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

Separate interim Financial Statements
For The Period Ended June 30,2026
And Limited Review Report

Contents

KRESTON
EGYPT
Tamer Nabarawy & Co.

Limited Review Report

To: The Chairman and member 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 accompany separate interim financial statements of MISR CEMENT (QENA) COMPANY (S.A.E) which comprise the separate interim statement of financial position as at June 30,2026 and the related separate interim statements of income Separate interim, other comprehensive income Separate interim, change of equity Separate interim and cash flows Separate interim for the six months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and Fair presentation of these separate interim financial statements in accordance with the Egyptian Accounting Standards, our responsibility is to express a conclusion on these separate 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 separate interim financial statement performed by the independents Auditor of the entity". A limited review of separate interim financial statements consists of making inquiries primarily to people responsible for financial and accounting matters in the company and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion on this separate interim financial statement.

Conclusion:

Based on our limited review, nothing has come to our attention that causes us to believe that the accompany separate interim financial statements do not present fairly, in all material respect the separate interim financial position of MISR CEMENT (QENA) COMPANY (S.A.E) as at June 30,2026 and its financial performance and its cash flow for the six months ended then, in accordance with Egyptian accounting standards.

Cairo, August 5, 2026

Auditor

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

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Translation of financial statements
Originally issued in Arabic

Separate interim Statement of Financial Position

	Note	30 June, 2026	31 December, 2025
		EGP	EGP
Non-current assets			
Fixed assets	(5)	419 442 475	417 547 087
Assets right to use	(6-A)	815 100	1 191 300
Intangible assets	(7)	355 261	501 199
Project under construction	(10)	58 048 091	15 311 781
Investments in subsidiaries	(8)	1 168 435 322	1 168 435 322
Investments in associates	(9)	800 000	800 000
Deferred tax Assets	(18)	1 120 324	1 120 324
Total non-current assets		**1 649 016 573**	**1 604 907 013**
Current assets			
Inventory	(11)	906 767 391	869 831 167
Due from related parties	(12-A)	19 960 371	25 403 941
Debtors and other debit balances	(14)	405 997 640	149 027 150
Financial Investments at Amortized Cost – Treasury Bills	(13)	211 216 947	595 224 852
Cash and cash equivalent	(15)	700 388 692	843 705 941
Total current assets		**2 244 331 041**	**2 483 193 051**
Total assets		**3 893 347 614**	**4 088 100 064**
Equity			
Issued and paid-up capital	(16)	960 000 000	960 000 000
Reserves	(17)	290 794 860	229 509 438
Retained earnings		245 222 702	187 358 886
Net Profit for the period / year		1 241 638 722	1 225 708 438
Total Equity		**2 737 656 284**	**2 602 576 762**
Non-current liabilities			
financing lease liability – non-current portion	(6-B)	479 739	865 903
Deferred tax liabilities	(18)	60 001 834	59 598 396
Facilities – long term		--	18 305 236
Total non-current liabilities		**60 481 573**	**78 769 535**
Current liabilities			
Provisions	(19)	42 271 935	47 485 705
Facilities		6 911 410	92 256 026
Receivables – advance payments		37 800 545	56 190 969
Suppliers and notes payable	(20)	520 598 839	723 468 500
Due to related parties	(12-B)	44 734 695	1 987 633
Dividends Payable		1 449 907	899 576
Creditors and other credit balances	(21)	165 533 815	117 922 854
financing lease liability – current portion	(6-B)	--	51 894
Income tax payable		275 908 611	366 490 610
Total current liabilities		**1 095 209 757**	**1 406 753 767**
Total liabilities and equity		**3 893 347 614**	**4 088 100 064**

- The accompanying notes are an integrated part of these interim Separate financial statements.
- limited review report attached

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

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Separate interim Statement of Income

	Note	Six months ended 30/06/2026	Six months ended 30/6/2025	Three months ended 30/6/2026	Three months ended 30/6/2025
		EGP	EGP	EGP	EGP
Net Sales		2 429 585 781	1 575 459 787	1 287 315 790	801 648 033
(Less):					
Cost of sales	(22)	(1 374 932 116)	(1 050 748 093)	(786 155 231)	(501 933 585)
Gross profit		**1 054 653 665**	**524 711 694**	**501 160 559**	**299 714 448**
Selling and marketing expenses	(23)	(31 622 963)	(19 124 063)	(15 299 202)	(9 391 773)
General and administrative expenses	(24)	(67 275 323)	(58 837 673)	(36 704 300)	(31 657 652)
Amortization of intangible assets		(145 938)	(285 135)	(72 969)	(142 568)
Other revenue	(26)	16 898 181	2 884 410	1 754 896	2 367 735
Board of directors' salaries, attendance and transportation allowances		(6 570 368)	(6 198 970)	(4 449 679)	(4 244 421)
Total expenses		**(88 716 411)**	**(81 561 431)**	**(54 771 254)**	**(43 068 679)**
Net Operating profits		**965 937 254**	**443 150 263**	**446 389 305**	**256 645 769**
Add / (Less):					
Finance expense		(2 983 692)	(13 833 385)	(1 932 895)	(5 879 098)
Amortization of assets right to use		(376 200)	(376 199)	(188 100)	(188 099)
financing lease interest		(91 848)	(121 662)	(44 155)	(57 925)
Expected credit losses		(1 406 453)	(229 323)	611 726	(144 379)
Interest Income from Financial Investments at Amortized Cost – Treasury Bills		52 960 305	--	13 800 684	--
Foreign currency exchange differences		(19 921 234)	(18 013 542)	(75 340 734)	(6 889 008)
Provision charged		--	(5 517 493)	--	(5 517 493)
Reversal expected credit losses		--	663 787	--	663 787
Credit interest		49 765 470	5 587 705	24 548 516	3 268 983
Revenue from investments in associate and subsidiaries companies	(25)	496 263 443	37 604 647	(7 485 716)	470 099
Net Profits for the period before Taxes		**1 540 147 045**	**448 914 798**	**400 358 631**	**242 372 636**
(Less):					
Income tax		(239 473 219)	(98 330 180)	(77 680 950)	(57 016 427)
Treasury Bills Tax		(10 592 060)	--	(2 760 133)	--
Tax on Investment Income		(48 039 606)	--	(446 002)	--
Deferred Tax		(403 438)	(3 117 269)	2 080 634	(3 250 785)
Net Profits for the period After Taxes		**1 241 638 722**	**347 467 349**	**321 552 180**	**182 105 420**
Earnings per share (EGP/Share)	(27)	**10,65**	**3,02**	**2,74**	**2,30**

- The accompanying notes are an integrated part of these interim Separate financial statements.

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

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Separate interim Statement of Comprehensive Income

	Six months ended		Three months ended	
	30/6/2026	*30/6/2025*	*30/6/2026*	*30/6/2025*
	EGP	EGP	EGP	EGP
Net Profits for the period After Taxes	1 241 638 722	347 467 349	321 552 180	182 105 424
Add / (Less):				
Other comprehensive income	--	--	--	--
Total comprehensive income for the period	1 241 638 722	347 467 349	321 552 180	182 105 424

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

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Separate interim statement of Change in Equity

30 June, 2025	Issued and Paid up Capital	Reserves	Retained Earnings	Net Profit for the period	Total
	EGP	EGP	EGP	EGP	EGP
Balance at 1 January 2025	**960 000 000**	**218 721 873**	**112 535 283**	**215 751 290**	**1 507 008 446**
Transferred to retained earnings	--	--	215 751 290	(215 751 290)	--
Transferred to reserves	--	10 787 565	(10 787 565)	--	--
Dividends Distribution	--	--	(130 140 221)	--	(130 140 221)
Total comprehensive income for the period	--	--	--	347 467 439	347 467 349
Balance on 30 June, 2025	**960 000 000**	**229 509 438**	**187 358 786**	**347 467 439**	**1 724 335 574**
30 June, 2026					
Balance at 1 January 2026	**960 000 000**	**229 509 438**	**187 358 886**	**1 225 708 438**	**2 602 576 762**
Transferred to retained earnings	--	--	1 225 708 438	(1 225 708 438)	--
Transferred to reserves	--	61 285 422	(61 285 422)	--	--
Dividends Distribution	--	--	(1 106 559 200)	--	(1 106 559 200)
Total comprehensive income for the period	--	--	--	1 241 638 722	1 241 638 722
Balance on 30 June, 2026	**960 000 000**	**290 794 860**	**245 222 702**	**1 241 638 722**	**2 737 656 284**

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

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Separate interim Statement of Cash Flow

	Note	30 June, 2026 EGP	30 June, 2025 EGP
Cash Flows from Operating Activities			
Net Profits for the period before taxes		1 540 147 045	448 914 798
Adjustment to reconcile net profit to cash flow from operating activities			
Depreciation of fixed assets	(5)	25 355 910	19 467 240
Amortization of intangible assets	(7)	145 938	285 135
Revenue from investments		(496 263 442)	(37 604 647)
Reverse / Charged from Expected credit losses		(179 523)	229 323
Finance lease interest		91 848	121 662
Amortization of assets right to use	(6)	376 200	376 200
Provision charged		--	5 517 493
Interest Income on Treasury Bills at Amortized Cost		(52 960 305)	--
Foreign currency exchange		19 921 234	18 013 542
Debit interest		2 983 692	13 833 385
Credit interest		(49 765 470)	(5 587 705)
Net Operating profits		**989 853 127**	**463 566 426**
Change in inventory	(12)	(36 936 224)	(251 244 232)
Change in related parties	(13)	48 190 632	(23 435 120)
Change in debtors and other debit balances	(14)	(254 342 611)	(84 394 670)
Change in account receivables		--	10 453 629
Change in receivables – advance payments		(18 390 423)	34 004 301
Change in suppliers	(20)	(202 869 662)	174 345 375
Change in creditors and other credit balances	(21)	(428 644)	21 822 527
Paid from financing lease contracts		(529 906)	(559 720)
cash Flows generated from operating activities		**524 546 290**	**344 558 516**
Income taxes paid		(330 055 218)	(72 871 298)
Utilized Provisions		(5 213 769)	--
Net cash Flows generated from operating activities		**189 277 303**	**271 687 218**
Cash flows from investing activities			
(Payments) For purchase fixed assets	(5)	(27 251 298)	(43 719 060)
(Payments) For projects under construction		(42 736 310)	(1 253 214)
Proceeds from investments measured at fair value through profit or loss (FVTPL)		628 261 811	--
(payments) for purchase Treasury Bills		(201 885 661)	--
Collected credit interest		47 317 112	5 587 705
Collected from dividends distributions		496 263 442	37 604 647
Net cash flows generated from / (used in) investing activities		**899 969 096**	**(1 779 922)**
Cash flows from financing activities			
Change in facilities		(103 649 853)	(187 307 671)
Debit interest paid		(2 983 692)	(13 833 385)
Dividends distributions - paid		(1 106 008 869)	(79 366 780)
Net cash flows (used in) financing activities		**(1 212 642 414)**	**(280 507 836)**
Net cash and cash equivalents during the period		**(123 396 015)**	**(10 600 540)**
Foreign Currency exchange differences		(19 921 234)	(18 013 542)
Cash and cash equivalent – beginning of the period		843 705 941	244 521 142
Cash And Cash Equivalent – End of the period	(15)	**700 388 692**	**215 907 060**

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

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Notes to the interim Separate Financial Statements

1. <u>About the Company</u>

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 on 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

- Cement production 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 " and during the year 2022, the business was assigned to QENA for management and Maintenance Company.

- MISR CEMENT CO, (QENA)COMPANY (S.A.E) have 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"
- From JULY 2022, the company has assigned technical support to QENA for management and Maintenance Company.

1.3. The Company's Location

- The head office 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.

1.4. The company duration

- The duration of the company is 25 periods 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 Fiscal Year For begins from 1 January and ends at the end of December of each year.
- The company is registered on both the Cairo and Alex Exchange Market.

1.6. Approval of the financial statements

The financial statements of the Company for the period ended march 31, 2025, were authorized for issuance in accordance with a resolution of the board of directors on August 5,2026.

2. Basis For financial statement preparation

- The Separate Financial Statements of the Company have been prepared in accordance with the Egyptian accounting standards and the applicable laws and regulations.
- The financial statements have been prepared under the going-concern assumption and on the historical cost basis under the fair market value.
- The financial statements have been prepared and presented in Egyptian pound, which is the Company's functional currency.

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3. Significant accounting estimates and personal judgments

3.1 The significant accounting 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 experience and some other factors including the expected future events that fit these circumstances.

These estimates and assumptions are reviewed yearly 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 follows:

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 in value of commercial debtors.

The evaluation of the value of receivables is mage 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 grated for them and the impairment is recorded with the value of the due amounts on the customers who the Company management sees that their credit position does not allow them to pay their liabilities.

c. Useful lives of fixed assets

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

d. Impairment of Inventory

The company's management reduces the obsolete and low turnover of 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 the use of personal judgment, which may have a significant impact on the value recognized in the financial statements.

3.3 Fair value measurement

- 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.
- 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 into 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.
- 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 the years presented in these financial statements.

4.1 Foreign currencies translation

Transactions in foreign currencies are initially recorded using the exchange rate prevailing on the date of the transaction.

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

Non-monetary items that are measured at historical cost in foreign currencies are translated using the exchange rates prevailing at the date of the initial recognition.

4.2 Fixed assets and their Depreciation

a. The first recognition and initial measurement

Fixed assets are stated at the historical cost deducts of accumulated depreciation and accumulated impairment losses.

b. Subsequent Cost of acquisition

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 assets 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 are 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%

4.3 Intangible assets

The intangible assets are initially recognized at the cost then they are recognized at the cost less the accumulated amortization and the accumulated impairment.

The intangible assets with a definite life are amortized throughout the assets' economic life. An impairment test is made whenever there is an indicator of the assets' impairment. The amortization year and method of the intangible assets with a definite life are revised at least once at the end of each fiscal year.

4.4 Projects under construction

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

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

4.5 Investments in subsidiaries and associates

Investments in subsidiaries and associates are recorded at costless losses of their impairment, in subsidiaries are accounted for at cost including transaction cost and in case the investment is impaired, the carrying amount is adjusted by the value of this impairment and is charged to the Income Statement for each investment separately.

4.6 Financial investments at fair value through OCI

Financial investments are recognized at fair value through comprehensive income at cost on the date of acquisition. Investments listed on the stock exchange are evaluated at fair value (market value). As for investments not listed on the stock exchange, they are evaluated at their calculated value - according to the studies conducted in this regard - and the value of the resulting differences is recorded. As a special reserve - the differences in the evaluation of financial investments available for sale within shareholders' equity, and when the investment is sold, its share in the special reserve is added to the income statement.
For financial investments at fair value through comprehensive income that are not active (they have no market value in an active market) and whose fair value cannot be determined with a sufficient degree of confidence, these investments are recorded at their acquisition cost, and in the event of a decrease in the value of these investments (impairment), it is Adjusting the book value to the value of this decline and charging it to the income statement for each investment separately.

4.7 Inventory

The Inventory elements are valued as follows:

- Raw materials, gasoline, diesel, packaging and spare parts: at the lower cost (using the weighted average method) or net realizable value.
- Work in progress: at the lower of the cost of production based on the cost sheets or net realizable value.
- Finished goods: at the lower of the cost of production based on the cost sheets or net realizable value.

Cost of production includes the unit's share of direct materials, direct labor and both direct and indirect overheads.

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.

4.8 Revenue

Revenue from sales is recognized at 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.

- **Dividends**

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

- **Interest income**

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

4.9 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 lifetime of all customer balances and contract assets with customers

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

4.9. Expected Credit Loss(followed):

-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 analyses 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 receivable, 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.

4.10 Provisions

A provision is recognized in the balance sheet when the Company has a present or legal or constructive obligation because 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 their best estimate.

4.11 Taxes

- **Income Tax**

Income tax is calculated 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.

- **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 may be 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. **Significant accounting policies (followed)**

4.12 Accounts Receivable, notes receivable, debtors and other debit balances and suppliers' advanced payment

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

4.13 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.

4.14 Treasury shares

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

4.15 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

4.16 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.

4.17 Capital reserve

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

4.18 Borrowing

Borrowings are initially recognized at the value received 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.

The amortized cost is calculated considering any discount or premium on purchase and fees or costs that are part of the effective interest rate. The effective interest rate amortization is included in financing costs in the income statement

4.19 Expenses

All expenses including the 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.

4.20 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 expenditure in the year.

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

4.20 Borrowing cost (followed):

which they are incurred. The borrowings costs are represented in interest and other finance costs that the company pay to obtain the funds.

4.21 Pension plan for employees

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

4.22 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 balance sheet.

4.23 Dividends

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

4.24 Cash Flow Statement

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

4.25 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 grantee cover also the current bank accounts (credit balances)

4.26 Earnings per share

The company presented 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.

4.27 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.

4.28 Comparative figures

The comparative figures reclassified to comply with current figures.

4.29 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 Separate financial instruments doesn't differ significantly from its book value at the date of the preparation of the financial statements

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

4.30 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 for 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 on 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

The interest rate risk is represented in the change in value of financial instruments due to the fluctuation of the market interest rates. This risk is considered limited 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 affects the company's open receivables and payables balance in foreign currency also asset and liability evaluation in foreign currency.

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5. Fixed assets

June, 30 2026	Land	Buildings & constructions	Machinery & Equipment	Motor Vehicles	Tools	Furniture & Fixtures	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost at 1 January 2026	**7 221 739**	**282 943 793**	**1 098 555 121**	**19 977 282**	**26 794 789**	**27 391 702**	**1 462 884 426**
Additions during the period	--	13 599	18 948 194	--	6 860 137	1 429 368	**27 251 298**
Cost at 30 June, 2026	7 221 739	**282 957 392**	**1 117 503 315**	**19 977 282**	**33 654 926**	**28 821 070**	**1 490 135 724**
Accumulated depreciation at 1 January 2026	--	**223 829 268**	**774 127 386**	**10 222 672**	**16 798 129**	**20 359 884**	**1 045 337 339**
Depreciation for the period	--	3 017 090	17 166 211	1 315 881	2 047 057	1 809 671	**25 355 910**
Accumulated depreciation at 30 June, 2026	--	**226 846 358**	**791 293 597**	**11 538 553**	**18 845 186**	**22 169 555**	**1 070 693 249**
Net book value at 30 June, 2026	**7 221 739**	**56 111 034**	**326 209 717**	**8 438 729**	**14 809 740**	**6 651 515**	**419 442 475**

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

	Buildings & Constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture & Fixtures EGP	Total EGP
Cost of fully depreciated assets and still being used.	168 742 931	585 584 805	6 852 244	7 588 272	13 700 537	**782 438 789**

- The depreciation expense charged this period has been allocated to the statement of interim Income Statement as follows:

Cost of Sales (Note 23)	22 590 561
Selling and marketing expenses (Note 24)	81 729
General and administrative expenses (Note 25)	2 733 154
	25 405 444

5. Fixed assets (Followed)

31 December, 2025	Land EGP	Buildings & constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture & Fixtures EGP	Total EGP
Cost at 1 January 2025	7 221 739	278 888 786	1 039 622 370	14 027 244	25 456 406	25 427 559	1 390 644 104
Additions during the year	--	4 055 007	58 932 751	5 950 038	1 338 383	1 964 143	72 240 322
Cost at 31 December, 2025	7 221 739	282 943 793	1 098 555 121	19 977 282	26 794 789	27 391 702	1 462 884 426
Accumulated depreciation at 1 January 2025	--	218 308 057	745 033 806	8 680 466	13 699 552	16 749 917	1 002 471 798
Depreciation for the year		5 521 211	29 093 580	1 542 206	3 098 577	3 609 967	42 865 541
Accumulated depreciation at 31 December, 2025	-	223 829 268	774 127 386	10 222 672	16 798 129	20 359 884	1 045 337 339
Net book value at 31 December, 2025	7 221 739	59 114 525	324 427 735	9 754 610	9 996 660	7 031 818	417 547 087

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

	Buildings & Constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture & Fixtures EGP	Total EGP
Cost of fully depreciated assets and still being used.	167 619 905	585 155 805	6 852 244	7 405 186	12 152 881	**779 186 020**

- The depreciation expense charged this year has been allocated to the statement of interim Income Statement as follows:

Cost of Sales (Note 23)	41 557 145
Selling and marketing expenses (Note 24)	208 685
General and administrative expenses (Note 25)	4 214 942
	45 980 772

6. Assets right to use

a. Assets right to use

	30 June, 2026	31 December, 2025
	Motor vehicles	Motor vehicles
	EGP	EGP
Cost as at January 1, 2026	3 762 000	3 762 000
Cost as at 30 June, 2026	3 762 000	3 762 000
Accumulated Amortization at 1 January, 2026	2 570 700	1 818 300
amortization of the period / year	376 200	752 400
Accumulated Amortization at 30 June 2026	2 946 900	2 570 700
Net book value as at 30 June 2026	815 100	1 191 300

b. Operating lease liabilities

Lease liabilities - current portion	--	51 894
Lease liabilities – non-current portion	479 739	865 903
Total	479 739	917 797

7. Intangible assets

	30 June, 2026	31 December, 2025
	EGP	EGP
SAP program	6 058 611	6 058 611
Additions during the period	--	--
Balance at 30 June, 2026	6 058 611	6 058 611
(less):		
Accumulated amortization at 1 January 2026	(5 557 412)	(5 010 342)
amortization during the period / year	(145 938)	(547 070)
Accumulated amortization on 30 June, 2026	(5 703 350)	(5 557 412)
Net book value on 30 June, 2026	355 261	501 199

8. Investments in subsidiaries

	Percentage of Ownership	30 June, 2026	31 December, 2025
		EGP	EGP
Misr Cement Minya	60.36%	1 066 863 275	1 066 863 275
Misr cement Beton (S.A.E)	99.90%	92 071 047	92 071 047
Misr Cement Maintenance	47,505%	9 501 000	9 501 000
		1 168 435 322	1 168 435 322

- The balance of the investment in subsidiaries amounts to EGP 1 168 435 322 includes an amount of EGP 9 325 000 commissions and fees related to the loan acquired by the company to finance the acquisition of and Misr Cement Minya and Misr cement Beton concrete stock, this amount was added to the cost of the investment due to the need to finance the acquisition with it, a letter was received by the company from the lending bank that the amount will be repaid along with the loan on 15 payment

8. Investments in subsidiaries(followed):

- In 1 November 2015 a selling contract was signed between QENA CEMENT (S.A.E) and Misr cement-Beton (S.A.E) (ASECO FOR ready mix) to purchase 44 872 676 common stock owned to Misr Cement Minya which represent 46.48% and it represents its full ownership for the company with a price of EGP 20.75 for each stock, to be total share 58 274 508 common stock which represent 60.36% and purchasing 208 998 shares owned in Misr cement-Beton (S.A.E)
- Which present 55% and that represents its full ownership in the company with a price of EGP 334.1 for each share in addition to all the commissions and transfer of ownership expenses the company's shares become 363 698 share which represent 99.90%. In addition to brokerage commissions, transfer of ownership and the transfer fees, and on June 28, 2022, the number of shares of Misr cement – Beton company "ASECO ready mix previously" was increased to 379 998 shares which represent 99,90%.
- There is a commercial pledge valid on all shares owned by the company in the acquired subsidiaries as security for long-term loans.
- Based on the minutes of the Board of Directors meeting held on March 30, 2023, 95 010 shares were purchased with a par value of 100 pounds per share, bringing the total investment to a value of EGP 9 501 000, fully paid, and it was amended in the commercial register on October 17, 2023.

9. Investments in associates

	Percentage of ownership	30 June, 2026 EGP	31 December, 2026 EGP
South of Upper Egypt Company for sacks Manufacturing	20%	800 000	800 000
		800 000	**800 000**

10. Projects under construction

10/a Down payment for purchase of fixed assets: -	30 June, 2026 EGP	December 31, 2025 EGP
Alternative Fuel Lines	2 542 499	--
	2 542 499	--
10/b Commodity formation represented in the following works:-		
Programs	16 226 469	14 589 684
Building maintenance	5 508 352	697 946
Alternative Fuel Lines	33 770 771	--
Others	--	24 151
	58 048 091	**15 311 781**

11. Inventory

	30 June, 2026 EGP	31 December, 2025 EGP
Raw materials and packing	144 704 672	137 965 414
Coal and diesel	315 190 409	237 046 930
Spare parts	270 195 904	320 042 692
Work in progress	142 923 473	148 352 075
Finished goods	33 752 933	26 424 056
	906 767 391	**869 831 167**

12. Transactions with related parties

During the year the company and the related parties had a transaction between them based on the general assembly meeting and the most important transaction balances were as follows:

	Nature of the relation	Type	30 June, 2026
Misr Insurance	Shareholder	Insurance installments	10 590 092
Misr Life Insurance Company	Shareholder	Insurance installments	4 698 662
South of upper Egypt company (main supplier)	Associate company	Supplying bags	140 578 000
Misr Cement Beton	Subsidiary company	Cement sales	50 538 552
Misr Cement Beton	Subsidiary company	rent	186 000
Misr cement minya	Subsidiary company	Basalt (Dr)	46 451 939
Misr cement minya	Subsidiary company	rent	242 400
Misr cement minya	Subsidiary company	SAP	376 388
Qena for Management and Maintenance Company (L.L.C)	Subsidiary company	Other services	144 201 754
Qena for Management and Maintenance Company (L.L.C)	Subsidiary company	rent	593 340

A) Due from related parties

	30 June, 2026	31 December, 2025
	EGP	EGP
Misr cement Beton (S.A.E)	20 263 576	22 353 351
Misr Cement Minya	--	3 353 795
Qena for Management and Maintenance Company (L.L.C)	--	--
	20 263 576	**25 707 146**
(Less):		
Expected credit loss	(303 205)	(303 205)
	19 960 371	**25 403 941**

B) Due to related parties

	30 June, 2026	31 December, 2025
	EGP	EGP
Qena for Management and Maintenance Company (L.L.C)	9 476 155	1 987 633
Misr cement minya	35 258 540	--
	44 734 695	**1 987 633**

13. Financial Investments at Amortized Cost – Treasury Bills

	30 June, 2026	31 December, 2025
	EGP	EGP
Treasury bills maturing within 91 days	120 000 000	532 725 000
Treasury bills maturing within 273 days	103 000 000	103 000 000
	223 000 000	635 725 000
(less):		
Accrued interest not yet earned	(11 783 053)	(40 500 148)
	211 216 947	**595 224 852**

14. Debtors and other debit balances

	30 June, 2026	31 December, 2025
	EGP	EGP
Tax authority–value add tax	48 910 297	39 992 010
Advance Tax Payments	36 698 286	21 410 359
Deposits with others	52 381 779	52 222 779
Prepaid expenses	131 663 752	2 833 286
With-holding taxes	15 025 149	15 025 036
Cash cover letter of guarantee (Note No.30)	4 864 500	4 864 500
Letter of Credits	34 379 877	--
Advance payments	61 191 598	9 908 229
Accrued revenue	6 193 190	3 744 832
Employees borrowings	1 328 664	1 124 482
Dividends Receivable	6 839 960	--
Other debit balances	9 431 237	991 809
(less):	**408 908 289**	**152 117 322**
Expected credit loss	(2 910 649)	(3 090 172)
	405 997 640	**149 027 150**

15. Cash and cash equivalent

	30 June, 2026	December 31, 2025
	EGP	EGP
Current accounts - Local currency	159 764 349	203 475 049
Current accounts - foreign currency *	32 230 238	22 465 382
Cash on hand	539 449	--
Time deposits - maturing for three months	514 090 416	622 415 294
Total	**706 624 452**	**848 355 725**
(less):		
Expected credit losses	(6 235 760)	(4 649 784)
	700 388 692	**843 705 941**

* The current accounts – foreign currency included blocked amounts USD 33 801 covered letter of credit and Amount USD 33 881 covered the exportation.

16. Issued and 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 member meeting No (186) held on September12, 2017 and authorized by GAFI on September 25, 2017, which decided to increase the capital with the amount EGP 301 220 000 divided to 30 122 000 shares at EGP 10 per share, and the issuing capital became EGP 600 000 000 as registered in the commercial register on 31 January 2018 No. 4955.
- based on the decision of the extraordinary general assembly held on 28 of March 2018 distribute free stocks about stock for five stocks holders from the retained earnings and the number of shares become 72 000 000 instead of 60 000 000 shares and the paid capital become 720 000 000 Egyptian pounds instead of 600 000 000 Egyptian pound as registered in the commercial register on 29 May 2018 No. 23904.
- Based on an extra ordinary general assembly on June 25,2023, it was decided to increase the Capital through free shares amounted EGP 960 000 000 and it was register in the commercial registry on October 3,2023.

16. Issued and Paid-Up Capital (followed)

- The company's issued capital will be EGP 1 500 000 000, and the company's issued and paid-up capital will be EGP 960 000 000, distributed among the shareholders as follows:

	No. of shares	Par Value	Capital Issuing	Paid up capital	Percentage
		EGP	EGP	EGP	%
Mohamed Ashraf Omar Omar	17 236 250		172 362 500	172 362 500	%17.954
Egyptian Federation for Construction and	14 409 599	10	144 095 990	144 095 990	15.01%
Misr Beni Suef Cement Company	12 478 146	10	124 781 460	124 781 460	12.998%
Egyptian Company for investmentprojects	9 668 127	10	96 681 270	96 681 270	10.071%
Egyptian Kuwaiti investment company	9 485 607	10	94 856 070	94 856 070	9.881%
National Investment Bank	9 194 131	10	91 941 310	91 941 310	9.577%
Egypt Company for Life Insurance	8 998 451	10	89 984 510	89 984 510	9.373%
QNB for finance services	6 428 685	10	64 286 850	64 286 850	6.697%
Individuals and IPO	8 101 004	10	81 010 040	81 010 040	8.439%
	96 000 000		**960 000 000**	**960 000 000**	**%100**

17. Reserves

	Legal reserve	General reserve	Capital reserve	Total
	EGP	EGP	EGP	EGP
Balance at beginning of period	**211 359 634**	**10 216 984**	**7 932 820**	**229 509 438**
Charged during the period	61 285 422	--	--	**61 285 422**
Balance as of 30 June, 2026	**272 645 056**	**10 216 984**	**7 932 820**	**290 794 860**

18. Deferred Tax Assets / (Liabilities)

	Tax Assets		Tax Liabilities	
	30/6/2026	31/12/2025	30/6/2026	31/12/2025
	EGP	EGP	EGP	EGP
Balance at the beginning of the period / year	**1 120 324**	**10 090 714**	**59 598 396**	**56 737 977**
Movement in Deferred Tax Assets	--			
Assets (liabilities) deferred tax movements	--	(8 970 390)	403 438	2 860 419
Balance at the ending of the period / year	**1 120 324**	**1 120 324**	**60 001 834**	**59 598 396**

19. Provisions

	Balance as of 1 January 2026	Used during the period	Provision No longer required	Balance as of 30 June, 2026
	EGP	EGP	EGP	EGP
Tax provision	4 496 731	--	--	4 496 731
Provision for current claims and litigations according to legal opinion	1 269 174	--	--	1 269 174
Provision for claims	41 719 800	(5 213 769)	--	36 506 030
	47 485 705	**(5 213 769)**	**--**	**42 271 935**

- 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.

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20.. Suppliers and notes payable

	30 June, 2026	31 December, 2025
	EGP	EGP
Suppliers	510 439 506	698 070 171
Notes payables	10 159 333	25 398 329
	520 598 839	**723 468 500**

21.. Creditors and other credit balances

	30 June, 2026	31 December, 2025
	EGP	EGP
Tax authority	7 536 755	11 117 294
Value added tax on Cement	61 109 026	59 509 527
Production development fees	4 605 504	4 679 424
Retentions	13 021 605	11 593 554
Syndicate Stamps	6 917 562	6 917 734
Employees services association	21 181 782	646 532
Social insurance authority	3 421 065	1 901 431
Accrued Interest Payable	8 899	8 899
Accrued Payables to Cement Transportation Suppliers	2 890 881	2 609 700
Accrued expenses	31 691 044	--
Solidarity contribution of medical insurance accrual	7 821 957	11 016 938
Other credit balances	5 327 735	7 921 821
	165 533 815	**117 922 854**

22. Cost of Sales

	six months ended		Three months ended	
	30/6/2026	30/6/2025	30/06/2026	30/6/2025
	EGP	EGP	EGP	EGP
Depreciation	22 590 561	17 416 445	13 351 028	9 730 379
Governmental fees and technical	50 294 651	37 560 811	28 822 556	19 415 522
Packing materials	275 848 982	155 760 772	151 015 320	59 326 407
Electricity and power	702 800 844	644 127 182	383 163 868	304 900 182
Indirect cost	323 397 078	195 882 883	209 802 459	108 561 095
	1 374 932 116	**1 050 748 093**	**786 155 231**	**501 933 585**

* Indirect cost includes the amount of self-operation for the factory.

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23. Selling and marketing expenses

	six months ended		Three months ended	
	30/06/2026	30/6/2025	30/6/2026	30/6/2025
	EGP	EGP	EGP	EGP
Salaries and wages	11 752 921	8 735 821	6 834 274	4 415 659
Depreciation	81 729	74 979	46 076	33 999
Stamps	44 226	30 030	14 659	2 800
Advertising and publicity	15 886 237	9 428 085	7 535 564	4 537 802
Traveling and Transportation expenses	2 223 778	118 095	37 020	9 275
Others expenses	1 634 072	737 053	831 609	392 238
	31 622 963	**19 124 063**	**15 299 202**	**9 391 773**

24.General and administrative expenses

	six months ended		Three months ended	
	30/6/2026	30/6/2025	30/6/2026	30/6/2025
	EGP	EGP	EGP	EGP
Depreciation	2 733 154	2 075 124	1 400 759	1 029 915
Salaries and wages	39 990 621	27 530 031	21 056 741	16 310 538
Donations	1 410 062	5 313 387	632 272	3 386 539
Insurance Expenses	352 123	507 138	--	185 768
Public relations and advertisement expenses	282 163	232 110	158 973	90 226
Other services expenses	593 946	1 628 094	465 977	646 151
Training, researches and consulting expenses	1 210 717	845 164	669 109	516 070
Medical for employees	4 810 006	802 812	4 580 894	707 593
Transportation and travelling expenses	1 676 955	1 173 508	819 103	390 528
Material and supplies	965 754	811 688	518 714	399 364
Solidarity contribution of medical insurance	7 827 895	4 154 428	3 273 630	2 072 981
Other expenses	5 421 927	13 764 189	3 128 128	5 921 979
	67 275 323	**58 837 673**	**36 704 300**	**31 657 652**

25. Revenue from investments in associate and subsidiaries companies

	six months ended		Three months ended	
	30/6/2026	*30/6/2025*	*30/6/2025*	*30/6/2026*
	EGP	EGP	EGP	EGP
Minia Cement - dividends	479 167 084	30 534 552	(8 576 180)	--
Upper Egypt – dividends	7 558 464	7 067 095	1 024 464	467 099
Beton - Attendance Allowance	9 537 895	3 000	66 000	3 000
	496 263 443	**37 604 647**	**(7 485 716)**	**470 099**

26. Other Revenues

	six months ended		Three months ended	
	30/6/2026	*30/6/2025*	*30/6/2026*	*30/6/2025*
	EGP	EGP	EGP	EGP
Revenue from Transport, shipping, handling	97 670 197	47 911 884	55 945 007	22 951 217
Revenue from spare parts	1 238 813	--	1 213 178	--
Metal sales revenue	3 137 831	3 140 374	774 552	2 090 063
Miscellaneous revenue	14 180 983	1 446 000	269 570	1 446 000
	116 227 824	**52 498 257**	**58 202 307**	**26 487 279**
(Less):				
Minning activities cost	(1 982 777)	(1 877 982)	(447 306)	(1 228 689)
Transport, shipping and handling cost	(96 880 281)	(47 735 866)	(55 538 307)	(22 890 856)
spare parts cost	(466 585)	--	(461 798)	--
	16 898 181	**2 884 410**	**1 754 896**	**2 367 735**

27. Earnings per share (EGP / Share)

	30 June, 2026	*30 June, 2025*
Net profits for the period	1 241 638 722	347 467 349
Employees profit share	(117 955 679)	(33 009 398)
Board of directors' bonus	(101 360 111)	(24 908 458)
Remaining profits	**1 022 322 932**	**289 549 493**
Number of shares	96 000 000	96 000 000
Earnings per share	**10,65**	**3,02**
	EGP	**EGP**
Expected average number of shares:		
= 96 000 000 ×6/6	96 000 000	96 000 000
Add:		
Weighted Average of Shares Issued During the period	--	--
	96 000 000	**96 000 000**

28. Tax Situation

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. Contingent liabilities

The name of bank issued letter of grantee	Letter of grantee amount EGP	Covered amount EGP	Uncovered amount EGP
National bank of Egypt	**8 588 832**	**8 588 832**	--

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	Acting Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed