GEMMA ceramic&porcelaintiles

AL Ezz Ceramics & Porcelain Co.

25TH MAY 2026

Stock Exchange in Cairo
Disclosure Department

Subject: Financial statements for the first quarter 31/3/2026

Reference to the above mentioned subject, kindly find attached financial statements for 31/3/2026.

Best Regards,

Al Ezz Ceramics & Porcelain Co.

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Al Ezz Ceramics & Porcelain Company (GEMMA) (S.A.E)

The Interim Financial Statements for The Three Months Ended March 31, 2026
&
Limited Review Report

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LIMITED REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS

TO: THE BOARD OF DIRECTORS OF AL EZZ CERAMICS & PORCELAIN CO. (GEMMA) - (SAE)

REPORT ON THE INTERIM FINANCIAL STATEMENT

We have performed a limited review for the accompanying The Interim financial statements **AL EZZ CERAMICS & PORCELAIN CO. (GEMMA) - (S.A.E)** which comprise the financial position as of March 31, 2026 and the related The Interim statements of profit or loss, and Comprehensive income, changes in Shareholder's Equity and cash flows for the Three months ended and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these Interim financial statements in accordance with the Egyptian Accounting Standards. Our responsibility is to express a conclusion on these Interim financial statements based on our limited review.

SCOPE OF LIMITED REVIEW

We conducted our limited review in accordance with the Egyptian Standard on Review Engagements 2410, 'Limited Review of The Interim Financial Statements Performed by The Independent Auditor of The Entity. A limited review of The Interim financial statements consists of making inquiries, primarily of persons responsible for Financial and accounting matters in the company and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with 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 the Interim financial statements.

CONCLUSION

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying The Interim financial statements do not present fairly in all material respects the financial position **AL EZZ CERAMICS & PORCELAIN CO. (GEMMA) - (S.A.E)** as of March 31, 2026 and its financial performance and its Interim cash flows for the Three months ended in accordance with the Egyptian Accounting Standards.

Cairo, Egypt
May 25, 2026

Sherin Nauldin

Sherin Noureldin
Register Of Accountants & Auditors No. (6809)
Financial Regulatory Authority No (88)
Fellow Of The Egyptian Tax Society
Member Of The Association Of Certified Fraud Examiners (USA)
Moore Egypt

DISCLAIMER: The English version is a translation of the original Arabic version. In case of a discrepancy, the Arabic original will prevail.

Interim Statement Of Financial Position

	Note No.	31/3/2026	31/12/2025
		EGP	EGP
Assets			
Non-Current Assets			
Fixed Assets (Net)	(19)	930,609,184	939,096,467
Projects Under Construction	(20)	95,568,985	76,994,323
Total Non-Current Assets		**1,026,238,169**	**1,016,090,790**
Current Assets			
Inventories	(13)	1,309,691,517	1,297,187,280
Trade & Notes Receivable (Net)	(14)	532,127,949	564,935,768
Debtors & Other Debit Balances (Net)	(15)	104,736,501	85,304,454
Due From Related Parties (Net)	(27-1)	22,213,135	22,207,455
Advance Payments To Suppliers		131,754,523	114,869,458
Financial Investments At Fair Value Through Profit Or Loss Statement	(18)	792,616	790,563
Cash & Cash Equivalents	(17)	171,146,007	116,076,753
Total Current Assets		**2,272,462,248**	**2,201,371,731**
Total Assets		**3,298,700,417**	**3,217,462,521**
Equity & Liabilities			
Equity			
Issued & Paid-Up Capital	(22)	266,712,565	266,712,565
Reserves	(23)	62,647,464	62,647,464
Modification Surplus Of Fixed Assets	(19-2)	22,294,508	22,943,474
Retained Earnings		126,707,146	211,129,992
Total Equity		**478,361,683**	**563,433,495**
Liabilities			
Non-Current Liabilities			
Long - Term Loans	(24)	184,949,383	175,496,517
Trade & Notes Payable	(25)	86,874,010	132,344,209
Deferred Tax Liabilities	(11-1)	390,910	24,456,936
Total Non-Current Liabilities		**272,214,303**	**332,297,662**
Current Liabilities			
Bank-Over Drafts	(17)	1,300,614	4,035,864
Bank Credit Facilities & Loans Installment Due Within One Year	(24)	1,978,535,561	1,859,169,831
Trade & Notes Payable	(25)	360,711,617	281,826,522
Creditors & Other Credit Balances	(26)	119,233,667	103,222,751
Advance Payments From Customers		32,831,372	39,225,768
Due To Related Parties	(27-2)	32,660,572	11,400,000
Provisions	(28)	22,850,628	22,850,628
Total Current Liabilities		**2,548,124,431**	**2,321,731,364**
Total Liabilities		**2,820,338,734**	**2,654,029,026**
Total Equity & Liabilities		**3,298,700,417**	**3,217,462,521**

- The accompanying notes & accounting policies form an integral part of these Interim financial statements and should be read in therewith.
- Limited Review Report "Attached".
- Date: May 25 , 2026.

Karim Samir Abdelgalil
Managing Director

Hassan Ahmed Nouh
Chairman

Interim Statement Of Profit Or Loss

	Note No.	For The Three Months Ended 31/3/2026 EGP	31/3/2025 EGP
Sales (Net)	(3)	668,774,902	638,132,675
(Less)			
Cost Of Sales	(4)	(549,601,383)	(479,239,631)
Gross Profit		**119,173,519**	**158,893,044**
Add / (Less)			
Other Operating Income	(5)	294,279	280,337
Selling & Marketing Expenses	(6)	(56,133,196)	(58,824,896)
General & Administrative Expenses	(7)	(28,311,519)	(26,405,560)
Other Operating Expenses	(8)	--	(31,540)
Net Operating Profit		**35,023,082**	**73,911,385**
Add / (Less)			
Finance Income	(9-1)	1,209,762	3,625,297
Finance Costs	(9-2)	(145,407,224)	(116,592,451)
Net Financing Costs	(9)	**(144,197,463)**	**(112,967,154)**
Add			
Profit From Revaluation Of Financial Investments At Fair Value (Investments Funds)		36,542	731,473
Net (Losses) For The Period Before Tax		**(109,137,838)**	**(38,324,296)**
Add			
Deferred Tax	(11-1)	24,066,026	7,926,596
Net (Losses) For The Period After Tax		**(85,071,812)**	**(30,397,700)**
Basic (Losses) Per Share For The Period (EGP/Share)	(10)	**(1.59)**	**(0.57)**

- The accompanying notes & accounting policies form an integral part of these Interim financial statements and should be read in therewith.

Interim Statement Of Comprehensive Income

	Note No.	For The Three Months Ended 31/3/2026 EGP	31/3/2025 EGP
Net (Losses) For The Period After Tax		(85,071,812)	(30,397,700)
Add / (Less) :			
Other Comprehensive Income Items			
Realized Portion Of Fixed Assets Modification (Transferred To Retained Earnings During The Period)	(19-2)	(648,966)	(1,232,718)
Total Other Comprehensive Income		**(85,720,778)**	**(31,630,418)**

- The accompanying notes & accounting policies form an integral part of these interim financial statements and should be read in therewith.

Interim Statement Of Changes In Shareholder's Equity

	Issued & Paid-Up Capital	Legal Reserve	General Reserve	Total Reserves	Modification Surplus Of Fixed Assets	Retained Earnings	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP
For the Three Months Ended at March 31,2025							
Balance At January 1, 2025	**266,712,565**	**40,652,546**	**18,125,567**	**58,778,113**	**27,761,895**	**299,368,000**	**652,620,573**
Transactions With Companys' Shareholders							
Realized Portion Of Fixed Assets Modification Surplus (Transferred To Retained Earnings During The Period)	--	--	--	--	--	1,232,718	1,232,718
Transferd To Legal Reserve	--	3,869,351	--	3,869,351	--	(3,869,351)	--
Total Transactions With Companys' Shareholders	--	**3,869,351**	--	**3,869,351**	--	**(2,636,633)**	**1,232,718**
Comprehensive Income:							
Net (Losses) For The Period Ended	--	--	--	--	--	(30,397,700)	(30,397,700)
Realized Portion Of Fixed Assets Modification Surplus (Transferred To Retained Earnings During The Period)	--	--	--	--	(1,232,718)	--	(1,232,718)
Total Comprehensive Income	--	--	--	--	**(1,232,718)**	**(30,397,700)**	**(31,630,418)**
Balance At March 31, 2025	**266,712,565**	**44,521,897**	**18,125,567**	**62,647,464**	**26,529,177**	**266,333,667**	**622,222,873**
For the Three Months Ended at March 31,2026							
Balance At January 1, 2026	**266,712,565**	**44,521,897**	**18,125,567**	**62,647,464**	**22,943,474**	**211,129,992**	**563,433,495**
Transactions With Companys' Shareholders							
Realized Portion Of Fixed Assets Modification Surplus (Transferred To Retained Earnings During The Period)	--	--	--	--	--	648,966	**648,966**
Total Transactions With Companys' Shareholders	--	--	--	--	--	**648,966**	**648,966**
Comprehensive Income:							
Net (Losses) For The Period Ended	--	--	--	--	--	(85,071,812)	(85,071,812)
Realized Portion Of Fixed Assets Modification Surplus (Transferred To Retained Earnings During The Period)	--	--	--	--	(648,966)	--	(648,966)
Total Comprehensive Income	--	--	--	--	**(648,966)**	**(85,071,812)**	**(85,720,778)**
Balance At March 31, 2026	**266,712,565**	**44,521,897**	**18,125,567**	**62,647,464**	**22,294,508**	**126,707,146**	**478,361,683**

- The accompanying notes & accounting policies form an integral part of these interim financial statements and should be read in therewith.

