

**TENTH OF RAMADAN FOR PHARMACEUTICAL
INDUSTRIES AND DIAGNOSTIC REAGENTS
(RAMEDA) (S.A.E)
CONDENSED INTERIM SEPARATE 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 Separate Financial Statements
For the Period Ended 30 September 2022**

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REPORT ON REVIEW OF CONDENSED INTERIM 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 separate financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these condensed interim separate 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 separate 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 SEPARATE STATEMENT OF FINANCIAL POSITION

As At 30 September 2022

ASSETS	Notes	30 September 2022 EGP	31 December 2021 EGP
Non-current assets			
Fixed assets & Assets under construction	(5)	534,365,608	541,954,828
Right of use assets	(6-A)	13,521,827	13,032,359
Intangible assets	(7)	444,221,646	369,440,856
Investment in subsidiaries		1,461,800	1,461,800
Total non-current assets		993,570,881	925,889,843
Current assets			
Inventories	(8)	348,336,598	259,350,256
Trade and notes receivable	(9)	742,315,049	659,403,591
Treasury Bills	(10)	379,956,340	468,010,954
Due from related parties	(29)	22,482,728	25,180,985
Prepayments and other receivables		68,117,805	74,784,887
Cash on hand and at banks	(11)	96,790,677	13,221,950
Total current assets		1,657,999,197	1,499,952,623
TOTAL ASSETS		2,651,570,078	2,425,842,466
EQUITY AND LIABILITIES			
Equity			
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 payment reserve	(17)	12,672,380	-
Other reserves		278,952	278,952
Profits for the period and retained earnings		744,784,182	587,471,195
Total equity		1,473,244,538	1,351,161,265
LIABILITIES			
Non-current liabilities			
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 lease liabilities	(6-B)	3,500,744	3,130,595
Trade, notes & other payables	(13)	208,136,705	128,276,066
Due to related parties	(29)	-	290,361
Income taxes payable		41,972,770	33,363,027
Total current liabilities		1,118,677,548	1,021,926,805
TOTAL LIABILITIES		1,178,325,540	1,074,681,201
TOTAL LIABILITIES AND EQUITY		2,651,570,078	2,425,842,466

 Finance Director
Mohamed Abo Amira

Board Member
Amr Abdallah Morsy



The accompanying notes from (1) to (30) are an integral part of these condensed interim separate financial statements.
Review Report attached.

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

CONDENSED INTERIM SEPARATE 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)	1,088,108,877	852,486,198	379,993,217	314,714,428
Cost of revenues	(21)	(559,703,684)	(462,330,489)	(193,759,207)	(168,717,039)
GROSS PROFIT		528,405,193	390,155,709	186,234,010	145,997,389
Selling and marketing expenses	(22)	(205,716,272)	(182,289,184)	(70,138,865)	(65,926,549)
General and administrative expenses	(23)	(47,279,364)	(38,393,259)	(16,600,265)	(12,282,383)
Other income		5,223,508	466,306	190,527	40,709
OPERATING PROFIT		280,633,065	169,939,572	99,685,407	67,829,166
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 (losses)		8,777,673	(441,283)	1,452,334	(39,292)
NET FINANCE COST		(16,566,975)	(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		(2,843,129)	(2,245,045)	(994,427)	(820,523)
PROFITS FOR THE PERIOD BEFORE INCOME TAXES		247,550,581	139,985,734	84,666,625	58,722,643
Income taxes	(26)	(56,819,822)	(32,405,863)	(19,175,189)	(13,240,160)
PROFITS FOR THE PEIROD		190,730,759	107,579,871	65,491,436	45,482,483
Earnings Per Share - basic and diluted	(27)	0.1920	0.1076	0.0670	0.0455

Finance Director

Mohamed Abo Amra

Board Member

Amr Abdallah Morsy

The accompanying notes from (1) to (30) are an integral part of these condensed interim separate financial statements.

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

CONDENSED INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME

For the Period Ended 30 September 2022

	Nine Months Ended		Three Months Ended	
	30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
PROFITS FOR THE PERIOD	190,730,759	107,579,871	65,491,436	45,482,483
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME	190,730,759	107,579,871	65,491,436	45,482,483

The accompanying notes from (1) to (30) are an integral part of these condensed interim separate financial statements.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**CONDENSED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY**

For the Period Ended 30 September 2022

	Paid up -Capital	Legal reserve	General reserve - Issuance Premium	Treasury Shares	Share Based Payment	Other Reserves	Retained earnings	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as at 1 January 2021	192,150,000	20,798,851	486,965,000	-	-	278,952	486,930,158	1,187,122,961
Effect of adoption of EAS (47)	-	-	-	-	-	-	(810,276)	(810,276)
Balance as at 1 January 2021(Adjusted)	192,150,000	20,798,851	486,965,000	-	-	278,952	486,119,882	1,186,312,685
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)
Total comprehensive income for the period	-	-	-	-	-	-	107,579,871	107,579,871
Balance as at 30 September 2021	250,000,000	26,446,118	486,965,000	-	-	278,952	515,502,486	1,279,192,556
Balance as at 1 January 2022	250,000,000	26,446,118	486,965,000	-	-	278,952	587,471,195	1,351,161,265
Transferred to legal reserve	-	9,110,272	-	-	-	-	(9,110,272)	-
Acquisition of treasury shares	-	-	-	(57,012,36)	-	-	-	(57,012,366)
Share based Payment reserve	-	-	-	-	12,672,380	-	-	12,672,380
Dividends distribution	-	-	-	-	-	-	(24,307,500)	(24,307,500)
Total comprehensive income for the period	-	-	-	-	-	-	190,730,759	190,730,759
Balance as at 30 September 2022	250,000,000	35,556,390	486,965,000	(57,012,36)	12,672,380	278,952	744,784,182	1,473,244,538

The accompanying notes from (1) to (30) are an integral part of these condensed interim separate financial statements.

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

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

		30 September 2022 EGP	30 September 2021 EGP
CASH FLOWS FROM OPERATING ACTIVITIES			
Profits for the period before income taxes		247,550,581	139,985,734
Adjustments to reconcile profit before tax to net cash flow:			
Net foreign exchange differences		(3,775,453)	(94,347)
Depreciation and amortization	(5,6,7)	47,311,530	33,557,051
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)	14,265,671	13,321,385
Finance income		(42,307,952)	(45,047,005)
Finance expenses	(24)	66,116,928	70,253,969
Unwinding interests of lease liabilities	(24)	1,542,046	1,572,838
Loss from sale of fixed assets	(5)	109,781	12,582
		<u>344,266,512</u>	<u>214,062,207</u>
Change in inventories		(85,412,870)	40,589,159
Used from inventory provision		(17,839,143)	(12,087,080)
Change in trade and notes receivable		(82,731,731)	51,251,050
Used of Impairment of trade and notes receivable		(1,179,727)	-
Change in prepayments and other receivables		1,528,752	(16,864,208)
Change in trade, notes and other payable		76,405,977	33,031,925
Change in due to related parties		(290,361)	(109,908)
Cash flows provided from operating activities		<u>234,747,409</u>	<u>309,873,145</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>130,628,614</u>	<u>215,954,326</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)	(92,922,099)	(177,827,428)
Payment to acquire treasury bills		(816,997,304)	(769,469,969)
Matured treasury bills collection		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 deposit	(11)	(290)	(15,118)
NET CASH FLOWS PROVIDED FROM (USED IN) INVESTING ACTIVITIES		<u>23,802,899</u>	<u>(154,613,670)</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)
Acquisition of Treasury shares		(57,012,366)	-
Change in due from related parties		2,698,257	(6,494,135)
Dividends paid during the period		(24,307,500)	(14,700,000)
Lease payments paid during the period		(4,436,493)	(4,571,676)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES		<u>(74,638,529)</u>	<u>(59,062,700)</u>
Net change in cash and cash equivalent during the period		<u>79,792,984</u>	<u>2,277,956</u>
Net foreign exchange difference		3,775,453	94,347
Cash and cash equivalent - beginning of the period		13,106,409	11,808,785
CASH AND CASH EQUIVALENT - END OF THE PERIOD	(11)	<u>96,674,846</u>	<u>14,181,088</u>

The accompanying notes from (1) to (30) are an integral part of these condensed interim separate financial statements.

