rate on the loans.

On March 6, 2024, the Central Bank of Egypt decided to raise the overnight deposit and lending rates by 600 basis points to reach 27.25% and 28.25%, respectively. Also, the credit and discount rate was raised by also 600 points to reach 27.75 with allowing the use of a flexible exchange rate driven by market mechanisms, which led to an increase in the average official exchange rate of US dollars during the first week of the Central Bank's decision date, to reach between 49 to 50 EGP/USD.

Capital management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the company defines as net operating income divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to shareholders. There were no changes in the company's approach to capital management during the year.

Currency risk

The company is exposed to currency risk on sales and financial assets that are denominated in a foreign currency. The currency in which these transactions are primarily denominated is the US Dollars and Euro.

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

28.Statement of Cash flow

Some of the transactions were eliminated when preparing the cash flow statement as these transactions are considered non-cash transactions

29.Going concern

The company achieved a net loss of at USD 5 million for the year and a total retained loss of USD 252.4 million at December 31, 2023, and on that date current liabilities exceeded current assets by an amount of USD 73.4 million and these circumstances are in addition to other matters Detailed in Clarification No. (19) indicates the existence of significant uncertainty that may lead to material doubts about the company's ability to continue its activity. The company is currently evaluating the current situation of the company and its ability to fulfill its contracts and obligations with customers and banks, evaluating the company's current operating conditions and adhering to the periodic maintenance schedules for the marine units.

And work to obtain new customer contracts as well as accepting the offer submitted to acquire one of its subsidiaries that achieved carry-over losses over several years, which may positively affect the company's results during the coming years and in implementation of the requirements of Article No. (69) of Companies Law No. 159 of 1981 and its implementing regulations, An Extraordinary General Assembly of the company will be called to consider the continuity of the company. These financial statements have been prepared on the assumption that the company will continue to practice its activities..

30.Significant subsequent events and not required to amend the financial statements

- On January 19, 2024, Maridive & Oil Services – an Egyptian joint stock company – (free zone Company) invested in a joint venture with the Marafiq Oil Services and Logistics Support Company – a Libyan joint stock company – to establish Al Mayez Oil and Gas Joint Services Company – a Libyan joint stock company.

(All amounts are in US dollar unless otherwise stated)

The purpose of Al Mayez Oil & Gas Services Joint Venture Company is to carry out all works, services and technical consultancy related to oil, gas and marine services recognized locally and internationally.

The company's authorized capital is 1,000,000 Libyan dinars, represented by 1,000 shares (one thousand shares), the par value of the share is 1,000 Libyan dinars, which were distributed to the partners as follows:

Contributors / Investors	Nationality	Nominal value per share (Libyan Dinar)	Number of shares	Contribution Percentage %	Issued and paid up capital (Libyan Dinar)
Maridive &Oil Services Company	Egypt	1 000	490	49	500 000
Al-Marafiq Company for Oil Services and Logistics Support	Libya	1 000	510	51	500 000
			1 000	100	1 000 000

31.Reclassification of comparative figures

	Before re-classifying 31 December 2022	Adjustment	After re-classifying 31 December 2022
Creditors and other credit balances	50 796 275	3 055 641	53 851 916
Trade and notes payable	16 533 921	(3 055 641)	13 478 280
Income tax for the year	-	527 836	527 836
Administrative expenses	6 148 921	(477 781)	5 671 140
Operating cost	45 254 908	(50 055)	45 204 853

32. Significant accounting policies

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

32.1 Foreign currency

Foreign currency transactions

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

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

Foreign currency differences arising on retranslation are generally recognized in profit or loss.

Foreign currency differences arising on retranslation are generally recognized in profit or loss except for the translation related to financial statements are recognized in the other comprehensive income.

32.2 Financial instruments

Non-derivative financial assets

The initial recognition of loans, receivables and deposits on the date of their inception. All other financial assets (including assets at fair value through profit or loss) are recognized first on the date of the transaction, at which time the Company is a party to the contractual provisions of the instrument.

The company excludes the financial asset when its contractual rights to the cash flows of this asset expire, or it transfers the right to receive the contracted cash flows of this asset in a transaction through which all the risks and returns of ownership of this financial asset are transferred. Any interest in such a transferred financial asset that may arise or be retained by the Company is recognized as an asset or a liability separately.

Financial assets and liabilities are set off and the net value is shown in the financial position only when the company has the legal right to make this set-off and the intention to settle on the basis of net value or to realize the financial asset and terminate the financial obligation at the same time. The company classifies non-derivative financial assets into the following items: loans and debts.

Loans and debts
Loans and receivables are financial assets with a fixed or determinable repayment date that are not traded in an active market. These assets are initially recognized at fair value, plus transaction costs directly attributable to them. After initial recognition, loans are measured at amortized cost using the effective interest method, and impairment losses are discounted.

In general, receivables and other short-term debit balances without a stated interest rate are measured at their face value (the invoice value) and any provision for doubtful debts is deducted.

It includes loans and receivables, cash and cash equivalents, customers, receivables and other debit balances.

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

Non-derivative financial obligations
The first financial obligations issued for indebtedness and subordinated obligations are recognized on the date of their creation. All other financial liabilities at the date of the transaction (including commitments at fair value through profit and loss) are initially recognized when the company is a party to the contractual provisions of the instrument.

The company excludes the financial obligation when it is exempted, canceled or its contractual obligations expire.

The company classifies non-derivative financial liabilities in other financial liabilities. The former is recognized at its fair value, plus transaction costs directly attributable to it. After initial recognition, financial liabilities are measured at amortized cost using the effective interest method, and include financial liabilities, loans and advances, bank overdrafts, suppliers and other credit balances.
Bank overdraft balances paid on demand and which form part of the company's fund management are included as a component of cash and cash equivalents when preparing the statement of cash flows.

32.3 Capital
Authorized Capital
The Company's authorized capital is determined to be USD 1 000 000 000 (1 Billion US Dollar).

Issued and paid up capital
The Company's issued and paid up capital is amounted to USD 188 102 296 divided into 470 255 740 shares at par value 40 Cent each, and have been fully paid and marked on the Commercial Register.

32.4 Property, plant and equipment

Recognition and measurement
Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

(All amounts are in US dollar unless otherwise stated)

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment .The cost of borrowing related the acquisition, establishment or manufacturing of any asset is recognized in profit or loss when they are incurred.

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

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss.

Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and highly accuracy measurement . Ongoing repairs and maintenance is expensed as incurred

Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of each component. Land is not depreciated.
The estimated useful lives as follows:

Class	**Useful life after adjustments**
Buildings	%2
Decorations & exhibition equipment	%10
Marine units	%2,5
Marine refurbishments	%40 - %20
Tools and Equipment	%20
Means of transportation	%20
Furniture & office equipment	%15

The depreciation of the asset begins when the asset is usable for the purpose for which it was intended. On the date of the financial statements, the methods of depreciation, the useful lives of the assets and their residual value are reviewed.

During the year 2015, the productive lives of the company's fixed assets were re-estimated for the marine units item, in accordance with the decision of the Board of Directors. January 2015.

32.5 Projects under construction

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

32.6 Intangible assets

Intangible assets are measured at cost, which is the cash price at the date of recognition. In the event of deferment of payment for periods exceeding the normal credit period, the difference between the cash price and the total amount paid is recognized as interest. Intangible assets are presented net of depreciation and impairment losses. Subsequent expenditures on the acquisition of intangible assets are capitalized only when such expenditures increase the future economic benefits of the asset or assets. All other expenses are charged to the income statement when incurred. Intangible assets are depreciated on a straight line basis over the useful lives of the intangible assets. If the useful life of intangible assets is indefinite, impairment testing is performed on a regular basis at each balance sheet date. Intangible assets are depreciated from the date on which they are available for use and have an estimated useful life of 5 years.

32.7 Investment in subsidiaries

Investments in subsidiaries are accounted for in the company's separate financial statements using the cost method, whereby investments in subsidiaries are recognized at acquisition cost less impairment in value. The impairment is estimated for each investment separately and is recorded in the statement of profit and loss. Subsidiaries are the companies controlled by the company when the investor achieves all of the following:

- Authority over the investee.
- Exposure or the right to variable returns through its participation in the investee.
- The ability to use its power over the investee to influence the amount of returns it receives from it.

The company shall reassess control over the investee if facts and circumstances indicate that there are variables to one or more of the three elements of control mentioned above.

For subsidiaries "structured entities", there is no cost recognized in the company's separate financial statements, so the nature and risks of these subsidiaries "structured entities" are disclosed in the company's separate financial statements as related parties.