Interim Statement Of Cash Flows

	Note No.	For TheThree Months Ended 31/3/2026 EGP	31/3/2025 EGP
Cash Flows From Operating Activities			
Net (Losses) For The Period Before Income Tax		(109,137,838)	(38,324,296)
Adjustments For :			
Depreciation Of Fixed Assets	(19)	12,699,494	16,468,085
Interest & Financing Expenses	(9-2)	95,998,736	97,953,651
Profit From Revaluation Of Financial Investments At Fair Value Throug Profit Or Loss		(36,542)	(731,473)
Provisions Formed		--	31,540
FOREX Losses		46,785,941	7,090,714
Net Profit Before Change In Current Assets & Liablities		**46,309,791**	**82,488,221**
Changes In :			
Inventories		(12,504,237)	(144,179,307)
Trade & Notes Receivable		32,807,819	35,370,086
Suppliers - Advance Payments		(16,885,065)	(43,874,031)
Debtors & Other Debit Balances		(19,432,047)	(9,213,561)
Due From Related Parties		(5,680)	(14,210)
Trade & Notes Payable		33,414,896	17,223,346
Customers - Advance Payments		(6,394,396)	39,278,245
Due To Related Parties		21,260,572	6,799,914
Creditors & Other Credit Balances		6,525,434	(666,649)
		85,097,087	**(16,787,948)**
Paid Financing Expenses		(86,513,254)	(91,172,457)
Net Cash Flows (Used In) Operating Activities		**(1,416,167)**	**(107,960,405)**
Cash Flows From Investing Activities			
(Payments) For Purchase Of Fixed Assets & Projects Under Construction		(22,846,872)	(17,988,600)
Proceeds From Investemnts In Fair Value		34,490	288,480
Net Cash Flows (Used In) Investing Activities		**(22,812,382)**	**(17,700,120)**
Cash Flows From Financing Activities			
Proceeds From Banks Credit Facilities		82,033,053	151,455,966
Proceeds From Bank Loans		--	24,530,125
(Payments) Of Finance Lease Contracts		--	(12,777)
Net Cash Flows Provided From Financing Activities		**82,033,053**	**175,973,314**
Net Change In Cash & Cash Equivalents During The Period		**57,804,504**	**50,312,789**
Cash & Cash Equivalents At The Beginning Of The Period	(17)	110,190,889	222,672,178
Cash & Cash Equivalents At The End Of The Period	(17)	**167,995,393**	**272,984,967**

The accompanying notes & accounting policies form an integral part of these interim financial statements and should be read in therewith.

Notes To The Interim Financial Statements

1. General Information

Al Ezz Ceramics & Porcelain Company (GEMMA) - (S.A.E) - established subject to the companies Law No. 159 of 1981 and registered in the Commercial Registry of Monufia governorate office under No. 938 on January 10, 1995. The Company's factory was established in Sadat City, Monufia.

According to the decision of the Company's Extraordinary General Assembly Meeting held on 27/12/1999 and the decision of the Chairman of the General Authority for Investment and Free Zones number 3001 of year 2002 on 18/11/2002,which stipulated that the merger date according to the financial statements would be 31/12/1999Al Ezz Ceramics Co. (GEMMA) (Merging company) was merged into Al Ezz Ceramics & Porcelain Co. (GEMMA), (Merger company).On 18/6/2004 Al Ezz Ceramics Co. (GEMMA) was canceled from the commercial registry.

- The company is a subsidiary of Ezz Holding Company for Industry and Investment (Ezz Industrial Group) "the parent company," which holds a 63.89% share in the company's capital.
- In July 2025, the ownership of the company's shares was transferred from Ezz Holding Company for Industry and Investment (Ezz Industrial Group), which holds a 63.89% share in the company's capital, to Engineer Ahmed Abdel Aziz Ezz. Consequently, Al Ezz Ceramics & Porcelain (GEMMA) is no longer a subsidiary of Ezz Holding Company for Industry and Investment (Ezz Industrial Group) and has become a related party.
- A branch was established in the Kingdom of Saudi Arabia, registered in Riyadh on November 8, 2023.
- The Company's nominal shares are traded in the Egyptian Exchange.

Company's Activities

Manufacture, trade, and distribute ceramics, porcelain, sanitary wares, bathtubs, water mixers, taps and its related contracting works as well as other related services required for the preparation and transportation for the Company and for others. The Company also engages in the importation of raw materials, machinery and equipment and spare parts, which are required for the Company's purpose. Also importing, exporting and trade agency in relation to company's purpose.

Company's Duration

- 25 years from 1/1/1995 to 31/12/2020 and on 11/7/2020 the Company's Extraordinary General Assembly Meeting decided to extend the company's term another 25 years starting from 31/12/2020, as shown in commercial register on 2/3/2021.

Approval Of Financial Statements

- These Financial statements were approved by the company's Board of Directors for issuance on May 25, 2026.

2. Basis Of Preparation Of The Financial Statements

2.1 Compliance With Accounting Standards & Laws

The Financial statements are prepared in accordance with the Egyptian Accounting Standards and relevant Egyptian laws and regulations.

2.2 Basis Of Measurement

The Financial statements are prepared in accordance with the historical cost basis excluding the assets and liabilities which is stated in fair value.

In 2016, management adopted special accounting treatment of annex (A) of the Egyptian Accounting Standard no. (13) amended at 2015 "The Effects of Changes in Foreign Exchange Rates" amended 2015. Foreign exchanges losses resulting from the translation of monetary liabilities outstanding at the date of floating currencies exchange rate, and which are related to the acquisition of these assets, are recognized in the cost of fixed assets items at the date of floating currencies exchange. As well, the cost and accumulated depreciation of some fixed assets categories are adjusted by using adjustments factors, which are stated in the mentioned annex above, according to which is mentioned in details in Note no. (35).

2.3 Functional & Presentation Currency

These Financial statements are presented in Egyptian pound (EGP), which is the Company's functional currency.

2.4 Use Of Estimates & Judgments

The preparation of The Financial statements in accordance with Egyptian accounting standards requires management to use personal judgment and make estimates and assumptions that may affect the application of policies and the values of assets and liabilities as well as revenues and expenses.

These estimates and assumptions related to them are based on historical experience and various other factors that the company's management deems reasonable in light of current circumstances and events, based on which the carrying values of assets and liabilities are determined, and actual results may differ from these estimates.

These estimates and assumptions are reviewed on an ongoing basis and any differences in accounting estimates are recognized in the period in which those estimates were changed, and if these differences affect the period in which the change was made and future periods, then these differences are included in the period in which the adjustment was made and future periods

The following are the most important items and their notes for which these estimates and personal judgment are used:

- Estimating the fixed asset useful life
- Impairment loss on financial asset.
- Estimating provisions and contingent liabilities.
- Recognition of deferred tax assets.

2. Basis Of Preparation Of The Financial Statements (Continued)

2.5 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 will occur either in the principal market for the asset or liability or, in the absence of a principal market, in 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 would 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 making the asset's best and best use or selling it to another participant who will use the asset in its best and best use.

The Company uses valuation techniques that are considered appropriate in the circumstances and for which sufficient information is available to measure fair value, while maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities that are measured or disclosed in the financial statements at fair value are categorized into the categories of the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the entire measurement over the fair value measurement as a whole:

- **Level one:** the quoted prices (unadjusted) in an active market for identical assets or liabilities.
- **Level Two:** Evaluation Methods The lowest level input that is considered significant for the entire measurement is directly or indirectly observable.
- **Level Three:** Evaluation Methods The lowest level input that is significant to the entire measurement is unobservable.

