Arabian Food Industries Company (Domty) - S.A.E

The interim separate financial statements

Together with the review report

For the period ended March 31, 2026

Arabian Food Industries Company (Domty) - S.A.E

Interim separate financial statements

For the period ended 31 March 2026

Contents **Page**

Saleh, Barsoum & Abdel Aziz - Grant Thornton
Accountants & Auditors

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Public Accountants & Consultants

Limited review report for the Separate interim financial statement

To: The Board of Directors of Arabian Food Industries Company (Domty) - (S.A.E)

Introduction

We have reviewed the accompanying separate interim financial statements of Arabian Food Industries Company (Domty) - (S.A.E) comprised of the separate interim statement of financial position as of March 31, 2026, and the related separate interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the Three-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 interim financial statements in accordance with the Egyptian Accounting Standard No. 30. Our responsibility is to express a conclusion on these interim separate financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Egyptian Standards on Review Engagements No. 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of separate 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 the 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not present fairly, in all material respects the financial position of Arabian Food Industries Company (Domty) - (S.A.E), as of March 31, 2026; and of its financial performance and its cash flows for the Three-months then ended in accordance with Egyptian Accounting Standard No. 30 "Interim Financial Reporting".

Cairo, May 21, 2026

Auditors

Dr. Nabil Ahmed Abdel Majeed
FESAA
CBE Register No.203
R.A.A (3155)
FESAA (166)

Nabil Ahmed Abdel Maguid PhD, CPA
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Kamel Magdy Saleh FCA,
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Barsoum, Saleh & Abdel Aziz & Co. Accountants Auditors

Assets	Note	31 March 2026 EGP	31 December 2025 EGP
Non-current assets			
Property, plant, and equipment	(3)	775 409 439	801 693 554
Projects under construction	(4)	90 000 322	88 954 232
Investment in Subsidiary	(5)	72 502 733	72 502 733
Total non-current assets		**937 912 494**	**963 150 519**
Current assets			
Inventories	(6)	1 194 680 642	1 250 611 372
Accounts and notes receivable	(7)	1 800 636 217	1 526 519 565
Prepayments and other debit balances	(8)	691 837 974	517 557 032
Cash on hand and at banks	(9)	319 665 548	615 927 172
Total current assets		**4 006 820 381**	**3 910 615 141**
Total assets		**4 944 732 875**	**4 873 765 660**
Equity			
Issued and paid-up capital	(15)	56 521 739	56 521 739
Legal reserve	(15)	28 260 870	28 260 870
Special reserve (Share premium)	(15)	283 422 423	283 422 423
Other reserves		170 196	170 196
Fixed assets adjustments surplus	(31)	7 142 225	8 348 942
Retained earnings	(16)	1 146 370 413	1 076 818 083
Total Equity		**1 521 887 866**	**1 453 542 253**
Non-current liabilities			
Long term loans	(14)	123 477 465	99 572 407
Lease liability – long term	(25)	30 016 822	34 733 697
Notes payable – long term		--	121 773
Deferred tax liabilities	(22)	5 724 238	12 917 704
Total non-current liabilities		**159 218 525**	**147 345 581**
Current liabilities			
Credit facilities – short term	(11)	2 121 862 769	2 311 514 563
Short term loans	(14)	25 295 743	30 878 285
Lease liability – short term	(25)	17 784 835	16 833 678
Trade and notes payable	(12)	711 930 677	625 580 489
Provisions	(10)	33 242 620	27 532 482
Accrued expenses and other credit balances	(13)	250 131 584	192 106 575
Income tax		103 378 256	68 431 754
Total current liabilities		**3 263 626 484**	**3 272 877 826**
Total liabilities		**3 422 845 009**	**3 420 223 407**
Total equity and Liabilities		**4 944 732 875**	**4 873 765 660**

Finance Managing Director
Mohamed Abdelbaky

Chairman
Eng. Omar Mohamed El Damaty

* Review report attached.

- The accompanying notes from (1) to (33) form an integral part of these interim separate financial statements.

	Note	From 1 January 2026 To 31 March 2026 EGP	From 1 January 2025 To 31 March 2025 EGP
Net sales	(27)	2 559 035 323	2 251 517 916
Cost of sales	(27)	(1 935 278 800)	(1 743 101 676)
Gross profit		**623 756 523**	**508 416 240**
Selling and marketing expenses	(17)	(405 466 627)	(355 655 071)
General and administrative expenses	(18)	(27 901 748)	(24 689 658)
Net other operating income	(19)	49 369 500	31 789 776
Provisions	(10)	(5 710 138)	(1 766 359)
Operating Profit		**234 047 510**	**158 094 928**
Finance income	(20)	2 846 843	10 451 435
Finance expenses	(21)	(134 215 084)	(145 900 783)
Profits for the period before income taxes and solidarity contribution		**102 679 269**	**22 645 580**
Solidarity contribution		(6 580 620)	(5 981 152)
Profits for the period before income taxes		**96 098 649**	**16 664 428**
Income tax expense	(22)	(27 753 036)	(6 615 574)
Profits for the period after income taxes		**68 345 613**	**10 048 854**
Earnings per share	(26)	**0.20**	**0.03**

- The accompanying notes from (1) to (33) form an integral part of these separate interim financial statements.

	From 1 January 2026 To 31 March 2026 EGP	From 1 January 2025 To 31 March 2025 EGP
Profits for the period after income taxes	68 345 613	10 048 854
Other comprehensive income	--	--
Total comprehensive income for the period	**68 345 613**	**10 048 854**

- The accompanying notes from (1) to (33) form an integral part of these interim separate financial statements.

	Issued and paid-up Capital	Legal reserve	Special reserve (share premium)	Other reserves	Fixed assets adjustments surplus	Retained earnings	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as of 1 January 2025	56 521 739	28 260 870	283 422 423	170 196	13 318 831	1 222 848 768	1 604 542 827
Transferred from Fixed assets adjustment surplus to retained earnings (Third option - Appendix A - Revised EAS No 13)	--	--	--	--	(1 274 408)	1 274 408	--
Profits for the period	--	--	--	--	--	10 048 854	10 048 854
Balance as of 31 March 2025	**56 521 739**	**28 260 870**	**283 422 423**	**170 196**	**12 044 423**	**1 234 172 030**	**1 614 591 681**
Balance as of 1 January 2026	56 521 739	28 260 870	283 422 423	170 196	8 348 942	1 076 818 083	1 453 542 253
Transferred from Fixed assets adjustment surplus to retained earnings (Third option - Appendix A - Revised EAS No 13) – Note (31)	--	--	--	--	(1 206 717)	1 206 717	--
Profits for the period	--	--	--	--	--	68 345 613	68 345 613
Balance as of 31 March 2026	**56 521 739**	**28 260 870**	**283 422 423**	**170 196**	**7 142 225**	**1 146 370 413**	**1 521 887 866**

- The accompanying notes from (1) to (33) form an integral part of these interim separate financial statements.

	Note	From 1 January 2026 To 31 March 2026 EGP	From 1 January 2025 To 31 March 2025 EGP
Cash flows from operating activities			
Profits for the period before income taxes		96 098 649	16 664 428
Adjustments for:			
Depreciation of property, plant and equipment	(3)	37 403 793	30 955 069
Interest on treasury bills		--	(10 109 188)
Accrued withholding tax on treasury bills interest		--	6 682 779
Adjustment on accrued withholding tax on treasury bills interest		--	(4 660 942)
Interest on lease liability	(25)	2 352 728	1 760 961
Foreign exchange differences - loans		--	(56 889)
Provisions	(10)	5 710 138	1 766 359
Expected credit losses in accounts and notes receivable	(7)	4 018 517	19 197 647
Expected credit losses in prepayments and other debit balances	(8)	231 208	--
Provisions used		--	(2 931 128)
Gain from disposal of leased assets		--	(186 430)
Gain from sale of property, plant and equipment	(3)	(42 972)	(11 617 031)
		145 772 061	**47 465 635**
Change in inventories		55 930 730	(276 845 756)
Change in accounts and notes receivable		(278 135 169)	(274 673 425)
Change in prepayments and other debit balances		(163 385 618)	(92 977 928)
Change in trade and notes payable		86 228 415	111 191 636
Change in accrued expenses and other credit balances		58 025 009	8 543 517
Cash flows (used in) operating activities		**(95 564 572)**	**(477 296 321)**
Income taxes paid		(11 126 532)	(16 873 092)
Net cash flows (used in) operating activities		**(106 691 104)**	**(494 169 413)**
Cash flows from investing activities			
(Payments) for purchase of property, plant and equipment	(3)	(11 123 125)	(38 096 364)
Proceeds from sale of property, plant and equipment	(3)	46 419	11 635 571
(Payments) for projects under constructions	(4)	(1 046 090)	(52 834 520)
Net Cash flows (used in) investing activities		**(12 122 796)**	**(79 295 313)**
Cash flows from financing activities			
Proceeds from credit facilities		2 913 238 194	2 513 424 619
(Payments) of credit facilities		(3 102 889 988)	(1 987 262 786)
Proceeds from long-term loans	(14)	26 042 087	--
(Payments) of long-term loans	(14)	(7 719 571)	(18 973 493)
(Payments) of lease liabilities	(25)	(3 765 718)	(5 127 976)
(Payments) of lease liability interest	(25)	(2 352 728)	(1 760 961)
Net cash flows (used in) provided from financing activities		**(177 447 724)**	**500 299 403**
Net change in cash and cash equivalent during the period		**(296 261 624)**	**(73 165 323)**
Cash and cash equivalent - beginning of the period		615 927 172	593 022 638
Cash and cash equivalent - end of the period	(9)	**319 665 548**	**519 857 315**

- The accompanying notes from (1) to (33) form an integral part of these interim separate financial statements.

1- Reporting Entity

Arabian Food Industries Company (Domty) – S.A.E (the "Company") or (the "Parent") was originally established under the name of Damati Company for Food Industries as a limited liability company under contract No. 18/84 dated 14 March 1984. The contract was amended on 18 July 1988 when the Company's headquarters changed, and on 14 August 1988 an Extraordinary General Assembly meeting was held and resolved to change the company's legal form from limited liability company to joint stock company subject to Companies Law No. 159 of 1981 and its executive regulations.

Based on the shareholders resolution made in the Extraordinary General Assembly meeting held on 16 August 2005 the company's name changed to Domty for food Industries Company "S.A.E"

Based on the shareholders resolution made in the Extraordinary General Assembly meeting held on 6 August 2006 the company name changed to Arabian Food Industries Company (Domty) "S.A.E" instead of Domty for Food Industries Company and the commercial register was amended.

The Company has been registered under the commercial register number 80124 on 7 September 1988.

The national number of the company: 100078389

The unified commercial register number: 10280 08000 80124

The company's period is 50 years, starting from 7 September 1988 till 6 September 2038 and is renewable.

The Company's headquarters is located at 32 c Taha Hussein Street, (previously Murad Street) - Giza

The Company's activity sites:

1- The Second Industrial Zone, block 12, 6th of October City.
2- Northern Expansion Area (CBC) – 6th of October City, blocks (43-44-45-46-63-64-65-66).

The board of directors can decide to set up branches or agencies for the company in Egypt or outside, except for Sinai Peninsula. The entity is obliged to agree prior to opening any branches or in the case of relocating the headquarters to another governate, must be based on the decision of the extraordinary general assembly.

The company's purpose is the manufacturing of all types of dairy products, including ice cream, yogurt, white cheese, processed cheese, and sterilized milk. Additionally, the company aims to expand into the production of other food products, land reclamation and cultivation, the establishment of feed factories, dairy farms, and cattle breeding. The company also engages in all food industries, the production of specialized foods and dietary supplements, as well as all types of baked goods. Furthermore, it imports manufactured and semi-manufactured food products from abroad, repackages, distributes, sells, and markets food products and manufactured goods on behalf of third parties, including local and international companies, as well as commercial agencies in the food industry sector.

The company has the right to participate in companies engaged in similar activities and to leverage foreign expertise in the fields mentioned above. Specifically, it may acquire know-how from foreign companies operating in the same industry. The company is also entitled to import all necessary production supplies required for its activities and export its products to global markets. Additionally, the company may have an interest in or participate in any manner with entities engaged in similar activities or those that may assist in achieving its objectives, whether in Egypt or abroad.

The interim separate financial statements of the Company for the period ended 31 March 2026, were authorized for issuance in accordance with a resolution of the board of directors on 21 May 2026.

2- Significant Accounting Policies

2-1 Basis of preparation

The separate financial statements have been prepared under the going concern assumption on a historical cost basis. The separate financial statements are prepared and presented in Egyptian pounds, which is the company's functional currency.

Statement of compliance with accounting standards

The separate financial statements of the company have been prepared in accordance with the Egyptian Accounting Standards and the applicable laws and regulations. The accounting policies applied this year are consistent with those applied in the previous year.

The company has applied the Egyptian accounting standard No. 13 amended 2024 "Effects of changes in foreign exchange rates" issued on March 3, 2024, and applicable to financial periods beginning on or after January 1, 2024. There is no impact on the opening balance of Retained earning at the date of application.

The accounting policies applied this year are consistent with those applied in the previous year.

2-2 Significant accounting judgment and estimates

The preparation of these year-end 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 judgements and estimates that have a significant impact on the separate financial statement of the Company are discussed below:

2-2-1 Judgments

Revenue recognition for sale of goods

In making their judgment, 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, and, in particular, whether the significant risks and rewards of ownership of the goods have passed to the buyer.

2-2-2 Estimates

Expected credit losses in 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.

Useful lives of fixed assets

The Company's management determines the estimated useful lives of its fixed assets for calculating depreciation. The residual value and estimated useful life of fixed assets are reviewed at least at the end of each financial year. When expectations differ from previous estimates, such changes are accounted for as a change in accounting estimates in accordance with Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates, and Errors."

This ensures that the depreciation method and period remain consistent with the expected pattern of economic benefits derived 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, In consideration 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 recognised for unused accumulated tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

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 is 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.

Provision for sales returns

The company's management determines the estimates of the provision for sales returns. This estimate is determined after considering the previous experience of sales returns, revenue volume and sales volume, and management periodically reviews the estimated provision value to ensure that the provision is sufficient to cover sales returns.

2-3 Summary of significant accounting policies

2-3-1 Foreign currency translation

- Transactions in foreign currencies are initially recorded using the exchange rate prevailing on the date of the transaction.
- Monetary assets and liabilities denominated in foreign currencies are retranslated using the exchange rate prevailing at the reporting date. All differences are recognized in the statement of profit or loss.
- Non-monetary assets and liabilities measured at historical cost are translated using the exchange rates prevailing on the date when their fair value was determined.

2-3-2 Financial Instruments

EAS 47 "Financial Instruments", which replaced with EAS 26 Financial Instruments: Recognition and Measurement. Egyptian Accounting Standard No. 47 was issued in 2019, and the standard began to be applied on or after 1 January 2021 in Egypt

Except for hedge accounting, retrospective application is required, but adjustment of comparative information is not mandatory.

The standard deals with three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

Classification and measurement

Under EAS 47, debt instruments are subsequently measured at fair value through profit or loss, amortized cost, or fair value through OCI. The classification is based on two criteria: The Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Company's business model was made as of the date of initial application and the assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

Impairment

The new impairment model according to EAS 47 requires the recognition of impairment provisions based on expected credit losses. It applies to financial assets classified at amortized cost, debt instruments measured at fair value through other comprehensive income, contract assets under EAS 48: Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts.

Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i.Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

For a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ii.Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2-3-3 Lease Contracts

- EAS 49 now requires lessees to recognize a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. There is an optional exemption of certain short-term leases and leases of low-value assets.
- The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.
- The company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

A- Right-of-use assets

- The company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).
- Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.
- Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets based on the entity's applied depreciation policy.
- If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset based on the entity's applied depreciation policy.
- The right-of-use assets are also subject to impairment.

B- Lease Liability

- At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.
- At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable by the lessee under residual value guarantees.
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option.
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

2-3-4 Revenue from contracts with customers

- Egyptian Accounting Standard No. (48) "Revenue from contracts with customers" requires enterprises to exercise judgment and take into account all relevant facts and circumstances when applying each step of the model to contracts with customers. The standard also specifies the method for calculating the incremental costs of obtaining a contract and the costs directly related to the performance of the contract. The standard also requires relevant disclosures.
- The company recognizes revenue from contracts with customers based on the five-step model, as it is disclosed in the Egyptian Accounting Standard No. (48) "Revenue from contracts with customers":

- **Step 1:** Defining the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations. It outlines the bases and criteria that must be met for each contract.
- **Step 2:** Identify the performance obligations in the contract: A performance obligation is an undertaking in the contract, a contract with the customer, to transfer a good or service to the customer.
- **Step 3:** Determine the transaction price: The transaction price is the amount of consideration that the company expects to be entitled to in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties.
- **Step 4:** Allocate the transaction price to the performance obligations stipulated in the contract. For contracts that contain more than one performance obligation, the Group will allocate the transaction price to each performance obligation at the amount to which the Group expects to be entitled in exchange for meeting each performance obligation.
- **Step 5:** Recognize revenue when the facility fulfils the performance obligation.

- **Sale of Goods**

The company's contracts with customers involve the sale of finished goods and generally include a single performance obligation. The Company has concluded that revenue from the sale of finished goods should be recognized when control of the asset is transferred to the customer, generally when the finished goods are delivered. Therefore, the application of the standard does not have any impact on the timing of revenue recognition.

- **Variable price**

- Some contracts for the sale of finished goods give customers the right to return or discount quantities. Prior to the application of Egyptian Accounting Standard No. (48), the company recognized revenue from the sale of goods measured at the fair value of the price received or receivable, after deducting returns and trade discounts. If the revenue cannot be measured reliably, the Group defers revenue recognition until the uncertainty has passed.
- Under Egyptian Accounting Standard No. (48), the return and trade discount rights increase the variable price. The variable price is estimated at the conclusion of the contract and is credited until the relevant uncertainty clears up later. The application of restrictions on the variable price did not increase the amount of revenue to be deferred.

- **Rights of return**

- When the contract provides for giving the customer the right to return the goods within a specified period, the Group has taken in its previous estimates the expected returns using the probability-weighted average method of the amounts expected to be returned.
- The amount of revenue related to the expected returns was deferred and included in the statement of financial position under the "Liability against expected sales return" item with a corresponding adjustment to the "Cost of sales" item. The carrying amount of the goods expected to be returned is included in the "Inventory".
- Under Egyptian Accounting Standard No. (48), the price received from the customer is variable because the contract allows the customer to return the products. The Group used the expected value method to estimate the goods to be returned.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
Revenue is measured at the fair value of the consideration received, excluding discounts, rebates to customers and sales taxes or duty.

The following specific recognition criteria must also be met before revenue is recognized:

*** Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates, if any.

*** Interest income**

Interest income is recognized as interest accrues using the effective interest method. Interest income is included in finance income in the statement of profit or loss.

*** Government grants**

Government grants that are received as compensation for expenses or losses already incurred for the purpose of giving immediate financial support to the company with no further related costs are recognized in the profit or loss statement in the year in which they become virtually certain, and all attached conditions are complied with.

***Export support revenue**

Revenues for export subsidies are recognized as accrued revenue when the export invoice is issued.

2-3-5 Property, plant and equipment and it's depreciation

Property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses and the difference of foreign exchange difference will be added according to EAS 13-A (the effect of change in foreign exchange). Such cost includes the cost of replacing part of the plant and equipment. when the cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

Depreciation of an asset starts when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is computed using the straight-line method according to the estimated useful life of the asset as follows:

	Depreciation %
Buildings and constructions	2.5%
Machinery and equipment	6.7%-10%
Motor vehicles	10% - 20%
Tools	15%
Computers and software	20% -25%
Furniture and fixtures	10%-20%

Property, plant, and equipment are derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset is included in the statement of profit or loss when the asset is derecognized.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end.

The Company assesses at each reporting date whether there is an indication that property, plant, and equipment may be impaired. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the statement of profit or loss.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

2-3-6 Projects under construction

Projects under construction represent the amounts that are incurred for the purpose of constructing or purchasing property, plant and equipment until it is ready to be used in the operation, upon which it is transferred to property, plant and equipment. Projects under construction are valued at cost less impairment (if any).

2-3-7 Investments in Subsidiaries

Investments in subsidiaries are investments in entities which the Company has control. Control is presumed to exist when the Holding company owns, directly or indirectly, through subsidiaries, more than half of the voting power of the investee, unless, in exceptional circumstances, it can be clearly demonstrated that this is not the case.

Investments in subsidiaries are accounted for at cost inclusive transaction cost and in case the investment is impaired, the carrying amount is adjusted by the value of this impairment and is charged to the statement of profit or loss for each investment separately.

2-3-8 Investments in Associates

Investment in associates is investment in an entity over which the Company has a significant influence, but it is neither a subsidiary company nor a joint venture project. Significant influence exists when the company directly or indirectly owns 20% or more of the voting rights in the invested company, unless in exceptional circumstances, it can be clearly determined that such ownership does not constitute influence.

Investments in associate companies are accounted for in the separate financial statements at cost, including acquisition cost, in accordance with EAS No. (18).

The share of long-term investments in the profits that are decided to be distributed from the profits of investee companies is included in the profit or loss statement as investment income.

2-3-9 Treasury bills

In accordance with the requirements of Egyptian Accounting Standard No. (47) "Financial Instruments", treasury bills have been classified on the basis of their measurement - later - at amortized cost through profits or losses, and treasury bills that are being purchased are valued at the nominal value and the difference between the purchase cost and the nominal value is recorded as a deferred Investment return of treasury bills and It is amortized with the value of the treasury bills proceeds due " Interest" for the financial period through profits or losses until the maturity date of the treasury bills, and the tax due on the treasury bills returns is recorded, and upon collection, the discounted tax is recorded in the statement of financial position until it is settled with the annual tax return.

2-3-10 Inventories

Inventory items are evaluated as follows:

a) **Raw materials and Spare parts:** at purchase cost on a weighted average basis.
b) **Work in process:** Based on the cost of production, the last stage that has been completed according to the lists of costs or net realizable value, whichever is less.
   The cost includes direct materials, direct labor and a share of indirect industrial costs and does not include borrowing costs.
c) **Finished goods**: at the lower of the cost of production (based on the costing sheets) or net realizable value.

Cost includes direct materials, direct labor and allocated share of manufacturing overhead excluding borrowing cost. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized in cost of sales in the statement of profit or loss in the year the write down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, shall be recognized as reduction of cost of sales in the statement of profit or loss in the period in which the reversal occurs.

2-3-11 Accounts receivable and other receivables

Accounts receivable and other receivables are stated at original invoice amount net of any expected credit losses. The company implements the simplified approach stated by ESA 47 "Financial Assets" Which requires the recognition of expected credit losses based on customers aging from the date of recognition of account receivables in the profit or loss statement.

2-3-12 Accounts and notes payable, accrued expenses and other payables

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

2-3-13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at the financial position date and adjusted to reflect the current best estimate.

Where the effect of the time value of money is material, the amount of a provision should be the present value of the expected expenditures required to settle the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2-3-14 Social Insurance

The Company makes contributions to the Social Insurance Authority calculated as a percentage of the employees' salaries. The Company's obligations are limited to these contributions, which are expensed when due.

2-3-15 Legal reserve

According to the Company's articles of association, 5% of the net profits of the year is transferred to the legal reserve until this reserve reaches 50% of the issued capital. The reserve is used upon a decision from the general assembly meeting based on the proposal of the board of directors.

2-3-16 Borrowings

Borrowings are initially recognized at the value of the consideration received. Amounts maturing within one year are classified as current liabilities, unless the Company has the right to postpone the settlement for a year exceeding one year after the reporting date, then the loan balance should be classified as long term liabilities.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the profit or loss statement when the liabilities are derecognized as well as through the effective interest rate method amortization process in statement of profit or loss.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance cost in the statement of profit or loss.

2-3-17 Income taxes

Income tax is calculated in accordance with the Egyptian tax law.

Current income tax

Current income tax assets and liabilities are measured based on the amount expected to be recovered or paid to the tax authorities, using the tax rates (and tax laws) applicable in Egypt as of the financial period-end date.

The current income tax charge is calculated on the basis of the tax laws enacted at the reporting date in Egypt. Management periodicallyevaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of the amount expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognized using the liability method on temporary differences between the amount attributed to an asset or liability for tax purposes (tax base) and it carrying amount in the balance sheet (accounting base) using the applicable tax rate.

Deferred tax asset is recognized when it is probable that the asset can be utilized to reduce future taxable profits, and the asset is reduced by the portion that will not create future benefit.

Current and deferred tax shall be recognized as income or an expense and included in the statement of profit or loss for the period, except to the extent that the tax arises from a transaction or an event which is recognized, in the same or a different period, directly in equity.

2-3-18 Expenses

All expenses including operating expenses, general and administrative expenses and other expenses are recognized and charged to the statement of profit or loss in the financial year in which these expenses were incurred.

2-3-19 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs are the interest and other costs that a company spends to borrow money.

2-3-20 Related party transactions

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and the terms for transactions with related parties are determined based on contractual agreements. The prices of the transactions are determined according to the prices of dealing with others, and all legal measures to approve these transactions are taken.

2-3-21 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For assets traded in an active market, fair value is determined by reference to quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.

For unquoted assets, fair value is determined by reference to the market value of a similar asset or is based on the expected discounted cash flows.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- *Level 1 – Fair value measurements* are those derived from quoted prices in an active market (that are unadjusted) for identical assets or liabilities.
- *Level 2 – Fair value measurements* are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3 – Fair value measurements* are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2-3-22 Contingent Liabilities and Assets

Contingent liabilities are not recognized in the financial statements, but they are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the financial statements, but they are disclosed when an inflow of economic benefits is probable.

2-3-23 Solidarity contribution

On January 11, 2018, Law No. 2 of 2018 the Comprehensive Health Insurance Law was issued, which comes into effect on the day following the expiration of six months from the date of its publication in the official publications. This law added financial burdens to employers, Employers are obliged to pay their share of the contributions of their employees at 4% per month from the wage of the insured worker and not less than LE 50 per month. The employers are obliged to pay their monthly contributions to the Social Insurance Authority.

Business owners are required to pay a solidarity contribution at a rate of 0.0025 (two and a half per thousand) of the total annual revenues of sole proprietorships and companies, regardless of their nature or legal framework. This contribution is not considered a tax-deductible expense under the provisions of the Income Tax Law. The Ministry of Finance is responsible for collecting this solidarity contribution based on the financial report submitted to the Tax Authority.

2-3-24 Statement of cash flows

The statement of cash flows is prepared using the indirect method.

2-3-25 Cash and cash equivalent

For the purpose of preparing the cash flow statement, the cash and cash equivalent comprise cash on hand, current accounts with banks and time deposits maturing within three months less bank overdrafts.

2-3-26 Segment Information

The main business segment of the company is the sector of production and sale of cheese products, the sector of production and sale of juice products, the sector of production and sale of baked goods products and periodic and annual financial reports on all revenues of the company are prepared on the basis of the existence of three main operating sectors and the executive management of the company monitors the operational units separately for the purpose of making decisions on the allocation of resources and performance evaluation.

2-3-27 Employees Training provisions

This provision shall be formed in implementation of the provisions of Labor law 14 of 2025, This law regulates all labor relations between workers and employers in all sectors – the public sector, the public business sector, and the private sector. According to Article 2 of this law, the legislator decided that the Training and Rehabilitation Fund, established in accordance with the provisions of Labor Law No. 12 of 2003, would retain its public legal personality. Furthermore, pursuant to Article 21 of Labor Law No. 14 of 2025, the legislator stipulated that the resources of the aforementioned fund would consist of 0.25% (one-quarter of one percent) of the minimum insurable wage in establishments within the public sector, the public business sector, and the private sector, where thirty or more employees work, a minimum of ten pounds and a maximum of thirty pounds per employee shall be borne and paid annually by the establishment in return for the services stipulated in Article (20) of this Law. Based on this, an employee training allowance shall be established.

3 - Property, plant, and equipment

- Fixed assets and right of use assets have been merged and listed in the interim separate statement of financial position as follows:

	31 March 2026	31 December 2025
	EGP	EGP
Net book value of fixed assets	736 315 570	758 307 208
Net book value of right of use assets	39 093 869	43 386 346
	775 409 439	801 693 554

	Land	Buildings	Machinery and equipment	Vehicles	Tools	Computers and software	Furniture and fixtures	Total
Cost	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
As of 1 January 2026	171 065	98 068 319	982 984 486	197 675 574	27 601 228	61 573 807	27 661 213	1 395 735 692
Cost of capitalized assets (First option - Appendix A - Revised EAS No. 13) as of 1 January 2026	--	--	24 204 416	--	--	--	--	24 204 416
Cost of assets using valuation factor (Third option - Appendix A - Revised EAS No. 13) as of 1 January 2026	--	--	89 410 354	44 742 768	--	--	--	134 153 122
Additions	--	--	7 123 724	2 961 157	237 453	731 199	69 592	11 123 125
Disposals	--	--	--	--	--	(40 407)	(6 849)	(47 256)
As of 31 March 2026	171 065	98 068 319	1 103 722 980	245 379 499	27 838 681	62 264 599	27 723 956	1 565 169 099
Accumulated depreciation								
As of 1 January 2026	--	(17 007 752)	(460 497 520)	(105 786 853)	(19 875 705)	(31 701 664)	(13 734 768)	(648 604 262)
Accumulated depreciation for capitalized assets (First option - Appendix A - Revised EAS No. 13) as of 1 January 2026	--	--	(21 377 580)	--	--	--	--	(21 377 580)
Accumulated depreciation for cost adjustments using valuation factor (Third option - Appendix A - Revised EAS No. 13) as of 1 January 2026	--	--	(83 038 160)	(42 766 020)	--	--	--	(125 804 180)
Depreciation for the period	--	(647 983)	(20 362 087)	(7 052 583)	(532 633)	(2 270 751)	(569 939)	(31 435 976)
Depreciation for capitalized assets (First option - Appendix A - Revised EAS No. 13)	--	--	(468 623)	--	--	--	--	(468 623)
Depreciation for assets using valuation factor (Third option - Appendix A - Revised EAS No. 13) - note (31)	--	--	(338 943)	(867 774)	--	--	--	(1 206 717)
Disposals	--	--	--	--	--	38 812	4 997	43 809
As of 31 March 2026	--	(17 655 735)	(586 082 913)	(156 473 230)	(20 408 338)	(33 933 603)	(14 299 710)	(828 853 529)
Net book value as of 31 March 2026	171 065	80 412 584	517 640 067	88 906 269	7 430 343	28 330 996	13 424 246	736 315 570
Net book value as of 31 December 2025	171 065	81 060 567	531 685 996	93 865 469	7 725 523	29 872 143	13 926 445	758 307 208

3- Property, plant, and equipment - (continued)

- The cost of fixed assets as of 31 March 2026 includes EGP 274 539 432 which represents fully depreciated assets that are still in use.

- Depreciation expense is allocated as follows:

	31 March 2026
	EGP
Cost of sales	22 668 019
Selling and marketing expenses (note 17)	9 141 942
General and administrative expenses (note 18)	1 301 355
	33 111 316

- Disposals of property, plant, and equipment represent the sale of some assets as follows:

	31 March 2026	
	EGP	EGP
Proceeds from sales of property, plant and equipment		46 419
Cost of property, plant and equipment sold	47 256	
Accumulated depreciation relating to disposals	(43 809)	
Net book value of disposed property, plant, and equipment		3 447
Gain from sale of property, plant, and equipment (note 19)		**42 972**

- Depreciation expense is allocated as follows:

	31 March 2026
	EGP
Depreciation for the period	31 435 976
Depreciation for the period (First option - Appendix A - Revised EAS No. 13)	468 623
Depreciation for the period (Third option - Appendix A - Revised EAS No. 13)	1 206 717
	33 111 316

3- Property, plant and equipment- (continued)

Right of use assets

	Buildings
	EGP
Cost	
As of 1 January 2026	74 969 428
As of 31 March 2026	**74 969 428**
Accumulated amortization	
As of 1 January 2026	(31 583 082)
Amortization for the period	(4 292 477)
Accumulated amortization as of 31 March 2026	**(35 875 559)**
Net book value as of 31 March 2026	**39 093 869**
Net book value as of 31 December 2025	**43 386 346**

- Amortization expense is allocated as follows:

	31 March 2026
	EGP
Cost of sales	987 636
Selling and marketing expenses (note 17)	3 304 841
	3 292 477

3 - Property, plant, and equipment (continued)

- Fixed assets and right of use assets have been merged and listed in the interim end separate statement of financial position as follows: -

	31 March 2025	31 December 2024
	EGP	EGP
Net book value of fixed assets	716 984 674	578 368 545
Net book value of right of use assets	41 197 819	38 939 231
	758 182 493	617 307 776

	Land	Buildings	Machinery and equipment	Vehicles	Tools	Computers and software	Furniture and fixtures	Total
Cost	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
As of 1 January 2025	171 065	73 080 121	774 208 210	160 133 647	24 773 364	36 910 988	24 457 022	1 093 734 417
Cost of capitalized assets (First option - Appendix A - Revised EAS No. 13) as of 1 January 2025	--	--	24 204 416	--	--	--	--	24 204 416
Cost of assets using valuation factor (Third option - Appendix A - Revised EAS No. 13) as of 1 January 2025	--	--	89 454 867	44 767 826	--	--	--	134 222 693
Additions	--	9 860 910	13 470 795	27 628 729	666 444	541 890	1 927 596	54 096 364
Transferred from Project under construction	--	15 127 288	97 512 576		--	--	--	112 639 864
Disposals	--	--	(1)	(1 280 000)	--	(40 563)	(417)	(1 320 981)
As of 31 March 2025	171 065	98 068 319	998 850 863	231 250 202	25 439 808	37 412 315	26 384 201	1 417 576 773
Accumulated depreciation								
As of 1 January 2025	--	(14 473 532)	(380 858 411)	(82 524 380)	(17 886 396)	(26 375 373)	(11 525 594)	(533 643 686)
Accumulated depreciation for capitalized assets (First option - Appendix A - Revised EAS No. 13) as of 1 Jan 2025	--	--	(19 245 433)	--	--	--	--	(19 245 433)
Accumulated depreciation for cost adjustments using valuation factor (Third option - Appendix A - Revised EAS No. 13) as of 1 Jan 2025	--	--	(81 025 564)	(39 878 298)	--	--	--	(120 903 862)
Depreciation for the period	--	(589 135)	(18 061 624)	(5 495 016)	(475 884)	(1 094 742)	(531 704)	(26 248 105)
Depreciation for capitalized assets (First option - Appendix A - Revised EAS No. 13)	--	--	(579 046)	--	--	--	--	(579 046)
Depreciation for assets using valuation factor (Third option - Appendix A - Revised EAS No. 13)	--	--	(595 501)	(678 907)	--	--	--	(1 274 408)
Disposals	--	--	1	1 280 000	--	22 023	417	1 302 441
As of 31 March 2025	--	(15 062 667)	(500 365 578)	(127 296 601)	(18 362 280)	(27 448 092)	(12 056 881)	(700 592 099)
Net book value as of 31 March 2025	171 065	83 005 652	498 485 285	103 953 601	7 077 528	9 964 223	14 327 320	716 984 674
Net book value as of 31 December 2024	171 065	58 606 589	406 738 085	82 498 795	6 886 968	10 535 615	12 931 428	578 368 545

3-Property, plant, and equipment - (continued)

- The cost of fixed assets as of 31 March 2025 includes EGP 177 104 679 which represents fully depreciated assets that are still in use.

-Depreciation expense is allocated as follows:

	31 March 2025
	EGP
Cost of sales	20 400 891
Selling and marketing expenses (note 17)	6 473 564
General and administrative expenses (note 18)	1 227 104
	28 101 559

-Disposals of property, plant, and equipment represent the sale of some assets as follows:

	31 March 2025	
	EGP	EGP
Proceeds from sales of property, plant and equipment		11 635 571
Cost of property, plant and equipment sold	1 320 981	
Accumulated depreciation relating to disposals	(1 302 441)	
Net book value of disposed property, plant, and equipment		18 540
Gain from sale of property, plant, and equipment (note 19)		**11 617 031**

- Depreciation expense is allocated as follows:

	31 March 2025
	EGP
Depreciation for the period	26 248 105
Depreciation for the period (First option - Appendix A - Revised EAS No. 13)	579 046
Depreciation for the period (Third option - Appendix A - Revised EAS No. 13)	1 274 408
	28 101 559

3-Property, plant, and equipment - (continued)

Right of use assets

	Buildings	Machines and equipment	Total
	EGP	EGP	EGP
Cost			
As of 1 January 2025	51 135 912	13 196 762	64 332 674
Additions	5 555 215	--	5 555 215
Disposals	(1 059 168)	--	(1 059 168)
As of 31 March 2025	**55 631 959**	**13 196 762**	**68 828 721**
Accumulated Amortization			
As of 1 January 2025	(21 361 096)	(4 032 347)	(25 393 443)
Amortization for the period	(2 578 577)	(274 933)	(2 853 510)
Disposal	616 051	--	616 051
Accumulated amortization as of 31 March 2025	**(23 323 622)**	**(4 307 280)**	**(27 630 902)**
Net book value as of 31 March 2025	**32 308 337**	**8 889 482**	**41 197 819**
Net book value as of 31 December 2024	**29 774 816**	**9 164 415**	**38 939 231**

-Amortization expense is allocated as follow:

	31 March 2025
	EGP
Cost of sales	1 262 569
Selling and marketing expenses (note 17)	1 590 941
	2 853 510

4- Projects under construction

	31 March 2026	31 December 2025
	EGP	EGP
Balance as of 1 January	88 954 232	193 385 439
Additions	1 046 090	25 780 393
Transferred to property, plant, and equipment (note 3)	--	(130 211 600)
	90 000 322	**88 954 232**

Cost of projects under construction is as follows:

	31 March 2026	31 December 2025
	EGP	EGP
Buildings	32 212	32 212
Machinery and equipment	88 968 110	88 922 020
	90 000 322	**88 954 232**

* Machinery and equipment include new production lines, juice production line, bakery production line, and new machines.

5- Investment in subsidiary

Subsidiary name	Country	Percentage of investment	Investment value EGP	
			31 March 2026	31 December 2025
El-Tatweer for Food Industries Company	Egypt	99.9997%	72 502 733	72 502 733

6- Inventories

	31 March 2026	31 December 2025
	EGP	EGP
Raw materials	673 199 375	658 795 521
Spare parts	159 078 963	158 639 427
Work in process	6 902 623	2 855 256
Finished goods*	293 490 253	423 246 886
Goods in transit	64 908 672	9 973 526
Total	**1 197 579 886**	**1 253 510 616**
Less: write-down in inventories	(2 899 244)	(2 899 244)
	1 194 680 642	**1 250 611 372**

* Finished goods inventory includes an amount of EGP 18 244 723 which represents the cost of sales that expected to be returned, in accordance with Egyptian Accounting Standard No. (48) - Revenue from contracts with customers.

7- Accounts and notes receivable

	31 March 2026	31 December 2025
	EGP	EGP
Accounts receivables – Local	1 576 396 003	1 257 434 667
Accounts receivables – Export	348 722 354	290 744 371
Notes receivables	89 385 371	188 189 521
Total	**2 014 503 728**	**1 736 368 559**
Less: expected credit losses in accounts and notes receivable	(213 867 511)	(209 848 994)
	1 800 636 217	**1 526 519 565**

The movement of the expected credit losses in accounts and notes receivable represented as follows:

	31 March 2026	31 December 2025
	EGP	EGP
Balance as of 1 January	209 848 994	150 939 990
Formed during the period / year	4 018 517	58 895 004
Balance	**213 867 511**	**209 848 994**

8- Prepayments and other debit balances

	31 March 2026	31 December 2025
	EGP	EGP
Prepaid expenses	26 240 164	44 990 122
Accrued revenues	164 429 124	116 368 758
Deposits with others	8 152 872	7 497 027
Employees' advances	44 407 339	9 009 031
Withholding and debit taxes	82 336 014	71 209 482
Advances to suppliers*	362 546 577	268 795 635
Other debit balances	20 355 390	16 085 275
	708 467 480	**533 955 330**
Less: expected credit losses in prepayments and other debit balances	(16 629 506)	(16 398 298)
	691 837 974	**517 7 032**

***Advances to suppliers include:**

- An amount of 95 797 758 Egyptian pounds, which represents advance payments to El-Tatweer for Food Industries Company for juice production and manufacturing services. These payments were made based on related party agreements concluded between the company and El-Tatweer for Food Industries Company, as approved by the minutes of the Ordinary General Assembly meeting held on April 19, 2018.

- An amount of 67 905 984 Egyptian pounds, which represents an advance payment to purchase a land plot in the Polaris project in New 6th of October City for the purpose of building and operating warehouses to store the company's products and raw materials, for which the allocation has been approved and the contract has been signed, and no notification of receipt of the land has been received until the date of the financial position.

8- Prepayments and other debit balances - (Continued)

The significant transactions during the period that resulted from the usual operations in accordance with the contracts concluded between the parties are:

	31 March 2026		31 March 2025	
	Rent Expense	Operating Expense	Rent Expense	Operating Expense
	EGP	EGP	EGP	EGP
El-Tatweer for Food Industries - Subsidiary	8 067 226	12 200 933	9 876 919	6 405 814
	8 067 226	**12 200 933**	**9 876 919**	**6 405 814**

The movement of expected credit losses in prepayments and other debit balances represented as follows:

	31 March 2026	31 December 2025
	EGP	EGP
Balance as of 1 January	16 398 298	16 943 735
Formed during the period / year	231 208	--
Expected credit losses no longer required	--	(545 437)
Balance	**16 629 506**	**16 398 298**

9- Cash on hand and at banks

	31 March 2026	31 December 2025
	EGP	EGP
a) Local Currency		
Cash on hand	16 254 023	7 635 345
Cheques under collection	44 229 676	6 044 338
Current accounts	153 211 498	175 317 564
Time deposits	--	370 000 000
	213 695 197	**558 997 247**
b) Foreign currency		
Cash on hand	34 020 309	22 839 912
Current accounts	71 950 042	34 090 013
	105 970 351	**56 929 925**
	319 665 548	**615 927 172**

10- Provisions

	31 March 2026	31 December 2025
	EGP	EGP
Balance as of 1 January	27 532 482	62 887 286
Formed during the period / year	5 710 138	14 219 307
Provisions no longer required during the period / year	--	(21 584 000)
Provision used during the period / year	--	(27 990 111)
	33 242 620	**27 532 482**

10- Provisions - (Continued)

The balance as of March 31, 2026, is expected to be utilized in the coming years. Based on the company's assessment and after obtaining the appropriate technical advice, the outcome of these claims is not expected to result in any losses exceeding the amounts formed at period.

The information typically disclosed under accounting standards has not been provided, as management believes that such disclosure could significantly impact the outcome of negotiations with the relevant authorities. These provisions are reviewed annually by management and adjusted based on the latest developments, discussions, and agreements with the parties concerned.

11- Credit facilities – short term

	31 March 2026	31 December 2025
	EGP	EGP
Egyptian pounds	1 842 709 122	2 009 094 227
Foreign currency	279 153 647	302 420 336
	2 121 862 769	**2 311 514 563**

The credit facilities balance as of March 31, 2026, represents the utilized amount of the total credit facilities granted to the company by banks, amounting to EGP 5.807 billion. These facilities are used for opening letters of credit and financing the company's current operations, with an average interest rate of 17.29%.

12- Trade and notes payable

	31 March 2026	31 December 2025
	EGP	EGP
Trade payables	659 999 769	604 132 769
Notes payable	51 930 908	21 447 720
	711 930 677	**625 580 489**

13- Accrued expenses and other credit balances

	31 March 2026	31 December 2025
	EGP	EGP
Accrued expenses	123 027 151	93 098 598
Deposits from others	1 945 641	2 033 529
Advances from customers	30 193 860	25 865 839
Due to Social Insurance Authority	9 818 487	7 469 548
Tax Authority	24 233 771	30 659 494
Solidarity contribution	30 454 714	23 874 094
Liability against expected sales return – EAS 48	25 196 338	4 200 097
Other credit balances	5 261 622	4 905 376
	250 131 584	**192 106 575**

14- Loans

	31 March 2026	31 December 2025
	EGP	EGP
Non-current portion	123 477 465	99 572 407
Current portion	25 295 743	30 878 285
	148 773 208	**130 450 692**

	CIB (2)	CIB (3)	QNB	Total
	EGP	EGP	EGP	EGP
Balance as of 1 January 2026	19 233 255	88 887 265	22 330 172	130 450 692
Payments during the period	(2 137 028)	--	(5 582 543)	(7 719 571)
Proceeds during the period	--	26 042 087	--	26 042 087
Balance as of 31 March 2026	**17 096 227**	**114 929 352**	**16 747 629**	**148 773 208**

	CIB (1)	EALB	CIB (2)	CIB (3)	QNB	Total
	EGP	Foreign currency	EGP	EGP	EGP	EGP
Balance as of 1 January 2025	35 458 696	16 556 654	27 781 368	--	44 660 344	124 457 062
Payments during the year	(35 458 696)	(16 556 654)	(8 548 113)	--	(22 330 172)	(82 893 635)
Proceeds during the year	--	--	--	88 887 265	--	88 887 265
Balance as of 31 December 2025	**--**	**--**	**19 233 255**	**88 887 265**	**22 330 172**	**130 450 692**

- **Loan from Commercial International Bank (1)**

On 15 July 2019 the Company signed a medium-term loan contract with The Commercial International Bank (CIB-Egypt). to obtain a loan of up to 100 million Egyptian pounds.

-The purpose of the loan:

-Financing and/or refinancing the 2019 expansion plan, specifically for the new baked goods production line and its components, with a maximum limit of EGP 100 000 000 (one hundred million Egyptian pounds only).

- Issuing letters of credit with a maximum period of 365 days including the period of acceptance of documents trading, and that is the import of the needs of the new bakery line and beyond. with maximum amount of EGP 33 million equivalents to USD 1 737 000.

-The company is committed to repay the loan amount on 20 quarterly installments as soon as the grace period ends starting after 18 months from the date of initial withdrawal

- **Interest rate:** a variable rate of the average corridor price announced by the Central Bank of Egypt, in addition to the margin.

- **Guarantees:** An insurance policy issued by an Egyptian insurance company acceptable to the bank and in its favor as a sole beneficiary against the installation risks of machines and equipment financed by the bank. provided that the installation period is covered by 115% of the total financing amount. including the replacement value. And that the policy should include coverage of the risk of riots and civil and labor disturbances at a rate of no less than 25% of the total amount of the policy.

-The loan was fully repaid in November 2025.

14- Loans - (Continued)

- **Loan from Commercial International Bank (2)**

Represented in the value of medium-term financing granted to the company by the Commercial International Bank on 18 November 2021 (according to the initiative of the Central Bank of Egypt in December 2019) in an amount not exceeding 54 000 000 EGP (only fifty-four million Egyptian pounds).

-The purpose of the loan:

- Financing the investment cost of the company related to the local purchase and/or importing part of the fourth production line for the bakery industry. the croissant production line. machinery and equipment. and both the additional costs and the installation cost for them. in accordance with the terms and conditions stipulated in the loan contract.

- The company is committed to repay the financing amount in 20 quarterly installments as soon as the grace period ends, which is specified for a maximum of twelve months, expires from the date of the first withdrawal of the financing amount or the withdrawal of the total financing amount.

- **The interest rate:** an 8% interest rate applies to the first tranche in accordance with the initiative of the Central Bank of Egypt. and the corridor interest rate for lending announced by the Central Bank of Egypt applies to the second tranche. in addition to the margin.

- **- Guarantees**: an insurance policy issued by an Egyptian insurance company acceptable to the bank and in its favor as a single beneficiary, at a rate of 115% of the total amount of financing, including the replacement value, provided that the document includes coverage of the risk of riots and civil and labor disturbances at a rate of no less than 25% of the total amount of the policy.

- **Loan from Commercial International Bank (3)**

Represented in the value of medium-term financing granted to the company by the Commercial International Bank on 3 September 2025 in an amount not exceeding 236 000 000 EGP (only Two hundred thirty-six million Egyptian pounds). Including a sub-limit not exceeding the equivalent of USD 3 000 000 (only three million United States dollars).

-The purpose of the loan:

- Financing and/or partial refinancing of 70% of the investment cost related to the purchase of machinery and equipment for the new croissant production line, including its accessories, installation costs, customs duties, and value-added tax associated with such machinery and equipment.

- The company is committed to repay the financing amount in 16 quarterly installments as soon as the grace period ends, which is specified for a maximum of twenty-four months, from the date of the first withdrawal of the financing amount or the withdrawal of the total financing amount.

- **The interest rate:** A variable rate based on the average corridor rate announced by the Central Bank of Egypt, in addition to the applicable margin.

- **Guarantees**: The Company undertakes to enter into and maintain, in a manner acceptable to the Bank, an installation all-risk insurance policy issued in favor of the Bank as the sole beneficiary. The policy shall cover the installation period of the financed machinery and shall provide coverage of 115% of the value of the financed machinery and equipment, immediately upon the arrival of such machinery and equipment. The coverage shall correspond to the medium-term financing amount granted by the Bank to the Company and shall be in the same currency of the drawdown. The policy must be issued by an Egyptian insurance company acceptable to the Bank, with the Bank named as the sole beneficiary.

14-Loans - (Continued)

This installation insurance policy shall be replaced, immediately upon completion of the installation of the financed machinery and equipment, with an all-risk insurance policy providing the same coverage percentage, issued by an Egyptian insurance company acceptable to the Bank and naming the Bank as the sole beneficiary, and covering the medium-term financing amount in the same drawdown currency. The replacement policy must include the replacement value of the financed machinery and equipment, as well as coverage against riot, civil commotion, and labor disturbances of not less than 25% of the value of such machinery, and the deductible shall not exceed 10%.

The Company shall provide the Bank with all information related to such insurance as the Bank may request from time to time. The insurance must be maintained with an Egyptian insurance company acceptable in form and substance to the Bank, and the Bank must be provided with the original insurance policies issued in the same drawdown currency.

- **Loan from EALB**

-Represents a credit facility in the form of a long-term loan granted to the company by the Egyptian Arab Land Bank during 2019 with a total amount of USD 2 100 000 (only two million and one hundred thousand US dollars only).

-The purpose of the loan:

- It is to finance the import of the bakery production line.

- Loan term: 6 years. including the grace and withdrawal period, with a maximum of 12 months, to be paid in 20 equal quarterly installments.

-Interest rate: 3,462% above the 3-month SOFR rate. with SFOR review at the end of each quarter.

-Guarantees: Signing (4) promissory notes, each with a value of 525 thousand US dollars, for use in foreign currency. The company is also committed to allocating part of an insurance policy in favor of the bank, amounting to 110% of the total long-term financing against all risks.

-The loan was fully repaid in November 2025.

- **Loan from QNB**

-It is represented in a loan contract concluded with Qatar National Bank Al Ahli on 26 October 2021 (according to the initiative of the Central Bank of Egypt in December 2019) amounting to 66 000 000 Egyptian pounds (only sixty-six million Egyptian pounds).

-The purpose of the loan:

- It is dedicated to finance production lines with the aim of increasing the production capacity of industrial activity.

- Loan period: 5 years starting from the date of signing the loan contract and ending on 26 October 2026. This period includes the grace period and the withdrawal period. which is scheduled for one year from the date of the first withdrawal, all provided that the withdrawal conditions established under the loan contract are fulfilled, as well as providing the bank with the documents it deems to allow the withdrawal of loan.

Repayment period: The company is obligated to repay the loan in 16 quarterly installments of equal value from the value of the balance used at the end of the withdrawal period in addition to the applicable return in accordance with the terms and conditions of the loan contract.

-Interest rate: 8% according to the initiative of the Central Bank of Egypt.

- Guarantees: an insurance policy in favor of the bank covering 110% of the loan value on the assets financed by the bank against all risks.

15- Capital

- On 31 March 2026 the Company's authorized capital amounted to EGP 282 608 695 (31 December 2025 :EGP 282 608 695).
- As of 31 December 2012, the issued and paid-up capital was EGP 30 000 000 divided over 1 200 000 shares of par value EGP 25 each.
- On September 30, 2013, the Extraordinary General Assembly decided to increase the issued and paid-up capital by EGP 20 000 000, distributed over 800 000 shares with a nominal value of EGP 25 per share. This increase brought the issued and paid-up capital to EGP 50 000 000, distributed over 2 000 000 shares, with a nominal value of EGP 25 per share.

  The increase was executed through the distribution of bonus shares at a ratio of 2 shares for every 3 existing shares.
- On 21 October 2015 the Extraordinary General Assembly decided the fragmentation of the nominal value of each share from EGP 25 to EGP 0,2 and was approved in the commercial register on 15 December 2015.
- On 7 April 2016 the Board of Directors decided (authorized by the extraordinary General Assembly in the 15 January 2016) to increase the paid-up capital by EGP 6 521 739 distributed over 32 608 695 shares with a nominal value of 20 piaster per share then the initial public offering held on the final fair value for the share amounted to EGP 9,20 per share were the difference of EGP 9 were share premium.
- According to article 94 of Companies Law No. 159 of 1981 of the Implementing Regulations, an amount of EGP 9 366 743 was added from the share premium to the legal reserve. Thus, the legal reserve is half the issued capital, and a special reserve was charged with the remaining amount of the premium of EGP 283 422 423 after deducting the issuance expenses amounted to EGP 689 089 and the capital increase was approved in the commercial register on 17 May 2016, accordingly the issued and paid-up capital as of 31 March 2026 amounted to EGP 56 521 739 divided over 282 608 695 shares (31 December 2025: EGP 56 521 739).
- The Extraordinary General Assembly decided on 31 March 2021 to reduce the authorized capital from 500 000 000 Egyptian pounds to 282 608 695 Egyptian pounds in accordance with the provisions of Article No. 10 of the rules of listing in the Egyptian Stock Exchange that the authorized capital should not exceed five times the issued capital.

16- Retained Earnings

The balance of Retained Earnings on 31 March 2026 is as follows:

First: The Profits for the period amounting to EGP 68 345 613 which will be presented to the general assembly, which will consider approving the results of the year ending December 31, 2026.

Second: Retained earnings from previous years after all approved distributions up to the date of the financial statements amounts to EGP 1 078 024 800, as disclosed in the statement of changes in equity.

17- Selling and marketing expenses

	From 1 January 2026 To 31 March 2026 EGP	From 1 January 2025 To 31 March 2025 EGP
Marketing activities	68 945 528	45 223 444
Advertising activities	37 903 172	58 671 751
Salaries and wages	152 645 653	114 171 544
Warehousing	14 283 498	15 187 662
Vehicles and transportation rent and licenses	22 926 499	19 918 230
Spare parts and maintenance	30 874 969	23 417 900
Fixed assets depreciation (Note 3)	9 141 942	6 473 564
Right of use assets amortization (Note 3)	3 304 841	1 590 941
Insurance	2 591 795	2 447 215
Expected credit losses in accounts receivable (Note 7)	4 018 517	19 197 647
Freight expenses	29 800 168	27 168 544
Packaging and packing materials - current	5 420 674	3 846 263
Packaging and packing materials	1 730 708	1 387 281
Training programs and courses	2 564 965	2 218 051
Cash transfer expenses	2 240 000	2 051 131
Export customs clearance fees	429 927	196 652
Loading and unloading expenses	2 414 857	2 216 398
Stationary	407 853	461 387
Medical care	941 510	568 957
Others	12 879 551	9 240 509
	405 466 627	**355 655 071**

18- General and administrative expenses

	From 1 January 2026 To 31 March 2026 EGP	From 1 January 2025 To 31 March 2025 EGP
Salaries and wages	19 585 152	17 393 853
Board of directors allowances	300 000	300 000
Fixed assets depreciation (Note 3)	1 301 355	1 227 104
Transportation rental expenses, travel expenses, and vehicles licenses	181 199	138 863
Stationary	268 936	238 062
Medical Care	163 855	127 295
Donations	126 500	113 500
Expected credit losses in other debit balances (Note 8)	231 208	--
Others	5 743 543	5 150 981
	27 901 748	**24 689 658**

19- Net other operating income

	From 1 January 2026 To 31 March 2026 EGP	From 1 January 2025 To 31 March 2025 EGP
Export support subsidy	33 674 492	4 948 919
Scrap sales	15 652 036	15 037 396
Gain from sale of Property, plant, and equipment (Note 3)	42 972	11 617 031
Gain on disposal of right of use assets	--	186 430
	49 369 500	**31 789 776**

20- Finance income

	From 1 January 2026 To 31 March 2026 EGP	From 1 January 2025 To 31 March 2025 EGP
Interest on treasury bills	--	10 109 188
Interest on time deposits	2 846 843	342 247
	2 846 843	**10 451 435**

21- Finance expenses

	From 1 January 2026 To 31 March 2026 EGP	From 1 January 2025 To 31 March 2025 EGP
Interest on loans and credit facilities	98 358 375	142 908 272
Interest expense – lease liability	2 352 728	1 760 961
Losses from foreign exchange differences	33 503 981	1 231 550
	134 215 084	**145 900 783**

22- Income taxes

	From 1 January 2026 To 31 March 2026 EGP	From 1 January 2025 To 31 March 2025 EGP
Current income taxes	34 946 502	23 878 993
Deferred income taxes	(7 193 466)	(17 263 419)
	27 753 036	**6 615 574**

22- Income taxes (Continued)

Reconciliation of the effective income tax rate

	31 March 2026 EGP	31 March 2025 EGP
Profit for the period before income taxes excluding treasury bills interest	96 098 649	6 555 240
Add: non-deductible expenses		
Accounting depreciation	33 111 316	28 101 559
Provisions formed during the period	9 959 863	20 964 006
Donations	1 587 521	1 337 230
Board of directors' allowances	300 000	300 000
Realized credit forex differences previously deducted from the prior year's pot	--	67 326 293
Unrealized debit forex differences	24 375 840	3 758 765
Effect of application of Egyptian Accounting Standard (48)	20 996 241	2 718 492
Excess of 7% of documented general and administrative expenses	11 017 362	5 626 096
Solidarity contribution 0.25%	6 580 620	5 981 152
Cost of financing and investment of treasury bill returns	--	562 491
Less: deductible expenses		
Tax depreciation	(22 394 981)	(29 168 320)
Capital gains	(42 972)	(11 617 031)
Provisions used	--	(1 525 365)
Donations to registered charities	(126 500)	(113 500)
Effect of Application of Egyptian Accounting Standard (48)	(15 195 569)	(3 664 194)
Unrealized debit forex differences previously added in prior year's pot	(10 949 605)	--
Tax base	**155 317 785**	**97 142 914**
Income Tax	**34 946 502**	**21 857 156**
Returns on treasury bills before income taxes	--	10 109 188
Tax due on treasury bills returns	--	2 021 837
Income taxes at the effective tax rate	**34 946 502**	**23 878 993**

Components of deferred tax liability:

	Balance sheet		Profit or loss	
	31 March 2026	31 December 2025	31 March 2026	31 March 2025
	EGP	EGP	EGP	EGP
Depreciation of Property, plant, and equipment	65 817 753	68 113 808	(2 296 055)	2 979 351
Foreign currency exchange differences	(5 484 564)	(2 463 661)	(3 020 903)	(15 994 138)
Expected credit losses in accounts and notes receivables	(48 120 190)	(47 216 024)	(904 166)	(4 319 471)
Expected credit losses in other debit balances	(3 741 639)	(3 689 617)	(52 022)	--
Provisions	(3 647 680)	(2 781 069)	(866 611)	201 457
Deferred tax liability against right of use assets – EAS 49	900 558	954 267	(53 709)	(130 618)
Net deferred tax liabilities	**5 724 238**	**12 917 704**	**(7 193 466)**	**(17 263 419)**

23- Contingent liabilities

The balance of the company's contingent liabilities related to bank letters of guarantee issued for third parties on 31 March 2026 amounted to EGP 10 650 000 (31 December 2025: EGP 10 650 000), It is expected that no significant obligations are expected to arise from these guarantees.

24- Capital commitments

The balance of the company's contracted capital commitments as of 31 March 2026 amounted to EGP153 885 025 (31 December 2025: 160 899 018 EGP) as follows:

	Contract amount	Paid amount	Un-paid amount
	EGP	EGP	EGP
Lands	106 981 200	(46 356 247)	60 624 953
Machinery and equipment	221 867 628	(118 893 956)	92 973 672
Buildings	510 150	(223 750)	286 400
	319 358 978	**(165 473 953)**	**153 885 025**

25- Lease liability

Applying Egyptian Accounting Standard No. 49, the lease obligations on 31 March 2026 amounted of 47 801 657 Egyptian pounds, represented as follows:

	31 March 2026	31 December 2025
	EGP	EGP
Balance as of 1 January 2026	51 567 375	40 288 394
Additions during the period / year	--	28 813 384
Disposals of lease liabilities	--	(4 494 321)
Debit interest	2 352 728	7 366 246
Instalments paid during the period / year	(6 118 446)	(20 406 328)
Balance	**47 801 657**	**51 567 375**
Lease liability – short term	17 784 835	16 833 678
Lease liability – long term	30 016 822	34 733 697
	47 801 657	**51 567 375**

26- Earnings per share

The basic and diluted earnings per share are calculated by dividing the net profit for the period attributable to the company's ordinary shareholders by the weighted average number of outstanding shares during the period. The earnings per share are determined after deducting the employees' and Board of Directors' share of profits, which is estimated to determine the shareholders' portion of the profits. The Company does not have any diluted earnings per share.

	31 March 2026	31 March 2025
	EGP	EGP
Net profit for the period	68 345 613	10 048 854
Employees and Board of directors' dividends*	(12 703 058)	(1 626 674)
Net profit available for distribution	**55 642 555**	**8 422 180**
Number of shares outstanding	282 608 695	282 608 695
Earnings per share – basic and diluted	**0.20**	**0.03**

* According to the Egyptian law, employees and Board of Directors members are entitled to a percentage of the company's profit as a profit sharing when dividends are declared, subject to the approval of the company's General Assembly.

27- Segment reporting

In 2012, the company was operating in one segment - Dairy products, From September 2013, the Company started the production of juice and from September 2018, the Company started the production of Bakery products therefore the Company started to operate into three segments as follows:

- Dairy products
- Juice Products
- Bakery Products

The company's executive management monitors operating units separately to make decisions regarding resource allocation and performance evaluation.

The performance of the segments is assessed on a gross basis and is continuously measured based on the financial statement profits or losses. The Chief Executive Officer (decision-maker) is informed of each segment's financial position according to the segment report to facilitate decisions on resource allocation and performance evaluation.

Primary segments results – related products for the period ended 31 March 2026 are as follows:

	Dairy products EGP	Juice products EGP	Bakery products EGP	Total EGP
Segment sales	1 966 784 188	220 824 174	506 037 000	2 693 645 362
Sales discounts - Egyptian Accounting Standard (48)	(101 797 086)	(4 515 081)	(7 301 631)	(113 613 798)
Liability against expected sales returns	(22 652 939)	(2 543 399)	--	(25 196 338)
Liability against expected sales returns no longer required	3 803 478	396 619	--	4 200 097
Net sales	**1 846 137 641**	**214 162 313**	**498 735 369**	**2 559 035 323**
Segment cost of sales	(1 415 575 594)	(180 962 357)	(353 936 418)	(1 950 474 369)
Cost of expected sales returns	16 176 743	2 067 980	--	18 244 723
Cost of expected sales returns no longer required	(2 696 977)	(352 177)	--	(3 049 154)
Cost of sales	**(1 402 095 828)**	**(179 246 554)**	**(353 936 418)**	**(1 935 278 800)**
Gross Profit	**444 041 813**	**34 915 759**	**144 798 951**	**623 756 523**
Operating expenses net of other operating income				(389 709 013)
Finance income				2 846 843
Finance expenses				(134 215 084)
Solidarity contribution				(6 580 620)
Income tax expenses				(27 753 036)
Net profit for the period				**68 345 613**

	Dairy products EGP	Juice products EGP	Bakery products EGP	Unallocated EGP	Total EGP
Depreciation for the period	(8 642 889)	(1 487 363)	(10 231 835)	(11 073 889)	(31 435 976)
Depreciation for the period (First option)	(253 997)	(214 626)	--	--	(468 623)
Depreciation for the period (Third option)	(164 912)	(174 031)	--	(867 774)	(1 206 717)
Amortization of right of use assets	--	--	--	(4 292 477)	(4 292 477)
	(9 061 798)	**(1 876 020)**	**(10 231 835)**	**(16 234 140)**	**(37 403 793)**

Primary segments results – related products for period ended 31 March 2025 are as follows:

	Dairy products EGP	Juice products EGP	Bakery products EGP	Total EGP
Segment sales	1 796 247 512	126 146 112	427 825 785	2 350 219 409
Sales Discounts - Egyptian Accounting Standard (48)	(94 723 263)	(3 812 202)	(3 830 222)	(102 365 687)
Liability against expected sales returns	(804 790)	(56 518)	--	(861 308)
Liability against expected sales returns no longer required	4 085 066	440 436	--	4 525 502
Net sales	**1 704 804 525**	**122 717 828**	**423 995 563**	**2 251 517 916**
Segment cost of sales	(1 310 633 289)	(113 889 320)	(315 860 575)	(1 740 383 184)
Cost of expected sales returns	595 962	41 853	--	637 815
Cost of expected sales returns no longer required	(3 029 661)	(326 646)	--	(3 356 307)
Cost of sales	**(1 313 066 988)**	**(114 174 113)**	**(315 860 575)**	**(1 743 101 676)**
Gross Profit	**391 737 537**	**8 543 715**	**108 134 988**	**508 416 240**
Operating expenses net of other operating income				(350 321 312)
Finance income				10 451 435
Finance expenses				(145 900 783)
Solidarity contribution				(5 981 152)
Income tax expenses				(6 615 574)
Net profit for the period				**10 048 854**

	Dairy products EGP	Juice products EGP	Bakery products EGP	Unallocated EGP	Total EGP
Depreciation for the period	(6 848 144)	(1 480 720)	(9 732 760)	(8 186 481)	(26 248 105)
Depreciation for the period (First option)	(364 421)	(214 625)	--	--	(579 046)
Depreciation for the period (Third option)	(226 744)	(368 757)	--	(678 907)	(1 274 408)
Amortization of right of use assets	(137 467)	(137 466)	--	(2 578 577)	(2 853 510)
	(7 576 776)	**(2 201 568)**	**(9 732 760)**	**(11 443 965)**	**(30 955 069)**

Segments Assets

31 March 2026	Dairy products EGP	Juice products EGP	Bakery product EGP	Unallocated EGP	Total EGP
Total assets	211 678 277	22 747 737	274 822 589	4 386 889 965	4 896 138 568
Capitalized assets (First option)	2 143 587	214 626	--	--	2 358 213
Revaluated assets (Third option)	4 215 497	1 817 754	--	1 108 974	7 142 225
Right of use assets	--	--	--	39 093 869	39 093 869
	218 037 361	**24 780 117**	**274 822 589**	**4 427 092 808**	**4 944 732 875**

27- Segment reporting - (Continued)

31 December 2025	Dairy products EGP	Juice products EGP	Bakery products EGP	Unallocated EGP	Total EGP
Total assets	216 289 729	22 647 732	283 549 505	4 296 716 570	4 819 203 536
Capitalized assets (First option)	2 397 585	429 251	--	--	2 826 836
Revaluated assets (Third option)	4 380 409	1 991 785	--	1 976 748	8 348 942
Right of use assets	--	--	--	43 386 346	43 386 346
	223 067 723	**25 068 768**	**283 549 505**	**4 342 079 664**	**4 873 765 660**

Secondary Segment results – geographical sectors for the period ended 31 March 2026 are as follows:

Geographical areas:

Local:	31 March 2026 EGP	31 March 2025 EGP
Cairo	1 329 616 440	1 298 040 778
Alexandria	217 376 686	202 025 779
Delta	389 857 351	304 177 180
Upper Egypt	457 981 459	331 203 635
	2 394 831 936	**2 135 447 372**
Export:	298 813 426	214 772 037
	2 693 645 362	**2 350 219 409**
Sales returns provision (EAS 48)	(25 196 338)	(861 308)
Sales returns provision no longer required (EAS 48)	4 200 097	4 525 502
Sales discounts - Egyptian Accounting Standard (48)	(113 613 798)	(102 365 687)
	2 559 035 323	**2 251 517 916**

28- Tax position

a) Corporate taxes

Years from inception till 2021

The company submitted its tax returns on the legal dates, and they were inspected by the Tax Authority for those years, the tax disputes were resolved, and The payment has been completed, and the final settlement is currently in progress.

Years From 2022 till 2025

The Company submitted the income tax returns on the legal dates and no notification was received from the center for examination.

b) Sales taxes / Value added taxes

Years from inception till December 2023

The company has undergone a tax inspection for the period from the date of inception till December 31, 2023, and has settled the tax differences resulting from the inspection.

27- Tax position - (Continued)

Period from December 2024 till March 2026

The company submits monthly tax returns and regularly pays the due taxes on a regular basis, and no inspection notification has been received from the center to date.

c) Salaries and wages taxes

From the date of inception till 31 December 2022

All tax disputes were examined and resolved, and the Company settled and paid all tax differences for that period.

Years from 2023 till 2025

The company has raised the monthly wage and salary adjustments based on the system for unifying the foundations and standards for calculating wages and salaries, in accordance with Finance Minister Resolution No. 251 of 2023. In implementation of the Unified Tax Procedures Law No. 206 of 2020, as amended by Law No. 211 of 2020, the company prepared the tax settlement for the years 2023 to 2025 and submitted it to the tax system by the legal date.

Period (from 1/1/2026 to 31/3/2026)

The company has raised the monthly wage and salary adjustments based on the system for unifying the foundations and standards for calculating wages and salaries, in accordance with Finance Minister Resolution No. 251 of 2023.

d) Stamp duty taxes

Years from inception till December 2022

Tax disputes over the differences resulting from the examination were examined and resolved by the relevant committees.

Period (from 1/1/2023 to 31/3/2026)

The company calculates the stamp duty on gas consumption as well as other vessels and the development fee. The company supplies the tax regularly on the form prepared for this purpose.

e) Withholding tax

The company has undergone a tax inspection for the years from the date of inception till December 31, 2015, and has settled the tax differences resulting from the inspection. The Company withholds tax on its transactions with suppliers and service providers in accordance with tax law.

f) Property tax

Years from the beginning of submission till 2021

The property tax was settled and paid in accordance with the ruling issued by the Administrative Court until December 2021.

Years from 2022 till 2024

According to Prime Ministerial Decree No. 61 of 2022, the Egyptian Ministry of Finance fully covers the property tax on buildings used for industrial activities for a period of three years, starting from January 1, 2022.

Years from 2025 till 2026

In accordance with Prime Ministerial Decree No. 3 of 2024, the provisions of Decree No. 61 of 2022 have been extended for an additional two years, starting from the day following the end of the original period stated in Article One, and concluding at the end of December 2026. There are no outstanding tax disputes with the Egyptian Tax Authority, and the provisions recorded in the financial statements for the period ended 31 March 2026 are sufficient to cover the company's tax obligations.

28- Risk management

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates, The Company is exposed to interest rate risk on its interest-bearing liabilities, banks credit facilities and long-term loans.

The following table shows the extent to which an acceptable potential change in interest rates with all other variables remaining constant affects the company's profits before tax (by affecting loans and facilities with a floating interest rate), It should be noted that this change has no effect on equity other than the impact on profits as described below:

	31 March 2026		31 March 2025	
	Change in interest rate	Effect on profit before TAX EGP	Change in interest rate	Effect on profit before TAX EGP
Financial Liabilities	%1+	(5 214 748)	%1+	(6 178 305)
	%1-	5 214 748	%1-	6 178 305

b) Foreign Currency Risk

- The foreign currency risk is the risk that the value of the financial assets and liabilities and the related cash inflows and outflows in foreign currencies will fluctuate due to changes in foreign currency exchange rates. The total financial assets denominated in foreign currencies amount to EGP 514 742 056 (31 Dec. 2025: EGP 390 628 339) whereas, the total financial liabilities denominated in foreign currencies amounts to EGP 519 708 68 (31 December 2025 EGP: 546 604 879).

-The following table shows the impact of an acceptable potential change in foreign exchange rates, holding all other variables constant. The impact on the company's pre-tax income is due to changes in the value of assets and financial liabilities. It should be noted that changes in the exchange rates of all other foreign currencies are not significant.

	31 March 2026		31 March 2025	
	Change in exchange rate	Impact on profits before tax	Change in exchange rate	Impact on profits before tax
USD	%10+	(983 568)	%10+	40 193 815
	%10-	983 568	%10-	(40 193 815)
EUR	%10+	436 074	%10+	1 662 089
	%10-	(436 074)	%10-	(1 662 089)
GBP	%10+	34 763	%10+	31 450
	%10-	(34 763)	%10-	(31 450)
AED	%10+	15 319	%10+	13 905
	%10-	(15 319)	%10-	(13 905)
SAR	%10+	734	%10+	694
	%10-	(734)	%10-	(694)

29- Risk management – (Continued)

c) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Company seeks to limit its credit risk with respect to banks by applying many control procedures include credit limits and only dealing with reputable banks.

The Company seeks to limit its credit risk with respect to customers by

- Setting credit limits for all customers according to an internal evaluation policy.
- Assessing the customer's credit status in accordance with tight credit limits.
- Follow up on current customer balances.

The company avoids credit risks by applying many supervisory measures, and the company's dealings are limited to highly credit-efficient financial institutions.

d) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of loans and finance lease, the company uses credit limits and monitors the loans due dates. The table below summarizes the due dates of the Company's financial obligations based on undiscounted contractual payments:

Financial Liabilities	Less than 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
31 March 2026					
Loans	7 719 571	17 576 172	123 477 465	--	148 773 208
Short term credit facilities	2 121 862 769	--	--	--	2 121 862 769
Lease liability	4 037 953	13 746 882	30 016 822		47 801 657
Suppliers, accrued expenses and other payables	903 550 733	6 580 620	--	--	910 131 353
Income Tax payable	68 431 754	34 946 502	--	--	103 378 256
Notes payable	50 311 883	1 619 025	--	--	51 930 908
Total financial liabilities not deducted	**3 155 914 663**	**74 469 201**	**153 494 287**	**--**	**3 383 878 151**

Financial liabilities	Less than 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
31 December 2025					
Loans	7 719 571	23 158 714	99 572 407	--	130 450 692
Short term credit facilities	2 311 514 563	--	--	--	2 311 514 563
Lease liability	3 765 719	13 067 959	34 733 697		51 567 375
Suppliers, accrued expenses and other payables	796 239 344	--	--	--	796 239 344
Income Tax payable	68 431 754	--	--	--	68 431 754
Notes payable	21 569 493	--	--	--	21 569 493
Total financial liabilities not deducted	**3 209 240 444**	**36 226 673**	**134 306 104**	**--**	**3 379 773 221**

29- Risk management - (Continued)

e) Capital risk management

The company manages its capital to ensure that it will continue in sufficient level while maximising the return to the shareholders through the optimisation of debt-to-equity balance. The company's overall strategy remains unchanged during the period.

30- Fair values of financial instruments

The Company's financial instruments are represented in financial assets and financial liabilities, the financial assets include cash on hands and banks, trade and notes receivables, due from related parties, and other receivables. the financial liabilities include trade and notes payables, loans, short-term credit facilities, machinery instalments, long term notes payable and other payables.

The significant accounting policies applied for the recognition and measurement of the above - mentioned financial assets and liabilities and the related income and expenses are included in note (2) of the notes to the financial statements.

The fair values of financial assets and liabilities do not differ materially from their carrying values, unless otherwise stated.

31- Property, plant, and equipment adjustments surplus

	31 March 2026	31 December 2025
	EGP	EGP
Balance As of 1 January	8 348 942	13 318 831
Deduct:		
Transferred to retained earnings from machinery and equipment adjustments surplus (Depreciation)	(338 943)	(2 057 109)
Transferred to retained earnings from vehicles adjustments surplus (Depreciation)	(867 774)	(2 912 780)
	7 142 225	**8 348 942**

32- Significant and subsequent events

Significant events

- Demerger

On December 30, 2025, the Extraordinary General Assembly of Arabian Food Industries Company Domty S.A.E approved the demerger of the Company, a result of the demerger decision, Arabian Food Industries Company Domty S.A.E became the demerging Company. Accordingly, the capital was adjusted with an increase from EGP 56 521 739 to EGP 113 043 478, divided into 282 608 695 shares with a par value of EGP 0.40 per share, while the authorized capital remained unchanged.

On March 8, 2026, Arabian Food Industries Company Domty S.A.E (demerging Company) capital increase was duly registered in the Commercial Register.

The demerger resulted in the establishment of a new company under the name "Dairy Products Euro Arabian for Food Industries", with an authorized capital of EGP 2 billion and an issued and paid-up capital of EGP 438 043 477, divided into 282 608 695 shares with a par value of EGP 1.55 per share. The new Company will be owned by the same shareholders of the demerging Company in accordance with the approved demerger plan.

32- Significant and subsequent events – (Continued)

Significant events – (Continued)

- Demerger – (Continued)

As of the date of these interim separate financial statements for the period ended March 31, 2026, the legal and regulatory procedures required to complete the incorporation of Dairy Products Euro Arabian for Food Industries (demerged Company) have not yet been finalized, and the demerger process remains subject to completion of such procedures.

- On February 12, 2026, the Monetary Policy Committee of the Central Bank of Egypt decided to reduce the overnight deposit and lending rates and the main operating rate of the Central Bank by 100 basis points to 19.00%, 20.00%, and 19.50%, respectively. It also decided to reduce the credit and debit rates by 100 basis points to reach 19.50%. The Board of Directors of the Central Bank also decided to reduce the percentage of cash reserves that banks are obligated to keep with the Central Bank of Egypt from 18% Up to 16%.

Subsequent Events

- On April 2, 2026, the Monetary Policy Committee of the Central Bank of Egypt decided to keep the basic rates of return unchanged. Accordingly, it was decided to fix the overnight deposit and lending rates and the central bank's main operation rate at 19.00%, 20.00% and 19.50%, respectively, and it was also decided to keep the credit and discount rates at 19.50%.

33- Comparative figures

Comparative figures are reclassified as often as necessary to align with changes in the presentation used for the current period.