32.8 Inventories

The inventory of spare parts and fuel is recorded at cost and the cost of the inventory includes the purchase price and all other expenses related to spare parts until they reach the stores, and the cost of inventory is determined according to the weighted average method; The cost of inventory is charged to operating costs. Inventory is valued at the end of the year at cost according to the weighted average method or at net realizable value, whichever is lower.

32.9 Impairment

Non - derivative financial assets

A financial asset not classified as at fair value through profit or loss, including an interest in an equity accounted investee, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss had an negative impact on the estimated future cash flows of that asset that can be estimated reliably.

Non-financial assets

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

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

Impairment on financial assets

Group companies assess at each balance sheet date whether there is objective evidence that a financial asset is impaired. Impairment of the value of a financial asset and losses resulting from impairment are borne only if there is objective evidence of impairment as a result of the occurrence of one or more events after the initial recognition of the asset and this event or these events had an impact that can be reliably evaluated on the expected future cash flows of the financial asset. For financial assets carried at amortized cost, the impairment loss is the difference between the carrying amount of those assets and the present value of future cash flows, discounted at the original effective interest rate of the financial asset. The book value of the financial asset is reduced directly, except for customer accounts, which are reduced in value using a provision, and debts that are confirmed not to be collected through this provision are written off.

The value of the losses recognized by the shall be refunded either directly or by settling the allowance account and such cancellation shall not create a book value of the financial asset that exceeds the amortized cost at the date of derecognition of the impairment losses if such impairment losses had not been recognized. The value of the derecognition is recognized in profit or loss. this is. The value of the derecognition is recognized in profit or loss.

In accordance with the decision of the company's board of directors dated June 14, 2017, it was approved to amend the policy of the group companies in the formation of impairment losses related to customer balances to become in accordance with the following:

1- 30% of the invoice balance after one year from the due date of collecting the invoice
2- 30% of the invoice balance after two years from the due date of collecting the invoice
3- 40% of the invoice balance after three years from the due date of collecting the invoice

It should be noted that on May 5, 2018, the resolution was unanimously approved by the company's Ordinary General Assembly

32.10 Provisions

A provision is recognized only when the Group has a present legal or constructive obligation as a result of a past event and an outflow of economic resources is expected to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision must express the best estimate of the expenditures required to settle the present obligation at the date of the financial statements, taking into account the risks and uncertainties surrounding the value to be recognized as a provision. When the effect of the time value of money is material, the amount recognized as a provision It is the present value of the amounts expected to settle the obligation. When it is expected that some or all of the expenses required to settle a provision will be recovered from another third party, the reimbursement is recognized as an asset when it is certain that the reimbursement will take place, with the possibility of reliably measuring the reimbursement amount.

32.11 Dividends

Dividends are recognized as a liability in the period in which the distribution is announced.

32.12 Employee benefits

Defined contribution plans

The company contributes to the governmental social insurance system for the benefit of its employees in accordance with the Social Insurance Law." According to this law, the employees and the company contribute to the system in a fixed percentage of wages, and the company's obligation is limited to the value of its contribution, and the company's contributions are charged to the income statement according to the accrual principle.

Employees profit share

According to the articles of association, the company pays a percentage of the cash dividends as a share to the employees in the profits in accordance with the rules proposed by the company's board of directors and approved by the general assembly. .

32.13 Revenue

Egyptian Accounting Standard No. 48 "Revenue from Contracts with Customers"

The Company evaluates the goods or services promised in the contract with the customer and identifies them as a performance obligation if those services are:

1. A different good or service.
2. A series of different services that are substantially the same and have a similar pattern of transmission to the customer (ie each different service is completed over time and the same method is used to measure the progress of fulfillment of the obligation).

Revenue from contracts with customers is recognized by the company based on five step modules as identified in EAS No. (48):

Step 1: Determine the contract (contracts) with customer: A contract is defined as an agreement between two or more parties that meets the rights and obligations based on specified standards which must be met for each contract.

Step 2: Determine the performance obligations in contract: Performance obligations is a consideration when the goods and services are delivered.

Step 3: Determine the transaction price: Transaction price is the compensation amount that the company expects to recognize to receive for the transfer of goods or services to customer, except for the collected amounts on behalf of other parties.

Step 4: Allocation of the transaction price of the performance obligations in the contract: If the service concession arrangement contains more than one performance obligation, the company will allocate the transaction price on each performance obligation by an amount that specifies an amount against the contract in which the company expects to receive in exchange for each performance obligation satisfaction.

Step 5: Revenue recognition when the entity satisfies its performance obligations.