3. Sales (Net)

	For The Three Months Ended	
	31/03/2026	31/03/2025
	EGP	EGP
Local Sales	555,325,098	546,981,033
Export Sales	113,449,804	91,151,642
Net Sales	**668,774,902**	**638,132,675**

4. Cost Of Sales

		For TheThree Months Ended	
	Note No.	**31/03/2026**	31/03/2025
		EGP	EGP
Raw Materials		270,361,863	278,171,468
Salaries & Wages		133,678,505	132,982,793
Fuel & Energy		146,982,981	120,426,898
Fixed Assets Depreciation	(19-1)	11,728,833	15,443,563
Other Manufacturing Expenses		26,173,649	30,894,376
Total Manufacturing Cost		**588,925,831**	**577,919,098**
Change In Finished & Unfinished Goods During The Period		(39,324,448)	(98,679,467)
Total Cost Of Sales		**549,601,383**	**479,239,631**

5. Other Operating Income

	For The Three Months Ended	
	31/03/2026	31/03/2025
	EGP	EGP
Rental Income	294,279	280,337
Total Other Operating Income	**294,279**	**280,337**

6. Selling & Marketing Expenses

	Note No.	For The Three Months Ended 31/03/2026	31/03/2025
		EGP	EGP
Salaries & Wages		18,459,426	18,349,696
Expenses - Saudi Arabia Branch		394,163	1,263,216
Advertising Expense		2,892,920	1,699,854
Exhibition Expense		2,927,491	10,853,414
Export Expense		9,499,199	6,045,965
Transportation Expense		3,502,641	3,586,161
Fixed Assets Depreciation	(19-1)	717,895	777,333
Transportation Expense For Ceramic		11,197,133	8,496,987
Rents		2,658,309	2,523,387
Other Expenses		3,884,019	5,228,883
Total Selling & Marketing Expenses		**56,133,196**	**58,824,896**

7. General & Administrative Expenses

	Note No.	For The Three Months Ended 31/03/2026	31/03/2025
		EGP	EGP
Salaries & Wages		20,260,985	19,283,394
Depreciation Of Fixed Assets	(19-1)	252,766	247,189
Consultancy Expenses		499,015	370,771
Transportation Expenses		1,906,303	1,615,938
Rents		926,320	839,624
Taxes & Fees		86,487	190,026
Comprehensive Health Insurance		1,686,127	1,618,459
Donations		97,440	178,970
Other Expenses		2,596,076	2,061,189
Total General & Administrative Expenses		**28,311,519**	**26,405,560**

8. Other Operating Expenses

	For The Three Months Ended 31/03/2026	31/03/2025
	EGP	EGP
Provisions Formed	--	31,540
Total Other Operating Expenses	**--**	**31,540**

9. Net Finance Costs

	For The Three Months Ended	
	31/03/2026	31/03/2025
	EGP	EGP
9.1 Finance Income		
Interest Income	1,209,762	3,625,297
Total Finance Income	**1,209,762**	**3,625,297**
9.2 Finance Cost		
Interest & Finance Costs	(95,998,736)	(97,953,651)
FOREX (Losses)	(49,408,488)	(18,638,800)
Total Finance (Costs)	**(145,407,224)**	**(116,592,451)**
Net Finance (Costs)	**(144,197,463)**	**(112,967,154)**

10. Basic (Losses) Per Share For The Period (EGP/Share)

	For The Three Months Ended	
	31/3/2026	31/3/2025
Net (Losses) For The Period After Tax (EGP)	(85,071,812)	(30,397,700)
Average Number Of Outstanding Shares During The Period (Share)	53,342,513	53,342,513
Basic (Losses) Per Share For The Period (EGP/Share)	**(1.59)**	**(0.57)**

11. Deferred Tax

11.1 Recognized Deferred Tax Assets/Liabilities

	31/3/2026		31/12/2025	
	Assets	**Liabilities**	Assets	Liabilities
	EGP	**EGP**	EGP	EGP
Fixed Assets	--	(123,207,508)	--	(121,605,784)
FOREX (Losses) / Tax (Losses)	122,816,598	--	97,148,848	--
Total Deferred Tax Asset / (Liability)	**122,816,598**	**(123,207,508)**	**97,148,848**	**(121,605,784)**
Net Deferred Tax (Liability)		**(390,910)**		**(24,456,936)**
(Less):				
Deferred Tax Previously Recognized		(24,456,936)		(57,013,676)
Deferred Tax - Income		**24,066,026**		**32,556,740**
Recognized In Profit Or Loss Statement As Follows :				
Deferred Tax In Profit Or Loss Statement - Income		24,066,026		32,556,740
		24,066,026		**32,556,740**

11.2 Unrecognized Deferred Tax Assets

	31/3/2026	31/12/2025
	EGP	EGP
Impairment In Value Of Investments	476,978	476,978
Inventory Write-Down	4,214,757	4,214,757
Expected Credit Loss In Trade Receivables	4,926,196	4,926,196
Expected Credit Loss In Debtors & Other Debit Balances	503,808	503,808
Expected Credit Loss In Cash & Cash Equivalents	914	914
Expected Credit Loss In Due From Related Parties	36,900	36,900
Total Unrecognized Deferred Tax Assets	**10,159,553**	**10,159,553**

Deferred tax assets have not been recognized in respect of these items for lack of reasonable assurance that future benefits shall be realized from these deferred tax assets in the foreseeable future.

12. Employees Benefits

The employees of the company are granted at the end of service gratuity through the insurance and savings fund of the employees of Al Ezz Industrial Group registered on 22/02/2000 according to the conditions and determinants included in the provision of the fund regulation, and the commitment and contribution of the company to the fund is represented in a specific contribution Where the company bears and pays the savings and insurance contributions determined in full in accordance with the conditions and percentages mentioned in the fund's regulations, on the basis of the subscription fee that was determined using the basic monthly salary on 1/1/2000 in addition to the annual periodic increase.
The value of the contributions paid by the company during the three month Period Ended March 31, 2026, amounted to EGP 6,076,875 which were included in the wages & salaries in the statement of Profit Or Loss (compared to EGP 3,569,213 for the three month Period Ended on March 31, 2025).

13. Inventories

	Note No.	31/3/2026	31/12/2025
		EGP	EGP
Raw Materials		188,014,660	194,402,627
Spare Parts		369,050,948	381,539,315
Supplies & Fuel		80,198,981	86,109,238
Packing & Wrapping Materials		16,718,074	18,694,523
Unfinished Goods		1,664,174	1,664,174
Finished Goods		672,669,531	633,345,083
Letters Of Credit For Raw Materials Purchases		107,404	164,575
Total Inventories		**1,328,423,772**	**1,315,919,535**
(Less):			
Inventories Write-Down	(16-2)	(18,732,255)	(18,732,255)
Net Inventories		**1,309,691,517**	**1,297,187,280**

14. Trade & Notes Receivables (Net)

	Note No.	31/3/2026	31/12/2025
		EGP	EGP
Trade Receivables		305,581,010	308,425,152
Notes Receivables		248,441,143	278,404,820
		554,022,153	**586,829,972**
(Less):			
Expected Credit Loss In Trade & Notes Receivables	(16-1)	(21,894,204)	(21,894,204)
Net Trade & Notes Receivables		**532,127,949**	**564,935,768**

15. Debtors & Other Debit Balances (Net)

	Note No.	31/3/2026	31/12/2025
		EGP	EGP
Tax Authority – Withholding Tax		34,213,843	33,575,346
Prepaid Expenses		15,060,175	5,609,995
Prepaid Taxes		17,024,852	17,024,852
Deposits With Others *		16,163,861	16,163,861
Customs Authority		3,219,409	2,523,187
Employees Lending & Custodies		20,256,439	11,494,518
Other Debit Balances		1,037,070	1,151,843
		106,975,649	**87,543,602**
(Less):			
Expected Credit Loss In Debtors & Other Debit Balances	(16-1)	(2,239,148)	(2,239,148)
Net Debtors & Other Debit Balances		**104,736,501**	**85,304,454**

* The balance of deposits with others includes an amount of EGP 14,017,373, representing the increase in natural gas consumption deposits payable to Petrotrade Company in accordance with the claims and correspondences received from the company during 2017 and 2018. The amount was settled in monthly installments over a period of five years starting from July 2017 and ending in June 2022. The company issued cheques in favor of the aforementioned company during 2017 and 2018 covering the total value of these installments.

