Glaxo SmithKline – S.A.E

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

Translation from Arabic

bakertilly
MOHAMED HILAL & WAHID ABDEL GHAFFAR

Translation from Arabic

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 Consolidated interim condensed statements of financial position of Glaxo SmithKline – S.A.E as of June 30, 2026 and the related consolidated interim condensed 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 consolidated interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these consolidated 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 consolidated interim financial statements Performed by the Independent Auditor of the Entity". A limited review of consolidated interim financial statements consists of making inquiries, primarily of persons 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 consolidated interim financial statements.

Translation from Arabic

Conclusion

- Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements do not present fairly, in all material respects, the consolidated interim condensed financial position of the company as of June 30, 2026 and of its consolidated interim condensed 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 Augest 13, 2026

Consolidated 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)	511,172,795	529,399,873
Projects under construction	(5)	313,018,985	197,117,381
Right of use assets (net)	(6)	23,824,041	30,321,508
Goodwill (net)	(7)	0	0
Investment in an associate	(8)	543,496,278	42,633,985
Other debit balances - long term	(12)	98,753,524	109,970,538
Total non-current assets		**1,490,265,623**	**909,443,285**
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)	166,552,850	199,506,934
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		**3,796,960,850**	**3,591,667,424**
Total assets		**5,287,226,473**	**4,501,110,709**
Equity			
Capital	(15)	835,142,000	835,142,000
Legal reserve		162,232,298	153,452,374
Net profit for the period / year		43,896,325	213,226,081
Retained earnings		1,139,995,051	1,014,866,400
Total Equity of the shareholders of parent company		**2,181,265,674**	**2,216,686,855**
Non Controlling Interest		610,463	608,062
Total Equity		**2,181,876,137**	**2,217,294,917**
Non-Current Liabilities			
Lease liabilities - long term	(19)	0	37,971,501
Deferred tax liability	(10)	14,488,567	34,430,798
Total long term liabilities		**14,488,567**	**72,402,299**
Current liabilities			
Provisions	(16)	276,019,303	286,578,012
Other credit balances	(17)	733,867,893	710,905,450
Dividends payable		67,068,045	86,033,378
Accounts payable		212,425,025	140,736,306
Income tax liabilities		25,224,691	65,514,404
Due to related parties	(13-B)	30,253,195	921,645,943
Loan From related parties	(13-C)	1,746,003,617	0
Total current liabilities		**3,090,861,769**	**2,211,413,493**
Total liabilities		**3,105,350,336**	**2,283,815,792**
Total liabilities and equity		**5,287,226,473**	**4,501,110,709**

* The accompanying notes from note no. (1) to (31) are an integral part of these Consolidated financial statements and are read all together.

* limited review report is attached

Mr. Tamer Ramadan
Vice President of the Financial Sector

Dr. Shrief Amin
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: ٣٣٨ - ٢٨١ - ١٠٠

Consolidated condensed interim statement of profit or loss
For the Six months ended June 30, 2026

Translation from Arabic

	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)	(114,961,471)	(182,500,107)	(78,906,860)	(91,532,484)
General and administrative expenses	(23)	(53,997,560)	(63,281,582)	(28,806,357)	(25,679,948)
Reversal / (formed) on Provisions	(16)	(456,756)	(7,877,693)	0	(2,843,180)
Impairment in fixed assets	(4)	(5,472,686)	0	0	0
Reversal / (formed) on expected credit losses for account receivables	(11)	45,978,625	192,420	45,884,030	(11,838)
Reversal expected credit losses for other debit balances	(12)	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) from disposal of property ,plant & equipment	(4)	0	(131,986)	0	(131,986)
Movement in investment according to the equity method	(8)	(24,234,767)	(7,338,688)	13,127,631	(24,169,622)
Profit/(Loss) from operations		**250,780,463**	**103,221,764**	**3,620,150**	**(11,531,072)**
Add/(deduct)					
Other revenue		37,933,393	25,964,068	37,933,393	8,217,093
Foreign currency exchange (Net)		(207,103,972)	26,264,019	32,915,493	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		**38,837,084**	**147,668,989**	**34,094,974**	**16,499,783**
Income taxes for the period	(24)	5,061,642	(82,616,516)	5,066,852	(10,572,420)
Net profit for the period		**43,898,726**	**65,052,473**	**39,161,826**	**5,927,363**
Distributed to					
Net profit for controlling interest for the period		43,896,325	65,060,683	39,158,261	5,934,012
Non controlling interest		2,401	(8,210)	3,565	(6,649)
Earnings per share	(25)	**0.47**	**0.70**	**0.42**	**0.06**

* The accompanying notes from note no. (1) to (31) are an integral part of these Consolidated financial statements and are read all together.

* limited review report is attached

Consolidated 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	43,898,726	65,052,473	39,161,826	5,927,363
Other comprehensive income	0	0	0	0
Total comprehensive income for the period	**43,898,726**	**65,052,473**	**39,161,826**	**5,927,363**
Distributed to:				
Equity for Controlling interest	43,896,325	65,060,683	39,158,261	5,934,012
Equity for non-Controlling interest	2,401	(8,210)	3,565	(6,649)
Total Other Comprehensive income for the period	**43,898,726**	**65,052,473**	**39,161,826**	**5,927,363**

* The accompanying notes from note no. (1) to (31) are an integral part of these Consolidated financial statements and are read all together.

* limited review report is attached

Consolidated condensed interim statement of changes in equity
For the Six months ended June 30, 2026

Translation from Arabic

	Capital	Legal reserve	Retained Earnings	Net profit for the period	Total Equity of the shareholders of parent company	Non- controlling interest	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as of January 1,2025	**835,142,000**	**144,761,856**	**841,073,185**	**173,979,953**	**1,994,956,994**	**598,402**	**1,995,555,396**
Transferred to retained earnings and legal reserve	0	8,690,518	165,289,435	(173,979,953)	0	0	**0**
Dividends Paid	0	0	(100,026,184)	0	(100,026,184)	0	**(100,026,184)**
Dividends waived during the period	0	0	54,264,982	0	54,264,982	0	**54,264,982**
Total comprehensive income for the period	0	0	0	65,060,683	65,060,683	8,210	**65,068,893**
Balance as of June 30,2025	**835,142,000**	**153,452,374**	**960,601,418**	**65,060,683**	**2,014,256,475**	**606,612**	**2,014,863,087**
Balance as of January 1,2026	**835,142,000**	**153,452,374**	**1,014,866,400**	**213,226,081**	**2,216,686,855**	**608,062**	**2,217,294,917**
Transferred to retained earnings and legal reserve	0	0	213,226,081	(213,226,081)	0	0	**0**
Transferred to legal reserve	0	8,779,924	(8,779,924)	0	0	0	**0**
Dividends Paid	0	0	(79,317,506)	0	(79,317,506)	0	**(79,317,506)**
Dividends declared during the period	0	0	0	0	0	0	**0**
Total comprehensive income for the period	0	0	0	43,896,325	43,896,325	2,401	**43,898,726**
Balance as of June 30,2026	**835,142,000**	**162,232,298**	**1,139,995,051**	**43,896,325**	**2,181,265,674**	**610,463**	**2,181,876,137**

* The accompanying notes from note no. (1) to (31) are an integral part of these Consolidated financial statements and are read all together.

* limited review report is attached

Consolidated condensed interim statement of cash flows
For the Six months ended June 30, 2026

Translation from Arabic

	Notes	For the Six months ended 30 June 2026 EGP	30 June 2025 EGP
Cash flows from operating activities:			
Net profit before tax for the period		38,837,084	147,668,989
Adjustments			
Depreciation of property, plant and equipment	(4)	27,849,820	21,945,519
Amortization of right of use assets	(6)	6,497,467	6,497,467
Reversal / (formed) on expected credit losses for account receivables	(11)	(45,978,625)	(192,420)
Reversal / (formed) on slow moving Inventory	(9)	16,193,934	85,620,167
Reversal / (formed) on Provisions	(16)	456,756	7,877,693
Reversal of expected credit loss for other debit balances	(12)	0	(4,552,974)
Impairment in fixed assets	(4)	5,472,686	0
Credit interest		0	(25,964,068)
Expected credit losses for account receivables	(11)	0	0
Finance cost		39,820,731	7,780,862
Amortized lease interest	(19)	2,952,069	4,738,336
Unrealized foreign exchange losses		98,363,318	(56,693,522)
Reversal of sales return provision	(9)	(11,015,465)	0
(Losses) Disposals of Fixed Assets	(8)	0	131,986
Change in investment according to Equity method		24,234,767	7,338,688
	(8)	**203,684,542**	**202,196,723**
Changes in working capital			
Change in inventory		(398,146,193)	(994,695,809)
Change in accounts and notes receivable		15,602,161	(286,670,047)
Change in debtors and other debit balances		(22,122,149)	(24,910,621)
Change in non-current other debit balances		11,217,014	(6,760,664)
Change in related parties balances		(1,026,478,563)	1,234,848,309
Change in other credit balances and accounts payable		96,726,987	94,661,342
Inventory write-down used		(60,323,625)	(14,368,321)
Cash flows (Used from) generated from operating activities		**(1,179,839,826)**	**204,300,912**
Income taxes paid		(67,313)	(108,511,131)
Net cash flows (Used from) generated from operating activities		**(1,179,907,139)**	**95,789,781**
Cash flows from investing activities:			
Payments in projects under construction	(5)	(130,905,832)	(40,631,068)
Disbursement for the purchase of fixed assets	(4)	(91,200)	0
Paid in Investment in associate		(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			
Dividends paid		(98,282,839)	(13,531,317)
Lease liabilities paid	(19)	(46,237,597)	(43,056,408)
Loans received from related party		1,708,070,224	225,000,000
Interest paid		(1,887,338)	(7,780,862)
Net cash flows generated from financing activities		**1,561,662,450**	**160,631,413**
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 Consolidated financial statements and are read all together.

* Auditor's Limited Review is attached

Notes to the consolidated 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 Consolidated financial statements are approved by the board of directors on 12 August 2026.

2. Basis of preparation of the consolidated condensed interim financial statements.

2.1 Compliance with accounting standards and laws

- These Consolidated condensed interim financial statements for the Six-month period ended 31 June 2026 have been prepared in accordance with Egyptian Accounting Standard No. 30 "Interim Financial Statements", the Consolidated 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 Consolidated condensed interim financial statements for the period ended 31 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 Consolidated financial statements

- The Consolidated 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 Consolidated 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	929,747,740	812,633,786
Additions during the period / year	91,200	0
Transferred from the projects under construction during the period / year (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	**944,843,168**	**929,747,740**
Accumulated depreciation at the beginning of the period / year	400,347,867	367,327,815
Depreciation of the period / year	27,849,820	48,479,920
Accumulated depreciation of the disposals	0	(15,459,869)
Accumulated depreciation at the end of the period / year	**428,197,687**	**400,347,867**
Impairment in fixed assets at the end of the period / year	5,472,686	0
Impairment in fixed assets	**5,472,686**	**0**
Net book value at the end of the period / year	**511,172,795**	**529,399,873**

5. **Projects under construction**

	30 June 2026	31 December 2025
	EGP	EGP
Cost at the beginning of the period / year	197,117,381	152,544,350
Additions during the period / year	130,905,832	177,278,838
Adjustments during the period / year	0	442,543
Transferred to fixed assets during the period / year (Note 4)	(15,004,228)	(133,148,350)
Cost at the end of the period / year	**313,018,985**	**197,117,381**

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

	30 June 2026	31 December 2025
	EGP	EGP
Cost at the beginning of the period / year	93,520,045	93,520,045
Cost at the end of the period / year	**93,520,045**	**93,520,045**
Amortization at the beginning of the period / year	63,198,537	50,203,611
Amortization of the period / year	6,497,467	12,994,926
Amortization at the end of the period / year	**69,696,004**	**63,198,537**
Net book value at the end of period / year	**23,824,041**	**30,321,508**

7. Goodwill (net):

	30 June 2026	31 December 2025
	EGP	EGP
Goodwill - opening balance	238,648,932	238,648,932
Impairment in value of goodwill	(238,648,932)	(238,648,932)
Total	**0**	**0**

8. Investment in an associate:

- The investments in associated is recorded in the statement of financial position according to the equity method, and any necessary adjustments are recorded in the account od investment in accordance with the company's performance and the assumptions of it's management and consultants, GlaxoSmithKline S.A.E owns 20% of the shares of modern pharma trading company (L.L.C), 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 Consolidated statement of financial position. According to the decision of the General Assembly of Modern Pharma Company held on May 11, 2026, the company increased the capital to reach 2,645,585,300 EGP while maintaining the contribution ratios, so that the value of GlaxoSmithKline Company's contribution reach 525,097,060 EGP.

	30 June 2026	31 December 2025
	EGP	EGP
Balance at the beginning of the period / year	42,633,985	7,338,688
Add The increase in investment	525,097,060	0
Group's Share in the results of Modern Pharma for Trading Company	(24,234,767)	35,295,297
Total	**543,496,278**	**42,633,985**

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	122,179,266
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	27,670,689
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)
Net Inventory	**1,861,049,499**	**1,418,773,615**

10. Deferred tax:

	30 June 2026	31 December 2025
	EGP	EGP
Beginning Balance for the period/ year	(34,430,798)	23,332,791
Deferred tax movements during the period/ year recognized at Profit or loss (Note 24)	19,942,231	(57,763,589)
Ending Balance for the period/year	**(14,488,567)**	**(34,430,798)**

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	921,833,114
Total	**1,569,929,593**	**1,585,531,754**
Expected credit loss of accounts and notes receivable	(48,858,344)	(94,836,969)
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	22,747,845	53,838,859
Employees' car advance payment	150,858,712	158,477,736
VAT	7,082,735	11,627,310
Other debit balances	2,365,618	1,798,599
Total	**286,446,715**	**330,617,813**
Expected credit loss for debtors and other debit balances	(21,140,341)	(21,140,341)
Net	**265,306,374**	**309,477,472**

Distributed as follows:	30 June 2026	31 December 2025
	EGP	EGP
Current portion	166,552,850	199,506,934
Non-current portion	98,753,524	109,970,538
Total	**265,306,374**	**309,477,472**

13. Related parties' significant transactions

- The following are the analysis of related party balances:

A)- Due from related parties

			Transactions Volume				Balance as of	
			30-06-2026		30-06-2025		30 June 2026	31 December 2025
	Relation Type	Transaction Type	Debit transactions	Credit transactions	Debit transactions	Credit transactions		
			EGP	EGP	EGP	EGP	EGP	EGP
Smithkline Life Science	Related Party	Credit Notes	0	0	2,977,673	0	96,084	3,003,973
		Adjustments	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 Limited	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)		
		Adjustments	1,665,560,777	0	0	0		
		Foreign currencies differences	0	18,064,035	81,030,778	0		
Glaxosmithkline Export Ltda	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 30-06-26 Debit transactions EGP	Transactions Volume 30-06-26 Credit transactions EGP	Transactions Volume 30-06-25 Debit transactions EGP	Transactions Volume 30-06-25 Credit transactions EGP	Balance as of 30 June 2026 EGP	Balance as of 31 December 2025 EGP
GlaxoSmithKline Trading Services Limited	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)		
		Adjustments	1,665,560,777	0	0	0		
		Foreign currencies differences	0	(18,064,035)	81,030,778	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		
		Adjustments	21,518,488	0	0	0		
		Foreign currencies differences	779,077	0	246,580	0		
SmithKline Beecham LLC	Related Party	Toll manufacturing fees	0	(15,957,403)	0	(34,750,607)	30,057,000	17,096,730
		Paid expenses	2,997,133	0	0	0		
		Other	0	0	1,218,698	0		
GlaxoSmithKline Research and Development	Related Party	Adjustments	109,007	0	1,165,145	0	0	111,193
		Foreign currencies differences	2,186	0	0	(17,896)		
Total							**30,253,195**	**921,645,943**

C)- Loan From related parties

In May 2026, the company entered into a short-term loan agreement with SmithKline Beecham LLC, a related party, to provide a credit facility of EGP 1,708,070,224. The term of each drawdown is 24 months from the drawdown date. Interest is calculated based on the corridor rate announced by the Central Bank of Egypt plus a margin of 0.1% per annum. Interest is capitalized and added to the loan principal at the end of each interest period. The loan balance as of the financial statements date is:

	30 June 2026	31 December 2025
	EGP	EGP
SmithKline Beecham LLC	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 included a debit balance with Qatar National Bank (a shareholder) amounting to EGP 587,919. (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

16. Provisions

	30 June 2026	31 December 2025
	EGP	EGP
Balance at the beginning of the period / year	286,578,012	270,717,705
Formed during the period / year	456,756	35,073,292
No longer required (Note 20)	(11,015,465)	(19,157,985)
Used during the period / year	0	(55,000)
Total	**276,019,303**	**286,578,012**

17. Other credit balances:

	30 June 2026	31 December 2025
	EGP	EGP
Accrued expenses	659,187,465	638,201,485
Lease liabilities - short term (Note 19)	42,109,931	43,785,137
VAT	220,500	73,500
Payroll tax	20,932,055	22,646,192
Social insurance	5,188,815	2,537,864
Withholding tax	5,618,727	3,277,344
Other credit balances	610,400	383,928
Total	**733,867,893**	**710,905,450**

18. Overdraft Bank Overdraft:

- On Aug 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 Dec 11, 2017 the company obtained a credit facility contract (overdraft), with a maximum limit of EGP 326,500,000 million , to finanice the working capital and The worker issues Letter of credits and accepted bills of exchange guaranteed at an annual interest rate of 1% above the corridor rate announced by the Central Bank.
- These facilities referred to above are still in place until the date of the consolidated financial statements on June 30, 2026.

19. Lease liabilities :

- The following table shows movements on the net payments of the lease contracts :

	30 June 2026	31 December 2025
	EGP	EGP
Beginning Balance for the period / year less Deferred interest	81,756,638	119,480,445
Add: amortization of deferred interest during the period / year	2,952,069	8,269,752
Payments during the period /year	(46,237,597)	(43,056,408)
Foreign exchange differences	3,638,821	(2,937,151)
Net Ending Balance of lease liabilities	**42,109,931**	**81,756,638**

- Lease liabilities are allocated according to due dates as follows:

	30 June 2026	31 December 2025
	EGP	EGP
Lease liabilities - short term (Note 17)	42,109,931	43,785,137
Lease liabilities - long term	0	37,971,501
Net Ending Balance of lease liabilities	**42,109,931**	**81,756,638**

20. Net sales

	For the Six months ended		For the There 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
Movement on 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 There 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 There 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 expenses	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 expenses	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	28,373,528	22,736,374	18,484,249	8,391,074
Total	**114,961,471**	**182,500,107**	**78,906,860**	**91,532,484**

23. General and administrative expenses

	For the Six months ended		For the There 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	1,571,186	786,361	769,931	479,807
Amortization of ROU	6,497,467	6,497,467	3,248,734	3,248,734
Professional and consulting fees	4,584,015	8,931,555	2,375,154	4,548,140
Car 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	8,469,350	10,544,171	4,331,427	4,675,409
Total	**53,997,560**	**63,281,582**	**28,806,357**	**25,679,948**

24. Income taxes for the period

	For the Six months ended		For the There months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	EGP	EGP	EGP	EGP
Current Income tax	(14,880,589)	(37,525,598)	50,241,153	(257,714)
Prior year's tax reconciliations (Note 10)	19,942,231	(45,090,918)	(45,174,301)	(10,314,706)
Total	**5,061,642**	**(82,616,516)**	**5,066,852**	**(10,572,420)**

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 There months ended	
	30 June 2026 EGP	30 June 2025 EGP	30 June 2026 EGP	30 June 2025 EGP
Controlling interest profit for the period after tax.	43,896,325	65,060,683	39,158,261	5,934,012
Deduct				
The employees' share from the profits is 10%	(4,389,633)	(6,506,068)	(3,915,826)	(593,401)
Net distributable profit	**39,506,692**	**58,554,615**	**35,242,435**	**5,340,611**
Weighted average number of common shares issued	83,514,200	83,514,200	83,514,200	83,514,200
Earnings per Share (EGP/Share)	**0.47**	**0.70**	**0.42**	**0.06**

* There are no diluted financial instruments outstanding at the date of the financial position, therefore basic and diluted earnings per share are identical.

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:

	30/6/2026	31/12/2025
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:

	30/6/2026	31/12/2025
	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:

corporate tax:

From inception 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 period 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, with the exception of 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 committees, 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 to4 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 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 committees, which issued a decision to re-inspect on actual basis.

From 2019

- The tax returns have been submitted on the legal dates and an examination has not been requested to date.

The years from 2020 to 2023

- The company was requested to undergo an electronic audit for these years by the tax authority, and the required documents were uploaded to the tax authority's website and the audit is underway.

Year 2024

- The tax returns were submitted on time and no audit has been requested to date.

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, the company objected on the results and transferred the file to the internal committees and the tax differences were settled and paid.

2020

- The company has been requested to be inspected for these years by the Tax Authority, and the company objected on the results and transferred the file to the internal committees and the tax differences were settled and paid.

From 2021 till to 2023

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

Year 2024

- The tax returns were submitted on time and no audit has been requested to date.

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 the internal committees, which issued their decision to re-inspect on actual basis.
- a notification was received for the inspection of the years 2015-2020, and the documents were prepared and was approved on the results of inspection and paid.

From 2021 till to 2024

- No inspection has been requested to date.

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 is being finalized with the internal committees. and the tax differences were settled and the payment 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 an actual inspection has been made. the company has objected on the results and the dispute is being finalized with the internal committees. . and the tax differences were settled and the payment in progress.

From 2017 to 2020:

- The company has been requested to be inspected for these years by the Tax Authority, and documents are being prepared.

From 2021 to 2022

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

From 2023 to 2024

- No inspection has been requested to date

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 2024 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.

Tax position for APIC as follows:

29-6 Corporate tax

From inception date to 2011

- Company's books were inspected for these years by the tax authority, settled and tax differences was paid.

From 2012 to 2016

- Company's books were inspected for these years by the tax authority, And the taxes differences payment is in progress.

From 2017 to 2019

- An inspection has been conducted on deem basis. An appeal was made to be examined on actual base.

From 2020 to 2023

- The company submit the tax returns at legal dates and the years is not requested to be inspected till date.

2024

The company was not asked to inspect this period by the tax authority and the tax return was submitted within the legal deadlines.

Payroll Tax

From Inception date to 2009

- The company was inspected for these years from tax authority and amounts settled and tax differences was paid.

From 2010 to 2020

- The company's records were re-inspected by the Tax Authority for this period, The company agreed on the results and paid.

From 2021 to 2022

- The re-examination has been completed and approved, and the linkage and payment are in progress.

From 2023 to 2024

- The company has not been requested to be examined for this period by the Tax Authority to date.

Stamp Tax

Years from inception date till 2024

- The company has not been requested to be inspected till date and the company pay the accrued tax and submit the tax returns (if any) at legal dates.

Value Added tax

From inception date until 2015

- The company delivered Sales taxes forms for rent of machinery and equipment to GlaxoSmithKline which considered services for others, the company make appeal and the topic is with court.
- According to the court decision that the wording of operation for others is not legal, so, the company paid the taxes from the date of issuing the court decision till date, and the company is inspected until 2006.
- And there is continuing determination for the company and the company notified the court with this determination.

From 2016 to 2018

- The accounting books of the company has been inspected for this period and it was appealed, and the determination was in favor of the company and the linkage.

From 2019 to 2020

- The company has been requested to be inspected for these years, and it was appealed, and the file transferred to internal committee.

From 2021 to 2024

- The tax returns are delivered at the legal dates and it is not required for inspection till date.

Withholding Taxes

- The company has not been requested to be inspected from tax authority, the company paid amounts discounted from suppliers and make quarter tax return at the legal dates.

30- Major events during the current financial period:

- 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 a large number of 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 the majority of the shares represented at the meeting, the Board of Directors' proposal to purchase certain production lines from SmithKline Beecham transfer them to the Company's factory, in order to increase the Company's production efficiency.

31- Comparative Figures:

- The comparative figures are reclassified during the current year