The company satisfy the performance obligation and recognize revenue over time, if one of the following criteria is met: -

a- Company's performance does not arise any asset that has an alternative use of the company and the company has an enforceable right to pay for completed performance until the date.

b- The company arise or improves a customer-controlled asset when the asset is arising or improved.

c- The customer receives and consumes the benefits of company's performance at the same time as soon as the company has performed.

d- For performance obligations, if one of the above conditions is met, revenue is recognized in the period in which the company satisfies performance obligation.

When the company satisfies performance obligation by providing the services promised, it creates an asset based on payment for the contract performance obtained, when the amount of the contract received from customer exceeds the amount of the revenue recognized, resulting advance payments from the customer (contractual obligation)

Revenue is recognized to the extent that is potential for the flow of economic benefits to the company, revenue and costs can be measured reliably, where appropriate.

The application of Egyptian Accounting Standard No. 48 requires management to use the following judgements:

Satisfaction of performance obligation
The company should assess all contracts with customers to determine whether performance obligations are satisfied over a period or at a point in time in order to determine the appropriate method for revenue recognition. The company estimated that, and based on the agreement with customers, the company does not arise asset has alternative use to the company and usually has an enforceable right to pay it for completed performance to the date.
In these circumstances, the company recognizes revenue over a period, and if that is not the case, revenue is recognized at a point in time for the sale of goods, and revenue is usually recognized at a point in time.

Determine the transaction price
The company has to determine the price of the transaction in its agreement with customers, using this judgement, the company estimates the impact of any variable contract price on the contract due to discount, fines, any significant financing component in the contract, or any non-cash contract.
Control transfer in contracts with customers
If the company determines the performance obligations satisfaction at a point of time, revenue is recognized when control of related contract' assets are transferred to the customer.

In addition, the application of Egyptian Accounting Standard No. 48 has resulted in:

Allocation of the transaction price of performance obligation in contracts with customers:
The company elected to apply the input method to allocate the transaction price to performance obligations accordingly that revenue is recognized over a period of time, the company considers the use of the input method, which requires recognition of revenue based on the company's efforts to satisfy performance obligations, provides the best reference to the realized revenue. When applying the input method, the company estimates

efforts or inputs to satisfy a performance obligation, in addition to the cost of satisfying a contractual obligation with customers, these estimates include the time spent on service contracts.

Revenue sources	Revenue recognition
Marine unit's rental	At point of time
Supplying food for crews of marine units and other revenues	At point of time

Income from renting marine units
Revenue is measured based on considerations specified in contracts with customers and excludes amounts collected on behalf of third parties. The company recognizes revenue when the service is provided to the customer, on delivery to the customer.
If the consideration promised in the contract includes a variable amount, the company estimates what fees it is entitled to for services rendered to the customer.

Contract revenue
Revenue is measured based on considerations specified in contracts with customers and excludes amounts collected on behalf of third parties. The company recognizes revenue when the good is delivered to the customer, on delivery to the customer.
If the consideration promised in the contract includes a variable amount, the company estimates what it is entitled to in exchange for transferring the promised goods or services to the customer.

Credit interest and other income

Credit interest is recognized using the effective interest rate method, and other income is recognized on an accrual basis.

32.14 Expense recognition

Expenses are recognized in profit or loss when there is a decrease in future economic benefits due to a decrease in an asset or an increase in a liability" and can be measured with confidence. This means, in fact, that the recognition of expenses takes place simultaneously with the recognition of an increase in liabilities or a decrease in assets. Expenses are recognized in the income statement on the basis that there is a direct correlation between costs incurred and revenue earned (corresponding to costs with revenue).

When economic benefits are expected to arise over many accounting periods" and the association with income can be determined generally or only indirectly, the expenses must be recognized in the income statement on a regular and reasonable basis for distribution.

The expense is recognized immediately in the income statement "when the expense does not generate any future economic benefits or when the future economic benefits do not qualify" or no longer qualifies; to be recognized as an asset in the financial statements.

32.15 Fair value measurement

A number of the Company's accounting policies and related disclosure requirements require the determination of the fair value of financial and non-financial assets and liabilities. The fair value is determined for measurement or disclosure purposes, and the notes complementing the financial statements of assets and liabilities are disclosed, whenever possible, about any additional information about the assumptions used in determining the fair value in the notes for those assets and liabilities.