16. Impairment, Expected Credit Loss & Write-Down On Assets

		Note No.	31/3/2026	31/12/2025
			EGP	EGP
16-1	**Impairment & Write-Down On Assets**			
	Impairment On The Value Of Investments	(21)	2,119,900	2,119,900
	Expected Credit Loss On Trade & Notes Receivables	(14)	21,894,204	21,894,204
	Expected Credit Loss On Debtors & Other Debt Balances	(15)	2,239,148	2,239,148
	Expected Credit Loss On Cash & Cash Equivalents	(17)	4,061	4,061
	Expected Credit Loss On Due From Related Parties	(27-1)	164,000	164,000
			26,421,313	**26,421,313**
16-2	Inventory Write-Down	(13)	18,732,255	18,732,255
	Total Impairment & Expected Credit Loss & Write-Down On Assets		**45,153,568**	**45,153,568**

17. Cash & Cash Equivalents

	Note No.	31/3/2026	31/12/2025
		EGP	EGP
Time Deposit		1,850,000	1,850,000
Banks – Current Accounts		125,116,728	70,727,925
Cheques Under Collection		33,525,284	32,144,680
Cash On Hand		10,658,056	11,358,209
Total Cash & Cash Equivalents		**171,150,068**	**116,080,814**
(Less):			
Expected Credit Loss On Cash	(16-1)	(4,061)	(4,061)
		171,146,007	**116,076,753**
(Less):			
Banks Over-Draft		(1,300,614)	(4,035,864)
Time Deposits With Maturities Exceeding 3 Months		(1,850,000)	(1,850,000)
Cash & Cash Equivalents According To The Cash Flows Statement		**167,995,393**	**110,190,889**

18. Financial Investments At Fair Value Through Profit Or Loss Statement

They are represented by investment fund units that can be converted into cash within a period of less than 6 months:-

	No. Of Units Held As Of 31/3/2026	Price Per Unit 31/3/2026	31/3/2026	31/12/2025
		EGP	EGP	EGP
Mutual Fund National Bank Of Egypt	2,603	304.501	792,616	790,563
	2,603		**792,616**	**790,563**

19. Fixed Assets (Net)

19.1 The Movement Of Fixed Assets During The Current Period & The Comparative Year Described As Follows:

	Land	Buildings	Machinery & Equipment	Vehicles	Leased Vehicles	Tools & Supplies	Furniture & Office Equipment	Improvement On Leased Building	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost At January 1, 2025	**55,597,424**	**274,269,696**	**1,398,641,684**	**31,487,685**	**17,825,900**	**12,321,049**	**58,487,186**	**7,555,924**	**1,856,186,548**
Additions During The Year	--	5,801,237	73,826,817	37,500	--	441,000	5,091,980	--	85,198,534
Cost At December 31, 2025	**55,597,424**	**280,070,933**	**1,472,468,501**	**31,525,185**	**17,825,900**	**12,762,049**	**63,579,166**	**7,555,924**	**1,941,385,082**
Cost At January 1, 2026	**55,597,424**	**280,070,933**	**1,472,468,501**	**31,525,185**	**17,825,900**	**12,762,049**	**63,579,166**	**7,555,924**	**1,941,385,082**
Additions During The Period	--	774,675	--	2,032,419	--	830,467	634,650	--	4,272,211
Cost At March 31, 2026	**55,597,424**	**280,845,608**	**1,472,468,501**	**33,557,604**	**17,825,900**	**13,592,516**	**64,213,816**	**7,555,924**	**1,945,657,293**
Accumulated Depreciation:									
Accumulated Depreciation At January 1, 2025	--	**75,962,291**	**764,178,970**	**16,338,041**	**16,883,543**	**7,511,890**	**44,678,358**	**7,555,923**	**933,109,016**
Depreciation For The Year	--	5,541,492	55,180,863	3,176,714	540,680	1,753,415	2,986,435	--	69,179,599
Accumulated Depreciation At December 31, 2025	--	**81,503,783**	**819,359,833**	**19,514,755**	**17,424,223**	**9,265,305**	**47,664,793**	**7,555,923**	**1,002,288,615**
Accumulated Depreciation At January 1, 2026	--	**81,503,783**	**819,359,833**	**19,514,755**	**17,424,223**	**9,265,305**	**47,664,793**	**7,555,923**	**1,002,288,615**
Depreciation For The Period	--	1,401,805	9,192,206	742,385	135,170	431,956	795,972	--	12,699,494
Accumulated Depreciation At March 31, 2026	--	**82,905,588**	**828,552,039**	**20,257,140**	**17,559,393**	**9,697,261**	**48,460,765**	**7,555,923**	**1,014,988,109**
Net Book Value:									
Net Book Value At December 31, 2025	**55,597,424**	**198,567,150**	**653,108,668**	**12,010,430**	**401,677**	**3,496,744**	**15,914,373**	**1**	**939,096,467**
Net Book Value At March 31, 2026	**55,597,424**	**197,940,020**	**643,916,462**	**13,300,464**	**266,507**	**3,895,255**	**15,753,051**	**1**	**930,669,184**

- The Cost of land includes an amount of EGP 16,889,524 which represents the value of the plant's land in Sadat city and it is fully paid, legal procedure for registering the land under the company's name are being undertaken.
- The cost of fixed assets includes an amount of EGP 541,018,154; representing fully depreciated assets that remain in use by the company.
  Depreciation of the Period charged to statement of Profit Or Loss as follows:

	Note No.	For The Three Months Ended 31/03/2026	31/03/2025
		EGP	EGP
Cost Of Sales	(4)	11,728,833	15,443,563
Selling & Marketing Expenses	(6)	717,895	777,333
General & Administrative Expenses	(7)	252,766	247,189
		12,699,494	**16,468,085**

19. Fixed Assets (Net) (Continued)

19.2 The following is the movement during the Period for modification surplus of fixed assets which is resulting from the adoption of the special accounting treatment:

	31/03/2026
	EGP
Modification Surplus Of Fixed Assets At November 3, 2016 Before Income Tax	117,768,809
(Less):	
Income Tax	(26,497,982)
Net Fixed Assets Modification At November 3, 2016	**91,270,827**
(Less):	
Recognized Portion Of Modification Surplus Of Fixed Assets At December 31, 2025	(68,327,353)
Net Modification Surplus Of Fixed Assets At December 31, 2025	**22,943,474**
(Less):	
Recognized Portion During The Period	(648,966)
Net Fixed Assets Modification At March 31, 2026	**22,294,508**

20. Projects Under Construction

	31/3/2026	31/12/2025
	EGP	EGP
Building	28,491,785	--
Machines & Equipments Under Installation & Advance Payments *	65,906,604	75,823,727
Furniture & Office Equipment	1,170,596	1,170,596
Total Projects Under Construction	**95,568,985**	**76,994,323**

* The "Machinery & Equipment Under Installation" item & Advance Payments represents the value of machinery & equipment related to the new expansion, which had not been completed as of March 31, 2026.

21. Investments In Affiliates (Net)

	Shareholding	Cost Of Investments	Impairment On Investment Value 31/03/2026	31/03/2026	31/12/2025
	%	EGP	EGP	EGP	EGP
Egyptian Company For Security & Cleaning Services	46.1%	119,900	(119,900)	--	--
International Company For Real Estate Investment & Tourism	10%	2,000,000	(2,000,000)	--	--
Total Investments In Affiliates				--	--

22. Share Capital

22-1 Authorized Capital

The company's authorized capital was determined with the amount of EGP 1.8 billion.

22-2 Issued & Paid Capital

The Company's issued and paid-up capital amounted to EGP 266,712,565 distributed over 53,342,513 shares of EGP 5 per share and fully paid.

23-Reserves

	31/03/2026	31/12/2025
	EGP	EGP
Legal Reserve	44,521,897	44,521,897
General Reserve *	18,125,567	18,125,567
Total Reserve	**62,647,464**	**62,647,464**

* The general reserve represents in what was set aside from revaluation surplus of net assets of merger company and merging company on merger date (31/12/1999).

24. Loans & Banks Facilities

	Guarantees	Payment Terms	Average Annual Interest Rate	Balance At 31/3/2026			Balance At 31/12/2025
				Short -Term Portion	Long -Term Portion	Total	Total
A-Loans:			%	EGP	EGP	EGP	EGP
QNB Loan- EUR - Foreign Lurrency	Guaranteed by a Promissory note and keeping some of ratios and financial indicators which are stated in the contract during the loan term. Total loan is EUR 6,530 Million.	8 equal semi-annual installments, first installment on 30/11/2023 and the last installment on 31/05/2027	Price per ASTR Month Plus 4% Minimum ASTR Price 0.05%"	99,118,990	49,559,499	148,678,489	132,686,748
Banque Misr Loan- USD - Foreign Currency	Guaranteed by a Promissory note and keeping some of ratios and financial indicators which are stated in the contract during the loan term. Total loan is USD 3 Million or it's equivalent in foreign currency.	10 equal semi-annual installments, first installments on 31/12/2025 and the last installment is on 30/06/2030.	4% average +SOFR 6 months	15,102,029	52,857,104	67,959,133	59,400,487
Total Loans In Foreign Currency				**114,221,019**	**102,416,603**	**216,637,622**	**192,087,235**
Banque Misr Loan- Local Currency	Guaranteed by a Promissory note and keeping some of ratios and financial indicators which are stated in the contract during the loan term. Total loan is EGP 100 Million.	10 equal semi-annual installments, first installments on 31/12/2025 and the last installment is on 30/06/2030.	average 1.5% Above Corridor	26,839,360	82,532,780	109,372,140	109,372,140
Total Loans In Local Currency				**26,839,360**	**82,532,780**	**109,372,140**	**109,372,140**
Total Loans				**141,060,379**	**184,949,383**	**326,009,762**	**301,459,375**
B-Banks Credit Facilities:							
Banks Credit Facilities- Local Currency	The credit limit is EGP 1300 Million including EGP 120 Million guaranteed against commercial papers as collateral.		Average 0.75% Above Corridor	1,654,727,583	--	1,654,727,583	1,559,015,748
Banks Credit Facilities- Foreign Currency	The credit limit is USD 2 Million guaranteed in consideration of collection documents as collateral and the credit limit amounted to EUR 3 Million or equivalent in foreign currency with no guarantee.		Average 2.75% Above Libor	182,747,999	--	182,747,999	174,191,225
Total Banks Credit Facilities				**1,837,475,582**	**--**	**1,837,475,582**	**1,733,206,973**
Total Loans & Bank Credit Facilities At 31/3/2026				**1,978,535,961**	**184,949,383**	**2,163,485,344**	**--**
Total Loans & Bank Credit Facilities At 31/12/2025				**1,859,169,831**	**175,496,517**	**--**	**2,034,666,348**