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

NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

1- BACKGROUND

Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) (S.A.E) 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 Company is principally engaged in:

1. Producing, marketing, selling and storing of pharmaceutical reagents for human and veterinary use.
2. Producing, marketing, selling and storing of diagnostic reagents necessary for individuals, laboratories and hospitals.
3. Importing pharmaceutical reagents and raw materials necessary for serving the Company's purposes without trading.
4. Producing pharmaceutical reagents for human and veterinary and diagnostic use for others and by others.
5. Producing food supplements for human use for others and by others.

The financial statements for the period ended 30 September 2022 were authorized for issuance in accordance with a resolution of the Board of Directors' dated 14 November 2022.

2- SIGNIFICANT ACCOUNTING POLICIES

2-1 BASIS OF PREPARATION

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

The separate financial statements of the Company 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 Separate 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 separate 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 separate financial statements of the Company are discussed below:

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

NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

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 Company'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.

Useful lives of fixed assets

The Company'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 either finite or indefinite.

The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 Company is subject to income taxes in Egypt. Significant judgment is required to determine the total provision for current and deferred taxes. The Company 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 Company 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.

Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

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

NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS

For the Period Ended 30 September 2022

4- SEGMENT INFORMATION

Currently the Company's primary business segment is the production and selling of pharmaceutical products which contributes to 91% of total revenue and balance 9% is contributed by toll manufacturing services (30 September 2021: 93% and 7% respectively). The Company'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.

Accordingly, the Company's revenues during the period ended 30 September 2022 were reported under two segments in the condensed interim separate financial statements.

The Company produces and sells several products and renders services as follows:

	Services		Sale of pharmaceutical products		
	Toll Manufacturing "Domestic" EGP	Export EGP	Domestic		Total EGP
			Private sales EGP	Tenders EGP	
30 September 2022	<u>92,505,603</u>	<u>75,824,099</u>	<u>791,129,063</u>	<u>128,650,112</u>	<u>1,088,108,877</u>
30 September 2021	<u>56,173,399</u>	<u>59,308,168</u>	<u>587,172,505</u>	<u>149,832,126</u>	<u>852,486,198</u>

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

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**NOTES TO THE CONDENSED INTERIM SEPARATE 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 include EGP 110,122,962 which represents fully depreciated assets that are still in use.
- The cost of asset under construction as of 30 September 2022 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
	<u>26,255,047</u>

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	<u>(109,781)</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**NOTES TO THE CONDENSED INTERIM SEPARATE 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 as of 31 December 2021 includes impairment by EGP 686,437.

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

	31 December 2021 EGP
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:

	31 December 2021 EGP
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>

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6- LEASES

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

A) Right of use assets

	30 September 2022	31 December 2021
	EGP	EGP
Cost at 1 January 2022	20,558,589	19,916,906
Additions	3,404,642	641,683
Total cost as of 30 September 2022	23,963,231	20,558,589
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	(10,441,404)	(7,526,230)
Net book value as of 30 September 2022	13,521,827	13,032,359

B) Lease liability

	30 September 2022	31 December 2021
	EGP	EGP
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	15,896,950	15,386,755
Deduct: Current balance	3,500,744	3,130,595
Non-current balance	12,396,206	12,256,160

7- INTANGIBLE ASSETS

	Registration Rights	
	30 September 2022	31 December 2021
	EGP	EGP
Cost as at 1 January 2022	400,271,629	220,941,719
Additions	92,922,099	185,522,410
Transferred to Ramepharma company	-	(6,192,500)
Total cost as at 30 September 2022	493,193,728	400,271,629
Accumulated amortization as at 1 January 2022	(30,830,773)	(21,463,913)
Amortization for the period/ year	(18,141,309)	(9,366,860)
Accumulated amortization as at 30 September 2022	(48,972,082)	(30,830,773)
Net book value as at 30 September 2022	444,221,646	369,440,856

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 34,116,934 (31 December 2021: EGP 28,914,832).

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8- INVENTORIES

	30 September 2022	31 December 2021
	EGP	EGP
Raw materials	130,203,371	110,924,816
Packing and packaging materials	68,485,612	38,421,560
Spare parts	20,239,068	14,549,227
Finished goods	96,216,201	65,107,399
Work in progress	38,845,641	27,652,773
Goods in transit	1,282,681	13,148,916
Inventory with others	564,446	619,459
	355,837,020	270,424,150
Write down in inventories	(7,500,422)	(11,073,894)
	348,336,598	259,350,256

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

	30 September 2022	31 December 2021
	EGP	EGP
Beginning balance	(11,073,894)	(12,220,216)
Charge during the period/year	(14,265,671)	(16,389,100)
Used of inventory provision	17,839,143	17,535,422
Ending balance	(7,500,422)	(11,073,894)

The write down in inventories during the period, if any, is included in the cost of sales.

9- TRADE AND NOTES RECEIVABLE

	30 September 2022	31 December 2021
	EGP	EGP
Trade receivable	299,112,292	265,101,013
Trade receivable – toll manufacturing	14,785,645	9,297,115
Notes receivable	436,671,979	393,440,057
	750,569,916	667,838,185
Impairment of trade and notes receivable	(8,254,867)	(8,434,594)
	742,315,049	659,403,591

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

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

	30 September 2022	31 December 2021
	EGP	EGP
Beginning balance	(8,434,594)	(4,967,460)
Effect of adoption of EAS (47)	-	(3,467,134)
Charged during the period/year	(1,000,000)	-
Used provision	1,179,727	-
Ending balance	(8,254,867)	(8,434,594)

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10- TREASURY BILLS

	30 September 2022	31 December 2021
	EGP	EGP
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

	30 September 2022	31 December 2021
	EGP	EGP
a) Egyptian Pounds		
Cash on hand	34,395	51,897
Current accounts	39,184,695	3,983,825
Checks under collection	24,688,307	6,984,687
Term deposits (Maturing within 3 months)	115,831	115,541
	64,023,228	11,135,950
b) Foreign currencies		
Cash on hand	46,688	24,148
Current accounts	32,720,761	2,061,852
	32,767,449	2,086,000
	96,790,677	13,221,950

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

	30 September 2022	31 December 2021
	EGP	EGP
Egyptian pound (EGP)	64,023,228	11,135,950
US dollar (USD)	32,563,491	332,147
Euro (EUR)	203,958	1,753,853
	96,790,677	13,221,950

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

	30 September 2022	30 September 2021
	EGP	EGP
Cash in hand	81,083	147,972
Current accounts	96,593,763	14,033,116
	96,674,846	14,181,088

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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 deducted from sales disclosed in note (20).

13- TRADE, NOTES AND OTHER PAYABLE

	30 September 2022 EGP	31 December 2021 EGP
Trade payable	133,639,634	61,522,201
Notes payable	2,293,400	21,946,601
Accrued expenses	42,115,468	29,793,723
Tax authority (other than income tax)	8,276,675	7,226,570
Advances From Customers	12,097,818	5,716,158
Other payables	9,713,710	2,070,813
	<u>208,136,705</u>	<u>128,276,066</u>

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

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

14- CAPITAL

The Company'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:

	%	<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>

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.

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17- SHARE BASED PAYMENT RESERVE – CONT.

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

18- CREDIT FACILITIES

The movement of the credit facilities during the period/ 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).

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19- LONG TERM LOANS

Loan (1):

During the year 2017, the Company 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

During September 2019, the Company 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 Company 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 Company 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.

During September 2019, the Company 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	31 December 2021
		EGP	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		<u>-</u>	<u>21,949,676</u>

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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)	995,603,274	796,312,799	339,420,804	294,534,599
Toll manufacturing services revenue	92,505,603	56,173,399	40,572,413	20,179,829
	1,088,108,877	852,486,198	379,993,217	314,714,428

21- COST OF REVENUE

	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 & other benefits	91,648,635	73,871,211	32,030,104	26,004,140
Raw materials	324,611,606	271,707,257	109,846,418	99,011,585
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	31,466,619	28,974,737	10,751,176	11,913,144
Energy expenses	30,074,832	24,387,487	11,297,627	9,992,427
Depreciation and amortization (Note 5,7)	42,296,438	28,768,559	14,991,205	9,701,672
Rent	2,046,830	2,862,560	878,271	449,371
Maintenance	13,554,199	7,713,240	5,318,393	2,630,620
	559,703,684	462,330,489	193,759,207	168,717,039

22- SELLING AND 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 & 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

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23- GENERAL AND ADMINISTRATIVE EXPENSES

	Nine Months ended		Three months ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	EGP	EGP	EGP	EGP
Salaries, social insurance & other benefits	36,646,027	30,521,636	12,945,799	9,707,239
Professional fees	1,083,549	1,413,413	393,847	486,919
Maintenance	1,014,768	434,579	298,971	199,904
Depreciation (Note 5)	1,503,163	1,395,221	513,139	478,884
Others	7,031,857	4,628,410	2,448,509	1,409,437
	<u>47,279,364</u>	<u>38,393,259</u>	<u>16,600,265</u>	<u>12,282,383</u>

