Glaxo SmithKline – S.A.E

Separate Condensed Interim Financial Statements
and Auditor's Limited Review Report
For the Six Months ended June 30, 2026

Translation from Arabic

bakertilly
MOHAMED HILAL & WAHID ABDEL GHAFFAR

Contents

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Limited Review Report

Translation from Arabic

To: Members Board of Directors
Glaxo SmithKline (S.A.E)

Introduction

- We have performed a limited review for the accompanying separate condensed interim statements of financial position of Glaxo SmithKline – S.A.E as of June 30, 2026, and the related separate condensed interim statements of income, comprehensive income, changes in equity and cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these separate condensed interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these separate condensed interim financial statements based on our limited review.

Scope of Limited Review

- We conducted our limited review in accordance with Egyptian Standard on Review Engagements 2410, "Limited Review of interim financial statements Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of people responsible for financial and accounting matters in the Company and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these separate interim financial statements.

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Translation from Arabic

Conclusion

- Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying separate condensed interim financial statements do not present fairly, in all material respects, the separate condensed interim financial position of the company as of June 30, 2026, and of its separate condensed interim financial performance and its cash flows for the six months then ended in accordance with Egyptian Accounting Standards.

Mohamed Hossam Hilal, CPA, ESAA

R.A.A no. 30440

Baker Tilly MOHAMED HILAL & WAHID ABDEL GHAFFAR

Cairo August 13, 2026

Separate Condensed Interim Statement of Financial Position
As of June 30, 2026

Translation from Arabic

	Notes	30 June 2026 EGP	31 December 2025 EGP
Non-current assets			
Property, plant and equipment -(net)	4	500,380,181	518,577,527
Projects under construction	5	313,018,985	197,117,381
Right of use assets -(net)	6	23,824,041	30,321,509
Investment in an associate	7	529,117,060	4,020,000
Investment in a subsidiary	8	163,437,249	163,437,249
Other debit balances - long term	12	98,753,524	109,970,537
Total non-current assets		**1,628,531,040**	**1,023,444,203**
Current assets			
Inventory - (net)	9	1,861,049,499	1,418,773,615
Accounts and notes receivable - (net)	11	1,521,071,249	1,490,694,785
Debtors and other debit balance- (net)	12	166,356,458	199,286,434
Due from related parties	13-A	42,937,916	3,003,973
Cash at banks	14	205,349,336	479,688,117
Total current assets		**3,796,764,458**	**3,591,446,924**
Total assets		**5,425,295,498**	**4,614,891,127**
Equity			
Issued and paid up capital	15	835,142,000	835,142,000
Legal reserve		162,232,298	153,452,374
Net profit for the period/year		67,466,432	175,598,481
Retained earnings		1,097,419,902	1,009,918,851
Total equity		**2,162,260,632**	**2,174,111,706**
Long term liabilities			
Lease liabilities - long term	19	0	37,971,501
Deferred tax liability	10	14,354,553	34,290,516
Total long term liabilities		**14,354,553**	**72,262,017**
Current liabilities			
Provisions	16	273,926,671	284,485,380
Other credit balances	17	731,373,432	708,809,131
Accounts payable		212,425,025	140,736,302
Dividends payable		67,068,045	86,033,378
Income tax liabilities		25,024,759	65,357,333
Due to related parties	13-B	192,858,764	1,083,095,880
Loan from related parties	13-C	1,746,003,617	0
Total current liabilities		**3,248,680,313**	**2,368,517,404**
Total liabilities		**3,263,034,866**	**2,440,779,421**
Total liabilities and equity		**5,425,295,498**	**4,614,891,127**

* The accompanying notes from note no. (1) to (31) are an integral part of these separate condensed financial statements and are read altogether.

* Limited review report is attached

Mr. Tamer Ramadan	**Dr. Sherif Amin**
Vice Finance Director	**Chief Executive Officer**

Tamer Ramadan

GSK
Glaxosmithkline S. A. E
جلاكسو سميثكلاين ش. م. م
٤٦ أ القطاع الأول - التجمع الخامس - القاهرة الجديدة
السجل التجاري: ٢٠٨٤٠٧ التسجيل الضريبي: ٢٣٨ - ٢٨١ - ١٠٠

Separate Condensed Interim Statement of Profit or Loss
For the Six months ended June 30, 2026

	Notes	For the six months ended		For the three months ended	
		30 June 2026	30 June 2025	30 June 2026	30 June 2025
		EGP	EGP	EGP	EGP
Net sales	20	1,772,562,535	1,884,891,343	958,940,126	890,978,067
Cost of sales	21	(1,352,443,523)	(1,439,664,750)	(885,341,553)	(734,778,421)
Gross profit		**420,119,012**	**445,226,593**	**73,598,573**	**156,199,646**
Add/(deduct)					
Selling and marketing expenses	22	(115,018,915)	(182,873,352)	(78,947,960)	(91,551,068)
General and administrative expenses	23	(54,800,839)	(61,814,982)	(29,208,744)	(25,718,076)
Reversal / (formed) on Provisions	16	(456,756)	(10,069,026)	0	(5,034,513)
Impairment in fixed assets	4	(5,472,686)	0	0	0
Reversal / (formed) on expected credit losses for account receivables	11	45,978,624	192,420	45,884,029	(11,838)
Reversal expected credit losses for other debit balances		0	4,552,974	0	(4,283,866)
Reversal / (formed) on slow moving Inventory		(16,193,934)	(85,620,167)	(21,276,867)	(19,077,794)
Loss on disposal of fixed assets		0	(131,986)	0	(131,986)
Profit from operations		**274,154,506**	**109,462,474**	**(9,950,969)**	**10,390,505**
Other income		37,933,393	25,964,068	37,933,393	8,217,093
Foreign currency exchange -(net)		(207,103,972)	26,264,019	32,915,494	23,810,304
Debit interest		(42,772,800)	(7,780,862)	(40,374,062)	(3,996,542)
Net Profit from operations of the period before taxes		**62,211,127**	**153,909,699**	**20,523,856**	**38,421,360**
Income taxes for the period	24	5,255,305	(82,578,358)	5,166,634	(10,649,077)
Net Profit for the period		**67,466,432**	**71,331,341**	**25,690,490**	**27,772,283**
Earnings per share	25	**0.73**	**0.77**	**0.28**	**0.30**

* The accompanying notes from note no. (1) to (31) are an integral part of these separate condensed financial statements and are read altogether.

* Limited review report is attached

Separate Condensed Interim Statement of Comprehensive Income
For the Six months ended June 30, 2026

Translation from Arabic

	For the six months ended		For the three months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	EGP	EGP	EGP	EGP
Net profit for the period after tax	67,466,432	71,331,341	25,690,490	27,772,283
Other comprehensive income	0	0	0	0
Total comprehensive income for the period	**67,466,432**	**71,331,341**	**25,690,490**	**27,772,283**

* The accompanying notes from note no. (1) to (31) are an integral part of these separate condensed financial statements and are read altogether.

* Limited review report is attached

Separate Condensed Interim Statement of Changes in Equity
For the Six months ended June 30, 2026

Translation from Arabic

	Issued and paid up capital	Legal reserve	Retained Earnings	Net profit for the period	Total
	EGP	EGP	EGP	EGP	EGP
Balance as of January 1, 2025	**835,142,000**	**144,761,856**	**836,295,231**	**173,810,358**	**1,990,009,445**
Transferred to retained earnings	0	0	173,810,358	(173,810,358)	**0**
Transferred to legal reserve	0	8,690,518	(8,690,518)	0	**0**
Dividend distributions	0	0	(100,026,184)	0	**(100,026,184)**
Dividends waived during the period	0	0	54,264,981	0	**54,264,981**
Total comprehensive income for the period	0	0	0	71,331,341	**71,331,341**
Balance as of June 30, 2025	**835,142,000**	**153,452,374**	**955,653,868**	**71,331,341**	**2,015,579,583**
Balance as of January 1, 2026	**835,142,000**	**153,452,374**	**1,009,918,851**	**175,598,481**	**2,174,111,706**
Transferred to retained earnings	0	0	175,598,481	(175,598,481)	**0**
Transferred to legal reserve	0	8,779,924	(8,779,924)	0	**0**
Dividend distributions	0	0	(79,317,506)	0	**(79,317,506)**
Total comprehensive income for the period	0	0	0	67,466,432	**67,466,432**
Balance as of June 30, 2026	**835,142,000**	**162,232,298**	**1,097,419,902**	**67,466,432**	**2,162,260,632**

* The accompanying notes from note no. (1) to (31) are an integral part of these separate condensed financial statements and are read altogether.

* Limited review report is attached

Separate Condensed Interim Statement of Cash Flows
For the Six months ended June 30, 2026

Translation from Arabic

	Notes	For the six months ended at 30 June 2026 EGP	30 June 2025 EGP
Cash flows from operating activities:			
Net profit for the period		62,211,127	153,909,699
Adjustments			
Depreciation of property, plant and equipment	4	27,820,088	21,915,789
Amortization of right of use assets	6	6,497,468	7,376,757
Reversal / (formed) on Provisions	16	(10,558,709)	10,069,026
Impairment in fixed assets	4	5,472,686	0
Reversal / (formed) on expected credit losses for account receivables	11	(45,978,624)	(192,420)
Reversal expected credit losses for other debit balances	12	0	(4,552,974)
Reversal / (formed) on slow moving Inventory		16,193,934	85,620,167
Credit interest		0	(25,964,068)
Finance cost		39,820,731	7,780,862
Amortized lease interest	19	2,952,069	4,738,336
Unrealized foreign exchange loss/(gain)		98,363,318	(56,693,522)
Loss from disposal of fixed assets		0	131,986
		202,794,088	**204,139,638**
Changes in working capital			
Change in inventory		(398,146,193)	(994,695,809)
Change in accounts and notes receivable		15,602,160	(286,670,047)
Change in debtors and other debit balances		(10,866,243)	(31,714,944)
Change in related parties balances		(1,025,322,931)	1,215,001,857
Change in other credit balances and accounts payable		96,355,605	113,720,081
Inventory write-down used		(60,323,625)	(14,368,321)
Cash flows(used in) generated from operating activities		**(1,179,907,139)**	**205,412,455**
Income taxes paid		0	(107,522,674)
Net cash flows (used in) generated from operating activities		**(1,179,907,139)**	**97,889,781**
Cash flows from investing activities:			
Payments in projects under construction		(130,905,832)	(40,631,068)
Payments to acquire property, plant and equipment		(91,200)	0
Payments for investments in subsidiaries		(525,097,060)	0
Interest collected		0	25,964,068
Net cash flows(used in) investing activities		**(656,094,092)**	**(14,667,000)**
Cash flows from financing activities			
Loans received from related parties		1,708,070,224	225,000,000
Dividends paid		(98,282,839)	(13,531,317)
Lease liabilities paid	19	(46,237,597)	(45,156,408)
Interest paid		(1,887,338)	(7,780,862)
Net cash flows generated from financing activities		**1,561,662,450**	**158,531,413**
Net changes in cash and cash equivalents during the period		(274,338,781)	241,754,194
Cash and cash equivalents at the beginning of the period	14	479,688,117	75,471,823
Cash and cash equivalents at the end of the period	14	**205,349,336**	**317,226,017**

* The accompanying notes from note no. (1) to (31) are an integral part of these separate condensed financial statements and are read altogether.

* Auditor's limited review is attached

Notes to the separate condensed interim financial statements For the Six months ended June 30, 2026

1. Introduction

- GlaxoSmithKline Company S.A.E was established in Cairo in year 1981 according to the provisions of Law No. 43 of 1974, It was compiled to the provisions of Investment Law No. 230 of 1989 and its executive regulations and amendments, which was replaced by Law No. 8 of 1997, which was replaced by Law No. 72 of 2017 and its executive regulations. The company is also complying to Law No. 159 of 1981, its amendments and its executive regulations. The company's registered in the Commercial Register under No. (208407). The company's address is the First Sector, Fifth Settlement, Nasr City, Cairo, Arab Republic of Egypt, and the company is registered on the Egyptian Stock Exchange.
- The company's main activities are the production of pharmaceutical chemicals approved by the Ministry of Health, using the latest methods of preparation for the local and international market, and the production of medical products in their various forms by applying the GMP system in accordance with what is decided by the competent scientific committee of the Ministry of Health. The company also produces cosmetics, provided that the production is under an international name that guarantees the presence of a foreign export market.
- The separate condensed interim financial statements are approved by the board of directors on August 12, 2026.

2. Basis of preparation of the separate financial statements.

2.1 Compliance with accounting standards and laws

- These separate condensed interim financial statements for the Six-months period ended 30 June 2026 have been prepared in accordance with Egyptian Accounting Standard No. 30 "Interim Financial Statements", the separate condensed interim financial statements do not include all financial statements and disclosures required in the annual complete financial statements, and must be read in conjunction with the financial statements for the financial year ended 31 December 2025, in addition, the results of the separate condensed interim financial statements for the period ended 30 June 2026 may not include an accurate indicator on the expected results for the fiscal year ending on December 31, 2026.

2.2 Basis of measuring separate financial statements

- Separate financial statements have been prepared under the historical cost measurement basis, except for financial instruments that are measured at fair value or amortized cost, and assuming going concern of company.

3. Significant accounting policies

- The accounting policies followed in preparing the separate condensed interim financial statements are consistent with those followed in the preparation of the annual financial statements for the financial year ended 31 December 2025.

4. **Property, plant and equipment -(net):**

	30 June 2026	31 December 2025
	EGP	EGP
Cost at the beginning of the period / year	898,177,964	781,064,010
Additions during the period / year	91,200	0
Transferred from the projects under construction during the period- (note 5)	15,004,228	133,148,350
Adjustments during the period / year	0	(442,541)
Disposals during the period / year	0	(15,591,855)
Cost at the end of the period / year	**913,273,392**	**898,177,964**
Accumulated depreciation at the beginning of the period / year	379,600,437	346,639,848
Depreciation of the period / year	27,820,088	48,420,457
Accumulated depreciation of the disposals	0	(15,459,868)
Accumulated depreciation at the end of the period / year	**407,420,525**	**379,600,437**
Impairment in fixed assets	5,472,686	0
Impairment in fixed assets	**5,472,686**	**0**
Net book value at the end of the period / year	**500,380,181**	**518,577,527**

5. **Projects under constructions:**

	30 June 2026	31 December 2025
	EGP	EGP
Beginning balance at the beginning of the period / year	197,117,381	152,544,350
Additions during the period / year	130,905,832	177,278,840
Transferred to fixed assets during the period / year (note 4)	(15,004,228)	(133,148,350)
Charged to the statement of profit or loss	0	442,541
Balance at the end of the period / year	**313,018,985**	**197,117,381**

6. **Right of use assets (net):**

	30 June 2026	31 December 2025
	EGP	EGP
Cost at the beginning of the period / year	102,312,947	102,312,947
Disposals during the period / year	(8,792,902)	0
Cost at the end of the period / year	**93,520,045**	**102,312,947**
Accumulated amortization at the beginning of the period / year	71,991,438	57,237,925
Amortization of the period / year	6,497,468	14,753,513
Amortization of the disposals	(8,792,902)	0
Amortization at the end of the period / year	**69,696,004**	**71,991,438**
Net book value at the end of period / year	**23,824,041**	**30,321,509**

7. Investment in associate:

- Glaxosmithkline S.A.E owns 20% of the shares of modern pharma trading company (LLC), the capital of modern pharma trading company LLC is EGP 20,100,000 distributed over 201,000 shares, each amount to EGP 100. the value of the investment in the company is calculated using the cost method in the separate statement of financial position.
- Based on the General Assembly Meeting of Modern Pharma Company held on 11 May 2026, the Company increased its share capital to EGP 2,645,585,300 while maintaining the existing shareholding percentages. Accordingly, GlaxoSmithKline's contribution increased to EGP 525,097,060, and the full amount was paid.

	30 June 2026	31 December 2025
	EGP	EGP
Capital of Modern Pharma Trading Company "LLC"	2,645,585,300	20,100,000
Percentage of ownership	20%	20%
Total	**529,117,060**	**4,020,000**

8. Investment in subsidiary:

- It represents the cost of acquiring 99.64% of the total capital of Amoun for Pharmaceutical Industries Company LLC in 1999.

	30 June 2026	31 December 2025
	EGP	EGP
Investments value	402,086,181	402,086,181
Impairment in value of investments	(238,648,932)	(238,648,932)
Balance at the end of the period / year	**163,437,249**	**163,437,249**

- The Company performs periodic assessments of impairment in its investments in subsidiaries .

9. Inventory – (net):

	30 June 2026	31 December 2025
	EGP	EGP
Raw materials	487,012,665	392,177,447
Goods in transit	678,051,999	122,179,267
Finished goods	392,070,220	428,216,877
Packaging material	110,461,940	91,947,981
Consignments goods	268,514,346	511,381,129
Spare parts	30,463,995	27,670,688
Work in process	5,391,717	247,300
Total	**1,971,966,882**	**1,573,820,689**
Obsolete and slow-moving inventory impairment	(110,917,383)	(155,047,074)
Inventory – (net)	**1,861,049,499**	**1,418,773,615**

10. Deferred tax Liabilities:

	30 June 2026	31 December 2025
	EGP	EGP
Beginning Balance for the period/year	(34,290,516)	23,485,334
Movements during the period/year- (note 24)	19,935,963	(57,775,850)
Ending Balance for the period/year	**(14,354,553)**	**(34,290,516)**

11. Accounts and Notes Receivable (net):

	30 June 2026	31 December 2025
	EGP	EGP
Accounts receivable	823,006,524	663,698,640
Notes receivable	746,923,069	921,833,113
Total	**1,569,929,593**	**1,585,531,753**
Expected credit loss of accounts and notes receivable	(48,858,344)	(94,836,968)
Accounts and Notes Receivable – (net)	**1,521,071,249**	**1,490,694,785**

12. Debtors and other debit balances (net):

	30 June 2026	31 December 2025
	EGP	EGP
Supplier advance payments and prepaid expenses	103,391,805	104,875,309
Withholding taxes receivable on account of tax	22,558,845	53,618,359
Employees' car advance payment	150,858,712	158,477,735
VAT	7,082,735	11,627,310
Othe debit balances	2,358,226	1,798,599
Total	**286,250,323**	**330,397,312**
Expected credit loss for debtors and other debit balances	(21,140,341)	(21,140,341)
Debtors and other debit balances (net)	**265,109,982**	**309,256,971**

Distributed as follows:

	30 June 2026	31 December 2025
	EGP	EGP
Current portion	166,356,458	199,286,434
Non-current portion	98,753,524	109,970,537
Total	**265,109,982**	**309,256,971**

13. Related parties' significant transactions

- The following are the analysis of related party balances:

A)- Due from related parties

			Transactions Volume				Balance as of	
			30 June 2026		30 June 2025			
	Relation Type	Transaction Type	Debit transactions	Credit transactions	Debit transactions	Credit transactions	30 June 2026	31 December 2025
			EGP	EGP	EGP	EGP	EGP	EGP
SmithKline life science	Related Party	Credit Notes	0	0	2,977,673	0	96,084	3,003,973
		Settlements	0	(6,279,096)	0	(6,146,698)		
		Paid expenses	3,408,248	0	0	0		
		Foreign currencies differences	0	(37,041)	0	(81,155)		
GlaxoSmithKline Trading Services	Related Party	Purchases	0	(1,968,099,712)	0	(1,802,687,708)	12,871,618	0
		Credit Notes	1,143,995,103	0	588,332,532	0		
		Paid expenses	71,839,393	0	0	(39,527,738)		
		Settlements	1,665,560,777	0	0	0		
		Foreign currencies differences	0	(18,064,035)	81,030,778	0		
Glaxosmithkline Export	Related Party	Paid expenses	31,822,752	0	0	0	29,970,214	0
		Foreign currencies differences	0	(1,852,538)	0	(1,252,794)		
Total							**42,937,916**	**3,003,973**

B)- Due to related parties

	Relation Type	Transaction Type	Transactions Volume 30 June 2026 Debit transactions EGP	Transactions Volume 30 June 2026 Credit transactions EGP	Transactions Volume 30 June 2025 Debit transactions EGP	Transactions Volume 30 June 2025 Credit transactions EGP	Balance as of 30 June 2026 EGP	Balance as of 31 December 2025 EGP
GlaxoSmithKline Trading Services	Related Party	Purchases	0	(1,968,099,712)	0	(1,802,687,708)	0	882,359,908
		Credit Notes	1,143,995,103	0	588,332,532	0		
		Paid expenses	71,839,393	0	0	(39,527,738)		
		Settlements	1,665,560,777	0	0	0		
		Foreign currencies differences	0	(18,064,035)	81,030,778	0		
Amoun Pharmaceutical Co.	Subsidiary	Machine rent	0	(1,050,000)	0	(1,050,000)	162,605,569	161,449,937
		Sales commission	0	(57,445)	0	(373,236)		
		Others	0	(48,187)	3,376,498	0		
Glaxo Operations UK Ltd	Related Party	Foreign currencies differences	0	0	0	(341,761)	0	0
GlaxoSmithKline Services Unlimited	Related Party	Credit Notes	0	0	0	(1,124,746)	196,195	22,078,112
		Paid expenses	0	(415,648)	34,746,807	0		
		Settlements	21,518,488	0	0	0		
		Foreign currencies differences	779,077	0	246,580	0		
SmithKline Beecham LLC	Related Party	Toll manufaturing fees	0	(15,957,403)	0	(34,750,607)	30,057,000	17,096,730
		Paid expenses	2,997,133	0	0	0		
		Others	0	0	1,218,698	0		
GlaxoSmithKline Research and Devlopment	Related Party	Settlements	109,006	0	1,165,145	0	0	111,193
		Foreign currencies differences	2,187	0	0	(17,896)		
Total							**192,858,764**	**1,083,095,880**

13-C Loans From Related Parties

In May 2026, the Company entered into a short-term loan agreement with SmithKline Beecham Egypt LLC, a related party, to obtain a credit facility with a maximum limit of EGP 1,708,070,224. Each drawdown under the facility has a maximum period of payment up to 24 months from the date of drawdown. Interest is charged at the Central Bank of Egypt's Corridor rate plus a margin of 0.1% per annum. Interest is capitalized and added to the outstanding principal at the end of each interest period. As at the reporting date, the outstanding balance of the loan amounted to :

	30 June 2026	31 December 2025
	EGP	EGP
SmithKline Beecham	1,708,070,224	0
Accrued Interest	37,933,393	0
Total	**1,746,003,617**	**0**

14. Cash at banks :

	30 June 2026	31 December 2025
	EGP	EGP
Current accounts *	205,349,336	479,688,117
Total	**205,349,336**	**479,688,117**

* Current accounts at banks include a debit balance with Qatar National Bank (a shareholder) amounted to EGP 587,919. (Against EGP 603,148 December 31, 2025). This bank is a 5.89% shareholder in the company, with 4,918,550 shares as of June 30, 2026.

15. Capital

- The number of authorized ordinary shares is 100 million shares with a nominal value of EGP 10 per share.
- The company's issued and paid-up capital amounts to EGP 835,142,000, distributed into 83,514,200 shares with a nominal value of EGP 10 per share. The company's main shareholder is Glaxo Group Limited (Britain), holding 91.20% of the company's shares as of June 30, 2026.

	30 June 2026	31 December 2025
	EGP	EGP
Issued and paid-up capital	835,142,000	835,142,000
Total	**835,142,000**	**835,142,000**

16. Provision

	30 June 2026	31 December 2025
	EGP	EGP
Balance at the beginning of the period / year	284,485,380	266,433,735
Formed during the period / year	456,756	35,073,296
No longer required (Note 20)	(11,015,465)	(16,966,651)
Used during the period / year	0	(55,000)
Balance at the end of the period / year	**273,926,671**	**284,485,380**

17. Other Credit balance:

	30 June 2026	31 December 2025
	EGP	EGP
Accrued expenses	657,596,434	636,617,962
Short term lease liability (Note-10)	42,109,931	43,785,137
Payroll tax	20,871,700	22,602,998
Social insurance	5,176,640	2,525,690
Withholding tax	5,618,727	3,277,344
Total	**731,373,432**	**708,809,131**

18. Overdraft Bank Overdraft:

- On August 1, 2021 the company obtained a credit facility contract (overdraft) with a maximum limit of EGP 500 million to finance working capital, operating expenses, and spare parts exclusively, guaranteed at an annual interest rate of 1.25% above the Corridor price announced by the Central Bank.
- On December 11, 2017 the company obtained a credit facility contract (overdraft) with a maximum limit of EGP 326,500,000 at an annual interest rate of 1% above the Corridor price announced by the Central Bank.
- These facilities referred to above are still in place on the date of the separate financial statements on June 30, 2026.

19. Lease Liabilities

	30 June 2026	31 December 2025
	EGP	EGP
Beginning Balance for the period / year less Deferred	81,756,638	121,580,445
Interest expenses during the period / year	2,952,069	8,269,752
Payments during the period /year	(46,237,597)	(45,156,408)
Foreign exchange differences	3,638,821	(2,937,151)
Balance at the end of the period /year	**42,109,931**	**81,756,638**

- Lease liabilities are allocated according to due dates as follows

	30 June 2026	31 December 2025
	EGP	EGP
Short term lease Liabilities (Note 17)	42,109,931	43,785,137
Long term lease Liabilities	0	37,971,501
Balance at the end of the period /year	**42,109,931**	**81,756,638**

20. Net sales

	For the Six months ended		For the three months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	EGP	EGP	EGP	EGP
Gross sales	1,761,547,070	1,884,891,343	958,940,126	890,978,067
Reversal sales returns provision (Note 16)	11,015,465	0	0	0
Net	**1,772,562,535**	**1,884,891,343**	**958,940,126**	**890,978,067**

21. Cost of sales

	For the Six months ended		For the three months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	EGP	EGP	EGP	EGP
Raw materials and other operating expenses	1,258,778,046	1,297,777,129	845,322,417	658,857,993
Wages and salaries	53,494,120	90,364,184	19,597,778	47,922,893
Depreciation of fixed assets	26,173,634	21,040,446	13,180,900	10,708,540
Toll fees expenses	13,997,723	30,482,991	7,240,458	17,288,995
Total	**1,352,443,523**	**1,439,664,750**	**885,341,553**	**734,778,421**

22. Selling and marketing expenses

	For the Six months ended		For the three months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	EGP	EGP	EGP	EGP
Wages and salaries	39,157,672	91,154,282	18,386,270	46,756,182
Marketing Campaign	37,169,701	52,228,873	37,934,434	29,564,397
Storage Expenses	5,899,772	4,484,850	2,530,391	2,265,057
Utility expenses	2,480,355	7,828,977	260,209	2,846,848
Travel and Transportation	1,008,672	3,782,539	551,098	1,326,426
Car expenses	766,771	165,500	707,709	330,000
Depreciation of fixed assets	105,000	118,712	52,500	52,500
Other expenses	28,430,972	23,109,619	18,525,349	8,409,658
Total	**115,018,915**	**182,873,352**	**78,947,960**	**91,551,068**

23. General and administrative expenses

	For the Six months ended		For the three months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	EGP	EGP	EGP	EGP
Wages and salaries	20,262,463	24,186,727	11,755,929	5,548,996
Depreciation of fixed assets	1,541,454	756,631	769,931	479,807
Amortization of right of use assets	6,497,468	7,376,757	3,248,734	3,688,379
Professional and consulting fees	4,584,015	8,931,555	2,375,154	4,548,140
Vehicle Expenses	3,854,224	2,673,987	1,368,073	1,205,145
Travel and Transportation Expenses	4,454,948	1,459,137	2,571,843	1,348,052
Utility expenses	4,303,907	8,202,177	2,385,266	4,625,665
Other expenses	9,302,360	8,228,011	4,733,814	4,273,892
Total	**54,800,839**	**61,814,982**	**29,208,744**	**25,718,076**

24. Income Tax

	For the Six months ended		For the three months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	EGP	EGP	EGP	EGP
Current Income tax	14,680,658	37,484,375	(41,344,070)	334,372
Deferred income tax (Note 10)	(19,935,963)	45,093,983	36,177,436	10,314,705
Net income tax for the period	**(5,255,305)**	**82,578,358**	**(5,166,634)**	**10,649,077**

25. Earnings per Share

- Earnings per basic share for the year is calculated by dividing the net profits for the year attributable to the shareholders on the weighted average number of common shares issued.

	For the Six months ended		For the three months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	EGP	EGP	EGP	EGP
Controlling interest for the period after tax.	67,466,432	71,331,341	25,690,490	27,772,283
Deduct				
Employees' share of profits (10%)	(6,746,643)	(7,133,134)	(2,569,049)	(2,777,228)
Net distributable profit	**60,719,789**	**64,198,207**	**23,121,441**	**24,995,055**
Weighted average number from common shares issued	83,514,200	83,514,200	83,514,200	83,514,200
Earnings per Share (EGP/Share)	**0.73**	**0.77**	**0.28**	**0.30**

- Employees' share of profits represents estimated amounts pending approval of the related distributions by the General Assembly.

- The Company had no dilutive financial instruments outstanding as at the financial statements date. Accordingly, basic and diluted earnings per share are the same.

26. Capital Commitments

- The capital commitments that were contracted at the date of the separate financial statements, which represent the remaining amounts from the unrealized portion to complete the projects under construction, as follows:

	30 June 2026	31 December 2025
	EGP	EGP
Projects under construction	103,219,855	45,545,593
	103,219,855	**45,545,593**

27. Contingent Liabilities

- There are contingent liabilities towards banks and other guarantees, in addition to other issues resulting from the normal activity of the company and from which it is not expected to result in significant obligations. The value of letters of guarantee and documentary credits outstanding at the date of the separate statement of financial position of June 30, 2026 amounts to EGP 20,840,925 (December 31, 2025: EGP 20,495,245).

28. Risk in Foreign Currency Exchange Rates

- At the end of the year, the net assets (liabilities) in major foreign currencies as follows:

	30 June 2026	31 December 2025
USD	1,530,864	(17,739,891)
GBP	(103,302)	(395,441)
CHF	(53,097)	(61,309)
EUR	(811,535)	(253,697)

- At the end of the year, the net assets (liabilities) in major foreign currencies were Equivalent in Egyptian pound as follows:

	30 June 2026	31 December 2025
	EGP	EGP
USD	75,287,894	(846,015,395)
GBP	(6,723,927)	(25,375,458)
CHF	(3,250,067)	(3,690,189)
EUR	(45,502,778)	(14,212,117)

29.Tax position

- Below is a summary for the tax position of the company:

(A) corporate tax

Till to 2006

- The company's records were inspected by the Tax Authority for this period, and the tax differences were settled and paid.

2007

- The company's records were inspected by the Tax Authority for this year and the court ruling was issued.

From 2008 till 2009

- The company's records were inspected by the Tax Authority for this period, and the tax differences were settled and paid.

From 2010 till 2011

- The company's records were inspected on a deem basis assessment and it was appealed. The file was transferred to the internal committees, which issued their decision to re-inspect on actual basis. The actual examination was completed, and the result of the re-inspection was approved, except for the item of transfer price differences, which was referred to the Pricing Department, which issued its decision and the company approved the result reached, and the payment has been made.

From 2012 till 2015

- The company's records were inspected on a deem basis assessment and it was appealed. The file was transferred to the internal committee, which issued a decision to re-inspect on actual basis. The actual examination was completed and the result of the re-inspection was approved, with the exception of some items related to transfer price differences, which was referred to the Pricing Department, which issued its decision and the company approved the result reached, and the Appeal Committee was notified and issued its decision, and the payment was made.

From 2016 till 2018

- The company's records were inspected on a deem basis assessment and it was appealed, the file was transferred to the internal committee, which issued a decision to re-inspect on actual basis, and the re-inspection completed, and the Company filed an objection against the results.

Year 2019:

- The Company was subject to a tax inspection. An objection was filed against the inspection results, and the case was referred to the internal appeal committees. No final decision has been issued to date

Years 2020 to 2023:

- The Egyptian Tax Authority requested an electronic tax inspection for these years. The Company submitted the required documents through the Tax Authority's online portal, and the inspection is currently in progress.

Years from 2024:

- The tax returns were submitted within the statutory deadlines, and no tax inspection has been requested to date.

(B) Value Added Tax

From inception till FY 2015

- The company has been inspected by Tax Authority for these years, and the tax differences were settled and paid.

From 2016 till to 2019

- The company has been requested to be inspected for these years by the Tax authority, and the tax differences were settled and paid.

2020

- The company has been requested to be inspected for these years by the Tax Authority, the result of inspection has been objected to, and the file is referred to the internal committees, and the tax differences were settled and paid

From 2021 till to 2023

- The company has been requested to be inspected for these years by the Tax Authority, the result of inspection has been objected to, and the file is referred to the internal committees, and the tax differences were settled and paid.

Years from 2024:

- The tax reports have been submitted on the legal dates, and no inspection has been requested to date.

(C) Stamp Tax

From inception till FY 2009

- The company has been inspected by Tax Authority for these years, and the tax differences were settled and paid.

From 2010 till to 2013

- The company has been inspected by Tax Authority for these years, and the tax differences were settled and paid.

From 2014 till to 2020

- An inspection has been conducted on deem basis for the years 2014-2018. An appeal was made and the file was referred to by the internal committees, which issued their decision to re-inspect on actual basis.
- A notification was received from the General Administration for Combating Tax Evasion for the years 2015/2020. The required documents were prepared for the actual examination, and the result of examination and payment were approved and settled.
- The file was transferred to the Tax Authority office, and an appeal was filed for the years 2014 to 2018. The case was referred to the competent internal appeal committees, and a final decision is still pending. Additionally, a reassessment of the specific tax for the years 2019 and 2020 was conducted by the Large Taxpayers Center, which was approved, and the related tax differences were settled.

From 2021 till to 2024

- No inspection has been requested to date.

(D) Payroll Tax

From inceptions to 2008

- The company has been inspected by Tax Authority for these years, and the tax differences were settled and paid.

From 2009 to 2012

- An inspection has been conducted on deem basis. An appeal was made and the file was referred to the internal committees, which issued their decision to make an actual inspection and the company presented the annual settlements, and the actual inspection has been made and the company has objected on the results and the dispute has been finalized with the internal committees and the tax differences were settled and the payment is in progress.

From 2013 to 2016

- The company has been requested to be inspected for these years by the Tax Authority, and the company presented the annual settlements, and the actual inspection has been made and the company has objected on the results and the dispute has been finalized with the internal committees and the tax differences were settled and the payment is in progress.

From 2017 to 2020

- The company has been inspected by Tax Authority for these years, and the tax differences were settled and paid.

From 2021 to 2022

- The Company was inspected for these years by the Egyptian Tax Authority, the inspection results were approved, and settlement is currently in progress.

Years 2023 – 2024

- No tax inspection has been requested for the Company to date.

(E) Withholding Taxes

- The company has been inspected from 2012 to 2016 by tax authority; the tax differences has been settled and paid. From 2017 to 2021 the company hasn't been requested to be inspected for these years by the Tax Authority, and the company filed the returns and pay tax due within the legal due dates.

30. Significant Events:

- The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting on Thursday, February 12, 2026, to reduce key interest rates by 100 basis points. Accordingly, the overnight deposit and lending rates and the Central Bank's main operation rate were reduced to 19.0%, 20.0%, and 19.5%, respectively; the discount rate was also reduced to 19.5%. Furthermore, the Central Bank's Board of Directors decided to reduce the reserve requirement ratio that banks are required to maintain with the Central Bank of Egypt from 18% to 16%.
- On February 28, 2026, a military escalation occurred in the Middle East, leading to significant disruptions in global shipping and increased transportation and energy costs. International reports indicated a virtual halt to the movement of many ships within the Arabian Gulf, in addition to the cancellation and rescheduling of shipping routes and the closure or disruption of some air routes. There were global expectations of rising inflation levels, which could affect current interest rates worldwide, as well as fluctuations in foreign exchange rates, both upward and downward, during these events.
- On May 3, 2026, the Company's Ordinary General Assembly convened, and the General Assembly ratified the Board of Directors' proposal regarding the distribution of profits, approving a cash dividend of EGP 0.75 per share, resulting in total dividends to shareholders amounting to EGP 62,635,650. The General Assembly also approved, by many of the shares represented at the meeting, the Board of Directors' proposal to purchase certain production lines from SmithKline Beecham to transfer them to the Company's factory, to increase the Company's production efficiency.

31. Comparative figures:

- The comparative figures are reclassified to match the presentation of the current period.