25. Trade & Notes Payable

	Balance At 31/3/2026			Balance At 31/12/2025
	Due Within One Year	Long - Term	Total	Total
	EGP	EGP	EGP	EGP
Trade Payable	204,305,018	-	204,305,018	230,282,098
Notes Payable	156,406,599	86,874,010	243,280,609	183,888,633
Total Trade & Notes Payable	**360,711,617**	**86,874,010**	**447,585,627**	**414,170,731**

26. Creditors & Other Credit Balances

	31/3/2026	31/12/2025
	EGP	EGP
Tax Authority (Taxes Other Than Income Tax)	17,994,381	24,050,946
Social Insurance Authority	6,994,439	6,068,430
Accrued Expenses	79,593,292	65,876,270
Accrued Interests	9,986,827	501,345
Deposits From Others	1,453,925	3,227,426
Shareholders' Dividend	67,554	67,554
Other Credit Balances	3,143,249	3,430,780
Total Creditors & Other Credit Balances	**119,233,667**	**103,222,751**

27. Related Party Transactions

The Company engages in certain transactions with its parent company previously (Al-Ezz Group Holding Co. For Industry & Investment) and some of its subsidiaries. Below is a summary of the volume, nature of transactions conducted with these related parties during the Period, and the outstanding balances as of the financial position date:

	Nature Of Transaction During Ther Period	Amount Of Transactions Charged To Statement Of Profit Or Loss During Ther Period	Total Transaction During The Period		31/3/2026		31/12/2025	
			Debit	Credit	Debit	Credit	Debit	Credit
		EGP	EGP	EGP	EGP	EGP	EGP	EGP
27-1 Due From Related Parties								
Al-Ezz Group Holding Co. For Industry & Investment (Parent Company)	Current Account	--	--	--	22,200,000	--	22,200,000	--
Al-Ezz Group Co. For Engineering Of Heavy Constructions* (Affiliate ompany)	Current Account	--	--	--	164,000	--	164,000	--
Concept For Advertising & Media Production (Affiliate Company)	Rent Revenue	1,500	1500	--	13,135	--	7,455	--
	Current Account		4180					
(less):								
Expected Credit Losses	Current Account	--	--	--	(164,000)	--	(164,000)	--
					22,213,135	--	**22,207,455**	--
27-2 Due To Related Parties								
El Ezz Steel (Associate Company)	Current Account	--	--	14,134,730	--	13,260,572	--	--
	Sales	509,982	581,379	--				
	Rent Revenue	292,779	292,779	--				
El Ezz Dekheila Steel (Associate Company)	Current Account	--	--	8,000,000	--	19,400,000	--	11,400,000
					--	**32,660,572**	--	**11,400,000**

* The balance of EGP 164,000 was fully impaired due to inability to recover this amount in foreseeable future Note No. (16-1).

28. Provisions

	31/3/2026	31/12/2025
	EGP	EGP
Employees Legal Provisions	750,000	750,000
Claims Provision	22,100,628	22,100,628
Total Provisions	**22,850,628**	**22,850,628**

A Provision has been created for claims to meet the obligation that may arise from the company's dealings with third parties.

29. Tax Status

A- Corporate Tax

The Company's factory has established in Sadat City (one of the new urban communities) and according to law No. 59 of 1979 related to new urban communities development, the Company enjoyed a tax exemption of 10 years starting from the first fiscal year following the date of starting its production on January 1, 1997 and ended December 31, 2006.

- **Years From 2007 Till 2019**
  Tax inspection was made and there are no claims regarding these years.
- **Years From 2020 Till 2022**
  The tax audit has been completed and the original tax amount has been paid.
- **Years From 2023 Till 2024**
  The Company submitted tax return on the legal due date and the Tax Authority has not performed tax inspection to date.
- **Year 2025** :
  The deadline for submitting the corporate income tax return has been extended until 29 June 2026, pursuant to Article 185 of Income Tax Law No. 91 of 2005.

B- Sales Tax / Value Added Tax (VAT)

Since Inception Till 2022

- The tax audit was completed and payment was made, except for 1,200,000 Egyptian pounds, which pertains to the additional tax for the year 2020.
- **Years From 2023 Till 2025**
  The Company submits its tax returns on its due dates and all due taxes were paid according to the tax returns.

C- Salaries & Wages / Payroll Tax

Since Inception Till 2020

The tax examination has been completed by the Tax Authority, and there are no claims regarding these years to date.

- **Year 2021**
  The tax inspection of the company has been completed, the objection has been made, A settlement has been reached with the tax authority for large taxpayers, the company's credit balance has been established, and a decision from the appeals committee regarding the settlement is pending.
- **Year 2022**
  The tax audit was completed and the original tax amount was paid, excluding the late payment penalty.
- **Year 2023/2025**
  The company deducted and remitted the tax on the legal dates.
  The company is committed to submitting quarterly return forms to the tax authority within the legal dates.
  The company is committed to submitting the annual settlement at the end of the year on the legal dates.

D- Stamp Tax

Since Inception Till 2020

Tax examination for these years was made by the tax authority for the period from the beginning of the activity till 2020 and there are no claims regarding these years.

Years 2021 /2022

The tax inspection was completed and the original tax was paid.

Year 2023/2025

The Company submit the tax on the legal due date.

E- Real Estate Tax

The tax assessment has been determined and the payment was made until year 2021 and the company appealed against this assessment, the dispute is currently under consideration in front of the competent authorities.
The tax assessment has been determined and paid for year 2022 and the company appealed.

- **Years 2022-2026:** The Ministry of Finance bears the entire value of the tax on built properties stipulated in the provisions of Law No. 196 of 2008 for the industrial sectors specified in accordance with Prime Minister's Decision No. 61 of 2022 & Prime Minister's Decision No. (3) of 2024.

30. Financial Instruments & The Related Risk Management

30-1 Financial Instruments

The Company's financial instruments are represented in cash and cash equivalents, trade and notes receivable, debtors, trade and notes payable, creditors, loans, banks credit facilities, finance lease liabilities. The book value of these financial instruments does not materially differ from its fair value at the financial position date.

30-2 Interest Rate Risk

The interest rate risk is represented by the change in interest rates on the company's debts, which are represented in loan balances (before deducting the cost of borrowing), credit facilities which amounted to EGP 2,034,666,348 on December 31, 2025 (EGP 1,630,457,785 as of December 31, 2024), Interests and related financing expenses related to these balances are amounted to EGP 396,753,346 during the year Ended(EGP 288,806,330 During the comparative year),of which EGP Zero was capitalized as part of Projects under construction during this year and (EGP 565,407 During the comparative year) .Interest income amounted to EGP 9,885,091 during this year and(EGP 16,317,310 During the comparative year).

To reduce these risks, the company's management is working to obtain the best conditions available in the banking market for the balances of credit facilities and long-term loans, and it periodically reviews the prevailing interest rates in the banking market, which limits the interest rate risk.

30-3 Credit Risk

The book value of the financial assets represents the max limit for exposure to credit risk. The max limit for exposure to credit risk at the Financial position as follows:

	Note No.	31/3/2026	31/12/2025
		EGP	EGP
Trade & Notes Receivables	(14)	554,022,153	586,829,972
Debtors & Other Debit Balances	(15)	37,457,370	28,810,222
Due From Related Parties	(27-1)	22,377,135	22,207,455
Banks- Current Accounts, Deposits & Checks Under Collection	(17),(18)	161,284,628	105,513,168
		775,141,286	**743,360,817**

30-4 Liquidity Risk

This note provide contractual terms for long-term financial liabilities at the Financial Position date:

	Note No.	Expected Cash Out Flows	One Year Or Less	1-2 Years	3-5 Years
		EGP	EGP	EGP	EGP
March 31,2026					
Loans, Bank Credit Facilities & Bank-Over Drafts	(17),(24)	2,164,785,958	1,979,836,575	122,037,299	62,912,084
Creditors & Other Credit Balance	(26)	57,213,411	57,213,411	--	--
Trade & Notes Payable	(25)	447,585,627	360,711,617	86,874,010	--
Due To Related Parties	(27-2)	32,660,572	32,660,572	--	--
Total		**2,702,245,568**	**2,430,422,175**	**208,911,309**	**62,912,084**
December 31,2025					
Loans, Bank Credit Facilities & Bank-Over Drafts	(17),(24)	2,038,702,212	1,863,205,695	119,238,975	56,257,542
Creditors & Other Credit Balance	(26)	37,758,065	37,758,065	--	--
Trade & Notes Payable	(25)	414,170,731	281,826,522	132,344,209	--
Due To Related Parties	(27-2)	11,400,000	11,400,000	--	--
Total		**2,502,031,008**	**2,194,190,282**	**251,583,184**	**56,257,542**

30. Financial Instruments & The Related Risk Management (Continued)

30-5 Foreign Currency Risk

The foreign currency risk represents the risk of fluctuation in exchange rates which may affects the Company's cash inflows and outflows in foreign currency as well as the translation of its monetary foreign currency assets and liabilities. At the financial position date, the Company has monetary foreign currency assets and liabilities equivalent to EGP 147,450,741 and EGP 580,316,510 respectively.

The Company's net exposures in foreign currencies at the financial position date are as follows:

Foreign Currencies	Surplus/(Deficit)
USD	(131,071,016)
EUR	(303,088,104)
SAR	274,833
AED	18,518

As shown in Note No. (33-1) "Foreign currency translation", the balances of monetary assets and liabilities denominated in foreign currencies shown above were translated using the prevailing exchange rate by the banks that the company deals with at the financial position date.

The following are the exchange rates used at the financial position date:

	31/03/2026	31/12/2025
USD	54,630	47,750
EUR	62,874	56,111
SAR	14,563	12,732
AED	14,874	13,001

31. Reclassification of Comparative Figures

Comparative figures have been reclassified to conform with the presentation of the interim financial statements as of March 31, 2026. The following sets out the impact of such reclassification on the interim financial statements as of March 31, 2025.

A- Effect Of Reclassification On The Interim Statement Of Profit Or Loss.

	31/03/2025 Before Reclassification EGP	Reclassification Impact EGP	31/03/2025 After Reclassification EGP
Finance Income	4,356,770	(731,473)	3,625,297
Profit From Revaluation Of Financial Investments At Fair Value (Investments Funds)	--	731,473	731,473

B- Effect Of Reclassification On The Interim Statement Of Cash Flows

	31/03/2025 Before Reclassification EGP	Reclassification Impact EGP	31/03/2025 After Reclassification EGP
Cash & Cash Equivalents At The Beginning Of The Period	236,363,781	(13,691,603)	222,672,178
Profit From Revaluation Of Financial Investments At Fair Value Throug Profit Or Loss	--	(731,473)	(731,473)
Receipts From Sale Of Financial Investments At Fair Value (Investments Funds)	--	288,480	288,480
Cash & Cash Equivalents At The End Of The Period	287,119,563	14,134,596	272,984,967

32. Significant Accounting Policies

The following accounting policies have been applied consistently by the company during the financial Years presented in these financial statements.

32-1 Foreign Currency Translation

The company's functional currency is EGP. Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at financial position date to the functional currencies at the exchange rate at that date from the banks that deal with the company. Non-monetary items that are measured in terms of historical cost in foreign currencies are translated using the exchange rates at that date of the transaction. Foreign currency differences arising on during the period retranslation at the financial position date are recognized in the statement of Profit Or Loss.

32. Significant Accounting Policies (Continued)

32-2 Fixed Assets & Its Depreciation

Fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment loss.
Depreciation - except decoration production line - is charged to the statement of Profit Or Loss on straight-line method over the estimated useful lives of assets.

Leased fixed assets (The assets that ownership of the assets will be transferred to the lessee by the end of the lease contract) are recognized at cost in the beginning of lease contract, after that date contract the value of the leased fixed assets is determined at cost less the accumulated depreciation and the accumulated impairment loss and adjusted by any adjustments to the lease liability, the leased fixed assets is depreciated using straight line method over the estimated useful life of assets which are mentioned below.

During year 2016, the special accounting treatment related to dealing with the impact of floating foreign currencies was adopted, foreign exchanges differences resulting from the translation of monetary liabilities balance outstanding at the date of floating currencies exchange rate (November 3, 2016) are recognized in the cost of fixed assets at the date of floating currencies exchange, and which are related to the acquisition of these assets, and to be depreciated over its remaining useful life. The modified cost model was adopted which the cost and accumulated depreciation for some categories of fixed assets (Machinery and equipment, Vehicles, Furniture and office equipment, Tools and supplies) are modified using modification factors stated in annex (A) of EAS No. (13). the increase of net fixed assets which are qualified to modification, were recognized in other comprehensive income items and was presented as a item in equity under the name of "modification surplus of fixed assets".
The realized portion of modification surplus of fixed assets is transferred to retained earnings in case of disposal or abandonment of the asset which qualified for modification or usage (depreciation difference resulting from the adoption of the special accounting treatment).
The estimated useful life for each item is as follows:

Assets Type	**Estimated Useful Life (Year)**
- Buildings & Constructions	50
Machinery & Equipment:	
- Ovens - Furnace	20
- Automated Heat Control Ovens	According To Actual Use
- Other Machinery & Equipment	4-20
- Vehicles	5-10
- Leased Vehicles	Lease Contract Or Estimated Useful Life Whichever The Less
- Tools & Supplies	4
- Furniture & Office Equipment	8
- Decoration Production Line	According To Actual Use
- Improvement On Leased Building	Lease Contract Or Estimated Useful Life Whichever The Less

Gains or losses on disposal of an item of fixed assets are recognized in The statement of Profit Or Loss.

- According to Board of Directors' Minutes No. (194), the Board resolved to amend the useful lives of fixed assets (machinery and equipment) in accordance with the decision of the technical committee responsible for assessing the useful lives of machinery and equipment, effective from 01/01/2026. The useful lives of machinery and equipment were amended as follows:

Machinery & Equipment:	
- Ovens - Furnace	25
- Automated Heat Control Ovens	According To Actual Use
- Other Machinery & Equipment	4-25

32-3 Projects Under Construction

Projects under construction are recognized initially at cost. Cost includes all expenditures directly attributable to bring the asset to a working condition for its intended use. Projects under construction are transferred to fixed assets caption with its cost when they are completed and are ready for the purpose for which it was acquired. Projects under implementation appear in the statement of financial position at cost, minus the impairment in value - if any.

32-4 Investments In Affiliates

Affiliates are subsidiaries to parent company and there is no direct control on its investments in affiliates are stated at cost, in case of the existence of impairment on the carrying amount of these investments, the related carrying amount of investment is reduced by this impairment loss, and charged to the statement of Profit Or Loss for each investment.

32 Significant Accounting Policies (Continued)

32-5 Inventory

Inventories are measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is determined as follows:

- **Raw Materials, Spare Parts, Supplies & Fuel**: according to their actual cost till reaching the warehouses. Cost is calculated using moving average method.
- **Work In Process**: according to the actual production cost which includes direct materials, direct labor and direct and indirect overhead according to the latest stage of production.
- **Finished Goods**: according to the production costs based on the cost sheets, the production cost includes direct materials, direct labor, direct and indirect overhead.

32-6 Trade, Notes Receivable & Debtors

Trade and notes receivable and debtors are primary stated at their fair value and subsequently measured by amortized cost using the effective interest rate and reduced by estimated impairment losses from its value.

32-7 Cash & Cash Equivalents

Cash and cash equivalents contain cash on hand, bank current accounts, short-term deposits with banks and other short-term highly liquid investments that are readily convertible to cash and that are subject to an insignificant risk of changes in value with original maturities of Three months or less and banks overdrafts that are repayable on demand and form an integral part of the company's cash management.

The statement of cash flows is prepared according to the indirect method.

32-8 Trade, Notes Payable, Creditors & Other Credit Balances

Trade and notes payable, creditors and other credit balances are primary stated at fair value and subsequently measured by amortized cost using the effective interest rate.

32-9 Impairment Of Assets

Non-Derivative Financial Assets

Financial Instruments & Assets Arising From The Contract

- The company recognizes loss provision for expected credit losses for the following:
- Financial assets measured at amortized cost;
- Investments in debt instruments that are measured at fair value through other comprehensive income; And
- The assets arising from the contract.

The Company measures loss allowances at an amount equal to the lifetime ECL, except for the following, which are measured at an amount equal to the 12-month ECL:

- Debt instruments that were identified as having low credit risk at the reporting date; And
- The other debt instruments and bank balances in which the credit risk (i.e., the risk of default over the expected life of the financial instrument) has not increased significantly since the first recognition.
- Provisions for losses of commercial customers and contract assets are always measured at an amount equal to the expected credit losses over their life.
- In determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and known credit assessment, including forward-looking information.
- The company assumes that the credit risk of a financial asset has increased significantly if it is more than 30 days past due

The Company Considers A Financial Asset To Be In Impaired When:

- It is unlikely that the borrower will pay its credit obligations to the group in full, without resorting to the company by measures such as liquidating the guarantee (if any); or
- The financial asset is more than 90 days old.
- The company considers debt instruments to have low credit risk when their credit risk rating is equal to the globally understood definition of "investment degree"
- Life expectancy credit losses are the expected credit losses that result from all possible failure events over the expected life of the financial instrument.
- 12-month ECL is the portion of ECL that results from failure events that are possible within a 12-month period after the reporting date (or a shorter period if the instrument has an expected life of less than 12 months). The maximum period considered when estimating Expected credit losses and the maximum contractual period in which the company is exposed to credit risk.

Measuring Expected Credit Losses

It is a probability-weighted estimate of credit losses. The present value of all cash shortfalls is measured (that is, the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive).
Expected credit losses are discounted at the financial asset's effective interest rate.

Credit Impaired Financial Assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt instruments measured at FVOCI are credit-impaired. The financial asset is considered "credit impairment",
When one or more events that have a detrimental effect on the estimated future cash flows of the financial asset occur.

32 Significant Accounting Policies (Continued)

32-9 Impairment Of Assets

Evidence That Financial Assets Are Credit Impaired Includes Observable Data.

- Significant financial difficulty for the lender or issuer and
- Violation of the contract such as failure or being overdue for a period of more than 90 days and
- the restructuring of a loan or advance by the company on terms that the company will not take into account in one way or another; And
- The borrower is likely to enter bankruptcy or other financial reorganization; or
- The disappearance of an active stock market due to financial difficulties.

Disclosure Of The Provision For Expected Credit Losses In The Statement Of Financial Position

The loss allowance for financial assets measured at amortized cost is deducted from the total carrying amount of the assets.
For securities in debt securities that are measured at fair value through other comprehensive income, the loss allowance is charged to the profit or loss and is recognized in other comprehensive income.

Debt Write - Off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering all or part of the financial asset. For individual clients, the Company has a policy of writing off the total gross book value when the financial asset is more than two years past due based on previous experience in recovering similar assets. For corporate clients, the Company makes an independent assessment of the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The company does not expect any significant refund of the amount written off. However, financial assets that have been written off may still be subject to liability activities in
order to comply with the Company's procedures for recovering amounts due.

32-10 Interest-Bearing Borrowings

- Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the statement of Profit Or Loss over the period of the borrowings on an effective interest basis.
- Borrowing costs of financing fixed assets are capitalized during the construction or preparation period till the asset is ready for use from the economical view.

32-11 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event and it is probable that a flow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability.
The Provisions are reviewed on a going basis at the financial position date to reflect the current best estimation.

32-12 Share Capital

Repurchase of share capital:
When share capital recognized as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity.

32.13 Reserves

32-13-1 Legal Reserve:

According to the company's Articles of Association requirement at least 5% of net profit should be appropriated to form legal reserve; the Company will stop appropriation once the legal reserve balance reaches 50% of the Company's issued capital; in case reserve balance becomes less than stated percentage, appropriation will continue. The legal reserve may be used for the benefit of the company based on a proposal by the Board of Directors to be approved by the General Assembly.

32-13-2 General Reserve

The surplus from revaluation enrolled among the general reserve can be transferred to retained earnings when this surplus realized, and the total surplus is recognized due to selling or disposing of an asset, and part of this surplus can also be recognized as a result for using the asset by the company, in this case the amount of the realized surplus is the difference between calculated depreciation on the net book value of this asset after revaluation and the calculated depreciation on its original cost, knowing that the transfer from the surplus amount of revaluation to the retained earnings does not occur through statement of Profit Or Loss.

32-14 Revenues

a) Sales Revenues

Revenue is recognized when the Company has transferred to the customer the significant risks and rewards of ownership of the goods and invoice issuance. And it is probable that the economic benefits associated with the transaction will flow to the Company, and determine the costs related to selling and returned goods in trusted way with the inability of the company's management to make any letter effects on selling goods with the possibility of trusted revenue measuring, In the case of export sales, the transfer of control is extended to the goods sold in accordance with the shipping conditions.

32 Significant Accounting Policies (Continued)

32-14 Revenues (Continued)

Egyptian Accounting Standard No. (48) - Revenue From Contracts With Customers

Egyptian Accounting Standard No. (48) is a comprehensive framework for determining the value and timing of revenue recognition. This standard replaces the following Egyptian accounting standards (Egyptian Accounting Standard No. (11) Revenue and Egyptian Accounting Standard No. (8) Construction Contracts.

- Revenue is recognized when the customer is able to control the goods or services, and determining the timing of the transfer of control - over a period of time or at a point in time - requires a degree of personal judgment.
- The additional costs of obtaining a contract with a customer are recognized as an asset if the company expects to recover those costs.

B) Credit Interest

Interest income is recognized in the statement of Profit Or Loss as it accrues using the effective interest rate method.

C) Export subsidy Revenues

Revenues generated from export subsidy are paid by the Ministry Of Trade (Export Support Fund) are recognized by the company the Profit Or Loss statement under a cash basis due the complexity in estimating the actual pay out by the Ministry.

D) Dividends

Dividends income is recognized in the statement of Profit Or Loss at the date that the Company has a right to receive dividends from the investee companies and which is recognized after acquisition date.

32-15 Income Tax

Income tax on the profit and loss for the period comprises current and deferred tax. Income tax is recognized in the statement of Profit Or Loss except to the extent that relates to items recognized directly in equity, in which case it is recognized in equity.
Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the preparation date of financial position.
The company recognized the deferred tax that is resulting from the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

32-16 Employees Benefits

The company contributes to the social insurance system of the Social Insurance Organization for the benefit of workers in accordance with the Social Insurance Authority Law No. 79 of 1975 and its amendments. The company charges the value of this contribution within the wages and salaries accounts, in addition to the end-of-service gratuity according to the note No. (12).

32-17 Lease Contracts

Finance Lease contracts

A leased asset is recognized in the company's assets, also recognize a liability that represents the present value of the unpaid finance lease installments in the company's liability.

Operating Lease Contracts

Leases are classified as operating leases. Payments in respect of operating leases are charged to statement of Profit Or Loss as an expense leasing straight-line basis over the lease term. (Net of any lease discount, incentive and rent-free periods).

32-18 Financial Risk Management

The company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the company's exposure to each of the above risks, the company objectives, policies and processes for measuring and managing risks, and the company management of capital. Further quantitative disclosures are included throughout these financial statements.
The Board of Directors has overall responsibility for the establishment and oversight of the company risk management framework also the company risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

32 Significant Accounting Policies (Continued)

32-18 Financial Risk Management (Continued)

32-18-1 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 financial loss. And this risk arises mainly from trade receivables and other debtors.

Trade Receivable & Other Debtors

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the company's customer base, including the default risk has less of an influence on credit risk.

Most of company's revenue is represented in sales transaction with many customers with close values for each customer; hence, there is no concentration of credit risk on specific customers.

Cash & Cash Equivalents

Credit risk relating to cash and cash equivalents –except cash on hand- and financial deposits arises from the risk that the counterparty becomes insolvent and accordingly is unable to return the deposited funds. To mitigate this risk, whenever possible, the Company conducts transactions and deposits funds with financial institutions with high and stable investment grade.

32-18-2 Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due.
The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.
The company ensures that the sufficient cash on demand to meet expected operational expenses for a suitable period, including the service of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

32-18-3 Market Risk

Market risk is the risk where there is changes in market prices, such as foreign currency exchange rates, interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency Risk

The company is exposed to currency risk on transactions that are denominated in a currency other than the respective functional currencies of the company, primarily the U.S. Dollar (USD) and Euro.

In respect of monetary assets and liabilities denominated in foreign currencies, the company ensures that its net exposure is kept to an acceptable level through purchase or sale of the foreign currencies with current prices when that is necessary to face un-balanced short term.

Interest Rate Risk

The Company is exposed to market risks as a result of changes in interest rates particularly in relation to borrowings and credit facilities. Borrowings issued at floating rates expose the company to cash flows interest rate risk. Borrowings issued at fixed rates expose the company to fair value interest rate risk.
The basic strategy of interest rate risk management is to balance the financial structure of the group with an appropriate mix of fixed and floating interest rate borrowings based on the company's perception of future interest rate movements.