24- FINANCE INCOME

	Nine Months ended		Three months ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	EGP	EGP	EGP	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
	<u>42,314,326</u>	<u>45,059,297</u>	<u>14,647,361</u>	<u>15,447,643</u>

25- FINANCE EXPENSES

	Nine Months ended		Three months ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	EGP	EGP	EGP	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
	<u>67,658,974</u>	<u>71,826,807</u>	<u>23,987,950</u>	<u>23,694,351</u>

26- INCOME TAXES

	Nine Months ended		Three months ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	EGP	EGP	EGP	EGP
Current income tax	(50,066,272)	(24,959,696)	(17,764,882)	(11,409,821)
Deferred income tax	(6,753,550)	(7,446,167)	(1,410,307)	(1,830,339)
Income tax expense	<u>(56,819,822)</u>	<u>(32,405,863)</u>	<u>(19,175,189)</u>	<u>(13,240,160)</u>

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26- INCOME TAXES - CONT

DEFERED INCOME TAX

	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 of inventory	1,687,595	2,491,626	(804,031)	277,718
Share based payment	2,851,286	-	2,851,286	-
Unrealized foreign exchange differences	(849,473)	42,270	(891,743)	(318,184)
Net deferred income taxes	<u>(47,251,786)</u>	<u>(40,498,236)</u>	<u>(6,753,550)</u>	<u>(7,446,167)</u>

RECONCILIATION OF THE EFFECTIVE INCOME TAX RATE

	Tax Rate	30 September 2022 EGP	Tax Rate	30 September 2021 EGP
Profits before income taxes		<u>247,550,581</u>		<u>139,985,734</u>
Income tax based on tax rate	22.50%	<u>55,698,881</u>	22.50%	<u>31,496,790</u>
Non-deductible expenses		<u>1,120,941</u>		<u>909,073</u>
Effective Tax Rate	22.95%	<u>56,819,822</u>	23.15%	<u>32,405,863</u>

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:

	30 September 2022 EGP	30 September 2021 EGP	30 September 2022 EGP	30 September 2021 EGP
Basic and diluted, profit for the period	190,730,759	107,579,871	65,491,436	45,482,483
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 of dilution	<u>993,179,060</u>	<u>1,000,000,000</u>	<u>977,074,875</u>	<u>1,000,000,000</u>
Earnings per share	<u>0.1920</u>	<u>0.1076</u>	<u>0.0670</u>	<u>0.0455</u>

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

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

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.

29- RELATED PARTIES

For the purpose of these condensed interim separate financial statements, parties are considered to be related to the Company, if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control. Related parties may be individuals or other entities.

a) Related party transactions

During the period, the following were the significant related party transactions, which were carried out in the normal course of business on terms agreed between the parties:

Company	Nature of party	Nature of transaction	30 September 2022 EGP	30 September 2021 EGP
Rameda for Pharmaceuticals trading	Subsidiary	Rent Purchases	4,500 6,535,024	3,000 -
Ramecare Company	Subsidiary	Rent Purchases	4,500 1,746,401	3,000 -
Ramepharma Company	Subsidiary	Rent Purchases	4,500 13,746,400	3,000 -

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

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

29- RELATED PARTIES (continued)

b) Related party balances

	Nature of party	30 September 2022		31 December 2021	
		Due from EGP	Due to EGP	Due from EGP	Due to EGP
Rameda for Pharmaceuticals Trading	Subsidiary	1,959,528	-	-	290,361
Ramecare Company	Subsidiary	3,238,519	-	3,528,144	-
Ramepharma Company	Subsidiary	17,284,681	-	21,652,841	-
		<u>22,482,728</u>	<u>-</u>	<u>25,180,985</u>	<u>290,361</u>

c) Salaries and incentives of key managers

The key manager's compensation during period ended 30 September 2022 and 30 September 2021 is as follow:

	30 September 2022	30 September 2021
	EGP	EGP
Share options for employees, managers and executive board members	25,395,372	-
Salaries and incentives	12,672,380	16,048,984
	<u>38,067,752</u>	<u>16,048,984</u>

30- 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.