Other intangible assets

The fair value of other intangible assets is determined based on the discounted cash flows expected to be obtained from the final use and sale of the assets.

Dividend

Dividends are recognized as a liability in the financial period in which the dividends are approved by the shareholders general assembly meeting

Trade receivables

Trade receivables are initially recognized at fair value and subsequently at amortized cost using the effective interest method less the provision for impairment of those receivables. The provision for impairment of the value of debtors is formed when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of the contract, and the impairment represents the difference in the book value and the present value of the expected cash flows. The cash flows are discounted using the effective interest rate. The book value is reduced by using the allowance for impairment and the loss is recorded in the income statement. When the balances of trade receivables are not collected, they are written off using the provision created, and when those amounts previously destroyed are collected, they are included in the income statement.

Trade payables

Commercial creditors generally prove the value of the goods and services received from third parties, whether invoices are received for them or not. When this is significant, the goods and services received as well as trade creditors are recognized at the present value of the expected cash outflows using the interest rate of identical loans, and trade creditors are subsequently stated at amortized cost using the effective interest rate method.

32.16 Lease contracts

At the outset of the contract, the company assesses whether the contract is a lease or includes a lease. The contract is a lease or includes a lease if the contract conveys the right to control the use of a specific asset for a period of time in exchange for consideration. To assess whether a lease conveys the right to control the use of a specific asset, the Group uses the definition of a lease in Egyptian Accounting Standard No. (49).

This policy applies to contracts concluded since or after the establishment of the company.

Lessee

On initiation or upon modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on a pro-rata basis, however, for real estate leases, the Group has elected not to separate the non-lease components and accounting for the lease and non-lease components as the lease component single.

The Group recognizes a right-of-use asset and a lease liability on the date of the lease inception. The usufruct asset is initially measured at cost, which includes the initial amount of the lease obligation and is settled by any amounts paid on or before the date of the contract inception, plus any initial direct costs incurred and the estimated costs of dismantling and removing the underlying asset or restoring the asset itself or the location in which it is located. The asset, less any rental incentives received.

The usufruct asset is subsequently depreciated using the straight-line method from the date of the contract inception until the end of the lease term, unless the lease transfers ownership of the underlying asset to the group at the end of the lease term, or if the cost of the usufruct asset reflects that the group will exercise the purchase option, In this case, the usufruct asset is depreciated over the useful life of the asset, which is determined on the same basis for real estate and equipment. In addition, the usufruct asset is periodically reduced by the value of the impairment losses, if any, and is adjusted by re-measuring the lease liability.

The lease liability is initially measured at the present value of the lease payments not paid at the commencement date of the contract, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Group's incremental borrowing rate should be used. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines the incremental borrowing rate by obtaining interest rates from various external sources of financing and making certain adjustments to reflect the terms of the lease and the type of asset being leased.

The lease payments included in the lease liability measurement consist of the following:
(a) Fixed payments, which include essentially fixed payments.
B- Variable lease payments that depend on an index or a rate, and were initially measured using the index or rate at the start of the lease contract.
C- Amounts expected to be paid by the lessee under residual value guarantees.
(d) the exercise price of a purchase option if the group is reasonably certain to exercise that option, lease payments in the optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of the lease unless the group is reasonably certain not to terminate early .

The lease liability is measured at amortized cost using the effective interest method. which is re-measured if there are changes in future lease payments resulting from the dust in an index or rate used to determine those payments, if there is a change in the group's estimate of the amount expected to be paid under a residual value guarantee, if the group changes its assessment of whether to exercise a purchase option extension, termination, or if there is a substantially fixed rent payment.

(All amounts are in US dollar unless otherwise stated)

When the lease liability is re-measured in this way, an adjustment is made to the carrying amount of the right of use asset, or it is recorded in profit or loss if the carrying amount of the right of use asset is reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property within property, plant and equipment and lease commitments within loans and advances in the statement of financial position.

Short-term leases and leases of small-value assets
The Group has elected not to recognize right-of-use assets and lease liabilities for leases of small value assets and short-term leases, including information technology equipment. The Group recognizes lease payments associated with these leases as an expense on a straight line basis over the term of the lease.

33. New Editions and Amendments to Egyptian Accounting Standards:

- On 6 March 2023, the Prime Minister's Decree No. (883) of 2023 was issued amending some provisions of the Egyptian accounting standards, and on 3 March 2024, another decision was issued by the Prime Minister No. (636) of 2024 amending some other provisions of the Egyptian accounting standards, and the following is a summary of the most important of those amendments:

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
Egyptian Accounting Standard No. (10) amended 2023 "Fixed Assets " and Egyptian Accounting Standard No. (23) amended 2023 "Intangible Assets".	1- These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets. - This resulted in amendment of the paragraphs related to the use of the revaluation model option in some of the applicable Egyptian Accounting Standards, which are as follows: - Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". - Egyptian Accounting Standard No. (24) "Income Taxes" - Egyptian Accounting Standard No. (30) "Interim Financial Reporting" - Egyptian Accounting Standard No. (31) "Impairment of Assets" - Egyptian Accounting Standard No. (49) "Leasing Contracts" 2- In accordance with the amendments made to the Egyptian Accounting Standard No. (35) amended 2023 "Agriculture",	The change doesn't have an impact on the financial statement of the Company.	The amendments of adding the option to use the revaluation model are effective for financial periods starting **on or after January 1, 2023, retrospectively,** cumulative impact of the preliminary applying of the revaluation model shall be **added to the revaluation surplus account in equity, at the beginning of the financial period in which the Company applies this model for the first time.** These amendments are effective for annual financial periods starting **on or after January 1, 2023,**

(All amounts are in US dollar unless otherwise stated)

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
	paragraphs (3), (6) and (37) of Egyptian Accounting Standard No. (10) "Fixed assets " have been amended, and paragraphs 22(a), 80(c) and 80(d) have been added to the same standard, in relation to agricultural produce harvested. The Company is not required to disclose the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) for the current period, which is the period of the financial statements in which the Egyptian Accounting Standard No. (35) amended 2023 and Egyptian Accounting Standard No. (10) amended 2023 are applied for the first time in relation to agricultural produce harvested. However, the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) should be disclosed for each comparative period presented. - The Company may elect to measure an agricultural produce harvested item at its fair value at the beginning of the earliest period presented in the financial statements for the period in which the Company have been applied the above-mentioned amendments for the first time and to use that fair value as its deemed cost on that date. Any difference between the previous carrying amount and the fair value in the opening balance should be recognized by adding it to the revaluation surplus account in equity at the beginning of the earliest period presented.		**retrospectively,** cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested shall be **added to the balance of retained earnings or losses at the beginning of the financial period in which the Company applies this treatment for the first time.**

(All amounts are in US dollar unless otherwise stated)

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
Egyptian Accounting Standard No. (34) amended 2023 "Investment property ".	1- This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property. 2- This resulted in amendment of some paragraphs related to the use of the fair value model option in some of the applicable Egyptian Accounting Standards, which are as follows: – 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 Reporting " – Egyptian Accounting Standard No. (31) "Impairment of Assets" – Egyptian Accounting Standard No. (32) "Non-Current Assets Held for Sale and Discontinued Operations" – Egyptian Accounting Standard No. (49) "Leasing Contracts".	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	The amendments of adding the option to use the fair value model are effective for financial periods starting on or after January 1, 2023 **retrospectively,** cumulative impact of the preliminary applying of the fair value model shall be **added to the balance of retained earnings or losses at the beginning of the financial period in which the Company applies this model for the first time.**
Egyptian Accounting Standard No. (36) amended 2023 "Exploration for and Evaluation of Mineral Resources"	1- This standard was reissued in 2023, allowing the use of revaluation model when subsequent measurement of exploration and valuation assets. 2- The Company applies either the cost model or the revaluation model for exploration and valuation assets, the evaluation should carried out by experts specialized in valuation and registered in a register maintained for this purpose at the Ministry of Petroleum, and in the case of applying the revaluation model (whether the model stated in the Egyptian Accounting Standard (10) "Fixed Assets " or the model stated in Egyptian Accounting Standard (23)	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	The amendments of adding the option to use the revaluation model are effective for financial periods starting on or after January 1, 2023, retrospectively, cumulative impact of the preliminary applying of the revaluation model shall be **added to the revaluation surplus account in equity, at the**

(All amounts are in US dollar unless otherwise stated)

New or reissued standards	**Summary of the most significant amendments**	**Impact on the financial statements**	**Effective date**
	"Intangible Assets") should consistent with the classification of assets in accordance with paragraph No. (15) of Egyptian Accounting Standard No. (36) amended 2023.		**beginning of the financial period in which the Company applies this model for the first time.**
Egyptian Accounting Standard No. (35) amended 2023 "Agriculture".	This standard was reissued in 2023, where paragraphs (1-5), (8), (24), and (44) were amended and paragraphs (5a) - (5c) and (63) were added, with respect to the accounting treatment of agricultural produce harvested, (Egyptian Accounting Standard (10) "Fixed assets " was amended accordingly).	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	These amendments are effective for annual financial periods starting **on or after January 1, 2023 retrospectively**, cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested shall be **added to the balance of retained earnings or losses at the beginning of the financial period in which the Company applies this treatment for the first time.**

New or reissued standards	**Summary of the most significant amendments**	**Potential impact on the financial statements**	**Effective date**
Egyptian Accounting Standard No. (50) "Insurance Contracts".	1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that	The Company is currently assessing the impact of applying this new standard on its financial statements.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting **on or after July 1,**

(All amounts are in US dollar unless otherwise stated)

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	the Company provides appropriate information that truthfully reflects those contracts. This information provides users of financial statements with the basis for assessing the impact of insurance contracts on the Company's financial position, financial performance, and cash flows. 2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 3-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows: - Egyptian Accounting Standard No. (10) "Fixed Assets ". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment property ".		**2024**, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the Company should disclose that fact.
Egyptian Accounting Standard No. (34) amended 2024 "Investment Property "	The Egyptian Accounting Standard No. (34) "Investment Property" was reissued in 2024, to amend the fair value application mechanism by the mandate of recognizing the gain or loss arising from the change in the fair value of the investment property in the statement of profit or loss for the period in which the change arises or through the statement of other comprehensive income for one time in the life of the asset or investment, taking into account paragraphs (35a) and (35b) of the standard.	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	The amendments to the amendment of addition of the option to use the fair value model apply to financial periods commencing on or after **January 1, 2024** with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the fair value model

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			initially by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this model for the first time.
Egyptian Accounting Standard No. (17) amended 2024 "Separate Financial Statements"	Egyptian Accounting Standard No. (17) "Separate Financial Statements" was reissued in 2024, adding the option to use the equity method as described in Egyptian Accounting Standard No. (18) "Investments in Sister Companies" when accounting for investments in associates, sister companies and jointly controlled companies.	Management is currently studying the possibility of changing the accounting policy followed and instead use the equity method to account for investments in subsidiaries, associated companies and jointly controlled companies, and assessing the potential impact on the financial statements if this method has been used.	The amendments shall apply to financial periods commencing on or after **January 1, 2024** with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the equity method by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this method for the first time.
Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"	This standard was reissued in 2024, to add how to determine the spot exchange rate when exchange between two currencies is difficult and what are the conditions that must be met for determining the spot exchange rate at the measurement date. An appendix to the application guidelines has	The Company is currently assessing the impact of applying the amendments of this standard on its financial statements.	Amendments regarding the determination of spot exchange rate when it is difficult to exchange between two currencies is applicable to

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	been added, which includes guidelines for assessing whether a currency is exchangeable for another currency, and guidelines for applying the required treatments in case of non-exchangeability.		financial periods commencing on or after **January 1, 2024** with early adaption allowed. If the entity made an early application, this has to be disclosed. Entity shall not be modifying comparative information and instead should: • When the entity reports foreign currency transactions to its functional currency, any effect of the initial application is recognized as an adjustment to the opening balance retained earnings/losses on the date of initial application. • When an entity uses presentation currency different than its functional currency or translates the results and balances of foreign operation, the resulting

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			differences and financial position of a foreign transaction, any effect of the initial application is recognized as an adjustment to the cumulative translation adjustment reserve - accumulated in equity section on the date of initial application.
Accounting Interpretation No. (2) "Carbon Reduction Certificates"	Carbon Credits Certificates: Are financial instruments subject to trading that represent units for reducing greenhouse gas emissions. Each unit represents one ton of equivalent carbon dioxide emissions, and are issued in favor of the reduction project developer (owner/non-owner), after approval and verification in accordance with internationally recognized standards and methodologies for reducing carbon emissions, carried out by verification and certification bodies, whether local or international, registered in the list prepared by the Financial Regulatory Authority "FRA" for this purpose. Companies can use Carbon Credits Certificates to meet voluntary emissions reduction targets to achieve carbon trading or other targets, which are traded on the Voluntary Carbon Market "VCM".	The management is currently studying the financial implications of applying the accounting interpretation to the Company's financial statements.	The application starts on or after the first of January 2025, early adaption is allowed.