

**TENTH OF RAMADAN FOR PHARMACEUTICAL
INDUSTRIES AND DIAGNOSTIC REAGENTS
(RAMEDA) (S.A.E)
CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
TOGETHER WITH REVIEW REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

**Condensed Interim Consolidated Financial Statements
For the Period Ended 30 September 2022**

Table of Contents	Page
Review Report on the Condensed Interim Consolidated Financial Statements	3
Condensed Interim Consolidated Statement of Financial Position	4
Condensed Interim Consolidated Statement of Profit or Loss	5
Condensed Interim Consolidated Statement of Comprehensive Income	6
Condensed Interim Consolidated Statement of Changes in Equity	7
Condensed Interim Consolidated Statement of Cash Flows	8
Notes to the Condensed Interim Consolidated Financial Statements	9-24

**REPORT ON REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
TO THE MEMBERS OF THE BOARD OF DIRECTORS OF TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

Introduction

We have reviewed the accompanying condensed interim financial position of **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)** as of 30 September 2022 as well as the related condensed statements of profit or loss, Comprehensive income, changes in equity and cash flows for the nine months ended on 30 September 2022, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed interim consolidated financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements does not give a true and fair view, in all material respects, of the financial position of the entity as at 30 September 2022, and of its financial performance and its cash flows for the nine months ended on 30 September 2022 in accordance with Egyptian Accounting Standards.



Ehab Morad Azer
FESAA - FEST
(RAA 6537)
(EFSA 87)



Cairo: 15 November 2022

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 September 2022

	Notes	30 September 2022 EGP	31 December 2021 EGP
ASSETS			
Non-current assets			
Fixed assets and projects under construction	(5)	534,365,608	541,954,828
Right of use assets	(6-A)	13,521,827	13,032,359
Intangible assets	(7)	463,594,731	389,663,289
Total non-current assets		1,011,482,166	944,650,476
Current assets			
Inventories	(8)	357,341,681	259,398,338
Trade and notes receivable	(9)	749,229,020	659,403,591
Treasury Bills	(10)	379,956,340	468,010,954
Due from related parties		25,500	25,500
Prepayments and other receivables		61,637,567	74,809,972
Cash on hand and at banks	(11)	98,326,961	14,001,699
Total current assets		1,646,517,069	1,475,650,054
TOTAL ASSETS		2,657,999,235	2,420,300,530
EQUITY AND LIABILITIES			
Equity			
Paid up Capital	(14)	250,000,000	250,000,000
Legal reserve		35,556,390	26,446,118
General reserves - Issuance Premium	(15)	486,965,000	486,965,000
Treasury Shares	(16)	(57,012,366)	-
Share based payments reserve	(17)	12,672,380	-
Other reserves		278,952	278,952
Profits for the period and retained earnings		745,898,122	584,420,299
Total equity of Parent Company		1,474,358,478	1,348,110,369
Non-controlling interest		1,235,801	(2,621,626)
Total equity		1,475,594,279	1,345,488,743
LIABILITIES			
Non-current liabilities			
Long term lease liabilities	(6-B)	12,396,206	12,256,160
Deferred tax liabilities	(26)	47,251,786	40,498,236
Total non-current liabilities		59,647,992	52,754,396
Current liabilities			
Provisions	(12)	14,042,845	14,261,845
Credit facilities	(18)	851,024,484	820,655,235
Current portion of long-term loans	(19)	-	21,949,676
Current portion of lease liabilities	(6-B)	3,500,744	3,130,595
Trade, notes and other payables	(13)	209,746,038	128,568,694
Income taxes payable		44,442,853	33,491,346
Total current liabilities		1,122,756,964	1,022,057,391
TOTAL LIABILITIES		1,182,404,956	1,074,811,787
TOTAL LIABILITIES AND EQUITY		2,657,999,235	2,420,300,530


Finance Director
Mohamed Abo Amira


Board Member

Amr Abdallah Morsy

The accompanying notes from (1) to (29) are an integral part of these condensed Interim consolidated financial statements.
Review Report Attached.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS For the Period Ended 30 September 2022

	Notes	Nine Months Ended		Three Months Ended	
		30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Revenues	(20)	1,093,046,580	852,487,092	381,546,971	314,715,200
Cost of revenues	(21)	(553,820,482)	(463,099,262)	(187,047,427)	(169,000,744)
GROSS PROFIT		539,226,098	389,387,830	194,499,544	145,714,456
Selling and marketing expenses	(22)	(205,716,272)	(182,289,184)	(70,138,865)	(65,926,549)
General and administrative expenses	(23)	(47,687,473)	(38,586,293)	(16,712,846)	(12,335,364)
Other income		5,243,508	467,139	190,527	40,709
OPERATING PROFIT		291,065,861	168,979,492	107,838,360	67,493,252
Finance income	(24)	42,314,326	45,059,297	14,647,361	15,447,643
Finance expenses	(25)	(67,658,974)	(71,826,807)	(23,987,950)	(23,694,351)
Net foreign exchange gain/(loss)		8,777,670	(441,283)	1,452,334	(39,292)
NET FINANCE COST		(16,566,978)	(27,208,793)	(7,888,255)	(8,286,000)
Impairment of trade and notes receivable		(1,000,000)	-	-	-
Provision expense		-	(500,000)	-	-
Share Based payment expenses		(12,672,380)	-	(6,136,100)	-
Contribution for health insurance		(2,911,895)	(2,245,045)	(1,027,193)	(820,523)
PROFITS FOR THE PERIOD BEFORE INCOME TAXES		257,914,608	139,025,654	92,786,812	58,386,729
Income taxes	(26)	(59,161,586)	(32,405,863)	(20,377,918)	(13,240,160)
PROFITS FOR THE PERIOD		198,753,022	106,619,791	72,408,894	45,146,569
Attributable to:					
Equity holders of the Parent Company		194,895,595	107,075,935	70,691,392	45,310,841
Non-controlling interests		3,857,427	(456,144)	1,717,502	(164,272)
		198,753,022	106,619,791	72,408,894	45,146,569
Earnings Per Share - basic and diluted	(27)	0.1962	0.1071	0.0724	0.0453

Finance Director

Mohamed Abo Amira

Board Member

Amr Abdallah Morsy

The accompanying notes from (1) to (29) are an integral part of these condensed Interim consolidated financial statements.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Period Ended 30 September 2022

	<i>30 September</i> <i>2022</i> <i>EGP</i>	<i>30 September</i> <i>2021</i> <i>EGP</i>	<i>30 September</i> <i>2022</i> <i>EGP</i>	<i>30 September</i> <i>2021</i> <i>EGP</i>
PROFITS FOR THE PERIOD	198,753,022	106,619,791	72,408,894	45,146,569
OTHER COMPREHENSIVE INCOME	-	-	-	-
OTHER COMPREHENSIVE INCOME	198,753,022	106,619,791	72,408,894	45,146,569
Attributable to				
Equity holders of the Parent Company	194,895,595	107,075,935	70,691,392	45,310,841
Non-controlling interest	3,857,427	(456,144)	1,717,502	(164,272)
	198,753,022	106,619,791	72,408,894	45,146,569

The accompanying notes from (1) to (29) are an integral part of these condensed Interim consolidated financial statements.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Period Ended 30 September 2022

	<i>Paid up Capital</i>	<i>Legal reserve</i>	<i>General reserve - Issuance Premium</i>	<i>Treasury Shares</i>	<i>Share based payment reserve</i>	<i>Other reserves</i>	<i>Retained earnings</i>	<i>Total equity of Parent Company</i>	<i>Non- controlling interest</i>	<i>Total</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Balance as at 1 January 2021	192,150,000	20,798,851	486,965,000	-	-	278,952	484,995,947	1,185,188,750	(1,618,706)	1,183,570,044
Effect of adoption of EAS (47)	-	-	-	-	-	-	(810,276)	(810,276)	-	(810,276)
Balance as at 1 January 2021(Adjusted)	192,150,000	20,798,851	486,965,000	-	-	278,952	484,185,671	1,184,378,474	(1,618,706)	1,182,759,768
Transferred to legal reserve	-	5,647,267	-	-	-	-	(5,647,267)	-	-	-
Transferred from retained earnings to capital increase	57,850,000	-	-	-	-	-	(57,850,000)	-	-	-
Dividend distributions	-	-	-	-	-	-	(14,700,000)	(14,700,000)	-	(14,700,000)
Total comprehensive income for the period	-	-	-	-	-	-	107,075,935	107,075,935	(456,144)	106,619,791
Balance as at 30 September 2021	250,000,000	26,446,118	486,965,000	-	-	278,952	513,064,339	1,276,754,409	(2,074,850)	1,274,679,559
Balance as at 1 January 2022	250,000,000	26,446,118	486,965,000	-	-	278,952	584,420,299	1,348,110,369	(2,621,626)	1,345,488,743
Transferred to legal reserve	-	9,110,272	-	-	-	-	(9,110,272)	-	-	-
Acquisition of treasury shares	-	-	-	(57,012,366)	-	-	-	(57,012,366)	-	(57,012,366)
Share based Payment reserve	-	-	-	-	12,672,380	-	-	12,672,380	-	12,672,380
Dividends distribution	-	-	-	-	-	-	(24,307,500)	(24,307,500)	-	(24,307,500)
Total comprehensive income for the period	-	-	-	-	-	-	194,895,595	194,895,595	3,857,427	198,753,022
Balance as at 30 September 2022	250,000,000	35,556,390	486,965,000	(57,012,366)	12,672,380	278,952	745,898,122	1,474,358,478	1,235,801	1,475,594,279

The accompanying notes from (1) to (29) are an integral part of these condensed Interim consolidated financial statements.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS For the Period Ended 30 September 2022

	Notes	30 September 2022 EGP	30 September 2021 EGP
CASH FLOWS FROM OPERATING ACTIVITIES			
Profits for the period before income taxes		257,914,608	139,025,654
Adjustments to reconcile profit before tax to net cash flow:			
Net foreign exchange differences		(3,775,450)	(94,347)
Depreciation and amortization	(5,6,7)	48,179,884	34,337,231
Share based payment expense		12,672,380	-
Provision charged	(12)	(219,000)	500,000
Impairment of trade and notes receivable	(9)	1,000,000	-
Impairment of inventory	(8)	14,313,753	13,321,385
Finance income		(42,307,952)	(45,047,005)
Finance expenses	(25)	66,116,928	70,253,969
Unwinding interests of lease liabilities	(25)	1,542,046	1,572,838
Loss from sale of fixed assets	(5)	109,781	12,582
		<u>355,546,978</u>	<u>213,882,307</u>
Change in inventories		(94,369,871)	40,590,945
Used of inventory provision		(17,887,225)	(12,087,080)
Change in trade and notes receivable		(89,540,102)	51,259,399
Used of trade and notes receivable		(1,285,327)	-
Change in prepayments and other receivables		8,841,980	(16,864,071)
Change in trade, notes and other payable		76,914,774	32,759,130
Cash flows provided from operating activities		<u>238,221,207</u>	<u>309,540,630</u>
Debit interests paid		(62,662,266)	(67,888,147)
Income taxes paid		(41,456,529)	(26,030,672)
NET CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES		<u>134,102,412</u>	<u>215,621,811</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire fixed assets	(5)	(14,727,260)	(9,893,396)
Payments to acquire assets under construction	(5)	(4,070,199)	(18,601,899)
Payments to acquire intangible assets	(7)	(92,941,105)	(184,024,926)
Payment to acquire treasury bills	(10)	(816,997,304)	(769,469,969)
Matured treasury bills collection	(10)	932,725,000	821,175,000
Sale of Treasury bills		19,773,200	-
Proceeds from sale of fixed assets	(5)	21,851	19,140
Investment in term deposits	(11)	(290)	(15,118)
NET CASH FLOWS PROVIDED FROM (USED IN) INVESTING ACTIVITIES		<u>23,783,893</u>	<u>(160,811,168)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Credit facilities used	(18)	884,774,047	888,655,910
Payment of credit facilities	(18)	(854,404,798)	(873,802,799)
Payment of long-term loans	(19)	(21,949,676)	(48,150,000)
Dividends paid during the period		(24,307,500)	(14,700,000)
Acquisition of Treasury shares		(57,012,366)	-
Lease payments paid during the period	(6-B)	(4,436,493)	(4,571,676)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES		<u>(77,336,786)</u>	<u>(52,568,565)</u>
Net change in cash and cash equivalent during the period		<u>80,549,519</u>	<u>2,242,078</u>
Net foreign exchange difference		3,775,453	94,347
Cash and cash equivalent - beginning of the year		13,886,158	12,625,792
CASH AND CASH EQUIVALENT - END OF THE PERIOD	(11)	<u>98,211,130</u>	<u>14,962,217</u>

The accompanying notes from (1) to (29) are an integral part of these condensed Interim consolidated financial statements.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

1- BACKGROUND

Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) (S.A.E) (the “Company” or the “Parent Company”) was established under the provisions of Law No. 43 of 1974.

The Company was registered in the commercial registry under No.84008 on 15 January 1986.

The listing of Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) (S.A.E) on the Egyptian stock exchange was approved in 26 November 2019 according to resolution of listing committee of Egyptian stock exchange.

The registered office is located at plot No. 5 Second Industrial Zone, 6th of October City – Giza– Egypt. The consolidated financial statements include the separate financial statements of the Parent Company and its subsidiaries (collectively referred to as the “Group”).

The Group is principally engaged in:

- Manufacturing, marketing, selling and storing of pharmaceutical reagents for human and veterinary use.
- Manufacturing, marketing, selling and storing of diagnostic reagents necessary for individuals, laboratories and hospitals.
- Importing pharmaceutical reagents and raw materials necessary for serving the Company’s purposes without trading.
- Producing pharmaceutical reagents for human and veterinary and diagnostic use for others and by others.
- Producing food supplements for human use for others and by others.

Below is a brief background about the subsidiaries:

Rameda for Pharmaceuticals Trading Company

A subsidiary with 99.97% shareholding. Its principal activity is importing and exporting pharmaceutical reagents, producing, marketing, selling and storing of pharmaceutical reagents and producing pharmaceutical reagents for human and veterinary and diagnostic use for others

Ramecare Company

A subsidiary with 49% legal ownership. Its principal activity is producing, marketing, selling and storing of pharmaceutical reagents, producing pharmaceutical reagents for human and veterinary and diagnostic use for others.

It was considered a subsidiary since the Parent Company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over it.

Ramepharma Company

A subsidiary with 49% legal ownership. Its principal activity is producing, marketing, selling and storing of pharmaceutical reagents, producing pharmaceutical reagents for human and veterinary and diagnostic use for others.

It was considered a subsidiary since the Parent Company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over it.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the Period Ended 30 September 2022

2- SIGNIFICANT ACCOUNTING POLICIES

2-1 BASIS OF PREPARATION

The consolidated financial statements are prepared under the going concern assumption on a historical cost basis, and The Company is not subject to any significant seasonal or cyclical effects.

The consolidated financial statements are prepared and presented in Egyptian pounds, which is the Group's functional currency.

The consolidated financial statements of the Group have been prepared in accordance with the Egyptian accounting standards Num (30) and the applicable laws and regulations, The condensed financial statements do not include all the financial statements and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements for the year ending December 31, 2021. In addition, the results of the interim period ending September 30, 2022 may not be considered an accurate indication of the expected results for the financial year. On December 31, 2022.

2-2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of the condensed consolidated interim financial statements are consistent with those used in the preparation of the separate financial statements for the year ending on December 31, 2021.

3- SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of these consolidated financial statements requires management to make judgments and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

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

The key judgments and estimates that have a significant impact on the consolidated financial statements of the Group are discussed below:

3-1 Judgments

Revenue Recognition for sale of goods

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods as set out in "EAS 48 Revenue from contracts with customers" including the judgement about whether significant risks and rewards have been transferred.

3-2 Estimates

Impairment of trade and other receivables

An estimate of the collectible amount of trade and other receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimate is performed on an individual basis. Amounts which are not individually significant, but are past due, are assessed collectively and a provision is applied according to the length of time past due, based on historical recovery rates.

Provision for sales returns

The Group's management determines the estimates provision for the expected sales returns. This estimate is determined after considering the past experience of sales returns and sales volume and expiry dates of the products sold. The management periodically reviews the estimated provision amount to ensure that provision is adequate to cover the sales return.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the Period Ended 30 September 2022

3- SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

Useful lives of fixed assets

The Group's management determines the estimated useful lives of its fixed assets for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews the estimated useful lives and the depreciation method to ensure that the method and the period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Useful lives of intangible assets

The useful lives of intangible assets are assessed as finite. The management periodically reviews the estimated useful lives and the amortization method to ensure that the method and the period of amortization are consistent with the expected pattern of economic benefits from these assets.

Taxes

The Group is subject to income taxes in Egypt. Significant judgment is required to determine the total provision for current and deferred taxes. The Group establishes provision, based on reasonable estimates, for possible consequences of audits by the tax authorities in Egypt. The amount of such provision is based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the Group and the responsible tax authority. Such differences of interpretations may be on a wide variety of issues depending on the conditions prevailing in Egypt.

Deferred tax assets are recognized for unused accumulated tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

4- SEGMENT INFORMATION

Currently the Group's primary business segment is the production and selling of pharmaceutical products which contributes to 92% of total revenue and balance 8% is contributed by toll manufacturing services (30 September 2021: 93% and 7% receptively). The Group's management monitors the business under two segments, "production and selling of pharmaceutical products" and "manufacturing for others" (Toll manufacturing) for the purpose of making business decisions.

Segment performance is evaluated based on revenue and measured consistently with revenue in the consolidated financial statement.

Accordingly, the Group's revenues during the period ended 30 September 2022 were reported under two segments in the consolidated financial statements.

The Group produces and sells several pharmaceutical products and renders services as follows:

Period	Services	Sales of pharmaceutical products			Total
	Toll	Export	Domestic		
	Manufacturing		Private sales	Tenders	
	"Domestic"	EGP	EGP	EGP	EGP
30 September 2022	86,436,110	75,824,099	804,348,191	126,438,180	1,093,046,580
30 September 2021	56,173,399	59,308,168	587,173,399	149,832,126	852,487,092

Revenue from the top five customers presented 77% of total pharmaceutical products (30 September 2021: 84%).

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

5- FIXED ASSETS AND ASSETS UNDER CONSTRUCTION

	Freehold Land	Buildings	Machinery and equipment	Transportation and dragging equipment	Laboratory equipment	Tools	Office furniture and fixtures	Assets under construction	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost									
As of 1 January 2022	18,637,425	273,341,106	414,773,502	13,369,898	28,261,762	6,022,977	29,123,411	27,041,385	810,571,466
Additions	-	3,946,092	3,754,485	1,898,136	2,040,308	1,189,359	1,898,880	4,070,199	18,797,459
Transferred from assets under construction	-	556,909	19,982,634	1,037,870	-	-	54,105	(21,631,518)	-
Disposals	-	-	(179,150)	-	(271,696)	(6,774)	(47,457)	-	(505,077)
As of 30 September 2022	18,637,425	277,844,107	438,331,471	16,305,904	30,030,374	7,205,562	31,028,939	9,480,066	828,863,848
Accumulated depreciation									
As of 1 January 2022	-	(66,075,076)	(163,135,409)	(10,890,741)	(8,406,398)	(2,234,098)	(17,874,916)	-	(268,616,638)
Depreciation for the period	-	(6,571,384)	(14,423,107)	(590,483)	(2,085,921)	(426,726)	(2,157,426)	-	(26,255,047)
Disposals	-	-	150,442	-	179,807	2,292	40,904	-	373,445
As of 30 September 2022	-	(72,646,460)	(177,408,074)	(11,481,224)	(10,312,512)	(2,658,532)	(19,991,438)	-	(294,498,240)
Net book value as of 30 September 2022	18,637,425	205,197,647	260,923,397	4,824,680	19,717,862	4,547,030	11,037,501	9,480,066	534,365,608

- The cost of fixed assets as of 30 September 2022 includes EGP 110,122,962 which represents fully depreciated assets that are still in use.
- The cost of asset under construction includes impairment by EGP 686,437.

Depreciation for the year was allocated to the statement of profit or loss as follows:

	30 September 2022
	EGP
Cost of revenue	24,155,129
Selling and marketing expenses	596,755
General and administrative expenses	1,503,163
	26,255,047

Loss from sale of fixed assets was calculated as follows:

	30 September 2022
	EGP
Cost of disposed assets	505,077
Accumulated depreciation of disposed assets	(373,445)
Net book value of disposed assets	131,632
Proceeds from sale of fixed assets	21,851
Loss from sale of fixed assets	(109,781)

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

5- FIXED ASSETS AND ASSETS UNDER CONSTRUCTION (CONTINUED)

	Freehold Land	Buildings	Machinery and equipment	Transportation and dragging equipment	Laboratory equipment	Tools	Office furniture and fixtures	Assets under construction	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost									
As at 1 January 2021	18,637,425	257,225,388	397,711,971	13,025,828	20,292,443	5,689,305	25,385,313	26,589,818	764,557,491
Additions	-	2,628,798	6,387,704	344,070	3,454,965	357,601	1,310,762	38,187,101	52,671,001
Transferred from assets under construction	-	13,486,920	13,639,600	-	7,938,130	-	2,670,884	(37,735,534)	-
Disposals	-	-	(2,965,773)	-	(3,423,776)	(23,929)	(243,548)	-	(6,657,026)
As at 31 December 2021	<u>18,637,425</u>	<u>273,341,106</u>	<u>414,773,502</u>	<u>13,369,898</u>	<u>28,261,762</u>	<u>6,022,977</u>	<u>29,123,411</u>	<u>27,041,385</u>	<u>810,571,466</u>
Accumulated depreciation									
As at 1 January 2021	-	(57,853,893)	(147,381,612)	(10,254,249)	(9,971,721)	(1,728,708)	(15,466,027)	-	(242,656,210)
Depreciation for the year	-	(8,221,183)	(18,065,453)	(636,492)	(1,787,573)	(524,798)	(2,641,953)	-	(31,877,452)
Disposals	-	-	2,311,656	-	3,352,896	19,408	233,064	-	5,917,024
As at 31 December 2021	<u>-</u>	<u>(66,075,076)</u>	<u>(163,135,409)</u>	<u>(10,890,741)</u>	<u>(8,406,398)</u>	<u>(2,234,098)</u>	<u>(17,874,916)</u>	<u>-</u>	<u>(268,616,638)</u>
Net book value as at 31 December 2021	<u>18,637,425</u>	<u>207,266,030</u>	<u>251,638,093</u>	<u>2,479,157</u>	<u>19,855,364</u>	<u>3,788,879</u>	<u>11,248,495</u>	<u>27,041,385</u>	<u>541,954,828</u>

- The cost of fixed assets as of 31 December 2021 includes EGP 106,816,740 which represents fully depreciated assets that are still in use.
- The cost of asset under construction includes impairment by EGP 686,437.

Depreciation for the year was allocated to the statement of profit or loss as follows:

	<i>31 December 2021</i>
	<i>EGP</i>
Cost of revenue	29,340,376
Selling and marketing expenses	629,764
General and administrative expenses	<u>1,907,312</u>
	<u>31,877,452</u>

Loss from sale of fixed assets was calculated as follows:

	<i>31 December 2021</i>
	<i>EGP</i>
Cost of disposed assets	6,657,026
Accumulated depreciation of disposed assets	<u>(5,917,024)</u>
Net book value of disposed assets	740,002
Proceeds from sale of fixed assets	<u>22,740</u>
Loss from sale of fixed assets	<u>(717,262)</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

6- LEASES

Right of use assets are scientific rental offices, operating leases, and warehouses

A) Right of use assets

	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
Cost at 1 January 2022	20,558,589	19,916,906
Additions	3,404,642	641,683
Total Cost as of 30 September 2022	<u>23,963,231</u>	<u>20,558,589</u>
Accumulated amortization at 1 January 2022	(7,526,230)	(3,658,601)
Amortization for period	(2,915,174)	(3,867,629)
Accumulated amortization as of 30 September 2022	<u>(10,441,404)</u>	<u>(7,526,230)</u>
Net book value as of 30 September 2022	<u>13,521,827</u>	<u>13,032,359</u>

B) Lease liability

	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
Opening balance as of 1 January 2022	15,386,755	17,409,223
Additions	3,404,642	641,683
Unwinding interests recognized during the period	1,542,046	2,071,062
Lease payments paid during the period	(4,436,493)	(4,735,213)
As at 30 September 2022	<u>15,896,950</u>	<u>15,386,755</u>
Deduct: Current balance	<u>3,500,744</u>	<u>3,130,595</u>
Non-current balance	<u>12,396,206</u>	<u>12,256,160</u>

7- INTANGIBLE ASSETS

	Registration Rights	
	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
Cost as at 1 January 2022	424,149,596	238,621,188
Additions	92,941,105	185,528,408
Total cost as at 30 September 2022	<u>517,090,701</u>	<u>424,149,596</u>
Accumulated amortization as at 1 January 2022	(34,486,307)	(24,049,815)
Amortization for the period/ year	(19,009,663)	(10,436,492)
Accumulated amortization as at 30 September 2022	<u>(53,495,970)</u>	<u>(34,486,307)</u>
Net book value as at 30 September 2022	<u>463,594,731</u>	<u>389,663,289</u>

The balance of the intangible assets represents the cost of acquiring the registration rights of certain pharmaceutical products and is amortized using the straight-line method over their useful life (20 years). Management estimate the expected future benefit of the registration rights to be utilize over 20 years and assessed for impaired whenever there is an indication that the economic benefit of the product is impaired.

Intangible asset balance includes registration right assets under approval amounted to EGP 34,507,706 (31 December 2021: EGP 29,286,599).

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

8- INVENTORIES

	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
Raw materials	139,590,488	110,972,898
Packing and packaging materials	68,485,612	38,421,560
Spare parts	20,239,068	14,549,227
Finished goods	94,645,778	65,107,399
Work in progress	38,845,641	27,652,773
Goods in transit	1,282,681	13,148,916
Inventory with others	1,752,835	619,459
	<u>364,842,103</u>	<u>270,472,232</u>
Write down in inventories	<u>(7,500,422)</u>	<u>(11,073,894)</u>
	<u>357,341,681</u>	<u>259,398,338</u>

The movement in the write down in value of inventories is as follows:

	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
Beginning balance	(11,073,894)	(12,572,377)
Charged during the period/year	(14,313,753)	(18,387,576)
Used of inventory provision	17,887,225	19,886,059
Ending balance	<u>(7,500,422)</u>	<u>(11,073,894)</u>

- The write down in value of inventories during the year was included in the cost of sales.

9- TRADE AND NOTES RECEIVABLES

	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
Trade receivable	299,112,292	265,206,613
Trade receivable – toll manufacturing	14,785,645	9,297,115
Notes receivable	443,585,950	393,440,057
	<u>757,483,887</u>	<u>667,943,785</u>
Impairment in value of trade and notes receivables	<u>(8,254,867)</u>	<u>(8,540,194)</u>
	<u>749,229,020</u>	<u>659,403,591</u>

Notes receivable amounting to MEGP 289.92 are mortgage as a guarantee for the credit facilities (Note 18).

The movement of the impairment in value of trade receivable is as follows:

	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
Beginning balance	(8,540,194)	(4,967,460)
Effect of adoption of EAS (47)	-	(3,467,134)
Charged during the period	(1,000,000)	(105,600)
Used provision	1,285,327	-
Ending balance	<u>(8,254,867)</u>	<u>(8,540,194)</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

10- TREASURY BILLS

	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
Treasury bills	394,000,000	496,100,000
Unearned interest	(14,043,660)	(28,089,046)
	379,956,340	468,010,954

11- CASH ON HAND AND AT BANKS

	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
a) Egyptian Pounds		
Cash on hand	34,395	51,897
Current accounts	40,344,858	4,762,619
Checks under collection	24,688,307	6,984,687
Term deposits	115,831	115,541
	65,183,391	11,914,744
b) Foreign currencies		
Cash on hand	46,688	24,148
Current accounts	33,096,882	2,062,807
	33,143,570	2,086,955
	98,326,961	14,001,699

Cash balances On Hand and at Banks are denominated in the following currencies:

	<i>30 September 2022</i>	<i>31 December 2021</i>
	<i>EGP</i>	<i>EGP</i>
Egyptian pound (EGP)	65,183,391	11,914,744
US dollar (USD)	32,939,612	333,102
Euro (EUR)	203,958	1,753,853
	98,326,961	14,001,699

For the purpose of cash flow statements cash and cash equivalents consist of following.

	<i>30 September 2022</i>	<i>30 September 2021</i>
	<i>EGP</i>	<i>EGP</i>
Cash on hand	81,083	147,972
Current accounts	98,130,047	14,814,245
	98,211,130	14,962,217

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

12- PROVISIONS

	<i>Balance as at 1 January 2022 EGP</i>	<i>Charged during the period EGP</i>	<i>Used during the period EGP</i>	<i>Balance as at 30 September 2022 EGP</i>
Provision for expected claims	5,550,001	-	-	5,550,001
Provision for sales returns*	8,711,844	(219,000)	-	8,492,844
	<u>14,261,845</u>	<u>(219,000)</u>	<u>-</u>	<u>14,042,845</u>

	<i>Balance as at 1 January 2021 EGP</i>	<i>Charged during the year EGP</i>	<i>Used during the year EGP</i>	<i>Balance as at 31 December 2021 EGP</i>
Provision for expected claims	4,300,001	1,250,000	-	5,550,001
Provision for sales returns*	7,987,618	724,226	-	8,711,844
	<u>12,287,619</u>	<u>1,974,226</u>	<u>-</u>	<u>14,261,845</u>

*Provision for sales returns is deduced from sales disclosed (NOTE 20).

13- TRADE, NOTES AND OTHER PAYABLES

	<i>30 September 2022 EGP</i>	<i>31 December 2021 EGP</i>
Trade payables	133,643,088	61,525,655
Notes payables	2,293,400	21,946,601
Accrued expenses	42,404,627	30,051,461
Tax authority (other than income tax)	8,318,962	7,258,006
Advances from customer	13,372,251	5,716,158
Other payables	9,713,710	2,070,813
	<u>209,746,038</u>	<u>128,568,694</u>

Trade payables accrued expenses and other payables are non-interest bearing.

14- CAPITAL

The Group's authorized capital amounted to EGP 1 billion, whereas the issued and paid up capital amounted to EGP 250,000,000 divided over 1,000,000,000 shares of par value EGP 0.25 each.

The extraordinary General Assembly meeting held on May 19, 2021 decided to increase the paid-in capital by 57,850,000 Egyptian pounds by distributing bonus shares of 0.3010668748 free shares for each original share of the company's shares before the increase of 768,600,000 shares with reparations in favor of small shareholders from the smallest to The largest has to finance the increase in shares from the company's distributable net profits (profits for the year + retained earnings) for the fiscal year ending on December 31, 2020, so the company's issued capital after the increase becomes 250,000,000 Egyptian pounds distributed over 1,000,000,000 shares with a nominal value of EGP 0.25 per share.

The following illustrate the new structure for shareholders as of 30 September 2022:

	<i>%</i>	<i>No. of shares</i>	<i>Amount EGP</i>
Main Shareholder's Shares	33.17%	331,671,309	82,917,827
Treasury Shares	2.62%	26,220,000	6,555,000
Other listed Free Shares in Stock Exchange Market	64.21%	642,108,691	160,527,173
	<u>100%</u>	<u>1,000,000,000</u>	<u>250,000,000</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

15- GENERAL RESERVE-ISSUANCE PREMIUM

The balance of general reserve - issuance premium is representing the net book value of issuing capital increase shares during 2019 amounted EGP 486,965,000 for issuing 125,000,000 Shares after deducting issuing cost of EGP 64,285,000.

16- TREASURY SHARES

The board members meeting held on February 23, 2022 and May 31, 2022 decided to re-purchase treasury shares up to 10% of the total shares of the company's issued capital available in the market.

According to board of director resolutions on 23 February 2022 and May 31, 2022, the company purchased 26,220,000 shares from the stock market and held in treasury for a total consideration of EGP 57,012,366. The consideration paid has been accounted for as a reserve in the statement of shareholder's' equity.

17- SHARE BASED PAYMENT RESERVE

The company has approved the reward and incentive program for employees, managers and executive board members under the program the company grant the beneficiaries Ordinary share options at the nominal value in accordance with the approval of the Extraordinary General Assembly on October 14, 2020, and this program allows employees, managers and executive board members who benefit from the incentive and reward system to own part of the company's shares in accordance to listing and Trading Rules of Egyptian Stock Exchange under the provisions of Law 159 for year 1981 and its executive regulations and under the provision of law 95 for year 1992 and its executive regulations.

On 25 March 2022 the company activated the reward and incentive program. Giving number of employees, managers and executive board members share options for total of 8,412,884 shares at the nominal value (0.25 EGP per share) on condition of staying in service for the required period till the exercise date on 1 November 2022 an archiving the required performance appraisals. Each employee were granted maximum number of shares according to contracts giving one month period from the exercise date to exercise the purchasing right.

The fair value of the granted shares for numbers of employees were 16,909,897 Egyptian Pound using the price of the share announced in the Egyptian Stock Exchange on the grant date (2.01 EGP for share) before the deduction of the nominal value of shares that would be paid by the beneficiaries' in cash.

Movement of Equity instruments in the period as follow:

	Amount	Shares No.
Balance at 1 January 2022	-	-
Granted during the period	12,672,380	8,412,884
Forfeited during the period	-	-
Exercised during the period	-	-
Expired during the period	-	-
Total shares at the end of period	12,672,380	8,412,884

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

18- CREDIT FACILITIES

The movement of the credit facilities during the year is as follows:

	30 September 2022	31 December 2021
	EGP	EGP
Opening balance	819,720,928	802,184,216
Used during the period / year	883,038,207	1,173,903,438
Payment during the period / year	(854,404,798)	(1,156,366,726)
Ending balance	848,354,337	819,720,928

	30 September 2022	31 December 2021
	EGP	EGP
Credit facilities maturing within 12 months	848,354,337	819,720,928
Bank credit	2,670,147	934,307
	851,024,484	820,655,235

The interest rate on the Credit facilities ranges from 8% to 12.75% as of 30 September 2022 (31 December 2021: Range from 8% to 9.75%).

Credit Facilities	Facility amount	Interest rate	Maturity Date	30 September 2022	31 December 2021
	EGP			EGP	EGP
CIB	250,000,000	0.25%+CBE lending rate	14-Mar-23	79,112,437	124,385,085
		8 % CBE INITAVIE*	14-Mar-23	45,495,391	55,837,267
FAB Bank	125,000,000	0.5 %+CBE lending rate	31-Dec-22	62,311,351	49,314,262
		8 % CBE INITAVIE*	31-Dec-22	41,233,811	31,062,538
Arab Bank	88,000,000	8 % CBE INITAVIE*	30-Jun-23	53,204,071	36,589,690
ABK	120,000,000	0.5 %+CBE lending rate	31-Oct-22	49,737,850	31,950,265
		8 % CBE INITAVIE*	31-Oct-22	39,749,035	48,229,814
ADIB	150,000,000	0.5%+CBE lending rate	30-Nov-22	33,825,814	51,517,333
		8 % CBE INITAVIE*	30-Nov-22	101,527,769	83,650,090
Alex Bank**	170,000,000	8 % CBE INITAVIE*	30-Jun-22	162,877,340	145,589,868
AUB	130,000,000	0.35% + CBE lending rate	1-Jun-23	32,660,000	28,933,333
		8 % CBE INITAVIE*	1-Jun-23	65,546,531	45,426,752
ENBD	100,000,000	8 % CBE INITAVIE*	31-Oct-22	81,072,937	87,234,631
Total Credit Facilities				848,354,337	819,720,928

*Those Balance represents the funds granted for the purchase of raw materials, and packaging in accordance with the initiative of the Central Bank of Egypt to support the industrial sector issued on 12 December 2019 to finance companies with private ownership and small and medium enterprises and support them to reach their investment goals and cover operating expenses.

Some of the above facilities are guaranteed by notes receivables (Note 9).

** Alex bank contract is under renewal.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

19- LONG TERM LOANS

Loan (1):

During the year 2017, the Group signed an agreement with Commercial International Bank to obtain a loan amounting to EGP 86,422,000 with an annual interest rate of 1.25% over the Corridor rate repayable over 36 monthly installments starting from 29 October 2018 and maturing on 29 March 2021 "**Loan (1)**".

During September 2019, the Group agreed with the bank to increase the loan by EGP 9,196,000 repayable over 24 monthly installments starting from 1 January 2020 and maturing on 1 December 2021 and reduce the interest rate to 0.75% over the CBE lending rate, However the Group hasn't obtained the additional amount yet.

On 9 September 2020, the Company rescheduled the loan (1) to be repayable over 21 monthly installments starting from 1 October 2020 and maturing on 1 September 2022.

The Company paid EGP 9,475,704 during the period ended 30 September 2022 and the balance outstanding was settled as at 30 September 2022 (31 December 2021: EGP 9,475,704).

Loan (2):

During the year 2018, the Group signed an agreement with Commercial International Bank to obtain a loan amounting to EGP 78,766,000 with an annual interest rate of 0.9% over the CBE lending rate repayable over 19 monthly installments after the expiry of grace year, which is 15 months from the date of first use. "**Loan (2)**".

During September 2019, the Group rescheduled the loan to be repayable over 24 monthly installments starting from 1 January 2020 and maturing on 1 December 2021 and reduce the interest rate to 0.85% over the CBE lending rate.

On 9 September 2020, the Company rescheduled the loan (2) to be repayable over 20 monthly installments starting from 1 October 2020 and maturing on 1 May 2022.

The Company paid EGP 12,473,972 during the period ended 30 September 2022 and the balance outstanding was settled (31 December 2021: EGP 12,473,972).

The balance of loans as of 30 September 2022 as follows:

Loans	Interest rate	30 September 2022 EGP	31 December 2021 EGP
Current portion of long-term loans			
Loan (1)	0.75%+CBE lending rate	-	9,475,704
Loan (2)	0.85%+CBE lending rate	-	12,473,972
Total current portion of long-term loans		-	21,949,676

20- REVENUES

	Nine Months ended		Three months ended	
	30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Sale of goods (net)	1,006,610,470	796,313,693	349,777,911	294,535,371
Toll manufacturing services revenue	86,436,110	56,173,399	31,769,060	20,179,829
	1,093,046,580	852,487,092	381,546,971	314,715,200

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

21- COST OF REVENUES

	Nine Months ended		Three months ended	
	30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Salaries, social insurance and other benefits	91,648,635	73,871,211	32,030,104	26,004,140
Raw materials	317,725,290	271,708,865	102,758,509	99,013,019
Spare parts and materials	13,488,569	16,190,188	4,790,437	6,126,470
Government fees and medical stamps	10,515,956	7,855,250	3,855,576	2,887,610
Other operating expenses	31,601,378	28,961,722	10,837,853	11,900,129
Energy expenses	30,074,832	24,387,487	11,297,627	9,992,427
Depreciation and amortization (Note 5,6 &7)	43,164,792	29,548,739	15,280,657	9,996,958
Rent	2,046,830	2,862,560	878,271	449,371
Maintenance	13,554,200	7,713,240	5,318,393	2,630,620
	553,820,482	463,099,262	187,047,427	169,000,744

22- SELLING & MARKETING EXPENSES

	Nine Months ended		Three months ended	
	30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Salaries, social insurance and other benefits	94,060,730	86,940,318	31,473,517	29,555,309
Depreciation (Note 5,6)	3,511,929	3,393,271	1,185,740	1,152,532
Rent	39,900	50,400	14,400	12,600
Advertising and marketing	108,103,713	91,905,195	37,465,208	35,206,108
	205,716,272	182,289,184	70,138,865	65,926,549

23- GENERAL & ADMINISTRATIVE EXPENSES

	Nine Months ended		Three months ended	
	30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Salaries, social insurance and other benefits	36,702,043	30,577,652	12,964,471	9,725,911
Professional fees	1,375,392	1,429,795	467,308	503,301
Maintenance	1,014,768	434,579	298,971	199,904
Depreciation (Note 5)	1,503,163	1,395,221	513,139	478,884
Others	7,092,107	4,749,046	2,468,957	1,427,364
	47,687,473	38,586,293	16,712,846	12,335,364

24- FINANCE INCOME

	Nine Months ended		Three months ended	
	30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Interest from Treasury Bills	42,307,952	45,047,005	14,642,621	15,444,163
Interest from time deposits	6,374	12,292	4,740	3,480
	42,314,326	45,059,297	14,647,361	15,447,643

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

25- FINANCE EXPENSES

	Nine Months ended		Three months ended	
	30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Debit interests	63,752,784	67,426,242	22,910,018	22,188,677
Unwinding interests of lease liabilities	1,542,046	1,572,838	500,412	513,761
Bank Charges	2,364,144	2,827,727	577,520	991,913
	67,658,974	71,826,807	23,987,950	23,694,351

26- INCOME TAXES

	Nine Months ended		Three months ended	
	30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Current income tax	(52,408,036)	(24,959,696)	(20,438,275)	(11,409,821)
Deferred income tax	(6,753,550)	(7,446,167)	60,357	(1,830,339)
Income tax expense	(59,161,586)	(32,405,863)	(20,377,918)	(13,240,160)

DEFERED INCOME TAXES

	Statement of financial position		Statement of profit or loss	
	30 September 2022 EGP	31 December 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Depreciation and amortization	(54,709,429)	(46,890,081)	(7,819,348)	(7,588,013)
Provisions	1,910,890	1,960,165	(49,275)	-
Impairment of trade and notes receivables	1,857,345	1,897,784	(40,439)	182,312
Write down in value of inventory	1,687,595	2,491,626	(804,031)	277,718
Share based payments	2,851,286	-	2,851,286	-
Unrealized foreign exchange differences	(849,473)	42,270	(891,743)	(318,184)
Net deferred income taxes	(47,251,786)	(40,498,236)	(6,753,550)	(7,446,167)

* No deferred tax assets were recognized for the carry forward tax losses of the subsidiaries, since it is not expected that the future tax profits will be sufficient to offset the carry forward tax losses.

RECONCILIATION OF THE EFFECTIVE INCOME TAX RATE

	Tax Rate	30 September 2022 EGP	Tax Rate	30 September 2021 EGP
Profits before income taxes		257,914,608		139,025,654
Income tax based on tax rate	22.5%	58,030,787	22.5%	31,280,772
Non-deductible expenses		1,130,799		1,125,091
Effective Tax Rate	22.94%	59,161,586	23.31%	32,405,863

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

27- EARNINGS PER SHARE

Basic earnings per share were calculated by dividing the profits for the period available for distribution to the Parent Company by the weighted average number of shares outstanding during the period

Diluted earnings per share were calculated by dividing the profits for the period available for distribution to the Parent Company by the weighted average number of shares outstanding during the period in addition to number of shares that will be issued to employees, managers and executive board members according to the reward and incentive program as follows:

	<i>30 September</i> 2022 <i>EGP</i>	<i>30 September</i> <i>2021</i> <i>EGP</i>	<i>30 September</i> 2022 <i>EGP</i>	<i>30 September</i> <i>2021</i> <i>EGP</i>
Basic and diluted, profit for the period	194,895,595	107,075,935	70,691,392	45,310,841
Weighted average number of shares outstanding after purchase of treasury shares during the period	985,662,222	1,000,000,000	976,986,667	1,000,000,000
Share Options for employees and executive board members	7,516,838	-	88,208	-
Weighted average number of ordinary shares adjusted for the effect of share options	993,179,060	1,000,000,000	977,074,875	1,000,000,000
Earnings per share	0.1962	0.1071	0.0724	0.0453

28- TAX POSITION

a) Corporate Tax

- The Company's records were inspected till the year 2013 and the tax dues were paid and settled.
- The Company's records were inspected initially from year 2014 till 2017 which were refused by the company and the actual inspection is under process.

b) Salary Tax

- The Company's records were inspected till the year 2015 and the tax due was paid and settled.
- The Company's records were inspected and tax settlements were paid for the years 2016 till 2019.

c) Stamp Tax

- The Company's records were inspected till 2013 and the taxes dues were paid.
- The Company's records were inspected from year 2014 till 2020 and under review by internal committees.

d) VAT

- The Company's records were inspected till the year 2015 and the taxes dues were paid.
- The Company's records were inspected from year 2016 till 2019 the taxes dues were paid.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

29- MAJOR EVENTS

On 21 March 2022 Central Bank of Egypt decided to raise the overnight deposit rate, the overnight lending rate and the rate of the main operation by 100 basis points to 9.25 percent, 10.25 percent, and 9.75 percent, respectively. The discount rate was also raised by 100 basis points to 9.75 percent .

On 19 May 2022, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 11.25 percent, 12.25 percent, and 11.75 percent, respectively. The discount rate was also raised by 200 basis points to 11.75 percent.

On 27 October 2022, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 13.25 percent, 14.25 percent, and 13.75 percent, respectively. The discount rate was also raised by 200 basis points to 13.75 percent.

The exchange rates of the Egyptian pound against the dollar and some other currencies also declined in the period following the date of the financial statements. The company is studying the impact on the subsequent financial statements. To clarify the effect resulting from the change in exchange rates.