Misr Cement (Qena) Company (SAE)
Cairo - Egypt

Consolidated Interim Financial Statements
For The Period Ended June 30, 2026
And Limited Review Report

Contents **Page**

KRESTON EGYPT
Tamer Nabarawy & Co.

Limited Review Report

To: The chairman and members of the board of directors of MISR CEMENT (QENA) COMPANY (S.A.E)
(Egyptian Joint Stock Company)

Introduction

We have performed a limited review for the accompanying consolidated interim financial statements of Misr Cement (Qena) Company (S.A.E) which comprise the consolidated interim financial position as of June 30, 2026 and the related consolidated interim statements of income, consolidated interim other comprehensive income, consolidated interim change of shareholders' equity and consolidated interim cash flows for the six-month then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with the Egyptian Accounting Standards. our responsibility is to express a conclusion on these consolidated interim financial statements based on our limited review.

Scope of Limited Review

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

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the companying consolidated interim financial statements do not present fairly, in all material respects the consolidated interim financial position of Misr Cement (Qena) Company (S.A.E) as at June 30, 2026 and of financial performance and its cash flows for the six-month then ended in accordance with the Egyptian accounting standards.

Cairo, August 5, 2026

Auditor

Tamer Nabarawy
Financial Regulatory Authority
Register Number (389)
Tamer Nabarawy and Co.
KRESTON EGYPT

Kreston Egypt Certified Public Accountants & Consultants
Member of the Kreston Global Network
5 Al-Ahram Street - Roxy - Heliopolis, Cairo
Tel .: +202 2414161 **Fax.:** +202 26904303
www.kreston-eg.com

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CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

Assets	Notes	30 June 2026	31 December 2025
Non-current Assets		EGP	EGP
Fixed assets – Net	(5)	1 955 751 067	1 982 678 706
Projects under construction	(6)	148 020 313	64 567 004
Assets right to use	(7)	19 702 566	17 398 637
Investments in associates	(8)	16 041 642	23 600 106
Goodwill		481 159 424	481 159 424
Intangible assets	(9)	196 712 315	200 882 104
Deferred tax assets	(18)	1 541 231	1 120 324
Total non-current assets		**2 818 928 558**	**2 771 406 305**
Current assets			
Inventory	(10)	2 204 712 426	1 758 047 569
Accounts receivable	(11)	147 430 168	126 678 313
Debtors and other debit balances	(12)	800 019 648	432 465 968
Assets held for sale		1 618 400	1 618 400
Financial Investments at Amortized Cost – Treasury Bills	(13)	324 476 774	951 027 524
Cash on hand and at banks	(14)	1 484 302 253	1 672 373 442
Total current assets		**4 962 559 669**	**4 942 211 216**
Total assets		**7 781 488 227**	**7 713 617 521**
Equity			
Issued & paid-up capital	(15)	960 000 000	960 000 000
Reserves	(16)	290 794 859	229 509 438
Retained earnings		1 160 080 646	350 019 816
Net profit for the period / year		1 166 895 601	2 033 242 637
Total equity (company's shareholders)		**3 577 771 106**	**3 572 771 891**
Non- controlling shareholders interests	(17)	915 770 148	1 003 979 257
Total equity		**4 493 541 254**	**4 576 751 148**
Non-current liabilities			
Lease contract liability	(7-B)	47 856 885	37 516 097
Long term facilities		--	48 241 338
Deferred tax liabilities	(18)	309 335 063	329 849 133
Total non-current liabilities		**357 191 948**	**415 606 568**
Current liabilities			
Provisions	(19)	178 786 613	182 510 901
Credit facilities	(20)	238 065 484	197 746 875
Suppliers and notes payable		1 433 775 089	1 129 254 041
Receivables – advanced payments		265 112 033	182 885 063
Lease contract liability	(7-A)	4 675 770	8 632 236
Creditors and other credit balances	(21)	325 830 573	216 484 925
Income tax payable	(22)	484 509 463	803 745 764
Total current liabilities		**2 930 755 025**	**2 721 259 805**
Total liabilities		**3 287 946 973**	**3 136 866 373**
Total equity and liabilities		**7 781 488 227**	**7 713 617 521**

- The accompanying notes are an integral part of the Consolidated financial statements.
- Limited Review Report Attached.

Managing Director	Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed

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CONSOLIDATED INTERIM STATEMENT OF INCOME (Profit and Loss)

	Notes	Six Months ended in		Three Months ended in	
		30 June 2026	30 June 2025	30 June 2026	30 June 2025
		EGP	EGP	EGP	EGP
Net Sales		4 938 551 991	3 878 231 521	2 730 230 447	2 054 156 163
(Less)					
Cost of Sales	(23)	(2 922 639 034)	(2 613 570 035)	(1 688 475 943)	(1 331 796 969)
Gross Profit		**2 015 912 957**	**1 264 661 486**	**1 041 754 504**	**722 359 194**
Selling and marketing expenses	(24)	(61 525 198)	(44 000 028)	(31 266 066)	(21 039 487)
General and administrative expenses	(25)	(182 293 090)	(115 790 537)	(75 748 336)	(60 543 302)
Other Revenues / (Expenses)	(26)	20 711 582	8 013 685	3 809 212	6 250 929
Provisions charged		(1 489 483)	(6 839 116)	(815 880)	(6 164 182)
Total		**(224 596 189)**	**(158 615 996)**	**(104 021 070)**	**(81 496 042)**
Net operating Income		**1 791 316 768**	**1 106 045 490**	**937 733 434**	**640 863 152**
Add/(Less)					
Financial expenses		(9 563 316)	(44 832 260)	(8 063 532)	(11 567 498)
Operating lease – Interest		(1 834 314)	(3 278 903)	(944 659)	(3 215 166)
Financing lease – Interest		(91 848)	(121 662)	769 339	666 985
Amortization assets right to use		87 454 854	--	22 374 099	--
Expected credit loss		(8 668 869)	(1 426 765)	(6 457 820)	62 650
Foreign currency exchange		(63 334 234)	(38 861 641)	(166 997 089)	(12 196 179)
Credit interest		77 391 792	13 409 229	30 011 384	8 905 788
Net profits for the period before Income Taxes		**1 872 670 833**	**1 030 933 488**	**808 425 156**	**623 519 732**
Add/(Less)					
Income Tax	(22)	(446 394 923)	(241 778 686)	(195 200 189)	(144 333 523)
Treasury bills tax		(17 078 709)	--	(4 062 556)	--
Deferred Tax	(18)	20 934 977	(5 027 340)	27 407 927	(5 762 969)
Net profits after income taxes and before non-controlling shareholders' profits		**1 430 132 178**	**784 127 462**	**636 570 338**	**473 423 240**
Distributed as follow: -					
Controlling shareholders'		1 166 895 601	599 959 269	519 114 806	361 686 155
Non-controlling Shareholders' interest profits		263 236 577	184 168 193	117 455 532	111 737 085
		1 430 132 178	**784 127 462**	**636 570 338**	**473 423 240**

- The accompanying notes are an integral part of the consolidated interim financial statements.

Managing Director	Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed

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CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Six Months ended in		Three Months ended in	
	30 June 2026	**30 June 2025**	**30 June 2026**	**30 June 2025**
	EGP	**EGP**	**EGP**	**EGP**
Net profits for the period after taxes	1 430 132 178	784 127 462	636 570 338	473 423 240
Add:				
Other comprehensive income	--	--	---	--
Total Comprehensive income for the period	**1 430 132 178**	**784 127 462**	**636 570 338**	**473 423 240**
Distributed as follow:				
Controlling shareholders'	1 166 895 601	599 959 269	519 114 806	361 686 155
Non-controlling shareholders' interest profits	263 236 577	184 168 193	117 455 532	111 737 085
	1 430 132 178	**784 127 462**	**636 570 338**	**473 423 240**

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Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed

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CONSOLIDATED INTERIM STATEMENT OF CHANGE IN EQUITY

	Controlling shareholder's interests						
	Issued & paid up Capital	Reserves	Retained earnings	Net Profit for the period	Total	Non- controlling shareholders interest	Total Equity
June 30, 2025	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as of January 1, 2025	**960 000 000**	**218 721 873**	**259 224 436**	**237 687 745**	**1 675 634 054**	**503 511 771**	**2 179 145 825**
Transferred to retained earnings	--	--	237 687 745	(237 687 745)	--	--	--
Transferred to reserves	--	10 787 565	(10 787 565)	--	--	--	--
Adjustments to retained earnings	--	--	--	--	--	(1 055 610)	**(1 055 610)**
Dividends distribution	--	--	(136 104 900)	--	**(136 104 900)**	(23 591 181)	**(159 696 081)**
Total comprehensive income for the period	--	--	--	(599 959 269)	**599 959 269**	184 168 193	**784 127 462**
Balance as of June 30, 2025	**960 000 000**	**229 509 438**	**350 019 816**	**599 959 269**	**2 139 488 423**	**663 033 173**	**2 802 521 596**
June 30, 2026							
Balance as of January 1, 2026	**960 000 000**	**229 509 438**	**350 019 816**	**2 033 242 637**	**3 572 771 891**	**1 003 979 257**	**4 576 751 148**
Transferred to retained earnings	--	--	2 033 242 637	(2 033 242 637)	--	--	--
Transferred to reserves	--	61 285 421	(61 285 421)	--	--	--	--
Dividends distribution	--	--	(1 161 896 386)	--	**(1 161 896 386)**	(351 445 686)	**(1 513 342 072)**
Total comprehensive income for the period	--	--	--	1 166 895 601	**1 166 895 601**	263 236 577	**1 430 132 178**
Balance as of June 30, 2026	**960 000 000**	**290 794 859**	**1 160 080 646**	**1 166 895 601**	**3 577 771 106**	**915 770 148**	**4 493 541 254**

-The accompanying notes are an integral part of the Consolidated financial statement

Managing Director	Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed

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CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS	Notes	30 June 2026	30 June 2025
		EGP	EGP
Cash Flows from Operating Activities			
Net Profits before income taxes		1 872 670 833	1 030 933 488
Adjustments to reconcile net profit to cash flows			
Depreciation and amortization	(23,24,25)	85 670 500	72 976 401
Amortization of assets right to use		1 572 619	1 357 254
Exchanged Foreign currency		63 334 234	38 861 641
Operating lease – interest		91 848	3 278 903
Finance lease – interest		1 834 314	121 662
Expected credit loss		2 418 790	1 426 765
Provision charged		1 489 483	6 839 116
Financial expenses		9 563 316	44 832 260
Returns on Financial Investments at Amortized Cost – Treasury Bills		(87 454 854)	--
Credit interests		(77 391 792)	(13 409 228)
Net operating profits		**1 873 799 291**	**187 218 262**
Change in inventory	(10)	(446 664 857)	(266 737 939)
Change in accounts receivables and notes receivables	(11)	(21 268 086)	(13 981 401)
Change in debtors and other debit balances	(12)	(369 456 239)	(100 790 373)
Change in receivables – advance payments		82 226 970	462 229 839
Change in suppliers and notes payable		304 521 048	11 253 715
Change in creditors and other credit balances	(21)	96 351 425	98 878 886
Paid from operating lease contracts		581 612	(932 867)
Cash flows generated from operating activities		**1 520 091 164**	**1 377 138 122**
Paid Income taxes		(765 631 224)	(101 751 266)
Provisions used		(5 213 771)	--
Net cash generated from operating activities		**749 246 169**	**1 575 386 856**
Cash flows from investing activities			
(Payments) for purchase fixed assets	(5)	(54 573 073)	(151 108 068)
Change in projects under construction		(83 453 309)	62 963 010
(Payments) to purchase Treasury Bills		7 558 464	7 070 095
Collection from Treasury Bills		77 391 792	13 409 228
Dividends from Investments in associates	(13)	(403 771 200)	--
Credit interest collected	(13)	1 100 698 096	--
Change in Time deposits (maturing after three months)	(14)	88 590 899	23 747 750
Net cash flow generated from / (used in) investing activities		**732 441 669**	**(43 917 985)**
Cash flows from financing activities			
Change in credit facilities	(20)	(7 922 729)	(796 625 356)
Paid debit interests		(8 745 666)	(46 807 826)
Adjustments at retained earnings		--	(1 055 610)
Dividends distribution		(1 501 165 499)	(59 401 815)
Net cash flow (used in) financing activities		**(1 517 833 894)**	**(903 890 607)**
Net changes in cash and cash equivalents		**(36 146 056)**	**327 578 264**
Exchange Foreign currency		(63 334 234)	(38 861 641)
Cash and cash equivalent – beginning of the period		1 067 080 654	349 587 261
Cash and cash equivalent – end of period		**967 600 364**	**638 303 884**
For the purpose of preparing a statement of cash flows cash and cash equivalents are represented in the following:			
Cash and cash equivalent		1 495 202 116	780 018 052
Cash Expected credit loss		(10 899 863)	--
Time deposits - maturing after three months		(516 701 889)	(141 714 168)
Cash and Cash Equivalent – End of the Period		**967 600 364**	**638 303 884**

- The accompanying notes are an integral part of the Consolidated financial statements

Managing Director	Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed

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1. About the Company

Misr Cement (Qena) Company (S.A.E)

1.1. Company's Background

- MISR CEMENT CO, (QENA) COMPANY (S.A.E) was established under the provisions of Law No, 159 of 1981 and its executive regulations, The company was registered in commercial registry under No, 45832 Qena in May 25, 1997, the initial contract and the statute of the company was published in companies document issue No, 2096 in November, 1997.

1.2. Company's purpose

- The production of Cement in its different forms and other by products ,the production and trading of other construction materials and construction supplies, So in order to attain its purpose the company may import the necessary equipment ,The company may participate in any ways with other companies in conducting similar activities which may help in achieving its purpose in Egypt or abroad, And it also may merge with previously stated bodies or acquire them in accordance with the provision of laws and its executive regulations.
- MISR CEMENT CO, (QENA) COMPANY (S.A.E) assigned the technical management, operation and maintenance of the factory, as well as business consulting for the operation of the quarry to the Arab Swiss Engineering "ASIC ".
- MISR CEMENT CO, (QENA) COMPANY (S.A.E) assigned operation and supply of raw materials, as well as the work of cutting and indexing of limestone quarry to ASEC Company for Mining " ASCOM".
- Begging from JULY, 2022, the business was assigned to QENA management and maintenance company.

1.3. The Company's Location

- The head office is located in the city of Qeft in Qena Governorate.
- Based on the decision of the Extraordinary General Assembly held on March 30, 2022, the company's head office was changed to be: 22 Anwar Al-Mufti Street - Tiba Project 2000 - Nasr City- Cairo. The entry was made in the commercial register on May 12, 2022.
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1.4. The company duration

- The duration of the company is 25 years starting from the date of the registration in the commercial register.
- Based on the decision of the Extraordinary General Assembly held on March 30, 2022, the duration of the company was set to start from May 24, 2022 and end on May 23, 2047 according to the record in the Commercial Register. The entry was made in the commercial register on May 12, 2022.

1.5. Financial year

- The company begins from 1 January and ends at the end of December of each year.
- The company is registered on both Cairo and Alexandria Exchange Market.

1.6. Approval of the financial statements

- The consolidated Financial Statements of the Company for the period ended June 30, 2026 were authorized for issuance in accordance with a resolution of the board of directors on August 5, 2026.

Background for the subsidy companies owned by MISR CEMENT COMPANY (QENA) (S.A.E)
Following is a background on the subsidiary companies owned by Misr Cement Company including the direct and indirect percentage of ownership for Misr Cement Company in the subsidies as follows:

	Investment nature	**30 June 2026**	**31 December 2018**	**1 November 2015**
		%	%	%
MISR CEMENT BETON (S.A.E)	Direct	99.9	99.9	45
MISR CEMENT MINYA (S.A.E)	Direct	60.36	60.36	13.88
QENA FOR MAINTENANCE (S.A.E)	Direct Indirect	47.51 33.66	--	--

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1. About the Company (follow)

1.6. Approval of the Financial Statements (follow)

Misr Cement - Beton (S.A.E)

- ASECO READY MIX (S.A.E) was established in Egypt under Law No. 8 of 1997 and its executive regulations. The company was registered in commercial registry under No.41747 Cairo at 20 October 2009.
- On 26 March 2016 the extraordinary general assembly meeting decided to relocate the company's head office to 22 street Anwar Mofty – Tiba 2000 – Nasr city – Cairo and the management taken process to change in commercial registry dated on December 6, 2016.
- The duration of the company is 25 years starting from the date of the registration in the commercial register.
- The purpose of the company is to establish and operate factory to produce the Cement and concrete products.
- Based on the decision of the Extraordinary General Assembly held on November 11, 2018, the name of the company, ASECO READY MIX, has been amended, and this was indicated in the Commercial Registry on January 21, 2019.
- The percentage of ownership for MISR CEMENT COMPANY (S.A.E) Company in ASECO READY MIX (S.A.E) is 45%.
- In 1 November 2015, MISR CEMENT COMPANY (S.A.E) acquired ASECO READY MIX by purchasing 208 998 shares in which represents 54.9%, resulting in goodwill amounts to EGP 42,984,816 represents the difference in the investment cost amounts to EGP 70,631,716 54.9% from the ASECO FOR CEMENT COMPANY's total net assets in the acquisition date amounts to EGP 27,646,900.
- The goodwill was recorded under the long-term assets in the consolidated Financial Statements and the goodwill is tested for impairment regularly and in the case of impairment the losses will be allocated in the consolidated statement of profits and losses.
- As so, the percentage of ownership for MISR CEMENT COMPANY (S.A.E) in ASECO READY MIX COMPANY (S.A.E) became 99.9%.
- Based on the decision of the Extraordinary General Assembly held on October 24, 2021, the name of the company was modified to become Misr Cement - Beton, and this was noted in the commercial registry on November 3, 2021.

MISR CEMENT MINYA (S.A.E)

- ARAB NATIONAL COMPANY FOR CEMENT (S.A. E) was established according to Law No. 8 of 1997 and its executive regulations number 669 for the year 2006.The Company was registered in commercial registry under No, 19045 Cairo on 1 September, 2006.
- On 22 March 2016 the extraordinary general assembly meeting decided to relocate the company's head office to 22 street Anwar Mofty – Tiba 2000 – Nasr city – Cairo and the management taken process to change in Commercial registry is pending.
- The purpose for the company is to establish and operate factory to produce all types of cement and use the quarry's materials and produce construction materials, also manufacturing the necessary packages for the company's products.
- In 30 December 2012 the extraordinary general assembly meeting decided to change the company's name to be Minya Cement instead of ARAB NATIONAL COMPANY FOR CEMENT (S.A.E) and the name was changed in the company's journal and the commercial register in 2 October 2013.
- Based on the decision of the extraordinary general assembly meeting dated on November 22, 2020 the company's name changed to Minya cement (S.A.E) and the company was registered in commercial registry under No.10253 dated on 4 March ,2019.
- The percentage of ownership for Misr Cement company (S.A.E) in PORTLAND EL Company (S.A.E) amounts to 13.88%.

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1. **About the Company (follow)**

1.6. Approval of the Financial Statements (follow)

MISR CEMENT MINYA (S.A.E) (Follow)

- In 1 November 2015 Misr Cement Company (S.A.E) acquired 44 872 676 shares in Misr Cement - Beton (S.A.E) as(S.A.E) which represents 46.48% from the total shares for the company, resulted in a goodwill balance amounts to EGP 438,174,608 which represents the difference between the investment cost amounts to EGP 932,844,955 and 46.48% of the total net assets for PORTLAND COMPANY (S.A.E) in the acquisition date amounts to EGP 494,670,347.

- The goodwill balance was recorded in the consolidated Financial Statements in the non- current assets section and it is tested for impairment in the consolidated Financial Statements regularly and in the case of loss in the goodwill it is recorded in the consolidated financial statements.

- As so the percentage of ownership for Misr Cement Company (S.A.E) in Minya Cement (S.A.E) became to 60.36%.

2. **Basis for financial statement 's preparation**

2.1 Basis of consolidating the financial statements

- The consolidated Financial Statements are prepared by consolidating the Financial Statements of the Holding Company and its subsidiaries through collecting similar items of assets, liabilities, equity, revenue and expenses.
- Investment in subsidiaries was eliminated from holding company for consolidated purpose.
- Unrealized intercompany transactions are eliminated for consolidated purpose.
- Non-Controlling shareholders in net assets and net income of subsidiaries controlled by the parent company is recorded in a separate account within the Equity in the consolidated Financial Statements and is calculated by their share in the book value of net assets of subsidiaries.

The acquisition cost was distributed as follows:

1. The fair value of assets and liabilities in the acquisition date of investment and within the limits of the share of the parent company that was acquired on that date
2. The increase in the acquisition cost over the parent company share in equity of the subsidiary's companies are recognized as goodwill.

2.2 Following Polices and regulations

- The consolidated Financial Statements are prepared according to the Egyptian accounting policies and regulations.

2.3 The presented and disclosed currency

The Financial Statements are presented in the Egyptian pound which is the same currency of transactions and the main and significant activities in the company.

2.4 Basis of measurement

The Financial Statements are prepared accorded to the historical cost principle

3. **Significant accounting estimates and personal judgments**

3.1 The significant estimates and assumptions

The preparation of Financial Statements according to the Egyptian accounting standards requires that management uses personal judgments and making estimates and assumptions that can affect the application of policies and the values of assets and liabilities also revenues and expenses. The estimates and assumptions are evaluated based on past experience and some other factors including the expected future events that fit these circumstances.
These estimates and assumptions are reviewed annually and any differences in the accounting estimates are recognized in the year in which these estimates are changed, and if these differences affect the year in which these changes are made and future years, these differences are recorded in the year in which the adjustments are made and the future years. The most significant estimates and assumptions the company uses are as follow:

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3. Significant accounting estimates and personal judgments (Follow)

3.1 The significant estimates and assumptions (Follow)

a. Income tax

The Company is subjected to corporate income tax. The Company estimates the income tax provision by using expert's advice. In case of any difference between any of the final and preliminary results, these differences will affect the income tax and deferred income tax provision in these years.

b. Expected credit loss of debtors

The evaluation in the value of receivables is made through debt aging. The Company management is studying the credit position and the ability of payments of the customers who their numerous debts are due during the credit limit granted to them and the impairment is recorded with the value of the due amounts on the customers who the Company management indicate that their credit position does not allow them to pay their liabilities.

c. Useful lives of fixed assets

The estimated useful life is depending on estimation and personal judgment based on the experience of the Company with similar fixed assets taking into consideration the estimated usage of the asset and number of working shifts and technical limitations. Residual values and useful lives of assets are reviewed on annual basis.

d. Impairment of Inventory

The company's management reduces the obsolete and low turn-over inventory into its net ordinary value based on special reports about its usage and future benefits.

3.2 Significant personal judgments in applying the company's accounting policies

Applied accounting policies do not require from management is personal judgment which may have a significant impact on the value recognized in the financial statements.

3.3 Fair value measurement

a. The fair value of financial instruments is identified according to the market value of the financial instruments or similar financial instruments on the date of the financial statements. The value of the financial assets is identified by their replacement cost, while the value of the financial liabilities is identified by the current prices that can settle these liabilities.
b. In case there is no active market to determine the fair value of the financial instruments the fair value is estimated using different valuation methods taking in consideration the prices of recent transactions and using the current fair value of other significantly similar Instruments-Deducted cash flow method- or any other evaluation method results in values on which we can depend.
c. When using the deducted cash flow method as a method of evaluation the future cash flow is estimated based on the best estimates by management. And the used deduction rate is identified based on the prevailing price in the market in the date of the Financial Statements of instruments similar in nature and conditions.

4. Significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

4.1 Foreign currencies translation

Transaction in foreign currencies are initially recorded using the exchange rate prevailing on the date of the transaction.
Monetary assets and liabilities denominated in foreign currencies are retranslated using the exchange rates prevailing at the balance sheet date, all differences are recognized in the statement of income

Non – monetary items that are major are historical cost in foreign currencies are translated using the exchange rate prevailing at the date of the initial recognition.

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4. Significant accounting policies (Follow)

4.2 Fixed assets and its Depreciation

a. The first recognition and initial measurement

Fixed assets are stated at the historical cost after deducting accumulated depreciation and accumulated impairment losses.

b. Subsequent Cost

Such cost includes the cost of replacing part of the fixed assets when that cost is incurred, if the recognition criteria are met, Likewise, when major improvements are performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied, all other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

c. Depreciation

Depreciation is determined based on the fixed assets less salvage value as residual value at the end of estimated useful life.
The Salvage value of asset is the net amount currently expected to be obtained as a result of Disposal, if it is in the expected condition at the end of its useful life.
The depreciation amount is carried on the income statement according to the straight-line method by the useful life estimated to each kind of fixed assets except land that not depreciated, the depreciation of fixed assets is depreciated according to the following rates:

Assets	Depreciation rate
Buildings, constructions and facilities	5% - 6.6%
Machinery and equipment	5% - 10%
Motor vehicles	20%
Tools	10%
Furniture, fixtures and office equipment	10% - 50%
Rental improvements	The duration of the contract or the useful life, whichever is less

4.3 Projects under construction

Projects under construction represent the amounts that are incurred for constructing or purchasing fixed assets until it is ready to be used in the operation, upon which it is transferred to fixed assets.

4.4 Intangible assets

- Intangible assets are started at the historical cost and the historical cost deducts of accumulated amortization and accumulated impairment losses.
- Intangible assets with definite useful lives are amortized over the economic life of the asset and a measurement test is conducted when there is an indication of the asset's impairment. The amortization method for an intangible asset with a definite life are reviewed at least at the end of each year.

4.5 Financial Leased Assets

The original (right to use) asset and a commitment to lease contracts are recognized at the start date of the lease, whereby the lease contract commitment is measured at the present value of unpaid rental payments on that date, discounted using the interest rate on the additional borrowing of the company, and results in financing expenses in accordance with Accounting Standard No. (49) for the year 2019.

4.6 Leased contracts

The Group has applied EAS 49 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under EAS 20. The details of accounting policies under EAS 20 are disclosed separately.

Translation of financial statements
Originally issued in Arabic

4. Significant accounting policies (Follow)

a. Policy applicable from 1 January 2021

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in EAS 49. This policy is applied to contract entered in to, or after Jan 1, 2021.

b. As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component right of use asset.

c. Right of use asset

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

d. Amortization of right of use asset

Amortization of right of use asset the right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

e. Lease contracts liability

The lease liability lease contract liability is initially measured at the present value of the lease payments that are not paid at the commencement date
Discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following: fixed payments, including in-substance fixed payments; variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; amounts expected to be payable under a residual value guarantee; and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal year if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Translation of financial statements
Originally issued in Arabic

4. Significant accounting policies (Follow)

4.7 Investments in associates

Associate companies are those that the company has, directly or indirectly, influential influence over it, but it does not reach the extent of control or joint control, as the company ownership stakes ranging from 20% to 50% of the voting rights in sister companies.
The purchase method (acquisition cost) is used in accounting for the acquisition of associate companies, and the goodwill resulting from the purchase of sister companies - if any - does not appear separately, but is included in the book value of the investment in associate companies after acquisition in the consolidated financial statements of the company using the equity method.

According to the equity method, the initial recognition of the investment in the associate companies is carried out in the statement of financial position of the compound at cost. An adjustment is then made to recognize the group's share of the profits and losses and other changes in the net assets of the associate companies.

4.8 Investments at fair value through other comprehensive income

Financial investments are carried at fair value through comprehensive income at cost on the date of acquisition. Investments listed on the stock exchange are valued at fair value (market value). As for investments that are not listed on the Stock Exchange, they are valued at the calculated value - based on the studies related to this matter - The resulting differences are recorded as a special reserve - Differences in evaluating available-for-sale financial investments within shareholders' equity. When the investment is sold, its share in the special reserve is added to the income statement.
For fair investments that are inactive (having no market value in an active market) and whose fair value cannot be determined with sufficient confidence,
These investments are recorded at the cost of their acquisition, and in the event of a decrease in the value of these investments (impairment), the book value is adjusted by the value of this decrease and charged to the income statement for each investment separately.

4.9 Inventory

The Inventory elements are valued as follows:

a. Raw materials, gasoline, diesel fuel, packaging and spare parts: at the lower of cost (using the weighted average method) or net realizable value.
b. Work in progress: at the lower of the cost of production based on the cost sheets or net realizable value.
c. Finished goods: at the lower of the cost of production based on the cost sheets 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 the estimated costs necessary to make the sale.

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

4.10 Revenue

A. Sales

Revenue from sale is recognized at the fair value after deducting returns, commercial and quantity discounts. The revenues are recognized at the transfer of risks and returns of goods to the purchaser and at the presence of enough expectation about the flow of economic benefits in the sale transaction and in case of the company didn't hold the right of continuous managerial interference on goods to the purchaser at the receipt of goods, and in case of exporting the risks and returns of sold goods ownerships are identified based on the freight conditions as the revenue usually recognized when the goods are loaded on the truck.

Translation of financial statements
Originally issued in Arabic

4. **Significant accounting policies (Follow)**

4.10 Revenue (followed)

- **Sale of goods (Local)**

  Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

- **Sale of goods (Export)**

  Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods according to contract terms.

B. Distributed dividends

Revenue is recognized when the company's right to receive the payment is established.

C. Interest income

Revenue is recognized as interest incurred using the effective interest method.

4.11 Expected Credit Loss

- The company has two types of financial assets that are subject to the expected credit losses model according to this methodology:

a. Customer balances and notes receivables generated from services to customers
b. Contract principles related to the company's contracts with customers

- The company applies the simplified approach to the impairment of financial assets in accordance with the Egyptian Accounting Standard No. (47) Financial Instruments in order to measure expected credit losses, which uses a provision for expected credit losses over the life time of all customer balances and contract assets with customers
- To calculate the ECL, we depended on the customer and contract assets with customers' balances as a group based on common credit risk characteristics and the number of days past due.

Where the assets of the contract with the customer relate to the work in progress that has not been invoiced and has the same risk characteristics as customer balances for the same types of contracts Accordingly, the company concluded that the expected credit loss rates for customer balances are a reasonable approximation of the expected credit loss rates for the assets of contracts with customers.

- ECL rates depended on analyzes of sales payments over the 36 months before December 31, 2021 and the corresponding historical credit losses incurred during this year.
- The default rate calculated through this approach and used to calculate ECL is the company's historical default rates for each level of number of days past due by the company's customers, which is depended on sales payment analyzes over the 36 months before December 31 2021 and the corresponding historical credit losses that have been incurred during this year
- In order to determine losses related to customer balances, notes receivables, and contract assets, the minimum allowable loss in case of failure (Loss Given Default) for each balance at risk is 100% due to the lack of any guarantee with the company.
- The amount that the debtor owes to the company at the time of the failure to pay is known as the balance exposed to failure (Exposure at Default), and the clearing is recognized in the statement of financial position between the balance of the debiting customer and the balance of the same crediting customer, the balance exposed to failure is determined as the unpaid balance on the date of the report, including any interest accrued till the date of the report.
- Egyptian Accounting Standard No. (47) Requires that the purpose of estimating ECL is not a worst-case scenario or a best-case scenario estimate. Instead, the ECL estimate should always reflect the probability that credit losses will occur, even if the most likely outcome is no credit losses. Therefore, the company applies macroeconomic scenarios to expected credit losses, where historical loss rates are adjusted to reflect current and future information about macroeconomic factors that affect the ability of customers to settle outstanding debt balances. The company has determined that the gross domestic product and the current account balance as a percentage of the gross domestic product and the annual change in the rate of inflation "average consumer prices" in the Arab Republic of
Egypt, which is the country are sale the goods and the services so these indicators are the most relevant factors and thus adjust the loss rates historical based on expected changes in these factors.

4. Significant accounting policies (follow)

4.11 Expected Credit Loss(follow)

- The applying of the Egyptian Accounting Standard No. 47 “Financial Instruments” from January 1, 2021 led to changes in the accounting policies, which are resulted to amendments are recognized in the financial statements as on December 31, 2020. Where there is an impact on the opening balance of the retained earnings on January 1 2021 amount to EGP 16 487 597.

4.12 Provisions

A provision is recognized in the balance sheet when the Company has a present or legal or constructive obligation as a result of past events, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are reviewed at the date of preparing the Financial Statements and adjusted when necessary to show its best estimate.

4.13 Taxes

A. Income Tax

Income tax is a tax on the Company’s profit and is calculated according to the relevant laws, regulations, and instructions that are currently being implemented in this regard while using the prevailing income tax at the date of preparing the balance sheet. The tax on income should be reflected in income statement.

B. Deferred taxes

Deferred tax occurs to reflect the existence of some temporary differences due to the difference in time frames when the current value of assets and liabilities are recognized between the prevailing taxation principles and accounting principles that are adhered to when preparing the financial statement.
The deferred tax is determined according to the prevailing method used to settle the present value of assets and liabilities. It should be taken into account that the deferred tax maybe considered an asset of the company if there is a possibility that it may be used to reduce the accrued tax profits of the company for future years, and the amount of the deferred tax considered as an asset of the company is reduced by the amount that may not be off-set against future taxes.

4.14 Receivables, notes receivable, debtors and other debit balances and suppliers’ advanced payment

Receivables, notes receivable, debtors and other debit balances and suppliers' advanced payments are stated at the original invoice amount net of any impairment losses that is expected not to be collected by the company.

4.15 Related party transactions

Transactions with related parties are recorded in the same way as its normal operations according to the conditions stated by the company’s management and on the same basis as transactions with others.

4.16 Treasury shares

Treasury shares are initially measured at cost value and are deducted from the equity in balance sheet.

4.17 Legal reserve

According to the Company’s articles of association, 5% of the net profits of the year are transferred to the legal reserve until this reserve reaches 50% of the issued capital, when the reserve falls below that limit the company should start deducting it again.

4.18 General reserve

The general reserve is formed from the company’s profit in the previous year`s according to the general assembly meeting resolution; This reserve is used upon a decision from the general assembly meeting based on the proposal of the board of directors and the interest of company.

Translation of financial statements
Originally issued in Arabic

4. **significant accounting policies (follow)**

4.19 Capital reserve

The capital reserve is formed by the amount of capital gains and the fixed assets endowed to the company.

4.20 Borrowing

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

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate method amortization process.
Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance cost in the income statement.

4.21 Expenses

All expenses including cost of sales, selling and marketing expenses, general and administrative expenses and other expenses are recognized and charged to the statement of income in the financial year in which these expenses were incurred.

4.22 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale are capitalized as part of the cost of the assets. All other borrowing costs are expensed in the year in which they are incurred. The borrowings costs are represented in interest and other finance costs that company pay to obtain the funds.

4.23 Pension plan for employees

The company pays its share in the social security according to social security law No, 79 for the year 1975 and its amendments, and its included in salaries and wages account in the income statement on accrual basis.

4.24 The Contingents Liabilities and Commitments

Contingent liabilities of which the company is part of as well as off-balance sheet commitments which don't represent actual assets or liabilities at the date of financial statements.

4.25 Dividends

Dividends are recognized as an obligation in the year which the declarations of distributions are made.

4.26 Cash Flow Statement

The cash flow statement is prepared according to the indirect method.

4.27 Cash and cash equivalent

Cash and cash equivalents include cash on hand and at banks, time deposits accrued within three months and deducting from it time deposits accrued after three months and letter of grantees cover also the current bank accounts (credit balances).

4.28 Comparative Figures

The comparative figures were reclassified to comply with current figures.

4.29 Earnings per share

The company presented the data related to the basic share of its regular shares. Earnings per share is calculated by dividing the company's profits on the number of ordinary shares of the company by the weighted average of the number of shares during the year.

Translation of financial statements
Originally issued in Arabic

4. **significant accounting policies (follow)**

4.30 Capital management

- The Board of Director's policy is to always maintain a strong capital base to maintain investor, creditors and market confidence and to sustain future development of the business.
- The board of directors aims to make a balance between the highest interest rates available with reasonable terms and conditions to maintain a healthy capital structure.

4.31 Fair value of financial instruments

The financial instruments are represented in the company's financial assets and liabilities and the financial assets include the account receivables, notes receivables and other debt balances and cash on hand and at bank also the financial liabilities include customers advanced payments, contractors, accounts and notes payable and other credit balances.
According to the basis of evaluation followed in evaluating the company's assets and liabilities which is present in the disclosure footnotes of the financial statements, the fair value of the financial instruments doesn't differ significantly from its book value at the date of the preparation of the financial statements.

4.32 Financial instruments and risk management related

The company's financial instruments are balances of bank accounts, cash in hand, Receivables & Notes Receivables, Debtors & other debit balances, creditors and other credit balances. The following shows the risks related to the financial instruments and the procedures continued by the company to minimize the effect of such risks:

A. Credit risk

This risk is represented in the disability of clients to pay their outstanding liabilities, this risk is considered limited as the clients have a solid credit history.

B. Liquidity risk

The liquidity risk is represented by factors that impact the repayment of amount or all of the company's commitment according to the company's policy the suitable policies are taken to decrease the risk level to the minimum.

C. Interest rate risk

Interest rate risk is represented in the change in value of financial instrument due to the fluctuation of the market interest rates. This risk is considered limitied as the company depends on its own resources in financing its financial needs to pay its current obligations and finance the fixed assets.

D. Foreign currency risk

The foreign currency risk is the fluctuation of currency exchange rates since that affect the company's open receivables and payables balance in foreign currency also asset and liability evaluation in foreign currency and this is considered a limited risk.

Translation of financial statements
Originally issued in Arabic

5. Fixed assets

June 30,2026	Land EGP	Buildings & Constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture, Fixtures & computers EGP	Enhancements of Rental Places EGP	Total EGP
Cost at January 1, 2026	7 543 974	1 052 993 028	2 665 032 509	157 592 643	43 268 667	71 115 752	8 226 776	4 005 773 349
Additions during the period	--	13 599	42 842 056	2 680 104	7 100 137	1 937 176	--	54 573 072
Cost at June 30,2026	7 543 974	1 053 006 627	2 707 874 565	160 272 747	50 368 804	73 052 928	8 226 776	4 060 346 421
Accumulated Depreciation at January 1, 2026	--	441 141 156	1 384 605 338	114 452 736	26 023 463	53 818 007	3 053 943	2 023 094 643
Depreciation for the period	--	13 173 114	53 187 637	3 093 876	3 288 867	4 963 703	670 518	81 500 711
Accumulated Depreciation at June 30,2026	--	454 314 270	1 437 792 975	120 669 608	29 312 330	58 781 710	3 724 461	2 104 595 354
Net book value at June 30,2026	7 543 974	598 692 357	1 270 081 590	39 603 139	21 056 474	14 271 218	4 502 315	1 955 751 067

This balance includes the recording of assets that fully depreciated and still used which is reprehensive in: -

	Buildings & Constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture, Fixtures & computers EGP	Leasehold improvements EGP	Total EGP
Depreciated asset that still used	168 742 931	206 073 206	16 822 257	11 879 028	37 398 542	1 689 325	887 605 289

Translation of financial statements
Originally issued in Arabic

5. **Fixed assets (follow)**

December 31,2025	Land EGP	Buildings & Constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture, Fixtures & computers EGP	Enhancements of Rental Places EGP	Total EGP
Cost at January 1, 2025	**7 543 974**	**1 046 457 333**	**2 500 169 398**	**142 314 603**	**40 331 210**	**66 662 800**	**3 792 188**	**3 807 271 506**
Additions during the year	--	17 919 088	166 934 122	15 716 768	2 937 457	5 053 547	4 434 588	**212 995 570**
Disposals during the year	--	(11 383 393)	(2 071 011)	(438 728)	--	(600 595)	--	**(14 493 727)**
Cost at December 31, 2025	**7 543 974**	**1 052 993 028**	**2 665 032 509**	**157 592 643**	**43 268 667**	**71 115 752**	**8 226 776**	**4 005 773 349**
Accumulated Depreciation at January 1, 2025	--	**417 747 897**	**1 294 617 489**	**104 422 261**	**19 940 460**	**43 609 260**	**2 525 916**	**1 882 863 283**
Depreciation for the year	--	25 669 939	91 405 527	10 403 395	6 083 003	10 456 613	528 027	**144 546 504**
Depreciation of disposals during the Year	--	(2 276 680)	(1 417 678)	(372 920)	--	(247 866)	--	**(4 315 144)**
Accumulated Depreciation at December 31, 2025	--	**441 141 156**	**1 384 605 338**	**114 452 736**	**26 023 463**	**53 818 007**	**3 053 943**	**2 023 094 643**
Net book value at December 31, 2025	**7 543 974**	**611 851 872**	**1 280 427 171**	**43 139 907**	**17 245 204**	**17 297 745**	**5 172 833**	**1 982 678 706**

This balance includes the recording of assets that fully depreciated and still used which is reprehensive in.

	Buildings & Constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture, Fixtures & computers EGP	Leasehold improvements EGP	Total EGP
Depreciated asset that still used	168 760 688	650 632 406	16 822 256	9 193 898	31 433 711	548 543	**877 391 501**

Translation of financial statements
Originally issued in Arabic

6. Projects under construction

	30 June 2026	31 December 2025
	EGP	EGP
6/a Down payment for purchase of fixed assets: -		
Limestone store	3 507 499	--
Alternative Fuel Lines	1 218 539	1 218 539
	4 726 038	**1 218 539**
6/b Commodity formation represented in the following works: -		
Buildings and constructions	11 414 124	45 249 287
Limestone warehouse	43 571 110	
Advanced payments	68 508 280	--
Information Systems	20 826 431	19 124 848
	144 319 945	**64 374 135**
(Less):		
Impairment for value of projects under constructions	(1 025 670)	(1 025 670)
	148 020 313	**64 567 004**

7. Assets right to use

1- Operating assets

	30 June 2026	31 December 2025
	EGP	EGP
Cost as of January 1, 2026	**28 055 842**	**28 055 842**
Additions during the period / year	3 876 548	--
Total cost as of June 30 ,2026	**31 932 390**	**28 055 842**
Accumulated amortization as of January 1, 2026	**10 657 205**	**7 942 697**
Amortization of the period / year	1 572 619	2 714 508
Accumulated amortization as of June 30 ,2026	**12 229 824**	**10 657 205**
Net book value as of June 30 ,2026	**19 702 566**	**17 398 637**

2- Operating lease liabilities

	30 June 2026	31 December 2025
	EGP	EGP
Lease liabilities - current portion	4 675 770	8 632 236
Lease liabilities – non-current portion	47 856 885	37 516 097
	52 532 655	**46 148 333**

8. Investments in associate companies

	Percentage of ownership	30 June 2026	31 December 2025
		EGP	
South of Upper Egypt Company of sacks manufacturing	20%	16 041 642	23 600 106
		16 041 642	**23 600 106**

Translation of financial statements
Originally issued in Arabic

9. Intangible assets

	30 June 2026	31 December 2025
	EGP	EGP
Cost		
Cost as of January 1, 2026	**288 742 410**	**288 722 810**
Additions during the period / year	--	19 600
Ending Balance for the period / year	**288 742 410**	**288 742 410**
Accumulated amortization		
Accumulated amortization as of January 1, 2026	**87 860 306**	**78 766 368**
Amortization during the period / year	4 169 789	9 093 938
Ending Balance for the period / year	**92 030 095**	**87 860 306**
Net book value at the end of the period / year	**196 712 315**	**200 882 104**

Intangible assets are represented to the license of Misr Cement Minya and SAP Program for Misr Cement (Qena) Company.

10. Inventory

	30 June 2026	31 December 2025
	EGP	EGP
Raw materials and packing	367 839 011	330 475 766
Gasoline, Mazut & coal	555 405 181	380 135 512
Spare parts	505 471 414	592 612 085
Work in progress	700 329 737	370 511 393
Goods at transit	1 045 627	1 045 627
Finished goods	74 621 456	83 267 186
	2 204 712 426	**1 758 047 569**

11. Accounts receivable and notes receivable

	30 June 2026	31 December 2025
	EGP	EGP
Accounts receivable	183 047 463	161 779 681
(Less):		
Expected credit loss	(35 617 295)	(35 101 368)
	147 430 168	**126 678 313**

12. Debtors and other debit balances

	30 June 2026	31 December 2025
	EGP	EGP
Advanced payment – suppliers	275 150 800	59 628 916
Tax authority– value added tax	53 550 296	45 067 756
Customs Authority	38 761 452	28 459 874
Tax authority– withholding taxes	29 269 423	49 470 889
Deposits with others	94 951 689	89 061 608
Prepaid expenses	144 675 470	26 241 860
Cover of letter of guarantee	46 895 322	12 370 565
Advanced Payments – Tax authority	36 986 611	--
Accrued revenue	17 650 394	101 679 146
Other debit balances	72 025 234	28 479 838
	809 916 691	**440 460 452**
(Less):		
Expected credit loss	(9 897 043)	(7 994 484)
	800 019 648	**432 465 968**

Translation of financial statements
Originally issued in Arabic

13. Financial Investments at Amortized Cost – Treasury Bills

	30 June 2026	31 December 2025
		EGP
Treasury bills maturing within 91 days	120 000 000	905 650 000
Treasury bills maturing within 273 days	223 000 000	103 000 000
	343 000 000	**1 008 650 000**
(less):		
Accrued interest not yet earned	(18 523 226)	(57 622 476)
	324 476 774	**951 027 524**

14. Cash on hand and at banks

	30 June 2026	31 December 2025
	EGP	EGP
Cash on hand	869 941	110 298
Current accounts in banks	339 810 428	449 204 845
Time deposit (maturing during three months)	637 819 858	622 415 295
Time deposits (maturing more than three months)	516 701 889	605 292 788
(less): Expected credit loss	(10 899 863)	(4 649 784)
	1 484 302 253	**1 672 373 442**

15. Paid up Capital

- The Company's authorized capital amounts to EGP 600 000 000,while the issued capital amounted to EGP 300 000 000 distributed over 30 000 000 shares of par value EGP 10 each, based on the decision of the extraordinary general assembly held on 22nd of march 2009 the capital was deducted by an amount of EGP 1 220 000 for 122 000 treasury shares, and it was registered in the commercial register in on 5th of July 2009, thus the paid up capital became EGP 298 780 000 distributed over 29 878 000 shares of par value EGP 10 per share .
- According to a board members meeting No 186 held on September 12, 2017 and authorized from GAFI on 25 September 2017 which decided to increase the capital with amount EGP 301 220 000 divided to 30 122 000 shares at EGP 10 per share, became EGP 600 000 000 as registered in the commercial register on 31 January 2018 No. 4955.
- The Ordinary General Assembly held on 28 March 2018 decided to distribute a free share for every 5 shares from retained earnings to share become 72 000 000 shares instead of 60 000 000 shares thus the paid up capital become EGP 720 000 000 instead of EGP 600 000 000 and it was registered in the commercial register on 29 May 2018 no. 23904 to become authorized capital amount to EGP 1 500 000 000, and issued and paid up capital amount to EGP 720 000 000 distributed on shareholder's as follow:
- According to the extraordinary general assembly meeting held on 25 June 2023, it was decided to increase the capital through free shares to become EGP 960 000 000, and it was registered in the commercial registry on 3 October 2023.

	Percentage (%) of Participation	No. of shares	Paid up capital
	%		EGP
Mohamed Ashraf Omar Omar	17.99%	17 275 200	172 752 000
Egyptian Federation for Construction and Building Contractors	15.01%	14 409 599	144 095 990
Misr Beni Suef Cement Company	12.99%	12 478 146	124 781 460
Egyptian Investment Projects Company	10.07%	9 668 127	96 681 270
Kuwaiti Egyptian Investment Company	9.88%	9 485 607	94 856 070
National Investment Bank	9.58%	9 194 131	91 941 310
Misr Life Insurance Company (S.A.E.)	9.37%	8 998 451	89 984 510
QNB Financial Services Company	6.70%	6 428 685	64 286 850
Other Shareholders	8.39%	8 062 054	80 620 540
	% 100	**96 000 000**	**960 000 000**

Translation of financial statements
Originally issued in Arabic

16. Reserves

	Legal reserve	General reserve	Capital reserve	Total
	EGP	EGP	EGP	EGP
Beginning Balance for the period	**211 359 634**	**10 216 984**	**7 932 820**	**229 509 438**
Reserves during the period	61 285 421	--	--	**61 285 421**
Ending Balance for the period	**272 645 055**	**10 216 984**	**7 932 820**	**290 794 859**

17. Non-Controlling shareholder's interests

First: Change in non-controlling interest shareholders

	30 June 2026	31 December 2025
	EGP	EGP
Beginning Balance for the period / year	**1 003 979 257**	**503 511 771**
Non-controlling interest -share in net profit for the period / year	263 236 577	525 142 824
Adjustments on retained earning	--	(1 055 610)
Non-controlling shareholders share in dividends distribution	(351 445 686)	(23 619 728)
Ending balance for the period / year	**915 770 148**	**1 003 979 257**

Second: Non-Controlling shareholder's interests

	Percentage of ownership %	30 June 2026	31 December 2025
		EGP	EGP
Misr Cement Minya shareholders			
Safari limited for investments	30.72 %	709 733 552	778 096 738
Industrial Fund for Developing countries	4.64 %	107 175 282	117 498 654
FLSmidth	4.27 %	98 740 123	108 251 001
National Company for development and trading	--	119 684	131 212
Others	--	718	788
Misr Cement - Beton (S.A.E) shareholders			
Others	0.01 %	789	864
		915 770 148	**1 003 979 257**

18. Deferred Tax Assets / (Liabilities)

	Assets taxes		Liabilities taxes	
	30/6/2026	31/12/2025	30/6/2026	31/12/2025
	EGP	EGP	EGP	EGP
Beginning balance for the period / year	**1 120 324**	**10 090 714**	**329 849 133**	**323 736 181**
Assets and (liabilities) movements-deferred tax	420 907	(8 970 390)	(20 514 070)	6 112 952
Ending balance for the period / year	**1 541 231**	**1 120 324**	**309 335 063**	**329 849 133**

Translation of financial statements
Originally issued in Arabic

19. Provisions

	Balance as of 1 January 2025	Charged during the period	Provisions used	Provisions that are no longer intended	30 June 2026
	EGP	EGP	EGP	EGP	EGP
Provision for other claims and litigations	**29 012 516**	--	--	--	**29 012 516**
Provision for claims	**153 498 385**	1 489 493	(5 213 771)	--	**149 774 097**
	182 510 901	**1 489 493**	**(5 213 771)**	**--**	**178 786 613**

The provision for claims represents what has been created to meet any claims expected to be made by an external party. The company did not disclose information about the provisions due to management's belief that doing so would be expected to strongly affect the results of the negotiations with the external party. The management reviews these allocations annually and also adjusts the provision value according to the latest developments, discussions and agreements with the external party.

20. Credit facilities

The balance of the debit current account on 30 June 2026 of Qena Cement Company, has facilities amounted 238 065 484 EGP the National Bank of Egypt to finance the purchase of raw materials and production tools within limited amount to 400 000 000 EGP.

21. Creditors and other credit balances

	30 June 2026	31 December 2025
	EGP	EGP
Tax authority	20 781 084	25 249 176
Retention	17 220 626	15 321 570
Syndicate Stamps	6 921 418	6 920 303
Employees services association	21 181 782	646 532
Social insurance authority	12 402 491	6 590 137
Tax authority- value add tax	108 845 359	82 370 314
Production development fees	9 693 558	9 792 991
Accrued debit interests	1 554 596	736 946
Accrued expenses	89 023 054	23 581 410
Creditors - Dividends	14 430 528	2 253 955
Other- creditors	23 776 077	43 021 591
	325 830 573	**216 484 925**

22. Income tax payable

	30 June 2026	31 December 2025
	EGP	EGP
Beginning balance for the period / year	**803 745 764**	**98 568 783**
Accrued income tax for the period / year	446 394 923	803 745 764
Payments to tax authority	(765 631 224)	(98 568 783)
	484 509 463	**803 745 764**

Translation of financial statements
Originally issued in Arabic

23. Cost of sales

	30 June 2026	30 June 2025
	EGP	EGP
Depreciation and amortization	73 028 286	66 782 388
Governmental fees and technical management contract fees	119 923 306	196 035 341
Electricity and power	1 457 207 189	1 522 731 413
Raw materials and packaging materials	379 379 468	298 726 093
Rents	7 601 087	14 688 192
Indirect costs	885 499 698	514 606 608
	2 922 639 034	**2 613 570 035**

24. Selling and marketing expenses

	30 June 2026	30 June 2025
	EGP	EGP
Depreciation	353 568	365 991
Salaries and wages	23 190 950	18 941 099
Others	37 980 680	24 692 939
	61 525 198	**44 000 028**

25. General and administrative expenses

	30 June 2026	30 June 2025
	EGP	EGP
Depreciation And Amortization	4 177 259	7 760 754
Salaries and wages	64 062 653	47 310 985
Donations	1 444 835	5 408 087
rents	398 940	431 548
Insurance expenses	885 216	844 179
Others	111 324 187	54 034 984
	182 293 090	**115 790 537**

26. Other Revenues / (Expenses)

	30 June 2026	30 June 2025
	EGP	EGP
Revenue from transport, shipping and handling	180 867 255	112 028 032
Revenue from spare parts	1 238 813	--
Others	31 582 442	9 974 295
	213 688 510	**122 002 327**
Transport shipping and handling expenses	(175 917 766)	(112 646 184)
Spare Parts Cost	(466 585)	(808 000)
Others	(16 592 577)	(534 458)
	20 711 582	**8 013 685**

Translation of financial statements
Originally issued in Arabic

27. Related party transactions

The transactions with related parties between Misr Cement Company (S.A.E) and its subsidiaries where all the balances resulting from the transactions between the company's group are completely disposed including the sales, expenses and dividends. Also, all the revenues and losses resulting from transactions between the company's group that have been recognized in the assets as inventory and fixed assets have been Disposed.

	Sales /Service revenue	Purchases /Cost of services
Misr Cement Beton	50 724 552	--
Qena company for management and maintenance	144 795 094	--
Misr Cement Minya	64 694 339	--

Also, the transaction between the related parties is presented in the between Misr Cement Company – Qena (S.A.E) and some shareholders and associate companies as follows:

Company	Nature of the relation	Type	30 June 2026 EGP
Misr Insurance	Shareholder	Insurance installments	10 590 092
South of upper Egypt company (main supplier)	Associate	Sacks supplying	140 578 000

28. Contingent liabilities

The letters of guarantee that issued at the Company's request from the banks in favor of third parties as follows:

	The letters of Guarantee EGP	Cash Cover EGP
Misr Cement Minya	7 492 384	Non-fully covered
Misr Cement Minya	4 504 298	Fully covered
Misr Cement - Qena	8 588 832	Fully covered

29. Tax Situation

The Tax situation for Misr Cement Qena

a) Corporate taxes

An Introduction

The company was established in accordance with Law No. 159 of 1981. The General Authority for Investment and Free Zones approved the company's entitlement to the tax exemptions granted under the Investment Guarantees and Incentives Law No. 8 of 1997 for its activity related to cement manufacturing only, for a period of ten years starting from January 1, 2003, and ending on December 31, 2012, following the commencement of production on April 6, 2002.

The financial year ended December 31, 2013, is the first year subject to corporate income tax.

1. Years from beginning of the activity to 2019

All tax disputes for this period have been settled, and the related tax dues have been paid

2. Years from 2020/2024

-The company was audited by the Egyptian Tax Authority for the relevant years. The audit results were approved, and the principal tax arising from the audit differences was fully settled. An appeal was submitted in respect of the paid tax, the time extension penalties, and the withholding tax that was not offset against the tax due on the Authority's system. As of the reporting date, no committee has been appointed to review the dispute

b) Salary tax

1. Years from beginning of the activity to 2024

The authority examined those years and ended the dispute over that period.

3. period form 1 January 2025 to 31 march 2026

-The company withholds the tax from the employees and exports it to the tax authority at the legal dates.
-No audit forms have been received by the company for this period.

c) Value added tax (Sales Tax)

1. Years from beginning of the activity to 2024

The audits for these years have been completed, and all differences have been settled.

2. The period form 1 January 2025 to 31 march 2026

- The company remits it to the Egyptian Tax Authority within the statutory deadlines.
- No audit forms have been received by the company for this period.

d) Development of the country's financial resources fees

1. Years from 5 May 2008 to 2024

-The tax authority reviewed the company's books and records, and no differences were found.

2. The period form 1 January 2025 to 31 march 2026

- The company remits it to the Egyptian Tax Authority within the statutory deadlines.
- No audit forms have been received by the company for this period.

e) Property tax

Introduction:

- Law No. 196 of 2008 was issued, imposing a tax on built properties, which was then amended by Law No. 103 of 2012 and further by Law No. 117 of 2014.
- The law was applied starting from July 1, 2013, with valuation effective until December 2021, according to Law No. 4 of 2019 amending Law No. 196 of 2008.
- The company relied on the authority's assessments to calculate its tax obligations for the years 2022–2024 in the absence of new valuation notifications.
- The company submitted its real estate tax returns in accordance with Law No. 196 of 2008 and its amendments.
- In August 2022, Council of Ministers (Egypt) issued Cabinet Resolution No. 61 of 2022, under which the Ministry of Finance (Egypt) bears the full amount of tax due on built properties used in certain activities, effective from 1 January 2022 for a period of three years. On 1 February 2024, the Prime Minister issued Resolution No. 3 of 2024, extending the validity of Resolution No. 61 of 2022 until 31 December 2026, subject to certain conditions. The cement activity was included under item No. 12 in the list of activities for which the Ministry of Finance assumes the real estate tax on the properties used in the activity.
- The Real Estate Tax Authority issued Circular No. 5 of 2022 on September 6, 2022, detailing the procedures for implementing the Cabinet decision.

The company has submitted a formal request with all required documents in accordance with the circular but has not yet received official approval.

Translation of financial statements
Originally issued in Arabic

29.Tax Situation (Followed):

The Tax situation for Misr Cement Minya

First: Tax on the profits of capital companies:

- Years 2010 to 2012: an estimated examination of the accounts of the company has been conducted, and the objection Committee issued a decision to re-examine, and the examination is being prepared
- Years 2013 to 2016: an estimated examination of the accounts of the company has been conducted for these years, and an internal committee was formed to re-examine the matter, which is currently under review, and a 3/4 examination form was issued to transfer the file to the objection committee for statute of limitations, A request for reconciliation and dispute resolution was submitted to the authority and the examination is in progress.
- Years 2017 to 2018: an estimated examination of the accounts of the company has been conducted for these years and the inspection is being conducted.
- For the years 2020–2024: The company submitted its tax returns within the statutory deadlines and was notified of the tax audit through the SAP system for the above-mentioned years. The audit file has been prepared, and the audit process is currently underway and nearing completion. In addition, tax returns are being submitted in accordance with Law No. 206 of 2020 promulgating the Unified Tax Procedures Law, and the related taxes are being settled within the legal due dates.

Second: Payroll tax and the lie

- For the years from commencement of activity up to 2020: The tax audit, assessment, and settlement have been completed.
- For the years 2021–2022: An internal committee was formed for fiscal years 2020–2021, which was approved. A complaint was submitted regarding the amendment of the assessed tax claim for the period in order to enable settlement, and it is currently under follow-up.
- For the years 2023–2024: The audit and approval have been completed. A complaint has been submitted to activate the tax payment claim for the period on the system, and it is under follow-up. Once resolved, payment will be made.
- For the year 2025: The company is submitting its tax returns within the statutory deadlines in accordance with Law No. 206 of 2020.

Third: Value Added Tax

- For the periods from 2010 to 2015: The company was audited, the audit results were approved, and the related audit differences were fully settled.
- For the periods from 2016 to 2019: The company was audited and the assessed differences were settled. An amount of EGP 11 300 430 was referred to the Tax Evasion Department and the matter is still under review.
- For the periods from 2020 to 2024: The company was audited, the audit results were approved, and the audit differences were fully settled.
- For the period from 2025 to date: The company is regularly submitting its tax returns in accordance with Law No. 206 of 2020.

Fourth: Deduction and collection under tax account

The company applies withholding tax on its transactions with third parties in accordance with the provisions of Tax Law No. 206 of 2020 and submits Form (41) within the statutory deadlines.

Fifth: Stamp tax

- Up to 31 December 2015: The company was audited, and both approval and settlement were completed.
- For the years 2020–2023: Tax assessments were finalized and the related amounts were fully settled.
- For the years 2016–2019: The company was subject to estimated tax assessment, after which a decision was issued to conduct a detailed (book-based) audit. An appeal was submitted, an internal committee was formed, and subsequently approval and settlement were completed.
- For the years 2024–2025: The company is compliant with tax regulations and the provisions of Law No. 111 of 1980 and Law No. 206 of 2020.

Six the: Property tax

- The Ministry of Finance (Egypt) bears the full amount of the real estate tax due on built properties that are actually used in industrial activities for the period from 1 January 2022 to 31 December 2026.
- The company is compliant with the payment of real estate tax within the statutory deadlines for built properties used for non-industrial purposes.

Seventh: Capital Goods

- A lawsuit No. 74743 for Judicial Year 67 has been filed before the Cairo Administrative Court, registered on 17/09/2013, seeking confirmation that imported capital goods intended for production and private use for the years 2011–2013 are not subject to General Sales Tax. The case has been heard in several sessions, and a preliminary judgment was issued referring the case to experts from the Ministry of Justice (Egypt). The Ministry of Justice experts will notify the company by registered mail with acknowledgment of receipt of the hearing date to verify the validity of the amounts claimed for refund and to confirm the company's clearance from any remaining tax liabilities. It is also noted that the Reconciliation Committee for Certain Disputes, formed in accordance with Law No. 7 of 2000, had previously recommended the company's entitlement to recover the tax paid and confirmed its release from any remaining tax obligations. From management's perspective, no provisions have been recognized, as the Supreme Administrative Court (Egypt) has previously issued rulings confirming that imported capital goods intended for production are not subject to General Sales Tax.

29.Tax Situation (Followed):

The Tax status for Qena for maintenance

The company was established on June 26, 2018, and subjected to the provisions of Law No. 159 of 1981 and the following is a summary of the tax position for each tax:

A. Corporate tax

Years from the Beginning of Activity until 2019

- The company submitted the tax return within the legal deadlines.
- The tax authority requested an examination and review of the company's books and documents for those years; preparations are underway to examine the company for those years and there are no Accrued taxes.

Years 2023/2025
- The company submitted the tax return within the legal deadlines.
- The tax office did not inspect the company for those years.

Years 2020/2021
- The company submitted the tax return within the legal deadlines.
- The tax authority requested an examination and review of the company's books and documents for those years; preparations are underway to examine the company for those years.

B. Salaries tax

Years from the Beginning of Activity until 2025

- The company deducts the tax and exports it to the tax authority within the legal dates.
- The company has not received any inspection notifications from the tax authority for that year to date.

C. Value add tax

Years from the Beginning of Activity until 2023
- The company was registered with the Value Added Tax Authority on October 13, 2021.
- The company is committed to submitting value added tax returns and paying the due tax.
- The tax authority requested an inspection of the company for the period from October 2021 to December 2022 and preparations are underway for the inspection.

Years 2024 / 2025
- The company submits tax returns on the legal dates.
- The company was not requested to be inspected for that year.

D. Stamp tax

Years from the Beginning of Activity until 2021

-The tax authority inspected the company's books and documents for those years and paid the due tax.

Years 2022/2024

The tax authority did not inspect the company for that year.

The Tax status for Misr Cement - Beton (S.A.E)

The company was established according to act no. 159 for the year 1981 and the company's tax status is as follows:

A. Corporate tax
- The company submitted the tax return for the financial year ended 31/12/2023 within the legally prescribed deadline.
- For the period from 2009 to 2015, the tax examination was completed, and the Internal Committee approved the results, resulting in tax differences amounting to EGP 649,366 (Six hundred forty-nine thousand three hundred sixty-six Egyptian pounds only).
- For the period from 2016 to 2018, the tax re-examination was completed and approved, resulting in tax differences amounting to EGP 2,208,149 (Two million two hundred eight thousand one hundred forty-nine Egyptian pounds only), in addition to a separate assessment under Article 56 with tax differences amounting to EGP 230,629 (Two hundred thirty thousand six hundred twenty-nine Egyptian pounds only).

B. Salaries tax

- The inspection and final agreement were completed and the inspection differences due from the beginning of the activity until 2022 were paid.
- The company submits tax returns and pays its obligations to the tax authority on the legal dates.

Translation of financial statements
Originally issued in Arabic

29.Tax Situation (Followed):

C. The value added tax

- The company is registered for value added tax.
- The company was inspected for the year from the beginning of the activity until December 31, 2016 and there is no debt.
- The company was inspected from 1/1/2017 until 12/31/2019 and the inspection resulted in a total tax of EGP 4 900 009.
- Form 15 of the value added tax and the decisions of the internal committee, and the appeal committees were appealed. The file was referred to the competent court and a defense memorandum was submitted.
- The Company responded to the Tax Authority through official letters indicating the amounts paid on account of tax. The total amounts paid under account of such tax differences to date amount to EGP 1,600,000 (Egyptian Pounds One Million Six Hundred Thousand Only).
- The Company submitted a request to the Reconsideration Committee regarding the final assessment in order to resolve the following items:
  - Disallowance of input tax previously deducted on inputs necessary for the Company's activity, in violation of the law and Assessment of tax on revenues that are not subject to tax and Imposition of tax on fixed assets and Imposition of tax without legal basis on building additions of the Company.
  - The Company submitted the supporting documents on 20 May 2025, and the matter is still under review.
  - The Company was examined for the period from 1 January 2020 to 30 November 2020. The examination resulted in tax differences amounting to EGP 377,049 (Egyptian Pounds Three Hundred Seventy-Seven Thousand Forty-Nine Only), which have been settled, excluding the additional tax.
  - For the period from December 2020 to December 2024, the Company received a notification dated 7 December 2025 requesting the preparation of documents for that period. The required documents have been prepared and submitted, and the examination is currently in progress by the relevant Tax Authority.

D. Stamp tax

- The company has been inspected from the beginning of the activity until 2018 and the inspection differences were paid.
- The years from 2019 to 2020 were inspected and the inspection differences and fines were paid.

30. Important Events

- On The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting on Thursday, February 12, 2026, to reduce key interest rates by 100 basis points. Accordingly, the overnight deposit and lending rates and the Central Bank's main operation rate were reduced to 19%, 20%, and 19.5%, respectively. The discount rate was also reduced to 19.5%. Furthermore, the Central Bank's Board of Directors decided to lower the reserve requirement ratio that banks are required to maintain with the Central Bank of Egypt from 18% to 16%. These decisions reflect the Committee's assessment of the latest inflation developments and its projections since its previous meeting.

- On February 28, 2026, the American-Israeli war on Iran broke out, and these repercussions were reflected on the region, especially Egypt, due to its proximity to the ongoing events. However, it is too early to conduct a full assessment of the effects of the war, and it is not currently possible to predict the extent to which further escalation will affect the situation. However, there is currently no indication of any impact on the company's operations or non-performance of its obligations.

Managing Director	Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed