OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)
STANDALONE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026
TOGETHER WITH AUDITORS' LIMITED REVIEWED REPORT

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

Standalone Financial Statements For the six months ended 30 June 2026

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United for Auditing, Taxes, Consulting and Financial Services

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Limited Review Report of interim Standalone Financial Statements

To The members of the Board of Directors of Obour Land for Food Industries (S.A.E.)

Introduction

We have reviewed the accompanying interim standalone financial position of **Obour Land for Food Industries (S.A.E.)** as of 30 June 2026, as well as the related interim standalone statements of profit or loss, comprehensive income, changes in equity and cash flows for the related 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 interim standalone financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these interim standalone financial statements based on our limited review.

Scope of Review

We conducted our review in accordance with Egyptian Standard on Review Engagements No. 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim standalone financial statements does not give a true and fair view, in all material respects, of the interim standalone financial position of the entity as of 30 June 2026, and of its interim standalone financial performance and its interim standalone cash flows for the six months then ended in accordance with Egyptian Accounting Standards.

Cairo on: 10 August 2026

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Translation of standalone financial statements
Originally issued in Arabic

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF FINANCIAL POSITION

As of 30 June 2026

	Note	30 June 2026 EGP	31 DECEMBER 2025 EGP
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	(4)	**1,084,322,931**	847,361,034
Right to use assets	(5)	**46,900,106**	30,286,361
Projects under construction	(6)	**333,085,371**	352,576,916
Investment in subsidiary	(7)	**196,000,000**	196,000,000
TOTAL NON-CURRENT ASSETS		**1,660,308,408**	1,426,224,311
CURRENT ASSETS			
Inventory	(8)	**3,515,668,410**	2,588,260,456
Accounts and notes receivable	(9)	**269,540,686**	195,052,913
Due From related parties	(18)	**142,348,067**	492,976
Prepaid expenses and other debit balances	(10)	**126,454,668**	192,572,481
Letters of credit	(11)	**28,372,403**	12,399,730
Cash on hand and at banks	(12)	**176,466,940**	1,081,569,718
TOTAL CURRENT ASSETS		**4,258,851,174**	4,070,348,274
TOTAL ASSETS		**5,919,159,582**	5,496,572,585
EQUITY AND LIABILITIES			
EQUITY			
Issued and paid up capital	(13)	**400,000,000**	400,000,000
Legal reserve		**200,000,000**	184,283,771
Retained earnings		**537,937,424**	179,761,882
Profits for the period /Year		**401,441,785**	844,877,286
TOTAL EQUITY		**1,539,379,209**	1,608,922,939
LIABILITIES			
NON-CURRENT LIABILITIES			
Notes payable-finance lease liabilities-noncurrent portion	(31)	**12,258,037**	6,658,524
Creditors for purchase of fixed assets-noncurrent portion		**32,250,280**	72,285,441
Deferred tax liabilities	(14)	**54,299,275**	57,262,056
TOTAL NON-CURRENT LIABILITIES		**98,807,592**	136,206,021
CURRENT LIABILITIES			
Provision for expected claims	(15)	**24,891,138**	29,768,349
Credit Facilities	(16)	**3,817,438,283**	3,050,805,094
Accounts and notes payable	(17)	**101,203,739**	270,865,215
Notes payable-finance lease liabilities-current portion	(31)	**16,030,991**	14,182,099
Accrued expenses and other credit balances	(19)	**177,452,854**	95,542,833
Due to related parties		**5,235,599**	-
Tax payable	(20)	**5,808,552**	4,566,218
Creditors for purchase of fixed assets-current portion		**42,608,782**	111,450,275
Income tax payable	(14)	**90,302,843**	174,263,542
TOTAL CURRENT LIABILITIES		**4,280,972,781**	3,751,443,625
TOTAL LIABILITIES		**4,379,780,373**	3,887,649,646
TOTAL LIABILITIES AND EQUITY		**5,919,159,582**	5,496,572,585

Board Member **Chairman**

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OBOUR LAND

- The accompanying notes from (1) to (33) form an integral part of these standalone financial statements.
- Auditors' limited reviewed report attached.

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Note	**For the six months ended 30 June 2026 EGP**	For the six months ended 30 June 2025 EGP	**For the three months ended 30 June 2026 EGP**	For the three months ended 30 June 2025 EGP
Sales		**6,033,336,500**	5,055,431,160	**3,078,216,464**	2,503,889,764
Cost of sales		**(4,613,867,925)**	(4,056,369,456)	**(2,336,177,056)**	(2,003,423,172)
GROSS PROFIT		**1,419,468,575**	999,061,704	**742,039,408**	500,466,592
Selling and marketing expenses	(21)	**(543,618,866)**	(308,237,855)	**(283,534,453)**	(153,829,753)
General and administrative expenses	(22)	**(71,975,424)**	(71,822,281)	**(39,470,723)**	(39,086,900)
Expected credit loss - Account receivable	(9)	**(7,351,223)**	(3,453,843)	**(2,835,744)**	(1908,833)
Reversal of Expected credit loss - Account receivable	(9)	**6,609,370**	4,298,055	**2,209,782**	2,687,162
Impairment in inventory	(8)	**136,592**	(578,435)	**390,344**	(931,315)
Other operating income	(23)	**12,691,176**	10,816,077	**9,871,655**	9,570,444
Operating profits		**815,960,200**	630,083,422	**428,670,269**	316,967,397
Interest income	(24)	**49,035,096**	13,204,912	**14,886,432**	4,364,553
Interest expenses	(25)	**(206,567,864)**	(167,747,227)	**(132,832,980)**	(86,708,491)
Revaluation of foreign currency		**(121,523,857)**	38,736,474	**(48,400,629)**	34,869,616
PROFITS BEFORE INCOME TAX AND TAKAFUL CONTRIBUTION		**536,903,575**	514,277,581	**262,323,092**	269,493,075
Takaful contribution		**(15,237,999)**	(12,824,710)	**(7,757,778)**	(6,394,985)
Income tax	(14)	**(120,223,791)**	(115,762,405)	**(58,268,404)**	(60,666,991)
PROFITS FOR THE PERIOD		**401,441,785**	385,690,466	**196,296,910**	202,431,099
Earnings per share – basic and diluted	(27)	**0.85**	0.83	**0.41**	0.41

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

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Note	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**For the three months ended 30 June 2026**	For the three months ended 30 June 2025
		EGP	EGP	**EGP**	EGP
PROFITS FOR THE PERIOD		**401,441,785**	385,690,466	196,296,910	202,431,099
TOTAL COMPREHENSIVE INCOME		**401,441,785**	385,690,466	196,296,910	202,431,099

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

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Paid up capital	Legal reserve	Retained earnings	Profits for the Period	Total
	EGP	EGP	EGP	EGP	EGP
Balance on 1 January 2026	400,000,000	184,283,771	179,761,882	844,877,286	1,608,922,939
Transferred to legal reserve and retained earnings	-	15,716,229	829,161,057	(844,877,286)	-
Dividends	-	-	(470,000,000)	-	(470,000,000)
Settlements on retained earnings	-	-	(985,515)	-	(985,515)
Profits for the Period	-	-	-	401,441,785	401,441,785
Balance on 30 June 2026	400,000,000	200,000,000	537,937,424	401,441,785	1,539,379,209
Balance on 1 January 2025	400,000,000	134,234,796	147,796,236	1,000,979,505	1,683,010,537
Transferred to legal reserve and retained earnings	-	50,048,975	950,930,530	(1,000,979,505)	-
Dividends	-	-	(534,277,530)	-	(534,277,530)
settlements	-	-	1,035,116	-	1,035,116
Profits for the Period	-	-	-	385,690,466	385,690,466
Balance on 30 June 2025	400,000,000	184,283,771	565,484,352	385,690,466	1,535,458,589

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

OBOUR LAND FOR FOOD INDUSTRIES COMPANY (S.A.E)

STANDALONE STATEMENT OF CASH FLOW

For the six months ended 30 June 2026

	Note	**For the six months ended 30 June 2026 EGP**	For the six months ended 30 June 2025 EGP
CASH FLOWS FROM OPERATING ACTIVITIES			
Profits before income tax		**521,665,576**	501,452,871
Adjusted to:			
Depreciation of fixed assets	(4)	**54,028,440**	36,532,513
Depreciation of right to use assets	(5)	**2,786,255**	-
Impairment in inventory	(8)	**(136,592)**	578,435
Expected credit loss - Account receivable	(9)	**7,351,223**	3,453,843
Reversal of Expected credit loss - Account receivable	(9)	**(6,609,370)**	(4,298,055)
Interest income	(24)	**(49,035,096)**	(13,204,912)
Interest expense	(25)	**206,567,864**	167,747,227
Gain from sale of fixed assets	(4)	**(2,051,138)**	(8,482,915)
		734,567,162	683,779,007
Change in inventory	(8)	**(927,271,362)**	139,550,132
Change in accounts and notes receivable	(9)	**(75,229,626)**	4,321,371
Change in due from related parties	(18)	**(141,855,091)**	(131,507,649)
Change in prepaid expenses and other debit balances	(10)	**66,117,813**	37,875,937
Change in due to related parties	(18)	**5,235,599**	-
Change in letters of credit	(11)	**(15,972,673)**	(12,392,180)
Change in accounts and notes payable	(17)	**(169,661,476)**	(144,812,848)
Change in accrued expenses and other credit balances	(19)	**65,319,173**	(77,416,976)
Change in tax payable	(20)	**1,242,334**	19,582
CASH FLOWS (USED IN) /PROVIDED FROM OPERATING ACTIVITES		**(457,508,147)**	499,416,376
Provision for expected claims used during the Period	(15)	**(4,877,211)**	(4,873,411)
Income tax paid	(14)	**(207,147,272)**	(271,545,889)
NET CASH FLOWS (USED IN) /PROVIDED FROM OPERATING ACTIVITES		**(669,532,630)**	222,997,076
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income received	(24)	**49,035,096**	13,204,912
Payments to purchasing fixed assets	(4)	**(123,859,549)**	(34,809,250)
Payments to purchasing Right to use assets	(5)	**(19,400,000)**	-
Proceeds from sale of fixed assets	(4)	**2,623,017**	9,731,501
Change in creditors for purchase of fixed assets		**(108,876,654)**	86,634,639
Payments to purchasing projects under construction	(6)	**(148,211,122)**	(83,238,619)
Proceeds from current accounts and restricted time deposits	(12)	**804,027,561**	35,198,822
NET CASH FLOWS PROVIDED FROM INVESTING ACTIVITIES		**455,338,349**	26,722,005
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments to notes payable-finance lease liabilities	(31)	**7,448,405**	122,412
Retained earnings settlements		**(985,515)**	-
Interest expenses paid		**(206,567,864)**	(167,747,227)
Proceeds from credit facilities	(16)	**766,633,189**	808,433,719
Dividends paid		**(453,409,151)**	(484,275,552)
NET CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES		**113,119,064**	156,533,352
NET CHANGE IN CASH AND CASH EQUIVALENT		**(101,075,217)**	406,252,433
Cash and cash equivalent - beginning of the Year	(12)	**163,456,604**	200,418,278
CASH AND CASH EQUIVALENT - END OF THE PERIOD	(12)	**62,381,387**	606,670,711
Cash and cash equivalent:			
Cash on hand and at banks	(12)	**176,466,940**	608,936,611
Restricted time deposits	(12)	**(111,573,897)**	(590,514)
Restricted current accounts	(12)	**(2,511,656)**	(1,675,386)
CASH AND CASH EQUIVALENT - END OF THE PERIOD	(12)	**62,381,387**	606,670,711

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

1 BACKGROUND

Obour Land for Food Industries Company (S.A.E) (the Company) was established according to law No. 159 for 1981 and its Executive Regulations.

The Company was registered in the Commercial Register under No. 304035 on 4 May 1997.

The Company's registered location is area (7,8, 12,13,14,15,16) block 13012, El Obour city first industrial zone.

The age of company is 50 Periods starts from 04\05\1997 till 03\05\2047

The Company's main purpose is manufacturing all dairy products including packing and pasteurization of liquid dairies, cream, natural butter and all types of white cheese, dry cheese and cooked cheese and all types of yogurt , in addition to any other manufacturing that fall under the dairy products and all kinds of ice cream, ice cream biscuits, manufacturing and mixing stabilizers of ice cream and natural fruit juices, also importing all production requirements related to the Company's business, along with exporting the Company's products.

The production of manufactured ghee, and all types of sweets, while complying with all active laws and regulations, subject to the issuance of required operational permits. The Company may also maintain vested interest in and/or venture with other Companies with similar business operations and/or operating in similar industries that might add value to the Company, in Egypt or abroad, and may also merge into these entities and/or acquire them according to the respective Egyptian laws and executive regulations.

On 18 October 2017 Extraordinary General Assembly was held, and they agreed to add the livestock breeding activity for dairy production and fattening to the Company and amending article (3) of the Company's articles of association.

These standalone financial statements For the six months ended 30 June 2026 were authorized for issuance in accordance with the resolution of the board of directors on 10 Augest 2026.

2 SIGNIFICANT ACCOUNTING POLICIES APPLIED

2-1 BASIS OF PREPARATION OF THE STANDALONE FINANCIAL STATEMENTS

The Standalone financial statements prepared under the going concern assumption on a historical cost basis.

The Standalone financial statements are prepared and presented in Egyptian pound, which is the Company's functional currency.

Statement of compliance
The Periodic Standalone financial statements are prepared in accordance with the Egyptian Accounting Standards and the applicable laws and regulations.

2-2 Changes in accounting policies

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

As Shown in disclosure 35 On 6 March 2024 the Central Bank of Egypt issued a decision to allow the exchange rate of the Egyptian pound to be determined according to market mechanisms. The Central Bank also decided to raise interest rates by 600 basis points, equivalent to 6%, to reach levels of 27.25%.

2- 3 Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the values of revenues, expenses, assets, and obligations included in the financial statements and the accompanying disclosures, as well as the disclosure of potential liabilities at the date of the financial statements. The uncertainty surrounding these assumptions and estimates may have consequences that require substantial adjustments to the carrying amount of affected assets and liabilities in future Periods.

2 SIGNIFICANT OF ACCOUNTING POLICIES APPLIED (CONTINUED)

2-3 Significant accounting judgments and estimates (Continued)

2-3-1 Judgments

Recognition of revenue from the sale of products

In making its own provisions, management has considered the detailed requirements for the recognition of revenue arising from the sale of products as set out in Egyptian Accounting Standard No. (48) "Revenue from Contracts with Customers" regarding whether the company has transferred to the buyer significant risks and returns arising from the ownership of the products.

2-3-2 Estimates

Impairment in Accounts balances and notes receivable

An estimate of the collectible amount is made from customer balances and notes receivable when collection of the full amount is no longer expected. For individually significant amounts, the estimation is made on an individual basis. As for amounts that are not individually significant, but which are past their due date, they are assessed collectively, and a provision is made according to the Period that has elapsed since their maturity date based on historical recovery rates.

Useful life of fixed assets

The company's management determines the estimated useful life of fixed assets for the purpose of calculating depreciation. This estimate shall be determined after considering the expected useful life of the asset or the physical depreciation of the assets. Management Periodically reviews the estimated useful life and the method of depreciation to ensure that the method and duration of depreciation are consistent with the expected pattern of economic benefits arising from these assets.

Taxes

The company is subject to income tax imposed in Egypt. Important judgments are required to determine the total provisions for current and deferred taxes. The company has made provisions, based on reasonable estimates, bearing in mind the potential consequences of the examinations conducted by the tax authorities in Egypt. The amount of this provision is based on several factors, including experience with previous tax checks and differing interpretations of tax regulations by the company and the responsible tax authority. Such differences in interpretation may arise in several issues according to the conditions prevailing in Egypt at the time.
Deferred tax assets are recognized for unused and carried forward tax losses so that it is probable that they will be offset by taxable profits that these losses can be used to offset. Substantial management judgments must determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits, as well as future tax planning strategies.

Depreciation of non-financial assets

The company assesses whether there are indications of impairment of non-financial assets in each of the reporting Periods. Non-financial assets are tested for impairment when there are indications that the carrying value may not be recoverable. When calculating value in use, management estimates the expected future cash flows from the asset or cash-generating unit and chooses the appropriate discount rate to calculate the present value of those cash flows.

2-4 Summary of significant accounting policies

2-4-1 Financial instruments

The standard deals with three aspects of accounting for financial instruments: classification and measurement, impairment, and coverage accounting.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4 Summary of significant accounting policies (Continued)

2-4-1 Financial instruments (Continued)

Classification and measurement

According to Egyptian Accounting Standard 47, debt instruments are subsequently measured at fair value through profits, losses, amortized cost, or fair value through other comprehensive income. The classification is based on two classification criteria: the company's business model for asset management; and whether the contractual cash flows of the instruments represent "principal and interest payments only" on the outstanding principal amount.

The Company's business model was evaluated as of the date of initial application and assessed whether the contractual cash flows of debt instruments consisted only of principal amount and interest based on the facts and circumstances at the initial recognition of the assets.

Impairment

The new impairment model in accordance with Egyptian Accounting Standard 47 requires the recognition of impairment provisions based on expected credit losses rather than only credit losses incurred as in Egyptian Accounting Standard 26. Applicable to financial assets classified at amortized cost and debt instruments measured at fair value through other comprehensive income, Egyptian Accounting Standard 48 contract assets "Revenue from contracts with customers", rental receipts, loan commitments and certain financial guarantee contracts.

Financial Instruments - Recognition and Measurement

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

A) Financial assets

Financial assets, at initial recognition, as measured later, are classified by depreciated cost, fair value through other comprehensive income or fair value through profit or loss. The classification of financial assets at initial recognition is based on the characteristics of the contractual cash flow of the financial asset and the company's business model for its management. For a financial asset to be classified and measured at amortized cost or fair value by other comprehensive income, it must result in cash flows that are "principal and interest payments only" on the outstanding principal amount. This test is referred to as the "principal and interest payments only" test and is performed at the instrument level. Financial assets that do not pass the "principal and interest payments only" test are classified and measured at fair value through profit or loss, regardless of business model. A company's business model for financial asset management refers to how it manages its financial assets to generate cash flows.

The business model determines whether cash flows will result from the collection of contractual cash flows, the sale of financial assets, or both. Financial assets classified and measured at depreciated cost are held within the business model for the purpose of holding financial assets for the purpose of collecting contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within the business model for the purpose of collecting contractual cash flows and selling.

Impairment of financial assets

The Company recognizes the provision for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due under the contract and all cash flows expected by the Company, discounted at a rate close to the original effective interest rate.

The provision for expected credit losses is recognized in two stages. For credit exposures for which there has been no significant increase in credit risk since initial recognition, expected credit losses for credit losses are measured by the value of credit losses resulting from potential defaults over the next 12 months (expected credit losses 12-month).

For credit exposures for which credit risk has significantly increased since initial recognition, expected credit losses are measured over the remaining life of exposure, regardless of the timing of default (expected credit losses over a lifetime).

When determining whether the credit risk of the financial asset has increased materially since the initial recognition and when estimating the expected credit losses, the Company shall consider reasonable, supportive, and available information at no cost or excessive effort, including quantitative and qualitative information and analysis based on the Company's past experience, enhanced credit ratings and future information.

The Company may also consider a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Company The financial assets are excluded when there is no reasonable recovery expectation of expected cash flows. At the date of each report, the Company assesses whether financial assets recorded at amortized cost and debt securities at fair

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4 Summary of significant accounting policies (Continued)

2-4-1 Financial instruments (Continued)

Impairment of financial assets (Continued)

value through other comprehensive income have experienced credit impairment.
An asset is considered to have experienced an impairment when one or more events occur that have a negative impact on the estimated future cash flows of the financial asset.

B) Financial obligations

All financial obligations are recognized primarily at fair value and in the case of loans, debts, and credit balances less the cost directly attributable to the transaction.

2-4-2 Revenue from contracts with customers

The new Egyptian Accounting Standard "Revenue from contracts with customers" No. 48 establishes a new five-step model, which will be applied to revenue arising from contracts with customers as follows:
Step 1: Define the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations. It outlines the bases and criteria that must be met for each contract.
Step 2: Identify the performance obligations in the contract: A performance obligation is an undertaking in the contract to transfer a good or service to the customer.
Step 3: Determine the transaction price: The transaction price is the amount of consideration the company expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price to the performance obligations stipulated in the contract. For contracts that have more than one performance obligation,

The Group will allocate a transaction price to each performance obligation in the amount to which the Group expects to be entitled in exchange for meeting each performance obligation.
Step 5: Recognize revenue when the entity fulfills the performance obligation.
The company fulfills the performance obligation and recognizes revenue over a Period, if one of the following conditions is met:
A. It does not create performance for the company and that the company has an enforceable right to a payment for the performance completed to date.
B. The performance of the company creates or improves the asset that the customer controls while the asset is being built and improved.
C. The customer receives the benefits provided by the performance of the facility and consumes them at the same time as the company performs.
For performance obligations, if any of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.
If the company fulfills the performance obligation by providing the services that were promised, this leads to the creation of an asset based on a contract in exchange for the consideration gained from the performance. If the consideration received by the customer exceeds the amount of revenue that has been recognized, this may create a contract obligation.
Revenue is measured at the fair value of the consideration received or receivable, after considering the contractual terms of payment, and after excluding taxes and fees.
The Company reviews its revenue arrangements against specific criteria to ascertain whether it is acting as principal or agent.
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and that the revenue and costs, if applicable, can be measured reliably.

A. The provision of services

Revenue from providing services is recognized when services are provided, and this is done based on contracts with customers.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4 Summary of significant accounting policies (Continued)

2-4-2 Revenue from contracts with customers (Continued)

B. financing income

Finance income is recognized using the effective commission rate, which represents the rate at which estimated future cash receipts are discounted over the expected life of the financial instrument or less, whichever is appropriate to the net book value of the financial asset.

C. Dividends

Revenue is recognized when the company's eligibility to receive it is recognized, which is usually done by the distribution decision issued by the general assemblies of the investee companies.

2-4-3 Financial leasing

Egyptian Accounting Standard 49 replaces Egyptian Accounting Standard 20 "Accounting Rules and Standards Related to Financial Leasing Operations".

Egyptian Accounting Standard 49 now requires tenants to recognize lease obligations that reflect future rent.

payments and "right of use asset" for almost all leases. There is an optional exemption for some short-term leases and leases for low-value assets.

When the contract arises, it is evaluated whether the contract is a lease contract or includes a lease contract. The contract is a lease contract or includes a lease if it transfers the right of control over the use of the specified asset for a Period for a fee.

A single recognition and measurement policy applies to all leases, except for short-term leases and leases of small-value assets.

Rent obligations are recognized for rent payments and "usufruct assets" which represent the right to use the assets subject to the lease contract.

A) Right of Use Assets

Right of use assets are recognized at the beginning of the lease (on the date on which the asset becomes available for use). Right of use assets are measured at cost minus any combined depreciation or impairment losses and adjusted by any revaluation of lease liabilities. Usufruct Asset Cost includes the amount of recognized lease obligations plus any direct costs or down payments made on or before the contract date minus any rental incentives received. The depreciation of the right of use assets shall be made based on the fixed premium over the term of the lease contract or the estimated useful life of the assets in accordance with the depreciation policy applied in the establishment, whichever is less. If the ownership of the asset subject to the contract devolves to the lessee at the end of the contract or the cost reflects the right of the lessee to exercise the purchase option at the end of the contract, the original usufruct right shall be depreciated over the estimated useful life of the asset in accordance with the depreciation policy applied in the establishment.

right of use assets are subject to an impairment policy.

B) Rent obligations

The "lease obligation" at the beginning of the lease is recognized by calculating the present value of the unpaid lease payments on that date using the interest rate implied in the lease if determined. If it cannot be easily determined, the interest rate on the additional borrowing of the tenant is used.

Lease payments on the date of commencement of the lease included in the measurement of the lease obligation shall consist of the following payments for the right to use the underlying asset during the term of the lease that have not been paid on the lease commencement date and include:

Fixed payments less any receivable rental incentives.

Variable lease payments based on an index or rate and are initially measured using the index or rate on the lease start date.

Amounts expected to be paid by the lessee under residual value guarantees.

The price of exercising the call option if the lessee is sure that the option is reasonably exercised.

Penalty payments for termination of the lease if the duration of the lease reflects the tenant's exercise of the option to terminate the lease.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4 Summary of significant accounting policies (Continued)

2-4-4 Foreign currency translation

Transactions in foreign currencies are initially recorded at the rate prevailing at 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 standalone statement of profit or loss.
Nonmonetary items that are measured at historical cost in foreign currencies are translated using the exchange rates prevailing at the date of the initial recognition. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates prevailing at the date when the fair value is determined.

2-4-5 Fixed assets

Initial recognition

The cost of any fixed asset item is recognized as an asset only when:
A- Metabolic economic benefits are likely to flow from this item.
B - The cost of the item can be measured reliably.

Subsequent measurement

The entity must choose either the cost model or the revaluation model as the accounting policy, and that policy must be applied to each class of fixed assets in its entirety.

First: Cost Model

Fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses. 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 a major improvement is 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 standalone statement of profit or loss as incurred.
Depreciation of an asset begins when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is computed using the straight-line method according to the estimated useful life of the asset as follows:

	Periods
Buildings, Construction & Facilities	50
Machinery & Equipment	10
Transportation and transportation	10
Office furniture & equipment	16
Tools & Tools	8
Calculators	3

Fixed assets are derecognized upon disposal or when no future economic benefits are expected from its use or disposal Any gain or loss arising from derecognizing the asset is included in the standalone statement of profit or loss when the asset is derecognized.

Post-acquisition costs

The cost of substantial renovations is recognized on the cost of fixed assets by the cost of replacing a component of that item when it is likely to bring future economic benefits to the company with the possibility of reliably measuring the cost and depreciating over the remaining useful life of the asset or the expected useful life of such renovations, whichever is less, and other costs are recognized in the statement of profits or losses as expenses when incurred.
The residual values of assets, their useful lives and methods of depreciation are reviewed at the end of each fiscal Period.
The company Periodically on the date of each budget
The assets residual values, useful lives and methods of depreciation are reviewed at each financial Period end.
The company Periodically on the date of each budget the Company assesses at each balance sheet date whether there is an indication that fixed assets may be impaired. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the standalone statement of profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4 Summary of significant accounting policies (Continued)

2-4-5 Fixed assets (Continued)

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

2-4-6 Assets under construction

Assets under construction represent the amounts that are incurred for the purpose of constructing or purchasing fixed assets until it is ready to be used in the operation, upon which it is transferred to fixed assets. Assets under construction are valued at cost less impairment.

2-4-7 Investments

Investing in a subsidiary

Investments in a subsidiary are investments in companies in which the company has control. Control is assumed when the holding company owns, directly or indirectly, through its subsidiaries, more than half of the voting rights in the investee company, except for those exceptional cases in which it is clearly shown that such ownership does not represent control.
Investment in a subsidiary company is accounted for at cost, including the acquisition cost. In the event of a decline in the value of those investments, the book value is adjusted by the value of this decline and is included in the independent Periodic statement of profits or losses for each investment separately.
The value of the loss resulting from the impairment of the value shall be refunded in the standalone statement of profits or losses in the Period in which the refund occurred.
Dividends on investments in the subsidiary are recognized as part of the company's profit or loss statement when it is entitled to receive dividends.

Investments through comprehensive income

Investments through comprehensive income are non-derivative financial assets that have been classified as assets available for sale, unclassified as loans and debts or as investments held to maturity or as investments at fair value through profit or loss.

Upon initial recognition, available-for-sale investments are measured at fair value including expenses directly related to them.
After the initial measurement, the investments available for sale are measured at fair value with the recognition of unrealized gains or losses directly within equity until the financial asset is excluded from the books, at which point the accumulated gains or losses recorded in equity are recognized in the statement of profits or losses, Or if it is determined that the asset has decayed, in which case the accumulated losses recorded in equity are recognized in the statement of profit or loss. If the fair value of investments in equity instruments cannot be measured in a reliable manner, the value of those investments is measured at cost.
Equity investments: in the event of evidence of impairment, Accumulated losses are excluded from equity and derecognized in the statement of profits or losses. Impairment losses on equity investments cannot be recovered through the statement of profit or loss, and the increase in fair value immediately after impairment is recognized within equity.

2-4-8 Treasury bills-Financial investments at Consumed cost

In accordance with the requirements of Egyptian Accounting Standard No. (47) "Financial Instruments", treasury bills have been classified on the basis of measuring - later - by depreciated cost through profits or losses, and treasury bills purchased are valued at nominal value and the difference between the purchase cost and the nominal value is recognized in calculating an investment return in deferred treasury bills and is depreciated by the value of the returns of treasury bills due for the financial Period through profits or losses until the maturity date of treasury bills and the tax due is proved. On the returns of treasury bills. When collecting the yield of treasury bills, the tax deducted is recognized in the statement of financial position until it is settled with the annual tax return.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4 Summary of significant accounting policies (Continued)

2-4-9 Non-current assets held for sale.

Long-term assets or the group disposed include assets and liabilities classified as held for sale if there is a significant possibility that the value will be recovered mainly from sale and not continued to be used.
Prior to classification as held for sale or distribution, those assets or components of the group disposed of are re-measured according to the other accounting policies of the company. Later, in general, the assets or group disposed. are measured at the book value or fair value, whichever is less, deducting the cost of sale from it. Losses are charged to the excluded group. They are charged proportionally to the assets and liabilities for a Period in which they are excluded, except that losses are not loaded on the stock, financial assets, deferred tax assets, employee benefit assets, real estate investment, or biological assets that continue to be measured according to the other company's policies. Losses of impairment at classification of assets held for sale and subsequent gains and losses upon re-measurement are recognized in profit and loss. They are not quoted excessively at any accumulated impairment losses.
Once classified as assets held for sale, these intangible assets and fixed assets are not depreciated or amortized, nor are they held accountable for any assets by way of equity in this way.

2-4-10 Inventories

The inventory elements are valued as follows:

a) Raw materials, spare parts, and supplies: at the lower of cost (using the moving average method) or net realizable value.
b) Finished goods: at the lower of the cost of production (based on the costing sheets) or net realizable value.

Cost includes direct materials, direct labor and allocated share of manufacturing overhead excluding borrowing cost.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

The amount of any write down of inventories to net realizable value and all losses of inventories shall be recognized in cost of sales in the statement of income in the Period 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 a reduction from cost of sales in standalone statement of profit or loss in the Period in which the reversal occurs.
The refund of the decrease in the inventory resulting from the increase in the net selling value is recognized in the standalone statement of profit or loss as a reduction from the cost of sales in the Period in which this response occurred.

2-4-11 Accounts and notes receivables, prepaid expenses, and other debit balances
Customers, receivables, prepaid expenses, and other debit balances are recognized at the original value of the invoice less impairment losses.
The Company applies the simplified approach permitted by Egyptian Accounting Standard No. (47) "Financial Instruments", which requires the recognition of expected credit losses on the reconstruction of debt to clients from the first recognition of the clients in the statement of profits or losses.

2-4-12 Accounts and notes payable, accrued expenses and other credit balances.
Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

2-4-13 Provisions
Provisions are recognized when the Company has a present legal or constructive obligation because of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.
Provisions are reviewed at the standalone financial position date and adjusted to reflect the current best estimate.
Where the effect of the time value of money is material, the amount of a provision should be the present value of the expected expenditures required to settle the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance expense in the Periodic standalone statement of profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4 Summary of significant accounting policies (Continued)

2-4-14 Social insurance
The Company makes contributions to the Social Insurance Authority calculated as a percentage of the employees' salaries. The Company's obligations are limited to these contributions, which are expensed when due.

2-4-15 Legal reserve

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

2-4-16 Borrowings
Borrowings are initially recognized at the value of the consideration received. Amounts maturing within one Period are classified as current liabilities, unless the Company has the right to postpone the settlement for a Period exceeding one Period after the Periodic standalone financial statements date, then the loan balance should be classified as non-current 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 Periodic standalone statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by considering 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 expenses in the interim standalone statement of profit or loss.

2-4-17 Income taxes
Income tax is calculated in accordance with the Egyptian tax law.

Current income tax
Current income tax assets and liabilities for the current and prior Periods are measured at the amount expected to be recovered from or paid to the tax authority.

Deferred income tax
Deferred income tax is recognized using the liability method on temporary differences between the amount attributed to an asset or liability for tax purposes (tax base) and it is carrying amount in the balance sheet (accounting base) using the applicable tax rate.
Deferred tax assets are recognized when it is probable that the asset can be utilized to reduce future taxable profits and the asset is reduced by the portion that will not create future benefit.
Current and deferred tax shall be recognized as income or an expense and included in the standalone statement of profit or loss for the Period, except to the extent that the tax arises from a transaction or an event which is recognized, in the same or a different Period, directly in equity.

2-4-18 Revenue recognition
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue.

can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and value added taxes or duty.
The following specific recognition criteria must also be met before revenue is recognized:

- **Sale of goods**

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

- **Interest income**

Interest income is recognized as interest accrues using the effective interest "EIR" method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter Period, where appropriate, to the net carrying amount of the financial asset or liability.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4 Summary of significant accounting policies (Continued)

2-4-19 Expenses
All expenses including cost of sales, selling and marketing expenses, general and administrative expenses and other expenses are recognized and charged to the standalone statement of profit or loss For the six months ended 30 June 2026 ,in which these expenses were incurred.

2-4-20 Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial Period to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are incurred in the Period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2-4-21 Related party transactions
Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the board of directors.

2-4-22 Contingent Liabilities and Assets
Contingent liabilities are not recognized in standalone financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.
A contingent asset is not recognized in the standalone financial statements but disclosed when an inflow of economic benefits is probable.

2-4-23 Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or the most advantageous market for the asset or liability.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.
A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
For assets traded in an active market, fair value is determined by reference to quoted market bid prices.
The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.
For unquoted assets, fair value is determined by reference to the market value of a similar asset or is based on the expected discounted cash flows.
The Company uses valuation techniques that are appropriate in the circumstances and for which.
sufficient data are available to measure fair value, maximizing the use of relevant observable inputs.
and minimizing the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest.
level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting Period.
To fair value disclosures, the Company has determined classes of assets and liabilities based on their nature and characteristics.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2-4 Summary of significant accounting policies (Continued)

2-4-23 Fair value measurement (Continued)
and risks of the asset or liability and the level of the fair value hierarchy as explained above. The preparation of the standalone financial statements in accordance with Egyptian Accounting Standards requires management to make estimates and assumptions that affect the values of assets, liabilities, income, and expenses during the financial Periods. Actual results may differ from those estimates.

2-4-24 Impairment

Impairment of financial assets
At the date of each separate Periodic financial statements, the Company determines whether there is objective evidence that a financial asset or group of financial assets has diminished. A financial asset or group of financial assets is deemed to have diminished if, and only if, there is objective evidence of impairment resulting from one or more events after the initial recognition of the asset and affecting the estimated cash flows of a financial asset or group of financial assets that can be reliably estimated.

Impairment of non-financial assets

At the date of each standalone Periodic financial statements, the Company determines whether there is an indication that an asset has decayed. When the carrying amount of an asset or unit generating cash exceeds its redemption value, the asset is deemed to have diminished and is therefore reduced to its redemption value. The impairment loss is recognized by the statement of independent Periodic profits or losses.

The impairment loss that was previously recognized shall be reimbursed only if there has been a change in the assumptions used to determine the redemption value of an asset since the last impairment loss has been recognized, and the reimbursement of impairment loss shall be limited to no more than the carrying amount of the asset, its redemption value or the carrying amount that would have been determined unless the impairment loss is recognized for the asset in prior Periods. The refund for impairment loss is recognized in the statement of standalone Periodic profits or losses.

2-4-25 Statement of cash flows
The statement of cash flows is prepared using the indirect method.

2-4-26 Cash and cash equivalent
For preparing the Periodic standalone statement of cash flows, the cash and cash equivalent comprise cash on hand, current accounts with banks and time deposits maturing within the Period after deducting bank credit balances.

2-4-27 The inclusive health insurance

On January 11, 2018, Law No. 2 of 2018 was issued promulgating the Comprehensive Health Insurance System Law, which will come into effect from the day following the expiry of nine months from the date of its publication in the Official Gazette. This law has added financial burdens to business owners, as it included that among the sources of funding for the General Authority for Comprehensive Health Insurance Employers are obligated to pay their share of their workers' contributions at a rate of 4% per month of the insured worker's contribution wage and not less than 50 pounds per month. Employers are obligated to pay the contributions due from them monthly to the National Social Insurance Authority. Business owners are also obligated to make a mutual contribution of (0.0025) two and a half per thousand of the total annual revenues of individual establishments and companies, regardless of their nature or the legal system to which they are subject. This contribution is not considered one of the costs that must be deducted in applying the provisions of the income tax law. The Ministry of Finance collects this mutual contribution according to the facility's financial report submitted to the Tax Authority.

3-SEGMENT INFORMATION
Currently the Company's main business segment is manufacturing and selling cheese products, and the production and sale of milk and juice and the production and sale of cooked cheese and livestock production. The company's revenues For the six months ended 30 June 2026 were reported under three segments in the standalone financial statements (note 30).

4- FIXED ASSETS

	Lands	Buildings	Machines	Motor Vehicles	Office Furniture	Equipment and tools	Computers and software	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost								
1 January 2026	127,273,416	267,732,859	804,370,695	78,763,323	153,822	33,633,859	33,659,452	**1,345,587,426**
Additions for the period	75,000,000	56,430	32,400,523	-	-	-	4,771,625	**112,228,578**
Transferred from projects under construction	-	2,400,576	165,302,091	-	-	-	-	**167,702,667**
Transferred from inventory	-	2,787,283	8,843,688	-	-	-	-	**11,630,971**
Disposals	-	-	(939,498)	(1,164,936)	-	(21,900)	(99,418)	**(2,225,752)**
30 June 2026	**202,273,416**	**272,977,148**	**1,009,977,499**	**77,598,387**	**153,822**	**33,611,959**	**38,331,659**	**1,634,923,890**
Accumulated depreciation								
1 January 2026	-	(30,521,041)	(371,281,137)	(55,384,338)	(112,058)	(16,892,450)	(24,035,368)	**(498,226,392)**
Depreciation for the Period	-	(2,766,311)	(43,294,099)	(3,579,018)	(3,984)	(1,888,367)	(2,496,661)	**(54,028,440)**
Disposals	-	-	650,597	935,064	-	18,395	49,817	**1,653,873**
30 June 2026	-	**(33,287,352)**	**(413,924,639)**	**(58,028,292)**	**(116,042)**	**(18,762,422)**	**(26,482,212)**	**(550,600,959)**
Net book value as of 30 June 2026	**202,273,416**	**239,689,796**	**596,052,860**	**19,570,095**	**37,780**	**14,849,537**	**11,849,447**	**1,084,322,931**

There is no mortgage or restriction on fixed assets
Borrowing costs have not been capitalized during the Period.

Depreciation expense is allocated as follows:

	30 June 2026 EGP
Cost of sales	**47,066,346**
Selling and marketing expenses (Note.21)	**3,854,434**
General and administrative expenses (Note.22)	**3,107,660**
Total depreciation expenses	**54,028,440**

Gain from sale of fixed assets as follows:

	30 June 2026 EGP	EGP
Proceeds from sale of fixed assets		**2,623,017**
Cost of disposed assets	**(2,225,752)**	
Accumulated depreciation of disposed fixed assets	**1,653,873**	
Net book value of disposed assets		**(571,879)**
Gain from sale of fixed assets (Note.23)		**2,051,138**

4 FIXED ASSETS (CONTINUED)

	Lands	Buildings	Machines	Motor Vehicles	Office Furniture	Equipment and tools	Computers and software	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost								
1 January 2025	127,273,416	216,213,841	398,369,206	87,886,299	153,822	20,277,828	29,511,838	879,686,250
Additions for the year	-	5,355,199	45,870,975	-	-	5,386,176	4,411,002	61,023,352
Transferred from projects under construction	-	46,163,819	217,714,785	-	-	8,004,327	-	271,882,931
Transferred from right to use assets	-	-	142,521,478	-	-	-	-	142,521,478
Disposals	-	-	(105,749)	(9,122,976)	-	(34,472)	(263,388)	(9,526,585)
31 December 2025	127,273,416	267,732,859	804,370,695	78,763,323	153,822	33,633,859	33,659,452	1,345,587,426
Accumulated depreciation								
1 January 2025	-	(25,553,762)	(257,095,113)	(54,228,969)	(104,023)	(13,975,749)	(20,369,251)	(371,326,867)
Depreciation for the Year	-	(4,967,279)	(56,202,900)	(7,846,594)	(8,035)	(2,943,762)	(3,832,096)	(75,800,666)
Transferred from right to use assets	-	-	(58,059,262)	-	-	-	-	(58,059,262)
Disposals	-	-	76,138	6,691,225	-	27,061	165,979	6,960,403
31 December 2025	-	(30,521,041)	(371,281,137)	(55,384,338)	(112,058)	(16,892,450)	(24,035,368)	(498,226,392)
Net book value as of 31 December 2025	127,273,416	237,211,818	433,089,558	23,378,985	41,764	16,741,409	9,624,084	847,361,034

- There is no mortgage or restriction on fixed assets except for the finance lease (note 31).
- No borrowing cost capitalized during the Year.

Depreciation expense is allocated as follows:

	30 June 2026
	EGP
Cost of sales	62,188,551
Selling and marketing expenses (Note.21)	8,409,512
General and administrative expenses (Note.22)	5,202,603
Total depreciation expenses	75,800,666

Gain from sale of fixed assets as follows:

	30 June 2026	
	EGP	EGP
Proceeds from sale of fixed assets		20,671,474
Cost of disposed assets	(9,526,585)	
Accumulated depreciation of disposed fixed assets	6,960,403	
Net book value of disposed assets		(2,566,182)
Gain from sale of fixed assets (Note.23)		18,105,292

5 RIGHT TO USE ASSETS

	Machines	**Motor Vehicles**	**Total**
	EGP	**EGP**	**EGP**
Cost			
1 January 2026	15,051,272	25,057,000	**40,108,272**
Additions for the period	-	19,400,000	**19,400,000**
30 June 2026	**15,051,272**	**44,457,000**	**59,508,272**
Accumulated depreciation			
1 January 2026	(6,902,966)	(2,918,945)	**(9,821,911)**
Depreciation for the Period	(746,378)	(2,039,877)	**(2,786,255)**
30 June 2026	**(7,649,344)**	**(4,958,822)**	**(12,608,166)**
Net book value as of 30 June 2026	**7,401,928**	**39,498,178**	**46,900,106**

	30 June 2026
	EGP
Cost of sales	**746,378**
Selling and marketing expenses (Note.21)	**2,039,877**
Total depreciation expenses	**2,786,255**

	Machines	Motor Vehicles	Total
	EGP	EGP	EGP
Cost			
1 January 2025	157,572,750	20,997,000	178,569,750
Additions for the year	-	4,060,000	4,060,000
Transferred to fixed assets	(142,521,478)	-	(142,521,478)
31 December 2025	15,051,272	25,057,000	40,108,272
Accumulated depreciation			
1 January 2025	(63,457,101)	(460,946)	(63,918,047)
Transferred to fixed assets	58,059,262	-	58,059,262
Depreciation for the Year	(1,505,127)	(2,457,999)	(3,963,126)
31 December 2025	(6,902,966)	(2,918,945)	(9,821,911)
Net book value as of 31 December 2025	8,148,306	22,138,055	30,286,361

	31 December 2025
	EGP
Cost of sales	1,505,127
Selling and marketing expenses (Note.21)	2,457,999
Total depreciation expenses	3,963,126

6 PROJECTS UNDER CONSTRUCTION

	30 June 2026 EGP	31 December 2025 EGP
Buildings	**3,579,713**	-
Machinery and Equipment	**37,452,315**	164,484,348
Equipment and Tools	**6,389,764**	-
Advance payment for fixed assets suppliers	**285,663,579**	188,092,568
	333,085,371	352,576,916

The movement of projects under construction during the Period/Year is as follow:

	30 June 2026 EGP	31 December 2025 EGP
Beginning balance	**352,576,916**	163,102,548
Additions during the Period/Year	**138,137,513**	436,202,160
Transferred from inventory during the Period/Year	**10,073,609**	25,155,139
Transferred to fixed assets during the Period/year	**(167,702,667)**	(271,882,931)
Ending balance	**333,085,371**	352,576,916

7 INVESTMENTS IN SUBSIDARY

Subsidiary Name	Country of Incorporation	Value of Investments 30 June 2026 EGP	Contribution Percentage
Obour Farm Company for Agricultural Investment and Animal Production	**Egypt**	**196,000,000**	**%98**

8 INVENTORY

	30 June 2026 EGP	31 December 2025 EGP
Raw materials	**2,905,493,415**	1,992,400,038
Spare parts and supplies	**97,543,219**	66,164,551
Finished goods	**206,916,889**	267,200,763
Work in Process	**13,324,936**	4,002,818
Goods in transit	**294,293,133**	260,532,060
	3,517,571,592	2,590,300,230
Impairment in inventory	**(1,903,182)**	(2,039,774)
	3,515,668,410	2,588,260,456

Impairment in inventory

	30 June 2026 EGP	31 December 2025 EGP
Beginning balance	**(2,039,774)**	(1,297,353)
Impairment in inventory	**136,592**	(742,421)
Ending balance	**(1,903,182)**	(2,039,774)

9 ACCOUNTS AND NOTES RECEIVABLE

	30 June 2026 EGP	31 December 2025 EGP
Accounts receivable	220,237,954	186,574,194
Notes receivable	56,986,618	15,420,752
	277,224,572	201,994,946
Expected credit loss - Accounts receivable	(7,683,886)	(6,942,033)
	269,540,686	195,052,913

Expected credit loss-accounts receivable

	30 June 2026 EGP	31 December 2025 EGP
Beginning balance	(6,942,033)	(6,471,048)
Expected credit loss - Accounts receivable	(7,351,223)	(7,974,475)
Reversal of Expected credit loss - Accounts receivable	6,609,370	7,503,490
Ending balance	(7,683,886)	(6,942,033)

On 30 June 2026 and 31 December 2025, the aging analysis of accounts receivable is as follow:

	Total EGP	Less than 3 months EGP	From 4-6 Months EGP	From 7-9 months EGP	More than 9 months EGP
30 June 2026	**220,237,954**	**206,127,561**	**10,265,515**	**2,516,800**	**1,328,078**
31 December 2025	186,574,194	173,093,693	9,139,695	3,041,947	1,298,859

10 PREPAID EXPENSES AND OTHER DEBIT BALANCES

	30 June 2026 EGP	31 December 2025 EGP
Accounts payable and prepaid expenses	31,991,632	58,365,481
Value added tax (VAT)	6,577,413	12,477,308
Deposit to others	280,000	16,121,673
letters of guarantee *	2,773,932	2,773,932
Other debit balances	84,831,691	102,834,087
	126,454,668	192,572,481

***CONTINGENT LIABILITIES**

The letter of guarantee issued at the Company's request by Banque du Cairo in favor of third parties as of 30 June 2026 amounted to EGP **250,000** and the letter of guarantee issued at the company's request from Abu Dhabi Islamic Bank in favor of a third parties as of 30 June 2026 amounted to EGP 2,511,656 and the cash cover margin amounted to EGP **2,773,932**.

11 Letters of credit

	30 June 2026 EGP	31 December 2025 EGP
Letters of credit	28,372,403	12,399,730
	28,372,403	12,399,730

Letters of credit for an amount 577,130 USD were opened in bank Credit Agricole and Abu Dhabi Islamic Bank .

12 CASH ON HAND AND AT BANKS

	30 June 2026 EGP	31 December 2025 EGP
a) Local currency		
Cash on hand	**13,632,961**	8,051,977
Current accounts*	**14,081,041**	69,856,798
Checks under collection	**29,097,235**	16,961,965
Time deposits (maturity within 3 months) **	**111,573,897**	915,601,458
	168,385,134	1,010,472,198

b) foreign currency

	30 June 2026 EGP	31 December 2025 EGP
Cash on hand	**71,997**	-
Current accounts	**8,009,809**	71,097,520
	8,081,806	71,097,520
	176,466,940	1,081,569,718

* Current accounts include retained amounts of EGP 2,511,656 to cover letter of guarantee.

** Time deposits includes restricted amounts reach EGP262,276 to cover letter of guarantee and issued on request from company for third party (Note 10) and other deposits for 3 months.

13 CAPITAL

On 22 September 2015 the Extraordinary General Assembly approved the increase of authorized capital by LE 850,000,000 to reach LE 1,000,000,000 and approved the increase of issued capital by LE 100,000,000 (including LE 30,000,000 as bonus shares) divided over 200,000 shares at par value LE 1,000 each to reach LE 200,000,000. Accordingly, the issued and paid up capital as of 31 December 2015 amounted to LE 200,000,000.

On 16 may 2016 the Extraordinary General Assembly decided to split the shares from 200 thousand shares to 200 million shares and notarized in the Commercial Register on 21 September 2016.

On 9 December 2018 the Extraordinary General Assembly Meeting decided to increase the issued capital from LE 200,000,000 to LE 400,000,000 with the increase of LE 200,000,000 divided over 200,000,000 shares at par value LE 1 per share from retained earnings and the Company completely paid all the increased amount of capital, reflected in the commercial register dated 6 November 2018.

	Ownership %	No. of shares	Issued and paid capital EGP
Mr. Mohamed Hamed Mohamed Sherif	21.33	85,327,044	85,327,044
Mr. Ashraf Mohamed Hamed Sherif	15.86	63,438,690	63,438,690
Mr. Ayman Mohamed Hamed Sherif	11.03	44,095,500	44,095,500
Ms. Samya Elshafei Sadek Elkafrawy	3.24	12,969,264	12,969,264
Ms. Ghada Mohamed Hamed Sherif	3.24	12,969,264	12,969,264
Ms. Rasha Mohamed Hamed Sherif	3.24	12,969,264	12,969,264
Ms. Abeer Mohamed Hamed Sherif	3.24	12,969,264	12,969,264
Other shareholders	38.82	155,261,710	155,261,710
	100	**400,000,000**	**400,000,000**

14 INCOME TAX

	For the six months ended 30 June 2026	For the six months ended 30 June 2026
	EGP	EGP
Current tax	**(123,186,572)**	(101,011,244)
Deferred income tax	**2,962,781**	(14,751,161)
	(120,223,791)	(115,762,405)

ADJUSTMENT OF THE INCOME TAX RATE

		For the six months ended 30 June 2026		For the six months ended 30 June 2026
		EGP		EGP
Profits before income tax		**521,665,576**		501,452,871
Fixed assets		**(24,763,483)**		14,606,212
Non-deductible costs		**15,501,999**		13,046,710
Expected credit loss		**7,351,223**		3,453,843
Reversal of expected credit loss		**(6,609,370)**		(4,298,055)
Impairment in inventory		**(136,592)**		578,435
Foreign currency differences		**30,651,508**		(70,692,603)
Foreign currency differences from previous Years		**8,725,765**		-
Gain from sale of fixed assets		**(2,051,138)**		(8,482,915)
Finance lease payments		**(10,087,802)**		-
Payments for finance lease		**7,248,186**		-
Provision no longer required		**-**		(725,631)
Taxable base		**547,495,872**		448,938,867
Income tax according to enacted tax rate (22.5%)		**(123,186,572)**		(101,011,244)
Deferred income tax		**2,962,781**		(14,751,161)
Income taxes on the actual income tax rate	**23.18%**	**(120,223,791)**	23.09%	(115,762,405)

Deferred income tax

	Statement of financial position		**Statement of profit or loss**	
	30 June 2026	31 December 2025	**For the six months ended 30 June 2026**	For the six months ended 30 June 2026
	EGP	EGP	**EGP**	EGP
Fixed assets	**(61,449,287)**	(55,415,997)	**(6,033,290)**	1,377,742
Expected credit loss	**1,728,876**	1,561,959	**166,917**	(189,948)
Impairment in inventory	**428,217**	458,950	**(30,733)**	130,148
Revaluation of foreign currency	**4,992,919**	(3,866,968)	**8,859,887**	(15,905,836)
Provision for expected claims	**-**	-	**-**	(163,267)
Deferred tax (Liability)	**(54,299,275)**	(57,262,056)	**2,962,781**	(14,751,161)

Accordingly,the income tax payable on 30 June 2026 amounts to 90,302,843 EGP.

15 PROVISIONS FOR EXPECTED CLAIMS

	Balance as of 01 January 2026	**Charged during the Period**	**No longer required during the Period**	**Used during the Period**	**Balance as of 30 June 2026**
	EGP	**EGP**	**EGP**	**EGP**	**EGP**
Provision for expected claims	29,768,349	-	-	(4,877,211)	24,891,138
	29,768,349	**-**	**-**	**(4,877,211)**	**24,891,138**

15 PROVISIONS FOR EXPECTED CLAIMS (CONTINUED)

	Balance as of 01 January 2025	Charged during the Year	No longer required during the Year	Used during the Year	Balance as of 31 December 2025
	EGP	EGP	EGP	EGP	EGP
Provision for expected claims	9,804,028	20,000,000	-	(35,679)	29,768,349
	9,804,028	20,000,000	-	(35,679)	29,768,349

The usual information has not been clarified in accordance with Egyptian accounting standards because the management believes that this may significantly affect the outcome of the negotiations with the parties related to the dispute. These allocations are reviewed by the management every Period and are modified on the basis of the latest developments, discussions and agreements with those parties.

16 CREDIT FACILITIES

	30 June 2026	31 December 2025
	EGP	EGP
EGP	3,817,438,283	3,050,805,094
	3,817,438,283	3,050,805,094

The company was granted credit facilities in EGP and USD from (bank nxt -Arab African bank – Attjariwafa bank- credit agricole bank- CIB – NBD – FAB MISR1 – QNB– NBE– ADIB_EG bank_Suez canel bank _ABK) with an annual interest rate of (20%) for EGP and (8,63%) for USD. The balance of the facilities as of 30 June 2026 amounted to EGP 3,817,438,283 and there are no guarantees granted to others.

17 ACCOUNTS AND NOTES PAYABLE

	30 June 2026	31 December 2025
	EGP	EGP
Accounts payable	68,716,773	230,950,803
Notes payable	32,486,966	39,914,412
	101,203,739	270,865,215

18 RELATED PARTY DISCLOSURES

Related party's transactions

For preparing the standalone financial statements, a party is considered related to the company if the company could control or has influential influence, directly or indirectly, in making financial and operational decisions or vice versa, or if the company and this party are under the joint control of other individuals or companies.

The following were dealings with related parties during the Period that occurred during the normal course of business according to the agreements between the parties:

Related party's transactions

	Nature of relationship	Nature of transaction	30 June 2026	30 June 2025
			EGP	EGP
Foody For Import Company	Under common control	Purchases	53,772,601	60,144,750
Best Trade For Import And Export Company	Under common control	Purchases	22,421,201	16,801,696
Mora Plast Company	Under common control	Purchases	30,619,803	22,970,198
Andulas for printing company	Under common control	Purchases	12,862,924	25,044,010
Voila Company	Under common control	Sales	1,251,953	923,095
Odfi for food industries	Under common control	Sales	18,372,729	-
Odfi for food industries	Under common control	Purchases	1,097,736	-
Obour farm Company for Agricultural Investment and Animal Production	Subsidiary	Purchases	163,411,065	7,218,725
Obour farm Company for Agricultural Investment and Animal Production	Subsidiary	Sales	615,783	91,048
Obour farm Company for Agricultural Investment and Animal Production	Subsidiary	Financing	-	34,075,406

18 RELATED PARTY DISCLOSURES (CONTINUED)

Balances of related party's transactions are as follow

	30 June 2026		31 December 2025	
	Due From	**Due to**	Due From	Due to
	EGP	**EGP**	EGP	EGP
Obour farm company for Agricultural Investment and Animal Production	**142,009,997**	**-**	-	-
Mora Plast Company	**-**	**4,513,224**	-	-
Andulas for printing company	**-**	**722,375**	-	-
Voila Company	**338,070**	**-**	492,976	-
	142,348,067	**5,235,599**	492,976	-

19 ACCRUED EXPENSES AND OTHER CREDIT BALANCES

	30 June 2026	31 December 2025
	EGP	EGP
Accrued expenses	**22,980,029**	25,692,498
Other credit balances	**154,472,825**	69,850,335
	177,452,854	95,542,833

20 TAX PAYABLE

	30 June 2026	31 December 2025
	EGP	EGP
Tax authority - withholding tax	**3,184,281**	2,921,488
Tax authority – salary tax	**2,624,271**	1,644,730
	5,808,552	4,566,218

21 SELLING AND MARKETING EXPENSES

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
	EGP	EGP
Wages and social insurance	**37,106,256**	34,842,193
Marketing and advertisement	**274,433,665**	191,600,105
Car expenses	**55,052,722**	39,635,183
Fees and subscriptions	**22,999,472**	19,589,175
Marketing activities	**148,132,440**	17,105,936
Fixed assets depreciation (note 4)	**3,854,434**	5,383,089
Right to use assets depreciation (note 5)	**2,039,877**	82,174
	543,618,866	308,237,855

22 GENERAL AND ADMINSTRATIVE EXPENSES

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
	EGP	EGP
Wages and social insurance	**37,466,207**	37,054,534
Allowance for attendance	**264,000**	222,000
Fees and subscriptions	**31,137,557**	32,112,894
Fixed assets depreciation (note 4)	**3,107,660**	2,432,853
	71,975,424	71,822,281

23 OTHER INCOME

	For the six months ended 30 June 2026 EGP	For the six months ended 30 June 2025 EGP
Other income	**10,640,038**	2,333,162
Gain from sale of fixed assets (Note 4)	**2,051,138**	8,482,915
	12,691,176	10,816,077

24 INTEREST INCOME

	For the six months ended 30 June 2026 EGP	For the six months ended 30 June 2025 EGP
interest income of current accounts	**12,016,319**	11,949,312
interest income of time deposits	**37,018,777**	1,255,600
	49,035,096	13,204,912

25 INTEREST EXPENSES

	For the six months ended 30 June 2026 EGP	For the six months ended 30 June 2025 EGP
Debit interest	**184,060,358**	150,505,666
Finance interest	**21,831,741**	16,767,173
Finance interest – Leasing	**675,765**	474,388
	206,567,864	167,747,227

26 TAX SITUATION

A. Corporate Tax

- The Company regularly submits the annual tax return at legal times.
- The Company was inspected from the inception of the company's activities till 2019 and the taxes due were paid
- The Company was inspected from 2020 to 2022 and the taxes due were paid and the Settlement is in progress.
- The company was not notified of the inspection for the Period 2023, 2024 and 2025.

B. Salary Tax

- The Company is committed to deducting the tax on employees' salaries and paying them monthly.
- The Company's records were inspected till the Period 2022 and the taxes due were paid.
- The company was not notified of the inspection for the Period 2023, 2024 and 2025.

C. Sales Tax – VAT

- The company was registered with the Egyptian Tax Authority - Value Added Tax - the monthly tax returns were submitted till June 2026.
- The Company's records were inspected on VAT from the inception of the company's activities till Period 2023 and the taxes due were paid and the Settlement is in progress.
- The company was not notified of the inspection for the Period 2024 and 2025.

D. Stamp Tax

The Company's records were inspected from the inception of the company's activities till 2022 and the taxes due were paid.

The company is being inspected for the year 2023.

The company was not notified of the inspection for the Period 2024 and 2025.

E. Withholding Tax

-The Company regularly applies withholding tax laws under the tax calculation.

-The Company's records were inspected from the inception of the company's activities till the Period 2020 and the taxes due were paid.

-The company was not notified of the inspection for the Period 2021,2022,2023,2024and 2025.

-preparing of form No. (41) for the second quarter of 2026 was submitted.

F. Property Tax

-The company is regular in paying real estate taxes annually until 2021.

-The company was exempted from paying real estate taxes from the first of January 2022 till 31 December 2026 based on Minister of Finance Resolution No. 61 of 2022.

27 Earnings per Share

Basic earnings per share amounts are calculated by dividing net profit attributable to the ordinary equity holders by the weighted average number of ordinary shares outstanding during the Period. The Company has no dilutive shares.

	For the six months ended 30 June 2026 EGP	For the six months ended 30 June 2025 EGP
Net profits for the Period	**401,441,785**	385,690,466
Employees' share	**(40,144,179)**	(36,640,594)
Board of directors' share	**(20,072,089)**	(18,320,297)
Net profit attributable to the ordinary equity holders	**341,225,517**	330,729,575
Weighted average number of ordinary shares for basic and diluted.	**400,000,000**	400,000,000
EPS – basic and diluted	**0.85**	0.83

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

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

a) Credit risk,
b) Market risk, and
c) Liquidity risk.
d) Capital Management

This note presents information about the Company's exposure to each of the above risks, the Company's objectives,

policies, and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's senior management are responsible for developing and monitoring the risk management policies and report regularly on their activities.

The Company's current financial risk management framework is a combination of formally documented risk management policies in certain areas and informal risk management policies in other areas.

a) Credit risk

Credit risk is the risk of financial losses incurred by the company in the event that the customer or counterparty fails to fulfill its contractual obligations. The Company is exposed to credit risk mainly from customer balances and receivables, miscellaneous debtors and other debit balances and related party receivables, as well as from its financial activities, including deposits with banks and financial institutions.

Trade and notes receivable

The customer credit risk is established by the Company' policies, procedures and controls relating to customer credit risk management. The credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis.

Other financial assets and cash deposits

With respect to credit risk arising from the other financial assets of the Company, which comprise mainly bank balances and cash, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

Credit risk from balances with banks and financial institutions is managed by Company's finance division. The Company limits its exposure to credit risk by only placing balances with international banks and local banks of good reputation. Given the profile of its bankers, management does not expect any counterparty to fail to meet its obligations.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as currency risk and interest rate risk, which will affect the Company's income. Financial instruments affected by market risk include interest-bearing loans and borrowings and deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company does not hold or issue derivative financial instruments.

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

b) Market risk (CONTINUED)

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's obligations with floating interest rates and interest-bearing time deposits. Interest on financial instruments having floating rates is re-priced at intervals of less than one Period.

Exposure to interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of the Company's profit before tax (through the impact on floating rate borrowings

There is no impact on the Company's equity other than the profit impact stated below.

	30 June 2026		30 June 2025	
	Change in interest rate	**Effect on profit before tax EGP**	Change in interest rate	Effect on profit before tax EGP
Financial asset	+1%	**201,467**	+1%	816,349
	-1%	**(201,467)**	-1%	(816,349)
Financial liability	+1%	**6,660,069**	+1%	3,093,065
	-1%	**(6,660,069)**	-1%	(3,093,065)

Interest rates on loans from financial institutions are disclosed in note (16).

Exposure to foreign currency risk

The foreign currency risk is the risk that the value of the financial assets and liabilities and the related cash inflows and outflows in foreign currencies will fluctuate due to changes in foreign currency exchange rates. The total assets in foreign currencies on 30 June 2026 amount to 1,931,623 (EGP 95,090,397) whereas, the total liabilities in foreign currencies on 30 June 2026 amount to 24,538,255 (EGP 1,206,330,062).

The following table demonstrate the sensitivity to a reasonably possible change in USD, EUR, exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

	Assets		**liabilities**	
	Amount in currency	**EGP**	**Amount in currency**	**EGP**
USD	1,912,768	94,033,970	24,538,255	1,206,330,062
EUR	18,855	1,056,427	-	-

	Change in rate	**Effect on profit before tax EGP**	Change in Rate	Effect on profit before tax EGP
USD	+10%	**111,229,609**	+10%	74,088,050
	-10%	**(111,229,609)**	-10%	(74,088,050)
EUR	+10%	**105,643**	+10%	-
	-10%	**(105,643)**	-10%	-

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

C) Liquidity risk

The cash flows, funding requirements and liquidity of the Company are monitored by Company's management. The Company's objective is to maintain a balance between continuity of funding and flexibility by bank credit facilities. The Company manages liquidity risk by maintaining adequate reserves and credit facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

The table below Summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Financial liabilities

30 June 2026	**Less than 3 Months**	***3 to 12* Months**	***1 to 5* Years**	**Over *5 Years***	**Total**
Liabilities (Notes payable finance lease)-noncurrent portion	-	-	**12,258,037**	-	**12,258,037**
Creditors for purchase of fixed assets-noncurrent portion	-	-	**32,250,280**	-	**32,250,280**
Provision for expected claims	**2,621,327**	**22,269,811**	-	-	**24,891,138**
Credit facilities	**1,315,254,586**	**2,502,183,697**	-	-	**3,817,438,283**
Accounts and notes payable	**101,203,739**	-	-	-	**101,203,739**
Liabilities (Notes payable finance lease)-current portion	**4,457,172**	**11,573,819**	-	-	**16,030,991**
Accrued expenses and other credit Balances	**160,551,801**	**16,901,053**	-	-	**177,452,854**
Due to related parties	**5,235,599**	-	-	-	**5,235,599**
Tax payable	**5,808,552**	-	-	-	**5,808,552**
Creditors for purchase of fixed assets-current portion	-	**42,608,782**	-	-	**42,608,782**
Income tax payable	-	**90,302,843**	-	-	**90,302,843**
Total undiscounted financial Liabilities	**1,595,132,776**	**2,685,840,005**	**44,508,317**	-	**4,325,481,098**

31 December 2025	Less than 3 Months	*3 to 12* Months	*1 to 5* Periods	Over *5 Periods*	Total
Liabilities (Notes payable finance lease)	-	-	6,658,524	-	6,658,524
Creditors for purchase of fixed assets-noncurrent portion	-	-	72,285,441	-	72,285,441
Provision for expected claims	3,226,332	26,542,017	-	-	29,768,349
Credit facilities	1,875,488,365	1,175,316,729	-	-	3,050,805,094
Accounts and notes payable	270,865,215	-	-	-	270,865,215
Liabilities (Notes payable finance lease)-current portion	4,593,274	9,588,825	-	-	14,182,099
Accrued expenses and other credit Balances	67,307,950	28,234,883	-	-	95,542,833
Tax payable	4,566,218	-	-	-	4,566,218
Creditors for purchase of fixed assets-current portion	26,327,902	85,122,373	-	-	111,450,275
Income tax payable	-	174,263,542	-	-	174,263,542
Total undiscounted financial Liabilities	2,252,375,256	1,499,068,369	78,943,965	-	3,830,387,590

29 FAIR VALUES OF FINANCIAL INSTRUMENTS.

Financial instruments comprise financial assets and financial liabilities. Financial assets of the Company include accounts and notes receivable and due from related parties, cash on hand and at banks and other debit balances. Financial liabilities of the Company include long term liabilities, notes payable, provision for expected claims, credit facilities, accounts and notes payables, due to related parties, tax payable, accrued income taxes, accrued expenses and other credit balances.

The fair values of the financial assets and liabilities are not materially different from their carrying value unless stated otherwise.

30 OPERTAING SEGMENT

For the six months ended 30 June 2026	**Cheese**	**Milk and Juice**	**Total**
Segment's sales	5,597,328,940	436,007,560	**6,033,336,500**
Segment's cost of sales	(4,257,468,210)	(356,399,715)	**(4,613,867,925)**
Gross profit	**1,339,860,730**	**79,607,845**	**1,419,468,575**
Operating expenses less other operating income			**(725,032,232)**
Interest income			**49,035,096**
Interest expense			**(206,567,864)**
Profits before income tax and takaful contribution			**536,903,575**

For the six months ended 30 June 2025	Cheese	Milk and Juice	Total
Segment's sales	4,714,973,181	340,457,979	5,055,431,160
Segment's cost of sales	(3,778,101,082)	(278,268,374)	(4,056,369,456)
Gross profit	936,872,099	62,189,605	999,061,704
Operating expenses less other operating income			(330,241,808)
Interest income			13,204,912
Interest expense			(167,747,227)
Profits before income tax and takaful contribution			514,277,581

SEGMENTS' ASSETS

	Cheese	**Milk and juice**	**Not Specified**	**Total**
30 June 2026	**EGP**	**EGP**	**EGP**	**EGP**
Fixed assets	**834,169,633**	**250,153,298**	-	**1,084,322,931**
Right to use assets	**46,900,106**	-	-	**46,900,106**
Projects under construction	**333,085,371**	-	-	**333,085,371**
Investment in subsidiary	**196,000,000**	-	-	**196,000,000**
Inventory	**3,193,859,112**	**321,809,298**	-	**3,515,668,410**
Accounts and notes receivable	-	-	**269,540,686**	**269,540,686**
Due from related parties	**338,070**	**142,009,997**	-	**142,348,067**
Prepaid expenses and other debit balances	-	-	**126,454,668**	**126,454,668**
Letters of credit	**28,372,403**	-	-	**28,372,403**
Cash on hands and at banks	-	-	**176,466,940**	**176,466,940**
Total assets	**4,632,724,695**	**713,972,593**	**572,462,294**	**5,919,159,582**

	Cheese	Milk and juice	Not Specified	Total
31 December 2025	EGP	EGP	EGP	EGP
Fixed assets	756,063,265	91,297,769	-	847,361,034
Right to use assets	30,286,361	-	-	30,286,361
Projects under construction	204,334,310	145,657,115	2,585,491	352,576,916
Investment in subsidiary	196,000,000	-	-	196,000,000
Inventory	2,372,656,872	215,603,584	-	2,588,260,456
Accounts and notes receivable	-	-	195,052,913	195,052,913
Due from related parties	492,976	-	-	492,976
Prepaid expenses and other debit balances	-	-	192,572,481	192,572,481
Letters of credit	12,399,730	-	-	12,399,730
Cash on hands and at banks	-	-	1,081,569,718	1,081,569,718
Total assets	3,572,233,514	452,558,468	1,471,780,603	5,496,572,585

31 FINANCE LEASE

	Total Contractual amount	**Paid Amount from contract**	**Bank Cheques**	**Unpaid amount from contract**
	EGP	EGP	EGP	EGP
Machinery and Equipment	15,077,416	-	15,077,416	-
Motor Vehicles	35,963,840	5,011,400	30,952,440	-

The obligations of the notes payable financial lease on 30 June 2026 are amounted EGP 28,289,028 that is current portion EGP 16,030,991 and non- current portion amounted to EGP 12,258,037 against EGP 20,840,623 on 31 December 2025 that is current portion EGP 14,182,099 and non- current portion amounted to EGP 6,658,524.

The financial lease obligations have been recognized as follows:

1-contract for a spread cheese machine for an amount of USD 750,584 and checks will be issued in quarterly installments starting from 31 March 2022 until 31 December 2026.
2-contract for eight Chevrolet cars for the amount of 11,654,032 EGP,Monthly checks were issued starting from 20 September 2024 till 20 Augest 2027.
3- contract for tewelve Chevrolet cars for the amount of 18,487,076 EGP,Monthly checks were issued starting from 20 October 2024 till 20 September 2027.
4- contract for four Chevrolet cars for the amount of 5,822,732 EGP,Monthly checks were issued starting from 15 Febraury 2025 till 15 January 2028.

The company applied Standard No. (49) based on Paragraph C (C) -2-A, and the usufruct assets were recognized. From the start date of the finance lease contract within the company's assets, the lease obligation, which represents the current value of the unpaid lease payments, has also been recognized within the company's obligations.

32 CAPITAL COMMITMENTS

There aren't capital commitments at 30 June 2026.

33 Significant Events

The monetary policy committee of the central bank of Egypt decided in its meeting on Thursday, Febraury 12,2026, to reduce the deposit and lending rates and the price of the bank's main operation by 100 point to reach 19%,20%,19.5% respectively, it also decided to reduce the credit and discount rates to reach 19.50%,and The Central Bank's board of directors also decided to reduce the reserve requirement ratio that banks are obligated 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 forecasts since its previous meeting

Following the financial statements, the region has witnessed an escalation in geopolitical tensions between the United States and Iran, resulting in military and political developments that could impact the global and regional economy. These developments could lead to potential disruptions in global supply chains, particularly regarding increased shipping, insurance, and transportation costs, as well as potential volatility in energy and commodity prices. These events could also put pressure on foreign exchange markets, This includes the potential for fluctuations in the exchange rate of the US dollar against other currencies, including the Egyptian pound, which could affect import costs and the prices of some inputs used in the company's operations. The company's management is continuously monitoring these developments to assess any potential financial impacts on the company's operations and financial position. As of the date of the financial statements, management has not been able to accurately determine the financial impact of these events on future financial statements.