Other Market Prices Risk

This risk arises from changes in the price of available-for-sale investments held by the company, the company's management monitors the equity instruments in the investments' portfolio according to the market and objective valuation of the financial statements related to these shares. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors. The primary goal of the company's investment strategy is to maximize investment returns and management utilize External Advisory in this regard.

32-18-4 Capital Management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the company defines as net operating income divided by total shareholders' equity, the Board also monitors the level of dividends paid to shareholders. There were no changes in the company's approach to capital management during the period. The company is not subject to externally imposed capital requirements.

33. Egyptian Accounting Standard No. (47) – Financial Instruments

The Egyptian Accounting Standard No. 47 sets out requirements for the recognition and measurement of financial assets, financial liabilities and certain contracts to buy or sell non-financial items. This standard replaces EAS No. 25 Financial Instruments: Presentation and Disclosure, EAS No. 26 Financial Instruments: Recognition and Measurement, and EAS No. 40 Financial Instruments: Disclosures applicable to disclosures for the year 2021.

A- Classification & Measurement Of Financial Aassets & Ffinancial Lliabilities

The new standard requires the company to evaluate the classification of financial assets in its financial statements according to the cash flow characteristics of the financial assets and the company's relevant business models for a particular class of financial assets.
Egyptian Accounting Standard No. 47 no longer has an "available-for-sale" classification for financial assets. The new standard contains different requirements for financial assets in debt or equity instruments.

B- Debt Instruments Are Cclassified & Mmeasured In One Of The Ffollowing method:

Amortized cost, for which the effective interest rate method or will be applied
Fair value through other comprehensive income, with subsequent reclassification to the statement of profit and loss on sale of the financial asset or Fair value through profit or loss.

C- Classification & Mmeasurement of Iinvestments In Eequity Iinstruments other Than Those Cconsidered & Aapplied To Eequity Accounting In One Of The Ffollowing ways:

Fair value through other comprehensive income, with subsequent reclassification to the statement of profit and loss on sale of the financial asset, or fair value through profit or loss.
The company continues to initially measure financial assets at fair value plus transaction costs upon initial recognition, with the exception of financial assets measured at fair value through profit and loss in accordance with current practices. The classification of the majority of financial assets was not affected by the transition to Egyptian Accounting Standard No. 47 on January 1, 2021. Statement of reclassification made upon transition to Egyptian Accounting Standard No. 47 explained above in this note, Egyptian Accounting Standard No. 47 largely maintains the same existing requirements in Egyptian Accounting Standard No. 26 for classification and measurement of existing liabilities.
The application of Egyptian Accounting Standard No. 47 did not have a material impact on the company's accounting policies related to financial liabilities and derivative financial instruments.

D- Impairment

Egyptian Accounting Standard No. 47 uses the expected credit loss model. Which replaces the actual loss model in Egyptian Accounting Standard No. 26, as there was no need to create an allowance for doubtful debts except in cases where a loss actually occurred. In contrast, the expected credit loss model requires the company to recognize an allowance for doubtful debts on all financial assets carried at amortized cost as well as debt instruments classified as financial assets at Fair value through other comprehensive income from initial recognition regardless of whether a loss has occurred

34. The Impact Of Special Accounting Processing To Deal With The Effects Of Foreign Exchange Liberalization

- During year 2016, The Company's management adopted special accounting treatment of annex (A) of the Egyptian Accounting Standard no. (13) amended at 2015 "The Effects of Changes in Foreign Exchange Rates" amended 2015. Foreign exchanges losses resulting from the translation of monetary liabilities outstanding at the date of floating currencies exchange rate, and which are related to the acquisition of these assets, are recognized in the cost of fixed assets items at the date of floating currencies exchange. As well, the cost and accumulated depreciation of some fixed assets categories are adjusted by using adjustments factors.
- Management applied the special accounting treatment indicated in Annex B to the Egyptian Accounting Standard No. (13)- 'Effect Of Changes In Foreign Exchange Rates' amended on April 27, 2022 through the Ministerial Resolution No. (1568) For The Year 2022, which states the guidelines of implementing the special accounting treatment related to the effects of free floating foreign currency exchange rates. The special accounting treatment guidelines are set out below;
  1. Modifying the cost of fixed assets using the official exchange rate on March 31, 2022, the currency differences resulting from the translation of the balance of foreign currency obligations on the date of free floating the Egyptian pound, by increasing the acquisition cost of those assets, the increase in the cost of assets is then depreciated over the asset's remaining life.
  2. Recognizing in the statement of other comprehensive income differences resulting from the translation differences related to items of a monetary nature based in foreign currencies on the date of exchange free floating the Egyptian Pound; it is then transferred to the retained earnings.
- Management applied the special accounting treatment indicated in Annex C to the Egyptian Accounting Standard No. (13)- 'Effect Of Changes In Foreign Exchange Rates' amended on May 16, 2023 through the Ministerial Resolution No. (1847) For The Year 2023, which states the guidelines of implementing the special accounting treatment related to the effects of free floating foreign currency exchange rates. The special accounting treatment guidelines are set out below;

34. The Impact Of Special Accounting Processing To Deal With The Effects Of Foreign Exchange Liberalization (Continued)

1. Modifying the cost of fixed assets using the official exchange rate on March 31, 2022, the currency differences resulting from the translation of the balance of foreign currency obligations on the date of free floating the Egyptian pound, by increasing the acquisition cost of those assets, the increase in the cost of assets is then depreciated over the asset's remaining life.
2. Recognizing in the statement of other comprehensive income differences resulting from the translation differences related to items of a monetary nature based in foreign currencies on the date of exchange free floating the Egyptian Pound; it is then transferred to the retained earnings.

- Management applied the special accounting treatment indicated in Annex D to the Egyptian Accounting Standard No. (13)- 'Effect Of Changes In Foreign Exchange Rates' amended on May 23, 2024 through the Ministerial Resolution No. (1711) For The Year 2024, which states the guidelines of implementing the special accounting treatment related to the effects of free floating foreign currency exchange rates. the effective date being January 1, 2024 in accordance with Paragraph No. 59. The standard states that when applying the standard, it shall not be permissible to adjust the comparative figures and information, instead;

- When management face difficulty in reporting foreign currency transactions in the company's functional currency the company must;

1. Translate monetary items in the affected foreign currency and non-monetary items measured at fair value in foreign currency, at the initial application date using the spot exchange rate estimated at that date and;
2. Recognize any impact of the initial application of the amendments as an adjustment to the retained earnings through the statement of comprehensive income at the initial application date.

35. New Editions & Amendments To Egyptian Accounting Standards

On October 23, 2024, the Prime Minister issued Decree amending some provisions of the Egyptian Accounting Standards, and the following is a summary of the most important of those amendments:

New Amended Standards	Summary Of The Most Significant Amendments	Impact On The Financial Statements	Effective Date
Egyptian Accounting Standard No. (51) "Financial Statements in Hyperinflationary Economies"	On October 23, 2024, the Egyptian Cabinet issued a decision to add Egyptian Accounting Standard No. (51) "Financial Statements in Hyperinflationary Economies." The standard shall apply to the separate and consolidated financial statements of any company or group whose recording currency is in a hyperinflationary economy. This standard shall also apply to any group that has a foreign currency (including a branch, subsidiary, sister company, joint venture, etc.) in a hyperinflationary economy. This standard essentially requires adjusting the financial statements prepared in the currency of a hyperinflationary economy.	No decision was issued by the Prime Minister or his authorized representative specifying the beginning and end dates of the financial period or periods during which this standard must be applied.	This decision shall be implemented and activated by a decision from the Prime Minister or his delegate.

36. Subsequent Events After The Date Of The Financial Statements

- The Monetary Policy Committee (MPC) of the Central Bank of Egypt, in its meeting held on Thursday, 12 February 2026, decided to reduce the overnight deposit rate, the overnight lending rate, and the Central Bank's main operation rate by 100 basis points to 19.00%, 20.00%, and 21.50%, respectively. The Committee also decided to cut the discount rate by 100 basis points to 19.50%.
- The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting on Thursday, April 2, 2026, to keep the deposit and lending interest rates and the credit and discount rates unchanged.

Geopolitical Developments & Their Economic Impacts

- As of February 28, 2026 there has been a significant escalation in geopolitical tensions in the Gulf and Middle East regions. These events have resulted in broad economic repercussions affecting both local and regional business environments. The key impacts include the following:

Exchange Rate Volatility

The local currency (Egyptian Pound) has experienced a decline against major foreign currencies, potentially impacting import costs and outstanding foreign currency-denominated liabilities.

Energy & Logistics Costs

These developments led to a surge in both global and local fuel prices, resulting in a direct increase in transportation and shipping costs.

Supply Chain Disruptions

The ongoing tensions have caused global supply chain interruptions and delays in deliveries, which may affect operational and production schedules.