

**INTERNATIONAL COMPANY FOR
FERTILIZERS AND CHEMICALS "S.A. E"**
**INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD
ENDED MARCH 31, 2026**
WITH REPORT ON LIMITED REVIEW

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Report on limited review of interim financial statement

To: The Shareholders of International Company For Fertilizers And Chemicals "S.A. E"

We have performed a limited review for the accompanying Interim statement of financial position of **International Company For Fertilizers And Chemicals "S.A. E"**, as of March 31, 2026, and the related Interim statements of profit or loss, other 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 interim financial statements in accordance with 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 Interim Financial Statements Performed by the independent Auditor of the entity." A limited review of interim financial statements consists of making inquiries primarily of persons responsible for financial and accounting matters in the company, and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Auditing Standards on auditing, and consequently does not enable us to obtain assurance that we would become aware of all the significant matters that might be identified in an audit, accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that makes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the company as at March 31, 2026, and its financial performance, and its cash flows for the three months then ended in accordance with Egyptian Accounting Standards.

Cairo at: May 24, 2026

Tarek Salah

**Record of auditors' register with the Financial 7
Regulatory Authority no. (105)
Bakertilly Mohamed Hilal & Wahid Abdel Ghaffar**



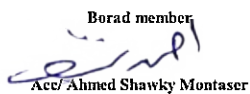
International Company for Fertilizers and Chemicals "S.A. E"
Statement of Financial Position as of March 31, 2026
(All amounts in Egyptian Pound)

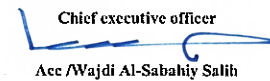
	Note	31/3/2026	12/31/2025
	No	EGP	EGP
<u>Assets</u>			
<u>Non-current assets</u>			
Fixed assets (net)	(4)	10 729 464	6 893 401
Investments in associates	(5)	951 481 059	986 428 309
Investments at FVTOCI	(6)	43 860 000	43 785 000
Payments under Investments	(7)	3 750 000	—
Deferred tax assets	(24)	128 485	132 273
Total non-current assets		1 009 949 008	1 037 238 983
<u>Current assets</u>			
Inventory	(8)	132 621 042	222 516 370
Accounts and notes receivables	(9)	68 994 135	176 759 539
Due from Related Parties	(11)	183 986	—
Debtors and other debit balances	(10)	345 401 929	44 853 429
Cash at banks and on hand	(12)	86 955 994	125 364 400
Total current assets		634 157 086	569 493 738
Total assets		1 644 106 094	1 606 732 721
<u>Equity</u>			
Issued & paid in capital	(16)	233 550 000	233 550 000
Legal reserve		33 522 856	22 817 666
Retained earnings		456 287 899	266 935 359
Company's share in adjustments of associates' equity		465 287 409	549 385 415
Net income for the period / year		76 901 346	214 103 796
Total equity		1 265 549 510	1 286 792 236
<u>Current liabilities</u>			
Provisions	(17)	874 143	1 592 535
Banks-credit Facilities	(13)	72 267 713	30 265 187
Accounts & notes payables	(14)	132 569 941	220 515 169
Customers Advance Payments		94 125 501	6 523 581
Creditors and other credit balances	(15)	33 426 421	23 379 839
Accrued income Tax		45 292 865	37 664 174
Total current liabilities		378 556 584	319 940 485
Total liabilities		378 556 584	319 940 485
Total equity and liabilities		1 644 106 094	1 606 732 721

- The attached notes are an integral part of these interim financial statements and to be read with.
- Report on limited review "attached"

Finance director

 Acc/ Al Sayed Hassan Mohammed

Board member

 Acc/ Ahmed Shawky Montaser

Chief executive officer

 Acc /Wajdi Al-Sabahiy Salih

International Company for Fertilizers and Chemicals "S.A. E"
Statement of profit or loss for the financial period ended March 31, 2026
(All amounts in egyptian Pound)

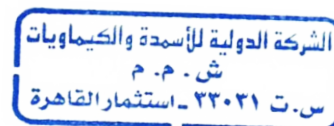
	NOTE NO	for the period ended 31/3/2026 EGP	for the period ended 31/3/2025 EGP
Net sales	(19)	923 633 314	557 319 619
Cost of sales (net)	(20)	(891 598 417)	(518 206 261)
Gross profit		32 034 897	39 113 358
(Less):			
Selling & distribution expenses		(5 844 503)	(4 636 603)
Total expenses		(5 844 503)	(4 636 603)
Net operating income		26 190 394	34 476 755
(Less) / Add:			
General and administrative expenses	(21)	(5 034 201)	(11 534 092)
Takaful contribution expense		(2 388 769)	(1 464 379)
Board of Directors & attendance allowance		(189 500)	(77 000)
Share of profit from associates		54 196 822	33 296 508
Reverse expected credit losses	(18)	192 034	22 385
Formed expected credit losses	(18)	(1 183 280)	(754 292)
Net interest and financing expenses	(22)	10 695 391	11 755 823
Foreign Exchange		2 054 934	179 751
Net income for the period before tax		84 533 825	65 901 459
(less):			
Income tax	(23)	(7 628 691)	(8 499 489)
Deferred tax assets	(24)	(3 788)	14 549
Net income for the period after tax		76 901 346	57 416 519
Earnings per share	(25)	0.63	0.76

The attached notes are an integral part of these interim financial statements and to be read with.

Finance director
Acc/ Al Sayed Hassan Mohammed

Borad member
Acc/ Ahmed Shawky Montaser

Chief executive officer
Acc /Wajdi Al-Sabahiy Salih



International Company for Fertilizers and Chemicals "S.A. E"
Statement of Other Comprehensive Income for the financial period ended March 31, 2026
(All amounts in egyptian Pound)

	for the period ended 31/3/2026 EGP	for the period ended 31/3/2025 EGP
Net income for the period	76 901 346	57 416 519
Other comprehensive income		
Company's share in adjustments of associates' equity	(84 098 006)	621 799
Total comprehensive income for the period	(7 196 660)	58 038 318

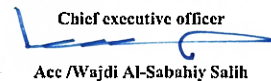
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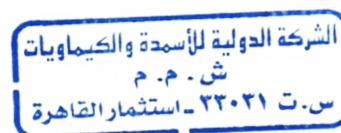
Finance director

Acc/ Al Sayed Hassan Mohammed

Board member

Acc/ Ahmed Shawky Montaser

Chief executive officer

Acc /Wajdi Al-Sabahiy Salih



International Company for Fertilizers and Chemicals "S.A. E"
Statement of Changes in Equity for the financial period ended March 31, 2026
(All amounts in Egyptian Pound)

	NOTE NO (16)	Issued & Paid IN Capital	Set aside for Capital Increase (Bonus Share)	Legal Reserve	Retained Earnings	Share in adjustment of associate equity	Net Income for the period/year	Total
Balance as of Jan 1, 2025		135 000 000	-	17 201 484	156 322 819	70 509 457	228 736 261	607 770 021
Transferred to retained earnings		-	-	-	228 736 261	-	(228 736 261)	-
Transferred to legal reserve		-	-	5 616 182	(5 616 182)	-	-	-
Adjustments to retained earnings-of associates Companies		-	-	-	(496 348)	-	-	(496 348)
Set aside for Capital Increase (Bonus Share)		-	98 550 000	-	(98 550 000)	-	-	-
Dividends		-	-	-	(6 448 700)	-	-	(6 448 700)
Total comprehensive income for the period		-	-	-	-	621 799	57 416 519	58 038 318
Balance as of March 31, 2025		135 000 000	98 550 000	22 817 666	273 947 850	71 131 256	57 416 519	658 863 291
Balance as of Jan 1, 2026		233 550 000	-	22 817 666	266 935 359	549 385 415	214 103 796	1 286 792 236
Transferred to retained earnings		-	-	-	214 103 796	-	(214 103 796)	-
Transferred to legal reserve		-	-	10 705 190	(10 705 190)	-	-	-
Adjustments to retained earnings		-	-	-	(5 046 066)	-	-	(5 046 066)
Dividends		-	-	-	(9 000 000)	-	-	(9 000 000)
Total comprehensive income for the period		-	-	-	-	(84 098 006)	76 901 346	(7 196 660)
Balance as of March 31, 2026		233 550 000	-	33 522 856	456 287 899	465 287 409	76 901 346	1 265 549 510

The attached notes are an integral part of these interim financial statements and to be read with.

Finance director
Acc/ Al Sayed Haggan Mohammed

Borad member
Acc/ Ahmed Shawky Montaser

Chief executive officer
Acc/ Wajdi Al-Sabahy Salih

الشركة الدولية للأسمدة والكيماويات
م.م. ش.م.س.
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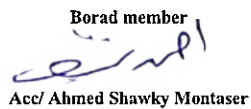
International Company for Fertilizers and Chemicals "S.A. E"
Statement of cash flows for the financial period ended March 31, 2026
(All amounts in Egyptian Pound)

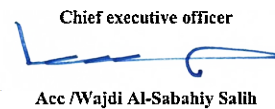
	NOTE No.	31/3/2026 EGP	31/3/2025 EGP
Cash flows from operating activities			
Net income for the period before tax		84 533 825	65 901 459
Adjustments to reconcile net income with cash flows from operating activities			
Depreciation of fixed assets	(4)	538 429	371 807
Reverse expected credit losses		(192 034)	(22 385)
Formed expected credit losses		1 183 280	754 292
Proceeds from investment income in associate companies		(54 196 822)	(33 296 508)
Finance Costs		297 306	1 344 028
finance income		(10 992 697)	(13 099 851)
Net operating profit		21 171 287	21 952 842
Changes in			
Inventory		89 895 328	(80 310 100)
Accounts and notes receivables		107 809 517	17 926 948
Debitors and other debits		(301 731 780)	(11 565 549)
Accounts & Notes payables		(87 945 228)	145 098 230
Creditors and other credit balances		10 046 582	(1 339 819)
Customers advance Payments		87 601 920	31 694 958
Dividends (Board of Directors & employees)		(9 000 000)	(6 448 700)
Net cash flows (used in) / resulting from operating activities		(82 152 374)	117 008 810
Cash flows from investing activities			
(Payment) in fixed assets and project under construction		(4 374 492)	(122 767)
(Payments) under investments at FVTOCI		(3 825 000)	--
Interest income		10 992 697	13 099 851
Net cash flows resulting from investing activities		2 793 205	12 977 084
Cash flows from financing activities			
Change in credit facilities		41 284 134	306 131
Due from related parties		(183 986)	(2 974 924)
Due to related parties		--	(40 743)
Finance cost paid		(297 306)	(1 344 028)
Net cash flows resulting from / (used in) financing activities		40 802 842	(4 053 564)
Net changes in cash and cash equivalents during the period		(38 556 327)	125 932 330
Cash and cash equivalents - Beginning of the period		125 839 647	270 639 186
Expected credit loss for cash		(327 326)	(2 080 855)
Cash and cash equivalents - End of the period	(12)	86 955 994	394 490 661

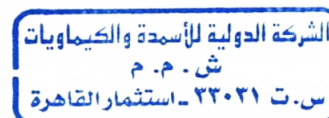
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Finance director

Acc/ Al Sayed Hassan Mohammed

Borad member

Acc/ Ahmed Shawky Montaser

Chief executive officer

Acc/ Wajdi Al-Sabahiy Salih



International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

1. Inception of the company

International Company for Fertilizers and Chemicals" S.A.E "established in accordance with the provisions of Law No. 159 of 1981 and its Executive Regulations and Regulations annexed to this Contract, subject to the provisions of Law No. 95 of 1992 and its Executive Regulations. It is registered in the commercial registry of corporate companies, Al-Mansoura under No. 33031 on 17 June 2008 their main headquarters is 15 West Street of Al-omrania Station. - Giza, with two branches the first in Revolution Street, Aja Mansoura Highway, Dakahlia, and the second 1 Karam Street, Burj al-Fakhrani, from Osman Mohammed Street, Tanta.

Company's purpose

Trade in fertilizers, agricultural fertilizers, seeds, agro-seeds, pesticides, cultivators, grains, feed and its raw materials..... etc.

Company's life

- The company's life is twenty-five years starting from the date of registration in commercial register. The Company's financial year starts from 1 January and ends on the end of December each year

Approval of financial statements

The interim financial statements for the financial period March 31, 2026, have been approved by board of directors at its meeting dated on May 24, 2026

2. BASIS OF PREPRATION OF THE FINANCIAL STATEMENTS

Compliance with Accounting Standards and Laws

The financial statements of the company are prepared in accordance with the Egyptian Accounting Standards and the applicable Laws and Regulations.

(A) Functional and Presentation Currency

The currency used in the presentation of the financial statements is the Egyptian pound, which is the company's functional currency.

(B) Use of Estimates and Assumptions

- The preparation of financial statements in accordance with Egyptian accounting standards require management to use personal judgment, estimates and assumptions that affect the application of policies and values presented for assets, liabilities, income and expenses.
Estimates and assumptions are made in light of past experience and other factors.
- Actual results may differ from those estimates.
- Estimates and assumptions are reviewed year icily.
- Changes in accounting estimates are recognized in the year in which the estimate is changed if the change affects only that year, the year of change and future years if the change affects both.

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

(C) Fair value measurement

- The fair value of financial instruments is determined on the basis of the market value of the financial instrument or similar financial instruments at the date of the financial statements without deducting any estimated future selling costs. The values of financial assets are determined at the current purchase prices of those assets, while the value of financial liabilities is determined at the current prices at which those obligations can be settled.
- In the absence of an active market to determine the fair value of financial instruments, the fair value is estimated using various valuation techniques, taking into consideration the recent price of the same transactions, and guided at fair value for other similar instruments discounted cash flow-or any other method of evaluation that resulting values can be relied on.
- When using the discounted cash flow method to valuating, the estimated future cash flows will be based on management's best estimates. Discount rate used is determined in the light of the prevailing market price at the date of the financial statements for the financial instruments that are similar in nature and terms.

3. THE SIGNIFICANT ACCOUNTING POLICIES

(A) Translation of the foreign currency

- The company maintains its accounts in EGP. Foreign currency transactions are translated on the basis of the official foreign currencies' prices at the transaction date. Monetary assets and liabilities denominated in foreign currencies at the date of financial statements are translated into Egyptian Pounds at the exchange rate prevailing at that date. Assets and liabilities that are measured at fair value in foreign currencies are translated into Egyptian Pounds using the exchange rate at the date of determining the fair value.
- Translation differences arising on translation are recognized in the income statement.
- Non-monetary assets and liabilities denominated in foreign currencies that are measured at historical cost are translated using the exchange rate at the date of the transaction.
- Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the exchange rates that prevailed at the date the fair value determined.

(B) Fixed assets and its depreciations

- Fixed assets are stated in the statement of financial position at its' historical cost net of its' accumulated depreciation and accumulated impairment losses. Such cost includes all cost related directly to acquiring these assets.
- The subsequent expenditures are added to the book value of the asset or recognized separately, that's depending on the situation - only when it is probably to achieve using this item future economic benefits for the company, and the cost of acquisition could be measure with a high degree of precision, repair and maintenance expenses are recognize at the income statement for the financial year in which they were incurred those expenses through.
- Gains and losses arising from disposal of fixed assets are determined based on the difference between the net return on disposal and the carrying value of the assets and is recognized in the income statement.
- The assets that are still under construction for use in the production or administrative purpose is recognizing at its cost less the impairment in its value, this cost includes consultant fees. The depreciation of these assets begins when it became valid for use in the purposes for which it was created for according to the same basis in depreciation of the other same fixed assets.
- The depreciation of fixed assets using the straight-line method according to the estimated useful life of the asset as the following annual rates:

<u>Asset</u>	<u>Percentage of depreciation</u>
- Vehicles	%20
- Electrical Equipment	%20
- Furniture	%6
- Office Tools	%12.5
- Computers	%20
- Tools	%20

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

(C) Subsequent costs to acquisition

The company recognizes the essential renewable cost to the fixed assets by the replacement of any of these item components' cost when it is probable the future economic benefits will flow to the company and the cost can be measured reliably and depreciated over the lower of remaining estimated useful life for this asset or the expected useful life of these renewable items. the residual value, useful life of fixed assets and its depreciation methods are reviewed at each financial year end. Gains or losses which incurred from any of fixed assets items disposal calculated as the difference between the net disposal amount – if any – and the book value for this item. These gains or losses are charged by the income statement. Other costs incurred are recognized in the income statement.

(D) Projects under construction

Projects under construction are stated at cost. The cost includes all costs directly related to and necessary to prepare the asset to a condition that allows its operation for the purpose of its intended use.

Subsequent measurement

Projects under construction are transferred to fixed assets when they are finished and available for the purpose of its intended use.

(E) Investments in associates

Investments in associates are stated based on the equity method where the investment is measured upon acquisition at cost of acquisition and then the investment balance is increased or reduced by the company's share in the profits or losses of the invested company realized after the date of acquisition. The investment is also reduced by the company's share in dividends distributed, and in case of a non-temporary decrease in its value (Impairment) The carrying amount is reduced with the amount of impairment loss and the loss is charged to the income statement.

(F) Financial instruments:

Recognition and initial measurement

The company initially recognizes trade debtors and debt instruments issued at its inception date; all other financial assets and financial liabilities are initially recognized at date of transaction when the company becomes a party to the contractual provisions of the financial instrument.

The financial asset (unless a trade receivable without a significant financing component) or the financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue of an item not at fair value through profit or loss. Customers without a significant financing component are initially measured at the transaction price, the transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties.

Classification and subsequent measurement

Financial Assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting year following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as measured at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows;
- and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The company can make an irrevocable election at initial recognition for investments in equity instruments that do not meet the definition of held for trading to be measured at FVTOCI rather than FVTPL. For such equity instruments, changes in fair value are required to be presented within other comprehensive income and reclassifications of amounts previously presented in other comprehensive income to profit or loss are not permitted, even at derecognition.
- Financial assets, that are not classified as measured at amortized cost or FVTOCI, are classified as measured at FVTPL and this includes all financial assets' derivatives.
- At initial recognition a company can still make an irrevocable election to designate a financial asset that meets the requirements measured at amortized cost, FVTOCI, or FVTPL if doing so eliminates or significantly reduces - inconsistent measurement or recognition (sometimes referred to as "an accounting mismatch") which might otherwise arise.

Financial Assets - Business Model Evaluation

The company makes an assessment of the objective of a business model in which a financial asset is held at the portfolio level because this better reflects the way the business is run and information is presented to management. The information considered includes:

- The stated policies and objectives of the portfolio and the operation of those policies in practice. This includes whether management's strategy focuses on earning contractual interest income, maintaining a certain interest rate profile, matching the term of financial assets with the term of any related liabilities or projected cash flows or realizing cash flows through the sale of assets;
- How to evaluate the performance of the portfolio and report it to the company's management;
- the risks that affect the performance of the business model (and the financial assets held in the business model) and how those risks are managed;
- how the business managers are compensated - for example whether the compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in previous year s, the reasons for such sales, and expectations regarding future sales activity.
- Transfers of financial assets to third parties in transactions that do not qualify for disposal are not considered sales for this purpose, consistent with the Company's continued recognition of assets.

Financial assets that are held for trading or managed, and whose performance is evaluated on a fair value basis, are measured at fair value through profit or loss.

Financial Assets – Assess whether the contractual cash flows are only payments of principal and interest

For the purposes of this assessment, the principal amount is the fair value of the financial asset on initial recognition and the interest is in exchange for the time value of money, in exchange for the credit risk associated with the principal amount outstanding over a specified year of time and in exchange for other basic lending risks and costs (liquidity risk and administrative costs), in addition to the profit margin.

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows so that it would not meet this condition. When making this assessment, the Company considers:

- Potential events that would change the amount or timing of cash flows;
- Terms that modify the rate of rental vouchers, including the variable rate;
- Prepaid features and add-ons
- Conditions that limit the company's claim to cash flows from identified assets (for example, non-recoverable features).
- The early repayment feature is aligned with principal and interest payments only if the prepayment amount materially represents the unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination. Additionally, for financial assets obtained at a discount or premium over the contractual face value, a feature that permits or requires early payment in an amount substantially represents the contractual amount plus the contractual interest accrued (but not paid) (which may also include reasonable compensation for early termination) is treated as compliant with this standard if the fair value of the early settlement feature is ineffective on initial recognition.

Financial Assets – subsequent measurement, Profit and Loss

Financial assets at fair value through profit or loss

Financial assets are subsequently measured at fair value, and changes in fair value, including any returns or dividends, are recognized in profit or loss.

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses.

Interest income, exchange gains and losses differences and impairment are recognized in profit and loss, and gains and losses on disposal are recognized in profit and loss.

Debt instruments at fair value through other comprehensive income

Financial assets at fair value through comprehensive income are subsequently measured at fair value.

Interest income is calculated using the effective interest method, exchange gains and losses differences and impairment are recognized in profit and loss.

Other net gains and losses are recognized in comprehensive income. On disposal, the combined profit and loss in comprehensive income is reclassified to profit and loss.

Equity instruments at fair value through other comprehensive income

Financial assets at fair value through comprehensive income are subsequently measured at fair value.

Dividends are recognized as income in profit and loss unless the dividends clearly represent a recovery of part of the cost of the investment.

Other net gains and losses that have been recognized in other comprehensive income are not reclassified at all to profit or loss.

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

Financial Liabilities - Classification, Subsequent Measurement, Profits and Loss

Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss.

Financial liabilities are classified as measured at fair value through profit or loss if they are classified as held for trading purposes, or they are within financial derivatives, or they are classified at fair value through profit or loss on initial recognition.

Financial liabilities at fair value through profit or losses are measured at fair value and net gains and losses, including interest expense, are recognized in profit and loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and gains and losses from changes in foreign exchange rates are recognized in profit and loss. Gains and losses on disposal are recognized in profit and loss.

Derecognition

Financial assets

The company derecognizes the financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset have been transferred, or in this the company does not transfer or retain bears all the risks and rewards of ownership and does not retain control over the financial assets.

The Company enters into transactions whereby it transfers the assets recognized in its statement of financial position, but retains all the risks and rewards of the transferred assets. In this case, the transferred assets are not derecognized.

Financial liabilities

Financial liabilities are derecognized when the contractual obligations are discharged, cancelled or expired.

The company also derecognizes a financial liability when its terms are modified and the cash flows of the modified obligations are substantially different, in this case new financial liabilities are recognized based on the modified terms at fair value.

When financial liabilities are derecognized, the difference between the carrying amount and the consideration paid (including any non-monetary assets transferred or liabilities assumed) is recognized in profit or loss.

Financial Instruments offset

Financial assets and liabilities are offset and the net reported in the statement of financial position when and only when:

The company has a mandatory legal right to settle the recognized amounts, and when the company intends to settle the assets with the liabilities on a net basis or to sell the assets and pay the liabilities simultaneously.

(G) Impairment

Non-derivative financial assets:

Financial instruments and contract assets:

The Company recognizes a provision for expected credit losses in:

- Financial assets measured at amortized cost.
- Debt instruments measured at fair value through other comprehensive income
- Contract assets.
- loan commitments.
- The company measures the loss allowance for a financial instrument in an amount equal to the expected credit losses over the life if the credit risk on that financial instrument has increased - substantially since the initial recognition and the expected credit losses are measured Over 12 months for the following:
- Debt securities with low credit risk at the reporting date
- Other debt securities and bank balance whose credit risk has not increased significantly since the initial recognition (the risk of default over the expected life of the financial instrument).

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

- The company must determine whether the credit risk on the financial asset has increased significantly since the initial recognition. When measuring expected credit losses, the company must take into consideration that this information must be reasonable, supportable, and available without cost or effort and this includes the extent of validity, quantity, and efficiency of the information and analyses and that depends on the previous experience and credit assessment and also the future information.
- A company considers a financial asset to be in default when:
 - o It is unlikely that the debtor will pay his credit obligations to the company in full without referring to the company in procedures such as the exclusion of securities (if any).
 - o When financial assets are more than 90 days past due, unless they can be rebutted.
 - o Life expectancy of credit losses is the result of all possible hypothetical events over the expected life of a financial instrument
 - o 12-month FCI is the portion of FCI that results from possible hypothetical events within 12 months from the date of the report (or a shorter year if the expected life of the instrument is less than 12 months).

The maximum year that must be taken into account when measuring ECL is the maximum contractual year over which the company is exposed to credit risk.

Measuring expected credit losses

Expected credit losses are weighted estimates of the probability of credit losses. Credit losses are measured at the present value of all cash shortfalls (that is, the difference between the cash flows due to the company under the contract and the cash flows the company expects to receive). Expected credit losses are discounted at the financial asset's effective interest rate.

The company reviews the financial assets that are exposed to the risk of impairment, except for the financial assets classified at fair value through profits or losses, to measure the extent of impairment of those assets according to the following:

- | | |
|-------------------------|---|
| The first stage | Includes loans and credit facilities/debt instruments that have not had a significant increase in their credit risk since their initial recognition, and the expected credit loss is the expected loss resulting from default events that are possible within (12) months after the reporting date. |
| The second stage | Includes loans and credit facilities/debt instruments that it's credit risk increased significantly since their initial recognition, but have not reached the stage of default yet due to the absence of objective evidence confirming the occurrence of default, and the expected credit loss is calculated for the life-time of loans and credit facilities / debt instruments, which represent the expected loss resulting from default events during the remaining life-time of the instrument. |
| The third stage | Includes loans and credit facilities / debt instruments that there is evidence / evidences that they have become default (irregular), and the expected credit loss is acquired during the remaining life-time of the instrument. |

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

Low Credit Level Financial Instruments:

At each reporting date, the Company assesses whether financial assets classified at amortized cost and FVTOCI debt securities are credit impaired. An asset is considered to be credit impaired when one or more events that have a detrimental effect on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset has a low credit risk includes observable data about the following events:

- Significant financial difficulties for the debtor.
- Breach of contract, such as default or delay of more than 90 days from the due date.
- Restructuring of a loan or impress by the company that the company would not have accepted under other circumstances.
- It is probable that the debtor will enter bankruptcy or other financial reorganization.
- The disappearance of stock market activity due to financial difficulties.

Presentation of expected credit losses in the statement of financial position

ECL provisions for financial assets measured at amortized cost are presented as an integral part of the measurement of these assets in the statement of financial position.

For debt instruments measured at fair value through other comprehensive income, the loss allowance is charged to profit or loss and 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 the Company's customers, the Company individually makes an assessment regarding the timing and amount of write-off based on whether there is a reasonable expectation of recovery. However, financial assets that are written off can still be subject to the enforcement activities in order to comply with the Company's procedures for recovering amounts receivable.

Non-financial assets

- At each reporting date, the company reviews the carrying amounts of its non-financial assets (other than Investment Property, Contract Assets and Deferred Tax Assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill should be tested for impairment annually.
- To perform a test for impairment in value of an asset, all assets should be allocated together to the smallest identifiable group of assets that includes the asset and generates cash inflows from continuing use and that are largely independent of cash inflows from other assets or groups of assets.
- Cash generating unit (CGU), Goodwill acquired on business combination should be allocated to each of the acquirer's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination.
- The recoverable amount of the asset or cash generating unit is the higher of its fair value less costs of disposal and its value in use. The asset's value in use is the present value of future cash flows expected to be derived from an asset or cash-generating unit discounted at pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.
- An impairment loss is recognized if the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount.
- Impairment loss is recognized in profit or loss. firstly, distributed to reduce the carrying amount of goodwill allocated to (CGU), then reduce the carrying amount of the other assets of the unit pro-rata on the basis.
- Impairment loss of goodwill is not reversed in a subsequent year. For the other assets, impairment loss is reversed to the extent that should not exceed the carrying amount of which would have been determined (net carrying amount after the deduction of depreciation and amortization) if the impairment had not been recognized in prior years.

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

(H) Non-current assets held for sale

Non-current assets or groups classified as held for sale that include assets and liabilities held for sale are classified if it is highly probable that their book value will be recovered primarily through sale rather than through continued use. These assets or groups of assets held for sale are generally measured at the lower of their book value or fair value less costs to sell. Impairment losses are recognized at the initial classification of assets held for sale or for distribution, as well as subsequent gains or losses related to remeasurement in income or loss. When classified as assets held for sale, no depreciation or amortization is made for fixed assets and intangible assets.

(I) Inventory

Inventory is stated at lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business.

Cost includes expenditures incurred in acquiring the inventories and bringing it to its existing location and condition, The cost of inventory is based on the weighted average principal.

(J) Revenue Recognition

- The company recognizes revenue from contracts with customers on the base of the five steps model according to Egyptian Accounting Standard no. (48) "Revenue from Contracts with Customers":
- Step 1: Identify the contract(s) with the customer: the contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and specifies the conditions to be met for each contract.
- Step 2: Identify the performance obligations in the contract: the performance obligation is a contract with a customer to transfer a good or service to the customer.
- Step 3: Determine the transaction price: the transaction price is the amount of consideration to which an company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4: Allocate the transaction price into the performance obligations in the contract: where a contract contains more than one distinct performance obligation, the company allocates the transaction price to all separate performance obligations at an amount that determines the amount of consideration in the contract which the company expects to obtain in exchange for the satisfaction of each performance obligation.
- Step 5: Recognize revenue when or as performance obligation is satisfied.
- The company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time if one of the following criteria is met:
 - A. The customer simultaneously receives and consumes the benefits provided by the company's performance as the company performs.
 - B. the company's performance creates or enhances an asset (for example, work in process) that the customer controls as the asset is created or enhanced..
 - C. the company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.
- For performance obligations, If one of the above mentioned criteria is met. Revenue is recognized over a time when the performance obligation is satisfied.
- When the company meets its performance obligation by providing the services promised, it creates an asset based on the contract for the amount of the contract corresponding to the performance obligation. Where the amount of the contract received from the customer exceeds the amount of revenue earned, it results advance payments by the customer (the contract obligation).
- Revenues are recognized to the extent that there is a probability for economic benefits to flow to the group and where appropriate, the revenue and costs can be reliably measured.

International Company for Fertilizers and Chemicals "S.A. E"
Notes to the Financial Statements for the financial period ended March 31, 2026

Satisfaction of performance obligation

- The company must conduct an assessment of all of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time that requires a measure of personal judgement in order to determine the appropriate method to recognize revenue.
- Determine the transaction price
- The company must determine the transaction price related to its contracts with customers. When using that judgement, the company assesses the impact of any variable consideration in the contract.

Transfer of control in contracts with customers

In case that the company determines the satisfaction of performance obligations at a point in time. Revenue is recognized when control of the assets - the subject of the contract - was transferred to the customer.

Significant financing component

The company shall adjust the promised amount of consideration for the effects of the time value of money if the contract includes a significant financing component.

(K) Treasury shares

Treasury shares are recorded at their acquisition cost, and the cost of treasury shares appears as a deduction from equity in the financial position, and the profits or losses resulting from the disposal of treasury shares are recorded within equity in the financial position. According to Article 48 of Law 159 of 1981, the company must dispose of these shares to others within a maximum period of one year from the date of their transfer of ownership, otherwise the company is obliged to reduce its capital by the nominal value of those shares.

(L) Provisions

Provisions are recognized when the company has a legal or constructive obligation as a result of past events, the company's resources may be required to settle these obligations and a reliable estimate of the amount of the obligation can be made. If the effect is significant, the amount of the provision is measured at discounted future cash flows using a discount rate before tax, which reflects the market's current estimate of the time value of the money and the risks related to the obligation. Provisions are reviewed at each financial position date and adjusted if necessary to reflect the best estimate at that date.

(M) Borrowing cost

Borrowing cost is recorded as an expense according to the accrual basis. Borrowing cost that is directly attributable to the acquisition and construction of a qualifying asset should be capitalized to this asset. This capitalization ceases when assets are ready for their intended use.

(N) Rental agreements in the company is a Lessee

at the start date of the lease contract are recorded as the original "right of use" and the lease obligation. However, the company may choose not to apply this either for short-term leases or leases in which the asset subject to the contract has a low value. In this case, the rental payments associated with those leases are recognized as an expense either on a straight-line basis over the lease term or another systematic basis. Another systematic basis is applied if that basis better represents the pattern of consumption for the lessee.

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

(O) Income tax and deferred tax

- Income tax on the profit or loss for the year comprises income and deferred tax. And it is recognized in the income statement (profit or loss) with the exception of income tax relating to equity's items, which are recognized directly in other comprehensive income.
- Income tax is carried on the taxable income for the year using the tax rates applicable at the date of preparation of financial statements in addition to tax differences related to previous years.
- The company record the deferred tax resulted from temporary differences between the carrying amounts of assets and liabilities recognized in accordance with financial basis and its value in accordance with the tax basis, amount of deferred tax is measured using tax rates applicable at date of preparation of financial statements.
- 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 during the following years.

(P) Expenses

All operating, and administrative and general expenses are recognized according to the accrual basis.

(Q) Legal reserve

According to the Statute of the company, the Company is required to set aside 5% of the annual net profit to form a legal reserve. The transfer to legal reserve stops once the reserve reaches 50% of the issued capital. If the reserve falls below the defined level, then the Company is required to return to deduction.

(R) Employee benefits

The company is committed to pay its contribution of the social insurance system which related to the Social Insurance Authority for the employees benefits according to the Social Insurance Authority Law No.79 of the year 1975 and its modifications, the company carries this duty & charged it to the income statement with the salaries & wages according to the accrual basis.

(S) Cash and cash equivalents

Cash flows statement is prepared using the indirect method. For purpose of preparing the statement of cash flows, Cash and cash equivalents includes cash, bank current accounts, and time deposits for a year not exceeding three months.

(T) Dividends

Dividends are recognized as a liability in the financial statements in the year in which those dividends are announced.

(U) Comparative figures

Comparative figures are reclassified whenever necessary to conform to the current classification of the financial statements.

International Company for Fertilizers and Chemicals "S.A. E"
Notes to the Financial Statements for the financial period ended March 31, 2026
(All amounts in egyptian Pound)

4. FIXED ASSETS (Net)									
<u>Description</u>	<u>tools</u>		<u>vehicles</u>		<u>& computer programs</u>		<u>office & supplies furniture</u>		<u>total</u>
	<u>EGP</u>		<u>EGP</u>		<u>EGP</u>		<u>EGP</u>		<u>EGP</u>
Cost as of jan1 , 2025	163 823		8 207 466		1 811 376		317 049		10 520 342
Additions during the period	1 900		4 022 000		392 279		92 918		4 516 210
Cost as of December 31, 2025	165 723		12 229 466		2 203 655		409 967		15 036 552
Additions during the period	5 552		4 280 000		88 940		--		4 374 492
Cost as of March 31, 2026	171 275		16 509 466		2 292 595		409 967		19 411 044
<u>Accumulated Depreciation as Jan 1, 2025</u>	150 449		5 099 450		1 013 438		132 717		6 412 601
Depreciation of the period	3 213		1 493 103		219 752		13 669		1 730 550
<u>Accumulated depreciation as 31 Dec, 2025</u>	153 662		6 592 553		1 233 190		146 386		8 143 151
Depreciation of the period	1 133		466 684		65 951		4 304		538 429
<u>Accumulated depreciation as 31 Ma , 2026</u>	154 795		7 059 237		1 299 141		150 690		8 681 580
Net book value as of March 31, 2026	16 480		9 450 229		993 454		259 277		10 729 464
Net book value as of December 31, 2025	12 061		5 636 913		970 465		263 581		6 893 401

The historical cost of assets that have been fully depreciated but are still in use as at 31 March 2026 amounted EGP 4 822 177 , Its details are as follows :

<u>asset</u>	<u>31/3/2026</u>		<u>31/12/2025</u>	
tools	267 792		133 896	
vehicles	3 355 031		1 677 515	
computer&programs	508 219		809 584	
office supplies&furniture	657 810		51 168	
office tools	33 325		16 662	
<u>Total</u>	<u>4 822 177</u>		<u>2 688 825</u>	

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International Company for Fertilizers and Chemicals "S.A. E"
Notes to the Financial Statements for the financial period ended March 31, 2026

5. Investments In Associates

The balance of Investments in associates as of March 31, 2026, amounted to EGP 951 481 059 represented as follows:

<u>Name of the company invested in</u>	<u>Shareholding percentage</u>	<u>Book value as of 31/3/2026 EGP</u>	<u>Book value as of 31/12/2025 EGP</u>
The International Company for Agricultural Corps S.A. E *	% 21 .99332	951 481 059	986 428 309
		951 481 059	986 428 309
Argo Dar for Industries &trade (under liquidation) **	% 25	1 250 000	
(deductible)			
Amounts received under liquidation account		(750 000)	(750 000)
Unpaid value		(500 000)	(500 000)
		951 481 059	986 428 309

5-1 Below is a presentation of the summary of the financial statements of the Associates companies:

<u>Name of the company invested in Associates' companies</u>	<u>Non-current assets</u>	<u>Equity includes non-controlling interest</u>	<u>Non - current liabilities</u>	<u>Current Liabilities</u>	<u>Net income</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
The International Company for Agricultural Corps S.A. E	4 629 761 203	4 493 245 623	770 671 765	479 285 375	359 080 609

* The financial data mentioned above is extracted from the consolidated financial statements of the Associates companies for the period ended December 31, 2025.

5-2 ** Based on the decision of the extraordinary general assembly of Agro Dar for Industry and Trade in its meeting held on September 30, 2018, it was approved to place the company under liquidation, and the liquidation procedures had not been completed by the date of the financial statements. The company has received an amount of 833,073 Egyptian pounds during previous years, representing its paid share amounting to 750,000 Egyptian pounds, and the remaining value of 83,073 Egyptian pounds was recorded during the year 2019 in the income statement as revenues from investments under liquidation.

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

6. Investments at fair value through other comprehensive income

The balance of Investments at fair value through other comprehensive income as of March 31, 2026, amounted to EGP 43 860 000 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
<u>Unlisted Investments</u>		
Ebdaa Chemical Industries	35 000 000	35 000 000
Al Orouba Trading and Mining Company*	1 187 500	1 112 500
Arab Alliance for Potato Seed Production	7 672 500	7 672 500
	<u>43 860 000</u>	<u>43 785 000</u>

* The Board of Directors decided, on May 24, 2026, to sell the shares of Al Orouba Trading and Mining Company.

7. Payments under Investments

The balance of Payments under Investments as of March 31, 2026, amounted to EGP 3 750 000 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
Subscription in Arco Seeds Production Company	3 750 000	--
	<u>3 750 000</u>	<u>--</u>

8. Inventory

The balance of Inventory as of March 31, 2026, amounted to EGP 132 621 042 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
Goods for sale	112 999 275	166 278 951
Goods on consignment	--	3 182 010
Lc's	19 621 767	53 055 409
	<u>132 621 042</u>	<u>222 516 370</u>

9. Account and notes receivable

The balance of Accounts & notes receivable as of March 31, 2026 amounted to EGP 68 994 135 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
Accounts receivable	51 296 786	150 798 664
Notes receivable	17 770 018	26 077 657
	<u>69 066 804</u>	<u>176 876 321</u>
(Less):		
Expected credit losses	(72 669)	(116 782)
	<u>68 994 135</u>	<u>176 759 539</u>

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

10. Debtors and other debit balances:

The balance of debtors and other debit balances as of March 31, 2026 amounted to EGP 345 401 929 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
Letters of guarantee covers	1 000 000	1 000 000
Deposit with others	202 650	202 650
Employees' custodies	402 004	1 408 390
Prepaid expenses	131 630	211 823
Tax Authority – VAT	2 996 930	--
Accounts payable - in advance payments	310 147 531	15 613 050
Withholding tax	24 657 794	24 525 841
The return on advance payments.	1 270 659	1 270 659
Accrued Revenue	5 803 054	--
Other debit balances	247 891	895 950
	<u>346 860 143</u>	<u>45 128 363</u>
(less):		
Expected credit losses	(1 458 214)	(274 934)
	<u>345 401 929</u>	<u>44 853 429</u>

11. Due from related party

The balance of Due from related party as of March 31, 2026 amounted to EGP 183 986 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
The International Company for Agricultural Corps S.A. E	183 986	--
	<u>183 986</u>	<u>--</u>

12. Cash at bank and on hand

The balance of cash at banks and on hand as of March 31, 2026 amounted to EGP 86 955 994 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
Banks- Local Currency	72 181 296	110 345 571
Banks- Foreign Currency	14 442 271	15 424 241
Cash on hand	659 753	69 835
	<u>87 283 320</u>	<u>125 839 647</u>
(less):		
Expected credit losses	(327 326)	(475 247)
	<u>86 955 994</u>	<u>125 364 400</u>

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

13. Banks -Credit Facilities

The balance of Banks - credit facilities as of March 31, 2026 amounted to EGP 72 267 713 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
Egyptian Agricultural Bank	15 329	30 265 187
Commercial International Bank (CIB)	72 252 384	--
	<u>72 267 713</u>	<u>30 265 187</u>

Egyptian Agricultural Bank

- Facilitation of a current debt without guarantee in the amount of 30 million Egyptian pounds used to finance commercial activity for purchasing fertilizers, nutrients, and pesticides from the local market.

Commercial International Bank (CIB)

- Facilitation of a current debt without guarantee in the amount of 100 million Egyptian pounds used to finance commercial activity for purchasing fertilizers, nutrients, and pesticides from the local market.

14. Accounts & notes payable

The balance of Accounts and notes payable as of March 31, 2026 amounted to EGP 132 569 941 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
Accounts payable	31 628 700	24 619 642
Notes payable	100 941 241	195 895 527
	<u>132 569 941</u>	<u>220 515 169</u>

15. Creditors and other credit balances

The balance of creditors and other credit balances as of March 31, 2026 amounted to EGP 33 426 421 represented as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
Social Insurance Authority	216 868	183 988
Takaful contribution	11 902 684	9 513 915
Tax authority-Payroll Tax	250 971	262 910
Accrued Payroll	3 121 693	647 558
Accrued Expenses	1 589 093	1 696 753
Withholding tax	6 482 202	3 166 722
Value Added Tax (VAT)	--	2 079 164
Board of Directors' remuneration	5 100 000	--
Other credit balances	4 762 910	5 828 829
	<u>33 426 421</u>	<u>23 379 839</u>

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

16. Capital

16-1 Authorized capital

- The authorized capital is set at EGP 500 million

16-2 Issued and paid capital

- The issued and paid-up capital amounted to 30 million Egyptian pounds (thirty million Egyptian pounds) distributed over 15 million shares, with a nominal value of 2 Egyptian pounds per share.
- On May 22, 2015, the extraordinary general assembly of the company decided to increase the capital using the retained earnings as of December 31, 2014, where it was increased by 7.5 million shares equivalent to 15 million Egyptian pounds (fifteen million Egyptian pounds), thus making the issued and paid-up capital 45 million Egyptian pounds (forty-five million Egyptian pounds) distributed over 22.5 million shares with a nominal value of 2 Egyptian pounds per share.
- Based on the decision of the ordinary general assembly held on March 31, 2024, approval was granted for the profit distribution project for the fiscal year ending December 31, 2023, to distribute shareholders' shares in the form of free shares at a rate of 2 free shares for each original share, through an increase in the issued and paid-up capital by 45,000,000 free shares with a total value of 90,000,000 Egyptian pounds, making the issued and paid-up capital 135,000,000 Egyptian pounds for a total of 67,500,000 shares with a nominal value of 2 Egyptian pounds per share. Necessary procedures were taken and recorded in the register. at July 21, 2024
- Based on the resolution of the Ordinary General Assembly held on March 17, 2025, it was approved to distribute profits for the fiscal year ended December 31, 2024, by granting shareholders free shares at a rate of 0.73 free share for each original share. This distribution will be executed through an increase in the issued and paid-up capital by 49,275,000 free shares, with a total value of EGP 98,550,000, at a par value of EGP 2 per share. accordingly, the issued and paid-up capital becomes EGP 233,550,000 distributed over 116,775,000 shares, each with a par value of EGP 2. and this capital increase was recorded in the Commercial Register on September 10, 2025.
- And below is the statement of the shareholders as of March 31, 2026: -

Name:	No. of Shares	Paid Capital EGP	Percentage %
Abdel-Salam Abdel-Salashim Mostafa El-Gebaly	37 076 062	74 152 124	31.75
Sherif Mostafa El-Gebaly	15 239 137	30 478 274	13.05
Naela Sherif Mostafa El-Gebaly	5 254 875	10 509 750	4.50
Nada Hatem Mostafa El-Gebaly	2 101 950	4 203 900	1.80
Mansour Sherif Mostafa El-Gebaly	5 254 875	10 509 750	4.50
Hoda Magdy Abdel-Salam El-Gebaly	778 489	1 556 978	0.67
El-Sayed Hassan Mohamed Hassan Salem	142 508	285 016	0.12
Mostafa Sherif Mostafa El-Gebaly	5 254 875	10 509 750	4.50
Wagdy El-Sobahi Saleh El-Sherif	57 962	115 924	0.05
Omar Hatem Mostafa Mostafa El-Gebaly	3 152 925	6 305 850	2.70
Mohamed Hatem Mostafa El-Gebaly	3 152 925	6 305 850	2.70
Maher Abdel-Salam Mostafa El-Gebaly	1 050 975	2 101 950	0.90
Hoda Abdel-Salam Mostafa El-Gebaly	665 608	1 331 216	0.57
Rawya Abdel-Salam Mostafa El-Gebaly	672 338	1 344 676	0.58
Others	36 919 496	73 838 992	31.62
	116 775 000	233 550 000	100

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

17. Provisions

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
beginning of the Period /year	1 592 535	13 774 074
Used during the Period/year	(718 392)	(12 181 539)
	<u>874 143</u>	<u>1 592 535</u>

- Usually, information required by accounting standards is not disclosed because management believes that doing so would severely harm the outcome of negotiations with those parties.

18. Expected credit loss provision

The balance of expected credit loss provision as of March 31, 2026 amounted to EGP 1 858 209 represented as follows:

	<u>Accounts and notes receivable</u>	<u>Debtors and Other Debt Balances</u>	<u>Cash at banks and on hand</u>	<u>Total</u>
Provision balance as of 2025/12/31	116 782	274 934	475 247	866 963
Formed during the year	--	1 183 280	--	1 183 280
Reversal of losses during the year	(44 113)	--	(147 921)	(192 034)
Provision balance as of 2026/3/31	<u>72 669</u>	<u>1 458 214</u>	<u>327 326</u>	<u>1 858 209</u>

19. Revenue

Net sales for the financial period ended March 31, 2026 amounted to EGP 923 633 314 and represented as follows

	<u>31/3/2026</u>	<u>31/3/2025</u>
	<u>EGP</u>	<u>EGP</u>
Total Sales	909 465 927	545 500 668
(less):		
Sales returns	(2 955 814)	(2 009 070)
Total activity's revenue	<u>906 510 113</u>	<u>543 491 598</u>
Add:		
Marketing commission	17 123 201	13 828 021
	<u>923 633 314</u>	<u>557 319 619</u>

20. Cost of sales (net)

The cost of sales for the financial period ended March 31, 2026 amounted to EGP 891 598 417 represented as follows

	<u>31/3/2026</u>	<u>31/3/2025</u>
	<u>EGP</u>	<u>EGP</u>
Goods at the beginning of the period	169 460 961	133 767 705
Add:		
Purchases	839 829 054	605 488 080
Marketing expenses	10 925 168	3 024 184
Expenses of Purchases	3 017 060	89 732
(less):		
Discount earned	(18 634 551)	(20 795 732)
Goods at the end of the period	(112 999 275)	(203 367 708)
	<u>891 598 417</u>	<u>518 206 261</u>

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

21. General & Administrative Expenses

General and administrative expenses for the financial period ended March 31, 2026 amounted to EGP 5 034 201 represented as follows:

	<u>For The Nine Months Ended</u>	
	<u>31/3/2026</u>	<u>31/3/2025</u>
	<u>EGP</u>	<u>EGP</u>
Wages and salaries	641 025	611 608
Bonuses, allowances, and other incentives.	2 140 475	1 945 548
Transportation expenses and travel allowance	100 834	63 897
Car expenses	306 862	247 511
cleaning expenses	197 553	163 570
Maintenance & supplies for photography, fax, computers	65 411	25 304
Telephone & post	71 216	51 532
Water & Electricity	13 973	12 245
Fees and licenses	403 493	574 024
Donations	40 960	6 610 160
Office supplies and printed materials	98 147	41 910
Professional and legal fees	167 730	111 500
Insurance	143 740	249 210
Rentals	58 500	58 500
Publicity and advertising expenses	36 480	45 600
Employee Training and Development Fund	679	329 343
Depreciation	538 429	371 807
Other expenses	8 694	20 823
	<u>5 034 201</u>	<u>11 534 092</u>

22. Net interest and financing expenses

Net interest and financing expenses for the financial period ended March 31, 2026 amounted to EGP 10 695 391 represented as follows:

	<u>31/3/2026</u>	<u>31/3/2025</u>
	<u>EGP</u>	<u>EGP</u>
Interest income	10 992 697	13 099 851
Financing cost	(297 306)	(1 344 028)
	<u>10 695 391</u>	<u>11 755 823</u>

International Company for Fertilizers and Chemicals "S.A. E"
Notes to the Financial Statements for the financial period ended March 31, 2026

23. Reconciliation for calculating the actual rate of income tax

	For The Financial Period ended	
	<u>31/3/2026</u>	<u>31/3/2025</u>
	<u>EGP</u>	<u>EGP</u>
Net income for the period before income tax	84 533 825	65 901 459
<u>Add un-deductible expenses</u>		
Takaful contribution	2 388 769	1 464 380
Accounting depreciation	538 429	371 807
Expected credit losses	1 183 280	754 292
Donations	40 960	6 610 160
Board of Directors' attendance allowance	189 500	17 325
<u>(Less): Deductible expenses</u>		
Tax depreciation	(555 262)	(307 147)
Reversal expected credit losses	(192 034)	(22 385)
Donations	(25 351)	(3 717 877)
The company's share in the results of the associates' companies.	(54 196 822)	(33 296 508)
Net taxable income base	33 905 294	37 775 506
Total Income Tax	7 628 691	8 499 489
Actual Income Tax rate	9.02%	12.90%

24. Deferred Tax Assets (Liabilities)

The balance of deferred tax Assets (Liabilities) is as follows:

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
The balance of deferred tax assets (liabilities) at the beginning of the period/ year	132 273	3 098 835
Less / Added:		
Temporary differences resulting from fixed assets	(3 788)	46 019
Temporary differences resulting from provisions	--	(3 012 581)
Balance of deferred tax assets at the end of the Period/year.	128 485	132 273

25. Earnings Per Share

	<u>31/3/2026</u>	<u>31/3/2025</u>
	<u>EGP</u>	<u>EGP</u>
Net Profit for the Period	76 901 346	57 416 519
<u>(Less):</u>		
Employees and Board of directors (estimated)	(2 781 500)	(5 836 267)
Net distributable Profit	74 119 846	51 580 252
Weighted average number of outstanding shares	116 775 000	67 500 000
Earnings per share for the period (EGP per share)	0.63	0.76

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

26. Related party transactions

During the period, the company has transacted with related parties (shareholders and associates) in its normal activity, resulted transactions and balances are as follows:

Transactions during the period

	<u>Type of transaction</u>	<u>Transactions during The Financial Period That ended</u>	
		<u>31/3/2026</u>	<u>31/3/2025</u>
		<u>EGP</u>	<u>EGP</u>
Ferchem Egypt for Fertilizers and Chemicals	Purchases of goods	557 171 291	454 500 617
	Marketing commission	12 904 967	15 763 945
	sales	1 220 399	--
	Finance (transfers)	--	174 111
The international company for agricultural crops "s.a.e"	Sales	--	171 500
	Purchases of goods	--	9 469 688

Balances shown in the statement of financial position

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>EGP</u>	<u>EGP</u>
<u>Current assets</u>		
Ferchem Egypt for Fertilizers and Chemicals (Payable advanced)	5 758 203	5 331 662
Ferchem Egypt for Fertilizers and Chemicals (Accounts receivable)	13 005 366	12 028 284
the international company for agricultural crops "s.a. e" (Payable advanced)	--	5 652 105
the international company for agricultural crops "s.a. e" (Accounts receivable)	--	190 500
<u>Due From Related Party</u>		
Abu Zaabal for Fertilizers and Chemicals	--	63 126
<u>Current liability</u>		
Ferchem Egypt for Fertilizers and Chemicals (Suppliers and notes payable)	93 640 310	--
<u>Due to Related Party</u>		
Ferchem Egypt for Fertilizers and Chemicals	183 986	--

27. Tax position

27-1 Tax on Corporate Profits

- The company's profits are subject to corporate profits tax in accordance with the provisions of Tax Law No. 187 of 1993, which was amended and replaced by Law No. 91 of 2005.
- The years 1999 (start of activity) until 2017 have been settled and paid.
- The years 2018/2019 are under examination.
- The years from 2023 / 2024 have not been requested for examination by the tax authority.
- The company submits tax returns within the legal deadlines. The last return was submitted for the financial year ended December 31, 2025.

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

27-2 Payroll Tax

- The years from 1999 (start of activity) until 2022 have been examined and paid.
- The years 2023/2024 have not been requested for examination by the tax authority.

27-3 Stamp Tax

- The years from 1999 (start of activity) until 2022 have been examined and paid.
- The years 2023\2024 have not been requested for examination by the tax authority.

27-4 Value Added Tax

- The years from 1999 (start of activity) until 2020 have been examined and paid.
- The years 2021 to 2024 have not been requested for examination by the tax authority.
- The company submits tax returns within the legal deadlines.

27-5 The insurance

- company management pays the dues owed to the Social Insurance Authority for the insured workers, and the last payment receipt to the Social Insurance Authority is number 20250408103320 dated April 8, 2025, with an amount of 160 000 Egyptian pounds.

28. The legal status:

- No lawsuits have been filed against the company, whether civil or criminal, and it has not initiated any civil or criminal lawsuits against others, according to the legal advisor's certificate.
- There is a pending case before the Egyptian Competition Authority due to the Company's violation of the Competition Protection and Anti-Monopoly Law of 2005. The case is also pending before the Public Prosecution for Economic Affairs and Anti-Money Laundering.

29. Financial instruments and risk management

29-1 Fair value for financial instruments

The company's financial instruments are represented in the balances of cash at banks and on hand, receivables, and debtors and other debt balances, accounts and notes payable, creditors and other credit balances, bank loans and facilities. These financial instruments have been measured in accordance with the accounting policies stated in note No. (3).

29-2 Credit risk

The credit risk is represented in the inability of the customers granted credit to settle their due balances. The company faces this risk through obtaining checks from customers as a guarantee that cover the value of credit granted to these customers or reserving insurance from them.

29-3 Interest rate risk

This risk is represented in the change in interest rates on bank loans or facilities, which may affect the activity' results of the company results and the company uses funds available – to the extent possible – to reduce its due balances to banks.

29-4 Foreign currency risk

The foreign currency risk is represented in the changes in the exchange rate that affect foreign currency payments and receipts and the company depend on avoiding an open position of foreign currencies which reduces this risk to the minimum level.

International Company for Fertilizers and Chemicals "S.A. E"

Notes to the Financial Statements for the financial period ended March 31, 2026

29-5 Liquidity risk and Cash Flows

The liquidity risk is represented in the inability of the company to liquidate its financial assets at near fair value to cover the company's financial liabilities and to manage the credit risk carefully, which requires maintaining sufficient cash and securities and the availability of financing through binding and valid credit facilities and the ability to liquidate the credit position. The company's finance manager aims to obtain flexible funding sources through available credit lines.

29-6 Capital management

The policy of the Board of Directors of the Company is to maintain strong capital for the purpose of maintaining the confidence of investors, creditors and the market as well as to follow the future developments of the activity. The Company's Board of Directors monitors the return on capital determined by the Company as net operating revenues divided by total shareholders' equity, and also monitors the level of dividends to shareholders. There are no changes in the Company's capital management strategy.

29-7 Subsequent Events

- The Monetary Policy Committee of the Central Bank of Egypt decided, during its meeting held on Thursday, April 2, 2026, to keep the Central Bank's key interest rates unchanged. Accordingly, the overnight deposit rate, overnight lending rate, and the main operation rate were maintained at 19%, 20%, and 19.50%, respectively. The discount rate and the credit rate were also kept unchanged at 19.50%. This decision reflects the Committee's assessment of the latest inflation developments and outlook since its previous meeting.
- S&P Global Ratings announced on April 10, 2026, that it had affirmed Egypt's sovereign credit rating at B/B, with a stable outlook.

Finance director

Acc/ Al Sayed Hassan Mohammed

Board member

Acc/ Ahmed Shawky Montaser

Chief executive officer

Acc/ Wajdi Al-Sabahiyy Salih

