Final

Pyramisa Hotels & Resorts
S.A.E
Separate Interim Financial Statements
&
Auditor's limited review Report there on
For the nine-months period ended as at
30 September 2026

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Medhat Ghaly
Albert Edward
Certified Accountant

مدحت غـــالى
البـــرت أدوارد
محاسبون ومراجعون

Report on Limited Review of separate interim Financial Statements

To: Shareholders of Pyramisa Hotels & Resorts.

Introduction

We have performed a limited review for the accompanying separate interim statement of financial position of Pyramisa Hotels & Resorts (S.A.E.), as at 30 September 2026 and the related separate interim statements of income, comprehensive income, changes in equity and cash flows for the nine months then ended, and a summary of significant accounting policies and other explanatory notes. The company's management is responsible for the preparation and fair presentation of these separate interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these separate interim financial statements based on our limited review.

Scope of Limited Review

We conduct our limited review in accordance with Egyptian Standards on Review Engagements (2410) "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity" A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the substantially less in scope that 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 on these interim financial statements.

Conclusion

Based on Our Limited Review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not present fairly, in all material respects, the separate financial position of the company as at 30 September 2026 and of its separate financial performance and its separate cash flows for the nine months then ended in accordance with Egyptian Accounting Standards.

Auditor
Medhat Fouad Ghaly

Register Auditors the Central Bank of Egypt No. 8383
Register Auditors the General Authority for Financial Supervision No. 121
Register Auditors the Central Bank of Egypt No. 263

Cairo at 12/11/2026

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Pyramisa Hotels & Resorts S.A.E
Separate Interim Statement of Financial Position as at 30 September 2026

	Note Reference	Egyptian Pounds 30-09-2026	Egyptian Pounds 31-12-2025
Assets			
Non-Current Assets			
Fixed Assets (Net)	(6)	658,744,243	674,071,746
Projects Under Construction	(7)	1,114,095,284	778,062,604
Long-Term Notes Receivable	(8)	6,212,120	4,833,560
Investments in Subsidiaries	(9)	43,348,621	47,926,012
Intangible Assets (net)	(10)	77,425,182	79,080,219
Total Non-Current Assets		**1,899,825,450**	**1,583,974,141**
Current Assets			
Hotel Inventories	(11)	45,824,590	29,897,833
Completed Inventory - Real Estate Development	(12)	10,173,339	20,346,679
Work in Progress	(13)	14,390,479	14,277,286
Short-Term Notes Receivable	(14)	8,846,859	13,704,767
Trade Receivables and Notes Receivable	(15)	380,660,057	301,669,339
Due from Related Parties	(16)	27,086,204	25,043,204
Other Receivables	(17)	222,633,086	187,562,408
Tax Receivables	(18)	33,659,912	22,182,010
Cash on Hand and at Banks	(19)	605,326,316	442,233,903
Total Current Assets		**1,348,600,842**	**1,056,917,429**
Total Assets		**3,248,426,292**	**2,640,891,570**
Equity			
Paid-in Capital	(20)	507,000,000	507,000,000
Legal Reserve		76,438,322	62,623,067
General Reserve		10,002,701	10,002,701
Retained Earnings	(21)	639,777,822	545,357,735
Profit for the Year		387,224,361	276,305,130
Total Equity		**1,620,443,206**	**1,401,288,633**
Treasury Stocks		(182,562,788)	(182,562,788)
Total Equity (Net)		**1,437,880,418**	**1,218,725,845**
Non-Current Liabilities			
Customers' Obligations against Long-term Notes	(22)	6,212,120	4,833,559
Deferred Tax Liabilities		75,450,841	72,387,671
Total Non-Current Liabilities		**81,662,961**	**77,221,230**

Current Liabilities			
Provisions	(23)	275,989,581	223,989,581
Trade Payables and Notes Payable	(24)	242,436,096	135,468,200
Customer Liabilities Against Short-Term Cheques	(25)	8,846,859	13,704,767
Amounts Due to Related Parties	(26)	69,661,622	86,299,648
Customers' Advances	(27)	0	526,270
Other Payables	(28)	990,040,576	732,029,763
Tax Authority Payables	(29)	141,727,893	152,809,789
Dividends Payable	(30)	180,287	116,477
Total Current Liabilities		**1,728,882,913**	**1,344,944,495**
Total Liabilities		**1,810,545,874**	**1,422,165,725**
Total Equity and Liabilities		**3,248,426,292**	**2,640,891,570**

- The accompanying notes from 1 to 40 considered an integral part of these financial statements and should be read in conjunction therewith.
- the auditor's limited review report is attached.

Chief Financial Officer | **Managing Director** | **Chairman**

Pyramisa Hotels & Resorts
S.A.E
Separate Interim Statement of Profit or Loss
For the Nine-Months Period Ended 30 September 2026

	Note Reference	EGP From 01/07/2026 To 30/09/2026	EGP From 01/01/2026 To 30/09/2026	EGP From 01/07/2025 To 30/09/2025	EGP From 01/01/2025 To 30/09/2025
Revenue					
Operating Revenue	(31)	**466,006,117**	**1,190,171,201**	**359,024,959**	**980,781,921**
Less:					
Cost of Revenue	(32)	(246,811,321)	(601,930,543)	(220,336,730)	(554,501,267)
Operating Depreciation		(7,512,019)	(21,826,718)	(6,842,710)	(20,593,986)
Amortization of Intangible Assets		(551,679)	(1,655,037)	(551,679)	(1,655,037)
Gross Operating Profit		**211,131,097**	**564,758,903**	**131,293,840**	**404,031,631**
Less: Operating Expenses					
Marketing Expenses	(33)	(4,949,790)	(11,474,339)	(3,123,488)	(9,783,615)
General and Administrative Expenses	(34)	(9,591,033)	(25,185,184)	(4,900,451)	(14,361,896)
Provision for Tax Liabilities		0	(52,000,000)	(19,654,476)	(19,654,476)
Fixed Salaries and Allowances of Board Members		(819,103)	(2,477,308)	(831,102)	(2,517,307)
Depreciation Expense		(142,282)	(364,434)	(61,201)	(172,278)
Total Operating Expenses		**(15,502,207)**	**(91,501,264)**	**(28,570,718)**	**(46,489,572)**
Operating Profit		**195,628,890**	**473,257,639**	**102,723,122**	**357,542,059**
(Add/Deduct): Other Income and Expenses					
Capital Gains		39,162,609	39,162,609	--	--
Health Insurance Contribution		(77,841)	(606,104)	(877,838)	(2,391,424)
Finance Costs	(35)	(8,351)	(25,148)	(10,145)	(28,534)
Pyramisa Serviced Apartments net sales		(1,544,557)	10,881,754	(2,145,618)	26,640,437
Interest Income	(36)	2,040,274	5,530,684	1,943,862	4,881,764
Expected Credit Losses (ECL)		19,580,391	(18,143,983)	(13,587,136)	(23,409,927)
Foreign Currency Revaluation Differences		13,394,373	8,493,858	(8,945,641)	(8,456,561)
Profit Before Income Taxes		**268,175,789**	**518,551,309**	**79,100,606**	**354,777,814**
Income Tax Expense		(53,542,824)	(128,263,779)	(28,594,588)	(88,525,033)
Deferred Tax Expense		(1,064,460)	(3,063,169)	(1,402,425)	(3,484,739)
Profit for the Period After Taxes		**213,568,505**	**387,224,361**	**49,103,593**	**262,768,042**
Earnings per Share (EPS)	(37)	**8.72**	**15.81**	**2.15**	**10.67**

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- the auditor's limited review report is attached.

Chief Financial Officer **Managing Director** **Chairman**

Pyramisa Hotels & Resorts
S.A.E
Separate Interim Statement of Comprehensive Income
For the Nine-Months Period Ended 30 September 2026

	Egyptian Pounds From 01/07/2026 To 30/09/2026	Egyptian Pounds From 01/01/2026 To 30/09/2026	Egyptian Pounds From 01/07/2025 To 30/09/2025	Egyptian Pounds From 01/01/2025 To 30/09/2025
Profit/Loss for the period	213,568,505	387,224,361	49,103,593	262,768,042
Total Comprehensive Income	**213,568,505**	**387,224,361**	**49,103,593**	**262,768,042**

- The accompanying notes from 1 to 40 considered an integral part of these financial statements and should be read in conjunction therewith.
- the auditor's limited review report is attached.

Chief Financial Officer **Managing Director** **Chairman**

Translated from the originally issued in Arabic

Pyramisa Hotels & Resorts
S.A.E
Separate Interim Statement of Changes in Equity
For the Nine-Months Period Ended 30 September 2026

	Paid-up Share Capital	Legal Reserve	General Reserve	Retained Earnings	Profit / (Loss) for the Period	Total	Treasury Stocks	Net Equity
Balance as at 31 December 2025	507,000,000	62,623,067	10,002,701	545,357,734	276,305,130	1,401,288,632	(182,562,788)	1,218,725,845
Closing of Prior Year Profits	-		-	262,489,874	(276,305,130)	(13,815,256)		(13,815,256)
Legal Reserve	-	13,815,255	-			13,815,256		13,815,256
Adjustments to Retained Earnings	-		-	(62,989,787)		(62,989,787)		(62,989,787)
Dividends	-		-	(105,080,000)		(105,080,000)		(105,080,000)
Net Profit for the Period	-		-		387,224,361	387,224,361		387,224,361
OCI						0		0
Balance as at 30 September 2026	**507,000,000**	**76,438,322**	**10,002,701**	**639,777,821**	**387,224,361**	**1,620,443,206**	**(182,562,788)**	**1,437,880,418**

- The accompanying notes from 1 to 40 considered an integral part of these financial statements and should be read in conjunction therewith.
- the auditor's limited review report is attached.

Chief Financial Officer **Managing Director** **Chairman**

Pyramisa Hotels & Resorts S.A.E
Separate Interim Statement of Cash Flows for the Nine-Months Period Ended 30 September 2026

	Note Ref	Egyptian Pounds 30-09-2026	Egyptian Pounds 30-09-2025
Cash Flows from Operating Activities			
Net Profit Before Income Tax		**518,551,309**	**354,777,814**
Adjustments to Reconcile Net Profit to Net Cash from Operating Activities:			
Depreciation		22,191,152	20,766,263
Amortization of Intangible Assets		1,655,037	1,655,037
Interest Income		(5,530,684)	(4,881,764)
Foreign Currency Revaluation Differences		(8,493,858)	8,456,561
Finance Costs		25,148	28,534
Adjustments to Retained Earnings		(62,989,787)	100,096,091
Capital gains		(39,162,609)	
Expected Credit Losses (ECL)		18,143,983	23,409,927
Tax provisions		52,000,000	0
Operating Profit Before Changes in Working Capital		**496,389,691**	**504,308,463**
Changes in Working Capital:			
Change in Hotel Inventories		(15,926,769)	(51,235,567)
Change in Finished Goods Inventory (Real Estate Units)		10,173,340	(21,958,255)
Change in Work in Progress		(113,192)	23,656,783
Change in Trade and Notes Receivable (Long-term and Short-term)		(93,655,364)	(61,249,363)
Change in Due from Related Parties		(2,043,000)	9,393,087
Change in Other Receivables and Tax Receivables		(46,548,591)	(2,936,513)
Change in Trade and Notes Payable		106,967,896	63,255,331
Change in Due to Related Parties		0	19,654,476
Change in Customers' Advance Payments		(16,638,026)	9,665,971
Change in Other Payables and Tax Payables		(526,279)	7,297,686
Used from Provision		118,665,136	(2,514,303)
Finance Costs		(25,148)	(28,534)
Change in Dividends Payable		63,810	(276,355)
Change in Customers' Liabilities Against Long-term and Short-term Cheques		(3,479,357)	163,170
Net Cash Generated from Operating Activities		**553,304,147**	**497,196,077**
Cash Flows from Investing Activities			
Payments for Acquisition of Fixed Assets and Projects Under Construction		(342,896,275)	(282,941,321)
collections from Investments in Subsidiary Companies		43,740,000	24,300,000
Interest Received		5,530,684	4,881,764
Net Cash Generated from Investing Activities		**(293,625,592)**	**(253,759,557)**

Cash Flows from Financing Activities		
Payments for Purchase of Treasury stocks	0	(182,562,788)
Dividends Paid from Retained Earnings	(105,080,000)	
Net Cash Used in Financing Activities	**(105,080,000)**	**(182,562,788)**
Net Change in Cash and Cash Equivalents During the Period	**154,598,555**	**60,873,732**
Foreign Currency Translation Differences	8,493,858	(8,456,561)
Cash and Cash Equivalents at Beginning of the Year	**442,233,903**	**525,626,011**
Cash and Cash Equivalents at End of the Period	**605,326,316**	**578,043,182**

- The accompanying notes from 1 to 40 considered an integral part of these financial statements and should be read in conjunction therewith.
- the auditor's limited review report is attached.

Chief Financial Officer **Managing Director** **Chairman**

Pyramisa Hotels & Resorts
Egyptian Joint Stock Company (S.A.E)
Notes to the Separate Interim Financial Statements
For the Nine-Months Period Ended 30 September 2026

1. Corporate Information:

- Pyramisa Hotels and Tourist Villages S.A.E. (the "Company") was incorporated on **18 July 1994** in accordance with the provisions of **Law No. 159 of 1981** and **Law No. 95 of 1992** and their respective Executive Regulations.
- The Company's Articles of Association were published in the **Companies Gazette, Issue No. 639 of 1994.**
- The Company's duration is **seventy-five (75) years** commencing from the date of its registration in the Commercial Register. The Company was registered with the **Giza Commercial Register Office under No. 99480 on 21 August 1994.**
- The Company's **registered office and legal domicile** is located in **Giza City, Arab Republic of Egypt.** The Board of Directors is authorized to establish branches, offices, or agencies within Egypt or abroad.
- The Chairman of the Board of Directors is **Mr. Magdy Mohamed Azab.**

1/2. Financial Year:

- The Company's financial year **commences on 1 January and ends on 31 December of each year.**

1/3. Approval of the Financial Statements:

- The Separate interim Financial Statements for the financial year ended **30 September 2026** were approved by a resolution of the **Board of Directors on 12 November 2026.**

1/4. Principal Activities:

In accordance with the Company's Articles of Association, the principal activities of the Company include:

- Tourism development and the ownership, construction, sale, lease, and management of **tourist resorts, hotels, and hospitality facilities,** including the provision of entertainment, recreational, sports, therapeutic, and related ancillary services.
- Engagement in activities related to the tourism sector, including **tourist transportation services,** booking and organizing domestic and international tours, and providing related accommodation, transportation, and agency services.
- Ownership and operation of **land, sea, air, and river transportation means** for the transportation of tourists.
- Establishment, ownership, and management of all activities related to **tourism and hotel development,** including complementary or ancillary activities and related supporting industries.
- Provision of **food supply and catering services.**
- Commercial agency activities and **importation,** to the extent necessary for carrying out the Company's operations.
- Provision of **technical consultancy services,** preparation of feasibility studies, and development and implementation of training programs related to tourism and hospitality activities.

- Acquisition of **agricultural, desert, and reclaimed lands** for the establishment of tourist villages and projects consistent with the Company's objectives and operational needs.
- **Real estate investment** in new cities and urban communities, including the acquisition of land, construction thereon, and sale or ownership of residential units (apartments and villas), covering low-cost, middle-income, and luxury housing, whether through developing vacant land for the Company's own account or selling units under ownership schemes.

All of the above activities are carried out in accordance with the detailed provisions set forth in the Company's Articles of Association.

2. Basis of Preparation of the Financial Statements:

2/1. Basis of Preparation

- The Interim Separate Financial Statements for the current financial period have been prepared in accordance with the **historical cost convention** and under the going concern assumption.

2/2. Applicable Accounting Standards and Laws:

- The Interim Separate Financial Statements have been prepared in accordance with **Egyptian Accounting Standards (EAS)** and in compliance with the relevant **applicable local laws and regulations.**
- The accounting policies set out below have been applied **consistently** in the preparation of the accompanying Interim Separate Financial Statements and throughout the financial period presented. The principal accounting policies are as follows:

2/2/1. Fixed Assets:

a) Recognition

- Property, plant and equipment are stated at **cost less accumulated depreciation** (Note 4) and **accumulated impairment losses,** if any.
- Cost includes expenditures that are **directly attributable to the acquisition** of the asset.
- For **self-constructed** assets, cost includes the cost of materials, direct labor, and any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, in addition to **costs of dismantling and removing the items and restoring the site** on which the asset is located.
- Where parts of an item of property, plant and equipment have **different useful lives,** such parts are recognized and accounted for as **separate components** of property, plant and equipment.

b) Measurement

- Property, plant and equipment are measured at **cost,** determined based on the **cash price equivalent at the recognition date.**
- If payment for an asset is deferred beyond normal credit terms, the difference between the **cash price equivalent** and the **total payment** is recognized as **interest expense over the credit period.**

c) Subsequent Expenditure

- The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of **replacing part of such an item** when that cost is incurred, if it is probable that the future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

- All other subsequent expenditures are recognized in the **Statement of Profit or Loss** as expenses in the period in which they are incurred.

d) Depreciation

- Depreciation of an asset commences when it is **available for use,** i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

- Depreciation is calculated using the **straight-line method** over the estimated useful lives of the assets, **except for production machinery,** as follows:

Asset Category	Depreciation Rate
Buildings and Constructions	2%
Decorations and Ornaments	2%
Machinery and Equipment	10%
Furniture and Fixtures	10%
Linens and Furnishings	10%
Kitchen Utensils and Equipment	10%
Tableware and Silverware	10%
Calculators and Computers	10%
Transportation Vehicles	10%

- Property, plant and equipment are **derecognized** upon disposal or when no future economic benefits are expected from their use or disposal.
- The **residual values, useful lives,** and **depreciation methods** of assets are reviewed at the end of each financial year.
- Any **gains or losses** arising from the derecognition of an asset are recognized in the **Statement of Profit or Loss** in the period in which the asset is derecognized.

2/2/2. Construction in Progress:

- This item represents amounts incurred for the **construction or acquisition of property, plant and equipment** until such assets are ready for their intended use, at which time they are transferred to **Property, Plant and Equipment.**
- Construction in progress is recognized at **cost.**
- **No depreciation is charged** on construction in progress until the related assets are transferred to property, plant and equipment and become available for use.

2/2/3. Investments:

a) Investments in Subsidiaries

- Investments in entities over which the Company has **control,** through its ownership interest and the ability to exercise power over the investee, are classified as **Investments in Subsidiaries.**
- Such investments are initially recognized at **cost (acquisition cost)** at the date of issuance of the purchase order.
- These investments are subsequently **reduced by any non-temporary impairment losses,** if any, which are recognized in the **Statement of Profit or Loss,** on an **investment-by-investment basis.**

b) Investments in Associates

- Investments in entities over which the Company has **significant influence,** but which are neither subsidiaries nor joint ventures, are classified as **Investments in Associates.**
- Such investments are initially recognized at **cost** at the date of acquisition.
- Subsequently, at the end of each financial period, these investments are measured using the **cost method,** while the **equity method** is applied upon the preparation of the financial statements by recognizing the Company's share in the changes in the associates' equity and results of operations subsequent to the acquisition date, after deducting any **dividends received or declared.**
- An investment in an associate is an investment in an entity over which the Company has **significant influence,** but which is neither a subsidiary nor an interest in a joint venture.
- Significant influence is presumed to exist when the Company holds, directly or indirectly through its subsidiaries, **20% or more of the voting power** of the investee, unless it can be clearly demonstrated that such ownership does not constitute significant influence.

c) Investment Properties

- Investment properties comprise **completed properties and properties under construction or development** held to earn **rental income,** for **capital appreciation,** or for both purposes.
- Properties under development are classified as **Investment Properties** when the definition of investment property is met.
- Investment properties are measured at **cost,** including costs incurred for the **replacement of part of an investment property,** provided that the recognition criteria are met. **Daily servicing costs** of investment properties are excluded.
- An investment property is **derecognized** upon disposal, transfer to other asset categories, or when it is withdrawn from use and no future economic benefits are expected.
- The difference between the **net disposal proceeds** and the **carrying amount** is recognized in the **Statement of Profit or Loss** in the period in which the investment property is derecognized.
- **Land is not depreciated.**

2/2/4. Inventories:

- Inventories are stated at the **lower of cost and net realizable value.**
- Net realizable value represents the **estimated selling price in the ordinary course of business,** less the estimated costs of completion and the estimated costs necessary to make the sale.
- The cost of inventories is determined using the **First-In, First-Out (FIFO) method.**
- Any **write-down of inventories to net realizable value** and all **inventory losses** are recognized within **Cost of Sales** in the **Statement of Profit or Loss** in the period in which the write-down or loss occurs.
- Any **reversal of a write-down** arising from an increase in net realizable value is recognized in the **Statement of Profit or Loss** as a **reduction of Cost of Sales** in the period in which the reversal occurs.

2/2/5. Finished + Units Held for Sale:

- Finished units held for sale comprise **completed residential units** constructed by the Company, as well as **purchased or constructed properties** held for sale in the **ordinary course of business,** and not held for rental purposes or for capital appreciation.
- Such units are classified as **inventories.**

- All costs attributable to these units, including **land costs and construction costs,** are accumulated under Work in Progress until completion of all construction phases.
- Upon completion, the **cost per square meter** is determined based on the total accumulated costs, and the cost of each unit is allocated according to its area and transferred to **Finished Units.**
- The cost of the unit is recognized in the **Statement of Profit or Loss** against the **contracted selling price** upon **actual handover of the unit** and after collection of the full selling price, which indicates the **transfer of control to the customer.**
- Finished units held for sale are subsequently measured at the **lower of cost and net realizable value.**

2/3. Construction Work in Progress (CWIP):

- Work in progress represents the **direct and indirect costs of land** allocated to the Company for its ordinary operations, for which marketing procedures have commenced.
- It also includes **construction works and associated utilities** related to contracted units for which the **criteria for revenue recognition under Egyptian Accounting Standard No. 48** have not yet been met.
- Revenue is recognized in the **Statement of Profit or Loss** based on the **stage of completion method,** measuring progress in fulfilling the performance obligations.

2/4. Trade and Other Receivables:

- Trade and other receivables are initially recognized at the **original invoice amount,** less any **impairment losses.**
- Impairment losses are measured as the difference between the **carrying amount of receivables** and the **present value of expected future cash flows.**
- Any **reversal of impairment losses** is recognized in the **period in which it occurs.**

2/5. Notes Receivable:

- Notes receivable represents the value of **post-dated checks** received by the Company as **payment instruments** against the contractual values of contracted units.
- Notes receivable are initially recognized at the **fair value of the transaction** at the contract date with the customer.
- Subsequently, notes receivable that are considered **traded financial instruments** are measured at **amortized cost,** determined by discounting the expected future cash flows using the **market interest rate of similar financial instruments,** with amortization recognized in the **Statement of Profit or Loss.**

2/6. Related Party Transactions:

- Related parties include **direct or indirect relationships** between the Company and its subsidiaries, associates, or joint ventures.
- They also include relationships between the Company and **key management personnel** or their close family members, who can **exercise significant influence over decision-making,** directly or indirectly.
- The term **related parties** applies to all **transactions, resource transfers, services, and obligations** arising between the Company and these parties.
- Such transactions must be conducted on the **same terms as transactions with unrelated parties,** and pricing policies are approved by the **Board of Directors.**

2/7. Treasury Shares:

- Treasury shares represent the **Company's own shares** acquired pursuant to **Board of Directors' resolutions** and in accordance with **Law No. 159 of 1981** (and amendments) and the **relevant stock exchange rules and Financial Regulatory Authority instructions.**
- Treasury shares are recognized in the financial statements at **acquisition cost,** and **deducted from equity.**
- Any subsequent **gains or losses arising from disposal** of treasury shares are recognized within **equity.**

2/8. Provisions:

- A provision is recognized when the Company has a **present legal or constructive obligation** as a result of a past event, it is **probable** that an **outflow of economic resources** will be required to settle the obligation, and a **reliable estimate** can be made.
- Provisions are **reviewed at the reporting date** and adjusted to reflect the **best current estimate.**
- If the **time value of money is material,** the recognized amount of a provision is the **present value of the expected expenditure** to settle the obligation.
- Any increase in the provision due to the passage of time is recognized as a **finance cost.**

2/9. Revenue Recognition:

- Revenue arising from the **provision of hotel services** is recognized when the **outcome of the transaction can be reliably measured,** to the **extent of completion** of the transaction as at the **statement of financial position date.** The outcome of a transaction can be measured reliably when all of the following conditions are met:
  - The **amount of revenue** can be measured reliably.
  - It is **highly probable that the economic benefits** associated with the **hotel service** will flow to the **Company.**
  - The **stage of completion** of the **hotel service** at the **reporting date** can be measured reliably.
  - The **costs incurred** in providing the **hotel service,** as well as the **costs to complete** the service, can be measured reliably.

2/10. Revenues from Usufruct Units:

- Revenue relating to **usufruct arrangements** is recognized upon **full settlement of the contractual consideration** and the **delivery of the property** subject to the contract to the **beneficiary,** as evidenced by an **official handover report.**

2/11. Dividends from Financial Investments:

- **Dividend income** is recognized when the **shareholders' right to receive dividends** is established.
- Where dividends are distributed in the form of **bonus shares** by the **investee company,** only the **increase in the number of shares** is recognized, with **no increase in the carrying amount of the investment.**

2/12. Revenue from Sale of Units:

- Revenue from the **sale of contracted units** is recognized upon the **transfer of all significant risks and rewards of ownership** to the **customer,** upon **actual delivery of the units** and **full settlement of the contractual consideration.**
- The Company also collects **deposits** against **services rendered** to **unit owners** under the caption **"Service Charges"** until the **formation of the Owners' Association.**

2/13. Time-Share Units Revenue:

- Revenue from **time-share units** is recognized upon **signing the contract** and **collection of the full contractual value,** whether in a **lump sum or in installments,** and is recognized as **revenue on the date of collection** without **allocation over the contract period.**
- Fees collected in consideration of **services rendered** by the Company during the **actual usage periods** are recognized under **"Maintenance Charges"**.

2/14. Foreign Currency Transactions:

- The Company maintains its accounting records in **Egyptian Pounds (EGP). Foreign currency transactions** are recorded at the **exchange rates prevailing at the date of the transaction.**
- **Monetary assets and liabilities** denominated in foreign currencies are translated at the **exchange rates prevailing at the statement of financial position date,** and resulting **exchange differences** are recognized in the **statement of profit or loss.**
- In the event of exchange differences arising from a **severe devaluation of the functional currency,** where **no practical hedging means** are available, and which affect **unsettled liabilities** arising directly from the **recent acquisition of a foreign-currency-denominated asset,** such differences are **capitalized within the adjusted carrying amount of the asset,** limited to the **lower of replacement cost or recoverable amount.**

2/15. Legal Reserve:

- In accordance with the **Company's Articles of Association, 10% of the net profits for the period** is transferred to form a **legal reserve** until it reaches **50%** of the issued share capital.
- The **legal reserve** may be utilized based on a **resolution of the Ordinary General Assembly** and in accordance with **Board of Directors' decisions.**

2/16. Borrowings:

- Borrowings are initially recognized at the **amounts received,** and amounts **due within one year** are classified as **current liabilities,** unless the Company has the **right to defer settlement** of the loan balance for a period exceeding one year from the reporting date, in which case the loan balance is presented as **non-current liabilities.**
- Loans and borrowings bearing interest are subsequently measured using the **amortized cost method** applying the **effective interest rate method. Gains or losses** arising from the derecognition of liabilities, in addition to amortization using the effective interest rate method, are recognized in the **statement of profit or loss.**
- The amortized cost is calculated taking into account any **discount or premium on acquisition,** as well as **fees and costs** that form an integral part of the effective interest rate. Amortization using the effective interest rate is included within **finance costs** in the statement of profit or loss.

- **Borrowing costs** that are directly attributable to the acquisition, construction, or production of a **qualifying asset,** which requires a substantial period of time to get ready for its intended use or sale, are **capitalized as part of the cost of the asset.**
- Other borrowing costs are recognized as an **expense in the period incurred.** Borrowing costs consist of **interest and other costs** incurred by the Company in connection with the borrowing of funds.

- **2/17. Income Tax:**

Current Income Tax

- Income tax for the period comprises **current and deferred tax**. Income tax is recognized except to the extent that it relates to items recognized **directly in equity**, in which case it is recognized directly in **equity**.
- Current tax is the **tax payable** on the taxable profit for the year, using **tax rates enacted or substantively enacted** at the reporting date, and any **adjustments to tax payable** in respect of prior years.

2/18. Deferred Income Tax:

- Deferred tax is recognized on **temporary differences** between the carrying amounts of assets and liabilities for accounting purposes and their **tax bases**. Deferred tax is measured based on the **expected manner of realization or settlement** of the carrying amounts of assets and liabilities, using **tax rates prevailing** at the reporting date.
- **Deferred tax assets** are recognized when it is **probable that future taxable profits** will be available against which such assets can be utilized, and are reduced to the extent that it is no longer probable that the related tax benefit will be realized in subsequent periods.
- Current and deferred tax are recognized as **income or expense** in the **statement of profit or loss** for the period.

2/19. Social Insurance System:

- The Company contributes to the **social insurance system** administered by the **Social Insurance Authority** for the benefit of its employees in accordance with the provisions of the Social Insurance Law and its amendments. The Company's contributions are charged to **salaries and wages** in the statement of profit or loss on an **accrual basis**.

2/20. Leases:

- Assets leased under **operating leases** are included within the Company's **property, plant and equipment** in the statement of financial position and are depreciated over their **expected useful lives** using the same useful lives applied to similar owned assets.
- **Rental income**, net of any **rent-free periods or discounts**, is recognized on a **straight-line basis** over the **lease term**.

2/21. Investment Property:

- This item includes **completed properties** and **properties under construction or development** held to earn **rental income**, for **capital appreciation**, or for **both purposes**. Leased properties are classified as **investment property** when they meet the definition of investment property. Investment properties are measured at **cost**, including **transaction costs**, and include the **cost of**

replacing part of the investment property when such cost is incurred and the recognition criteria are met, excluding **day-to-day servicing costs** of the investment property.

2/22. Real Estate Inventory:

- Properties purchased or constructed for the purpose of **sale in the ordinary course of business**, rather than for rental or capital appreciation, are classified as **inventory** and measured at the **lower of cost and net realizable value**. Cost includes:
  - Amounts paid to **construction contractors**.
  - **Borrowing costs**, **planning and design costs**, **site preparation costs**, **professional legal fees**, **property tax**, **construction costs**, and other related costs.
  - **Non-refundable commissions** paid to sales and marketing agents for selling real estate units are recognized as **expenses when incurred**.
  - **Net realizable value** represents the estimated selling price in the ordinary course of business based on **market prices at the reporting date**, discounted when the time value of money is material, less **estimated costs to complete** and **expected selling costs**.

2/23. Work in Progress:

- **Investment housing projects** and **low-cost housing projects** constructed by the Company within its real estate investment activity are recognized at the **lower of cost and net realizable value**.
- Cost includes the **cost of acquiring land** used in such projects, plus costs of **preparation, development, and infrastructure**, as well as **construction costs** and other costs incurred by the entity to bring the residential units to a condition suitable for sale.
- Upon completion, such projects are reclassified in the financial statements as **completed residential unit inventory**.

2/24. Expenses:

- All expenses, including **cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses**, and **other expenses**, are recognized and presented in the **statement of profit or loss** in the financial year in which they are incurred.

2/25. Impairment of Assets:

Impairment of Financial Assets

- The Company assesses, at each statement of financial position date, whether there is **objective evidence** that a **financial asset or a group of financial assets** is impaired.
- A financial asset or a group of financial assets is considered impaired **if and only if** there is objective evidence of impairment resulting from one or more events that have occurred, and such events have an impact on the estimated future cash flows of the financial asset or group of financial assets that can be **reliably measured**.

Impairment of Non-Financial Assets

- The Company assesses, at each statement of financial position date, whether there is any **indication** that an asset may be impaired.
- When the **carrying amount** of an asset or a **cash-generating unit (CGU)** exceeds its **recoverable amount**, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the **statement of profit or loss**.

- An impairment loss is reversed **only** if there has been a change in the estimates used to determine the asset's recoverable amount since the recognition of the last impairment loss, and such reversal is limited so that the carrying amount of the asset does not exceed the carrying amount that would have been determined had no impairment loss been recognized in the statement of profit or loss.

2/26. Statement of Cash Flows:

- The statement of cash flows is prepared using the **indirect method.**

2/27. Cash and Cash Equivalents:

- For the purpose of preparing the statement of cash flows, cash and cash equivalents comprise **cash on hand**, **current accounts**,
- **bank balances** and **time deposits maturing within nine months**, net of **bank overdrafts**.

2/28. Earnings per Share:

- Basic earnings per share represent the amount of earnings attributable to each ordinary share of the Company, calculated based on net profit from ordinary activities after deducting the **employees' profit share** and the **Board of Directors' share** (if any), based on the **weighted average number of ordinary shares outstanding** during the financial period, weighted by time.

2/29. Other:

A. Service Charge Proceeds

- The total proceeds of the service charge collected from guests are distributed in accordance with the decision of the Minister of State for Manpower and Training No. (22) of 1984, as follows:
  1- **75%** of the total service charge proceeds are distributed as follows:
     - First, total wages of employees directly dealing with guests are deducted.
     - The remaining balance is distributed between employees directly and indirectly involved.
  2- **5%** of the total proceeds are distributed as incentives to eligible employees of all hotel categories.
  3- **20%** of the total proceeds are allocated as compensation for **breakage, loss, and damage of operating equipment**.

B. Breakage, Loss, and Damage of Operating Equipment

1- A provision is created equivalent to **20%** of the total service charge proceeds during the financial year.
   - At the end of each financial year, operating equipment at operational locations is inventoried, and the cost of consumed or unusable items is deducted from the balance of the **20% service charge provision**, as such items are considered **unfit for use**.

2/30. Cost includes:

- Amounts paid to contractors for construction.
- Borrowing costs, planning and design costs, site preparation costs, professional legal fees, real estate tax, construction costs and other directly attributable costs.
  non-refundable commissions paid to sales and marketing agents for the sale of real estate units are recognized as an expense when paid.

- Net realizable value represents the estimated selling price in the ordinary course of business based on market prices at the reporting date.
  When the effect of the time value of money is material, the estimated selling price is discounted.
  Net realizable value is determined after deducting costs to complete and estimated selling costs.

2/31. Fair Value Measurement:

- Many of the accounting policies adopted by the Company, as well as the related disclosure requirements, require the determination of fair value for financial and non-financial assets and liabilities.
- The assumptions and valuation techniques used in determining fair value are disclosed in the notes to the financial statements relating to those assets and liabilities, where applicable.

3. Financial Risk Management:

A. Credit Risk

- **Credit risk** represents the risk of **financial loss** to the Company if a **customer or counterparty** to a **financial instrument** fails to meet its **contractual obligations**. This risk arises primarily from **trade receivables** and **other receivable balances**. Credit risk at the Company is considered limited due to the Company's policy of dealing with **reputable customers**.

B. Liquidity Risk

- **Liquidity risk** represents the risk that the Company will encounter difficulty in meeting its **financial obligations as they fall due**. The Company's policy in managing liquidity is to ensure that it maintains **sufficient liquidity** to meet its liabilities under both **normal and stressed conditions**, without incurring **unacceptable losses** or risking damage to the Company's reputation.

C. Market Risk

- **Market risk** represents the risk that changes in **market prices**, such as **foreign exchange rates**, **interest rates**, and **equity prices**, will affect the Company's **income** or the value of its **financial instruments**. The objective of market risk management is to manage and control exposures within **acceptable parameters** while achieving optimal returns.

D. Operational Risk

- **Operational risk** represents the risk of **direct or indirect losses** arising from operating processes, personnel, systems, or **external events**, excluding credit, liquidity, and market risks. This includes **legal and regulatory risks** and compliance with **generally accepted corporate standards**.
  The Company aims to manage operational risk in a balanced manner to avoid **financial losses** and **reputational damage** at a reasonable cost.

4. Capital Management:

- The **Board of Directors' policy** is to maintain a **strong capital base** to retain the confidence of **investors**, **creditors**, and the **market**, as well as to support **future business development**.

- The Board supervises the **return on capital**, defined by the Company as **net operating profit divided by financial position** (i.e., total equity).

5. Compliance with Egyptian Accounting Standards:

- During the financial period ended **31 December 2025**, the Company **complied** with **Egyptian Accounting Standards** issued by **Ministerial Decree No. 110 of 2015**, as amended by **Ministerial Decree No. 69 of 2019**, and followed **previously applied accounting policies** in the preparation of the latest financial statements.

5/1. Applied Accounting Policies:

Basis of Financial Statement Preparation

- Preparation of the financial statements is the **responsibility of management**.
- The financial statements are prepared in accordance with **Egyptian Accounting Standards** issued under **Ministerial Decree No. 110 of 2015**, as amended by **Decree No. 69 of 2019**, applying relevant standards, **except non-related standards**.

Measurement Basis

- Financial statements are prepared **under the historical cost principle**, except for **financial assets and liabilities** arising from **foreign currency swap contracts**, **available-for-sale financial investments**, and **trading financial investments**, which are measured at **fair value**.

Presentation Currency

- The currency used to present the Company's financial statements is the **Egyptian Pound (EGP)**, which is also the **functional currency**.

5/2. Accounting Estimates and Assumptions:

- Preparation requires reliance on the **best estimates and assumptions** determined by management to apply **accounting policies** reflecting the **economic substance** of transactions, including:
  - **Revenue from current operations**
  - **Cost of projects under construction**
  - **Impairment of assets**
  - **Intangible assets**
  - **Investment property**
  - **Right-of-use assets**
  - **Deferred taxes**
  - **Fair value of financial instruments**
- Such **estimates and assumptions** are based on the **best available information** and can significantly affect **revenues, costs, assets, and liabilities** if actual results differ from estimates.

5/3. Changes in Accounting Policies:

- According to **Minister of Investment Decree No. 69 of 2019**, some **new standards** and **amendments to existing standards** were issued, effective from **1 January 2020**.

- On **12 April 2020**, the **Financial Regulatory Authority** issued a decision **postponing the application** of these amendments to **annual financial statements for 2020 only**.
- On **17 September 2020**, **Prime Minister Decision No. 1871 of 2020** postponed the application of the following **Egyptian Accounting Standards** to **1 January 2021** (**deferred implementation standards**):
  - Standard 47: Financial Instruments
  - Standard 48: Revenue from Contracts with Customers
  - Standard 49: Leases
- The **opening balance of retained earnings** as of **1 January 2021** is adjusted for the **cumulative effect** of first-time application, while comparative figures are **not adjusted**.

Fixed Assets:

- **The Breakdown as follows:**

Description	Pyramisa Cairo	Pyramisa Sharm El-Sheikh	Pyramisa El-Galaa	Administrative HQ	Vehicles	Pyramisa Dubai	Total
Cost as at 1 January 2026	154,390,824	454,729,722	44,876,459	26,800,030	9,342,075	367,308,593	1,057,447,704
Additions during the period	-	-	-	4,567,842	-	2,295,753	6,863,595
Total Cost as at 30 September 2026	**154,390,824**	**454,729,722**	**44,876,459**	**31,367,872**	**9,342,075**	**369,604,399**	**1,064,311,351**
Accumulated Depreciation as at 1 January 2026	91,251,015	244,891,931	13,114,608	3,450,259	239,184	30,428,961	383,375,957
Depreciation for the period	4,286,871	6,488,056	495,045	364,434	700,656	9,856,089	22,191,151
Total accumulated depreciation as at 30 September 2026	**95,537,886**	**251,379,987**	**13,609,653**	**3,814,693**	**939,840**	**40,285,050**	**405,567,108**
Net book value as at 30 September 2026	**58,852,938**	**203,349,735**	**31,266,806**	**27,553,180**	**8,402,235**	**329,319,349**	**658,744,243**
Net book value as at 1 January 2026	**63,139,809**	**209,837,790**	**31,761,851**	**23,349,771**	**9,102,891**	**336,879,633**	**674,071,745**

Fixed Assets - Net (Pyramisa Cairo Hotel):

- **The Breakdown as follows:**

Description	Buildings & Constructions	Furniture & Fixtures	Machinery & Equipment	Elevators	Total
Cost as at 1 January 2026	66,942,971	65,122,214	21,075,726	1,249,913	154,390,824
Additions during the period	-	-	-	-	-
Total Cost as at 30 September 2026	**66,942,971**	**65,122,214**	**21,075,726**	**1,249,913**	**154,390,824**
Accumulated Depreciation as at 1 January 2026	29,856,808	39,430,133	20,714,161	1,249,913	91,251,015
Depreciation for the period	1,004,160	2,943,282	339,429	-	4,286,871
Total accumulated depreciation as at 30 September 2026	**30,860,968**	**42,373,415**	**21,053,590**	**1,249,913**	**95,537,886**
Net book value as at 30 September 2026	**36,082,003**	**22,748,799**	**22,136**	**-**	**58,852,938**
Net book value as at 1 January 2026	**37,086,163**	**25,692,081**	**361,565**	**-**	**63,139,809**

Fixed Assets - Net (Pyramisa Sharm El-Sheikh Hotel):

- **The Breakdown as follows:**

Description	Land	Buildings & Constructions	Furniture & Fixtures	Machinery & Equipment	Kitchen Equipment & Utensils	Linen & Soft Furnishings	Tableware & Silverware	Vehicles	Decorations & Ornaments	Total
Cost as at 1 January 2026	6,846,088	337,831,018	54,515,962	35,178,552	10,725,518	4,688,081	910,131	2,423,590	1,610,782	**454,729,722**
Additions during the period	-	-	-	-	-	-	-	-	-	-
Total Cost as at 30 September 2026	**6,846,088**	**337,831,018**	**54,515,962**	**35,178,552**	**10,725,518**	**4,688,081**	**910,131**	**2,423,590**	**1,610,782**	**454,729,722**
Accumulated Depreciation as at 1 January 2026	-	154,043,513	39,995,989	32,667,209	10,725,518	4,688,081	910,131	980,663	880,827	**244,891,931**
Depreciation for the period	-	5,244,465	812,095	269,242	-	-	-	138,092	24,162	6,488,056
Total accumulated depreciation as at 30 September 2026	**-**	**159,287,978**	**40,808,084**	**32,936,451**	**10,725,518**	**4,688,081**	**910,131**	**1,118,755**	**904,989**	**251,379,987**
Net book value as at 30 September 2026	**6,846,088**	**178,543,040**	**13,707,878**	**2,242,101**	**-**	**-**	**-**	**1,304,835**	**705,793**	**203,349,735**
Net book value as at 1 January 2026	**6,846,088**	**183,787,505**	**14,519,973**	**2,511,343**	**-**	**-**	**-**	**1,442,927**	**729,955**	**209,837,791**

Fixed Assets - Net (Pyramisa El-Galaa Hotel):

- **The Breakdown as follows:**

Description	Land	Buildings & Constructions	Furniture & Fixtures	Calculators & Computers	Kitchen Tools & Utensils	Linen & Bedding	Firefighting Network	Tableware & Silverware	Room Equipment	Installations	Decoration Works	Elevators	Total
Cost as at 1 January 2026	11,107,765	29,388,656	1,947,456	19,922	159,633	161,935	179,236	68,174	8,877	455,105	821,025	558,675	**44,876,459**
Total Cost as at 30 September 2026	**11,107,765**	**29,388,656**	**1,947,456**	**19,922**	**159,633**	**161,935**	**179,236**	**68,174**	**8,877**	**455,105**	**821,025**	**558,675**	**44,876,459**
Accumulated Depreciation as at 1 January 2026	-	9,399,989	1,947,455	19,922	159,632	161,935	179,236	68,174	8,877	455,105	262,746	451,537	**13,114,608**
Depreciation for the period	-	440,830	-	-	(1)	-	-	-	-	-	12,316	41,900	495,045
Total accumulated depreciation as at 30 September 2026	-	**9,840,819**	**1,947,455**	**19,922**	**159,631**	**161,935**	**179,236**	**68,174**	**8,877**	**455,105**	**275,062**	**493,437**	**13,609,653**
Net book value as at 30 September 2026	**11,107,765**	**19,547,837**	**1**	-	**2**	-	-	-	-	-	**545,963**	**65,238**	**31,266,806**
Net book value as at 1 January 2026	**11,107,765**	**19,988,667**	**1**	-	**1**	-	-	-	-	-	**558,279**	**107,138**	**31,761,851**

Fixed Assets - Net (Head Office):

- **The Breakdown as follows:**

Description	Land	Buildings & Constructions	Furniture & Fixtures	Calculators & Computers	Total
Cost as at 1 January 2026	10,569,160	12,435,427	2,471,366	1,324,077	**26,800,030**
Additions during the period	-	2,621,125	1,219,619	727,098	4,567,842
Total Cost as at 30 September 2026	**10,569,160**	**15,056,552**	**3,690,985**	**2,051,175**	**31,367,872**
Accumulated Depreciation as at 1 January 2026	-	1,594,460	1,391,716	464,083	**3,450,259**
Depreciation for the period	-	116,374	133,675	114,385	364,434
Total accumulated depreciation as at 30 September 2026	**-**	**1,710,834**	**1,525,391**	**578,468**	**3,814,693**
Net book value as at 30 September 2026	**10,569,160**	**13,345,718**	**2,165,594**	**1,472,707**	**27,553,180**
Net book value as at 1 January 2026	**10,569,160**	**10,840,967**	**1,079,650**	**859,994**	**23,349,771**

Fixed Assets - Net (Vehicles):

- **The Breakdown as follows:**

Description	Mercedes Vehicle	Logan Vehicle	Total
Cost as at 1 January 2026	8,902,075	440,000	**9,342,075**
Additions during the period	-	-	-
Total Cost as at 30 September 2026	**8,902,075**	**440,000**	**9,342,075**
Accumulated Depreciation as at 1 January 2026	74,184	165,000	**239,184**
Depreciation for the period	667,656	33,000	700,656
Total accumulated depreciation as at 30 September 2026	**741,840**	**198,000**	**939,840**
Net book value as at 30 September 2026	**8,160,235**	**242,000**	**8,402,235**
Net book value as at 1 January 2026	**8,827,891**	**275,000**	**9,102,891**

Fixed Assets - Net (Dubai):

- **The Breakdown as follows:**

Description	Land	Buildings & Constructions	Furniture & Fixtures	Machinery & Equipment	Vehicles	Total
Cost as at 1 January 2026	16,894,322	274,068,531	43,495,968	26,656,638	6,193,136	367,308,593
Additions during the period	-	-	-	-	2,295,753	2,295,753
Total Cost as at 30 September 2026	**16,894,322**	**274,068,531**	**43,495,968**	**26,656,638**	**6,883,663**	**369,604,399**
Accumulated Depreciation as at 1 January 2026	-	12,333,084	9,666,783	8,390,862	38,233	30,428,961
Depreciation for the period	-	4,111,028	3,262,197	1,999,248	483,616	9,856,089
Total accumulated depreciation as at 30 September 2026	**-**	**16,444,112**	**12,928,980**	**10,390,110**	**521,849**	**40,285,050**
Net book value as at 30 September 2026	**16,894,322**	**257,624,419**	**34,886,590**	**13,552,205**	**6,361,814**	**329,319,349**
Net book value as at 1 January 2026	**16,894,322**	**261,735,447**	**33,829,185**	**18,265,776**	**6,154,903**	**336,879,633**

Project Financing & Management - Dubai

- **Project Completion:** The project was completed through **self-financing** from the Company's own resources. Necessary operating licenses have been obtained for the **soft opening** phase.
- **Subsidiary Incorporation: Pyramisa Hotel Apartments LLC** (a Sole Establishment - Single Person Company) was incorporated in Dubai, 100% owned by Pyramisa Hotels & Touristic Resorts, to manage the project operations.
- **Audit and Taxation: * MSA Audit and Advisory** has been appointed as the authorized external auditor in Dubai to conduct the financial audits.
  - **Prime Vision Tax Consultancy** has been appointed as the authorized tax consultant in Dubai to manage tax compliance.
- **Financial Reporting:** The Company's financial position has been issued, supported by the **External Auditor's Report**, covering the operating period ended March 31, 2026.

7. Projects Under Construction:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Pyramisa Sharm El Sheikh Hotel		
Opening Balance	1,841,719	1,841,719
Additions during the Year	666,253	-
Closing Balance	**2,507,972**	**1,841,719**
Pyramisa Sahl Hasheesh Village (Cloud 9 Project)		
Opening Balance	644,515,981	568,956,447
Additions during the Year	329,925,225	361,762,534
Disposals / Transfer	0	(286,203,000)
Total	**974,441,206**	**644,515,981**
Pyramisa Elite Hotel - Projects Under Construction		
Pyramisa Elite Hotel	7,072,242	1,631,039
Closing Balance	**981,513,448**	**646,147,021**
Pyramisa Sphinx Hotel		
Opening Balance	130,073,864	130,073,864
Closing Balance	130,073,864	**130,073,864**
Total Projects Under Construction	**1,114,095,284**	**778,062,604**

Additional Disclosures

- In 2005, the Company entered into a contract with the South Sinai Governorate for the acquisition of a land plot representing the second phase of the Sharm El Sheikh Hotel. In 2024, an agreement was reached with the Governorate to complete the required licensing procedures.
- The Company contracted with the Egyptian Resorts Company for the purchase of Plot (5A) located in Sahl Hasheesh with an area of 96,800 sqm at a total value of USD 7,744,000 (equivalent to EGP 44,063,360 at an exchange rate of EGP 5.69 per USD). An amount of USD 4,716,620 was paid, and the remaining USD 3,027,380 was settled at an exchange rate of EGP 8.83 per USD in accordance with the agreement dated 21/4/2017. There are no outstanding financial obligations related to the land.
  Construction of a water park has commenced on the land as part of the development works.
- Pursuant to the resolution of the Ordinary General Assembly held on 27/3/2025, approval was granted for a usufruct agreement over an area of 15,000 sqm, being part of Plot (5A) at Sahl Hasheesh Resort, in favor of Pyramisa Touristic Resorts - Sahl Hasheesh (a subsidiary with an ownership percentage of 81.74%), under the following terms:
  - Contract term: **25 years**.
  - Pyramisa Touristic Resorts shall bear the cost of constructing the water park amounting to **EGP 286,203,000** up to 1/2/2025.
  - Guests of Pyramisa Hotels & Touristic Villages in Sahl Hasheesh shall have the right to use the water park.
  - Usufruct consideration: **5% of the net revenues** of Pyramisa Hotels & Touristic Villages in Sahl Hasheesh throughout the usufruct period, payable annually to Pyramisa Touristic Resorts - Sahl Hasheesh.
- The parties agreed to transfer the value of works and equipment purchased by Pyramisa Hotels & Touristic Villages (First Party) to Pyramisa Touristic Resorts - Sahl Hasheesh (Second Party) in settlement of the First Party's payable balance to the Second Party amounting to **EGP 286,203,000**.

8. Long-Term Notes Receivable:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Total Long-Term Notes Receivable	7,611,001	6,566,402
Less:		
Present Value Discount	(1,398,881)	(1,732,842)
Net Long-Term Notes Receivable	**6,212,120**	**4,833,560**

9. Investments:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Number of Shares	Ownership %	Par Value (EGP)	Total Par Value of Shares	Total Cost of Investment at 30 September 2026	Total Cost of Investment at 31 Dec 2025
Investments in Subsidiaries						
Pyramiza Touristic Resorts - Luxor	19,000	63.34%	1,000	19,000,000	5,066,670	5,066,670
Pyramiza Touristic Resorts - Sahl Hasheesh	3,535,218	80.82%	100	353,521,880	36,994,291	41,571,682
Pyramiza Hotel Apartments - Dubai		100 %	100	1,287,660	1,287,660	1,287,660
Balance as at 30 september 2026				**373,809,460**	**43,348,621**	**47,926,012**

Additional Disclosures:

- Sale of Isis Hotels & Tourism Shares: A total of 312,416 shares of Isis Hotels & Tourism are scheduled to be sold in January 2024, as per the Ordinary General Assembly resolution dated 24/12/2023.
- Liquidation of Isis Hotels & Tourism: The Extraordinary General Assembly of Pyramisa for Tourism Investment and Hotels on 31/12/2009 decided to place Isis under liquidation effective 1/1/2010, to be completed within three years from commercial registry registration on 24/1/2010. The liquidation period was extended in subsequent ordinary general assemblies in 2013 and 2017 due to pending full tax examinations.
- Share Capital Reductions - Isis Hotels & Tourism:
- 126,428 shares with total value 12,642,800 EGP representing treasury shares, purchased from the shareholders, as per Extraordinary General Assembly on 18/9/2011 (registered on 1/1/2012).
- 10,000 shares, total 1,000,000 EGP, as treasury shares, per Extraordinary General Assembly 11/3/2015 (registered 2/6/2015).
- 10,000 shares, total 1,000,000 EGP, as treasury shares, per Extraordinary General Assembly 27/8/2015.
- 80,000 shares, total 8,000,000 EGP, as treasury shares, per Extraordinary General Assembly 25/9/2018 (registered 19/6/2019).
- Share Capital Increases - Pyramisa Resorts - Sahl Hasheesh:
- 27/6/2012: Increase from 100 million EGP to 150 million EGP, issuing 500,000 free shares (1 free share per 2 existing shares), recorded with no value: 466,666 shares.
- 19/3/2015: Increase from 150 million EGP to 225 million EGP, issuing 75 million EGP in free shares (0.5 share per original share), 689,999 shares recorded with no value.
- 7/3/2019: Increase from 225 million EGP to 270 million EGP, issuing 45 million EGP in free shares (0.2 share per original share), 413,999 shares recorded with no value.
- Recent Sale of Shares: Per Ordinary General Assembly resolution 31/12/2024, 243,000 shares of Pyramisa Resorts - Sahl Hasheesh were sold (registered 16/1/2025), reducing the company's ownership from 91.73% to 81.74%.

- Pursuant to the minutes of the Ordinary General Assembly meeting held on 24/2/2026, the shareholders approved a distribution of profits out of retained earnings, added to the company's capital through the issuance of bonus shares at one share for each ordinary share, after deducting the legal reserve. The total value was EGP 218,700,000 (two hundred eighteen million seven hundred thousand Egyptian pounds). This was recorded in the Commercial Register on 27/4/2026, and Pyramisa Tourist Resorts Company's share was 1,986,309 shares.
- Pursuant to the resolution of the Extraordinary General Assembly of Pyramisa Tourist Resorts Company, the capital of Pyramisa Tourist Resorts Company was reduced from EGP 461,700,000 (4,617,000 shares with a par value of EGP 100 each) to EGP 437,700,000 (4,374,000 shares with a par value of EGP 100 each) by cancelling treasury shares with a value of EGP 24,300,000. Articles 6 and 7 of the company's Articles of Association were amended, the change was recorded in the Commercial Register on 4/8/2026, and the company's investment percentage was reduced to 80.82%.
- Pursuant to the minutes of the Ordinary General Assembly meeting of the shareholders of Pyramisa Tourist Resorts Company - Sahl Hasheesh, held on Tuesday, 11/8/2026, the shareholders approved the purchase of 437,400 treasury shares from the shares of Pyramisa Hotels and Tourist Villages Company, at a price of EGP 100 per share. As of the date of this note, the capital has not yet been reduced for these shares.

10. Intangible Assets (Net):

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Cost at 1 January 2025	147,850,000	147,850,000
Additions during the year	-	-
Total Cost at 31 December 2025	**147,850,000**	**147,850,000**
Accumulated Amortization at 1 January 2025	68,769,781	66,563,065
Amortization for the year	1,655,037	2,206,716
Total Accumulated Amortization at 31 December 2025	**70,424,818**	**68,769,781**
Net Book Value at 31 December 2025	**77,425,182**	**79,080,219**

Additional Explanatory Notes:

- The Company holds a **usufruct right** for **Pyramisa Cairo Hotel** for a period of **67 years**, commencing on **13 July 1994** and expiring on **14 May 2061**, pursuant to the contract executed between the Company and Misr Real Estate and Tourism Investment Company.
- The **usufruct right** is amortized over the contractual term of **67 years**.
- The total contractual consideration for the usufruct right, in accordance with **Article (6)** of the agreement, amounted to **EGP 153.15 million**. Of this amount, **EGP 147.85 million** has been settled, while the remaining balance of **EGP 5.3 million** is payable periodically (comprising a fixed portion and a variable portion).
- Accordingly, the settled usufruct cost of **EGP 147.85 million** is amortized over 67 years, resulting in an annual amortization charge of approximately **EGP 2.206 million**.
- In addition to amortization:
  - A **fixed annual charge of EGP 242,910** is recognized directly in the Statement of Profit or Loss.
  - A **variable charge equivalent to 4% of total revenues** is also recognized in the Statement of Profit or Loss.

11. Hotel Inventories:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
General Stores and Operating Supplies	8,470,259	6,718,734
Food and Beverage Stores	28,992,447	17,573,624
Spare Parts Stores	8,361,884	5,605,474
Total	**45,824,590**	**29,897,833**

12. Completed Inventory - Real Estate Development:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Land - Investment Housing Project	10,173,339	20,346,679
Total	**10,173,339**	**20,346,679**

13. Work in Progress:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Construction in Progress - Two Buildings (Palm View Project)	14,390,479	14,277,286
Total	14,390,479	**14,277,286**

Project Background and Developments

- The Company entered into a contract with the Ministry of Housing on **1 October 2007** to purchase **50 feddans** in **6th of October City**.
  The land allocation is structured as follows:
  - **50%** of the land is designated for the construction of **1,620 low-cost residential units**, each with an area of **63 square meters**.
  - The remaining **50%** is allocated for **investment residential units**.

Phase One - "Town View" Project

- Building permits were obtained for **24 residential buildings** (36 units per building) over an area of **12.5 feddans**, under the project name **"Town View."**
  Completed stages include:
  - **20 residential buildings** comprising **720 low-cost units**, at a total cost of **EGP 78,713,175**, including land cost of **EGP 3,062,500**. These were reclassified to **Completed Housing Inventory**.
  - **2 residential buildings** comprising **72 low-cost units**, at a total cost of **EGP 8,405,025**, including land cost of **EGP 306,250**. Reclassified to completed inventory.
  - **2 residential buildings** comprising **72 low-cost units**, at a total cost of **EGP 9,489,734**, including land cost of **EGP 306,250**. Reclassified to completed inventory.

Investment Project - "Palm View"

- The Company also received an additional **12.5 feddans**, representing the second quarter of the total land area, for the development of investment housing units under the project name **"Palm View."**
  - The master plan was approved by the Ministry of Housing.
  - Building permits were issued for **12 residential buildings**, comprising **24 units per building**.
  - The Company agreed with the **6 October Gardens City Authority** to construct **two residential buildings** within the Palm View project.
  - Total expenditures incurred during the period amounted to **EGP 14,277,287**, which is presented under **Construction in Progress** as at 31 December 2025.

14. Short-Term Notes Receivable:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Gross Short-Term Notes Receivable	10,264,346	15,212,291
Less: Present Value Discount	(1,417,487)	(1,507,524)
Net Balance	**8,846,859**	**13,704,767**

15. Trade Receivables and Notes Receivable:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Trade Receivables and Hotel Guests	407,160,479	307,280,715
Notes Receivable	1,918,448	4,663,511
Total	**409,078,927**	**311,944,226**
Less:		
Allowance for Doubtful Debts	(500,000)	(500,000)
Expected Credit Losses (ECL)	(27,918,870)	(9,774,887)
Total Provisions	**(28,418,870)**	**(10,274,887)**
Net Balance	**380,660,057**	**301,669,339**

16. Due from Related Parties:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Isis Hotels & Touristic Establishments Co.	26,824,000	24,781,000
Isis Island Hotel	6,137	6,137
Pyramisa Resorts Company - Sahl Hasheesh	256,067	256,067
Total	**27,086,204**	**25,043,204**

17. Other debit balances:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Suppliers - Advance Payments	63,610,018	58,395,705
Accrued Revenue	20,403,930	40,673,080
Prepaid Expenses	1,661,498	109,200
Deposits with Third Parties	2,103,530	1,365,360
Contractors	78,973,677	51,034,683
Petty Cash Advances	139,129	7,760
Other	55,741,305	35,976,619
Total	**222,633,086**	**187,562,408**

18. Due from Tax Authority:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Withholding Tax Receivable	22,469,162	13,521,351
Value Added Tax (VAT) Authority	6,835,944	4,305,853
Large Taxpayers Center	4,354,806	4,354,806
Total	**33,659,912**	**22,182,010**

19. Cash on Hand and at Banks:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Cash on Hand	3,134,038	2,295,917
Banks - Current Accounts (Local Currency)	99,329,500	105,453,416
Banks - Current Accounts (Foreign Currency)	399,024,977	239,275,970
Time Deposits	103,837,800	95,208,600
Total	**605,326,316**	**442,233,903**

20. Share Capital:

- **The Breakdown as follows:**

Egyptian Pounds

Shareholder	Number of Shares	Total
Magdy Mohamed Mahmoud Azab	3,608,890	74,177,800
Misr for Real Estate and Tourism Investment Company	2,857,552	57,151,040
MZ Investments Company	2,486,293	49,725,860
Amal Mohamed Mahmoud Azab	1,180,659	23,480,240
Hiyam Mohamed Mahmoud Azab	856,050	17,121,000
Mahmoud Mahmoud Azab	743,607	15,828,220
Mohamed Roshdy Mahmoud Hosny	2,804,100	56,082,000
Islam Nagi Mohamed Azab	1,426,937	28,458,740
Seif Allah Nagi Mohamed Azab	1,311,571	26,151,420
Mohamed Magdy Mohamed Azab	525,000	10,440,000
Omar Magdy Mohamed Azab	522,400	10,388,000
Khaled Magdy Mohamed Azab	525,000	10,440,000
Dina Amr Ibrahim El-Desouky	395,746	7,914,920
Ahmed Hazem Abdel Sattar	381,526	7,525,000
Yasmine Amr Ibrahim	29,989	599,780
Habiba Nagi Mohamed Azab	601,672	12,033,440
Aaza Abdel Galil Badawy	339,224	4,471,460
Treasury Shares	1,650,000	33,000,000
Other Shareholders	3,103,284	62,011,080
Total	**25,350,000**	**507,000,000**

Authorized Capital

- The Company's **authorized capital** amounts to **EGP 1,000,000,000.**

Issued, Subscribed and Paid-up Capital

- The Company's **issued, subscribed and fully paid-up capital** amounted to **EGP 420,000,000**, divided into **21,000,000 shares**, at a **nominal value of EGP 20 per share**.
  The share capital previously consisted of **21,608,659 shares** at a nominal value of **EGP 20 per share**.

Capital Reductions

- Pursuant to the resolution of the **Extraordinary General Assembly** held on **30 March 2018**, the share capital was reduced by **608,659 treasury shares**, bringing the total number of shares to **21,000,000 shares** at a nominal value of **EGP 20 per share**.
- Pursuant to the resolution of the **Extraordinary General Assembly** dated **24 December 2023**, ratified on **4 April 2024** and registered in the Commercial Register on **24 April 2024**, the share capital was reduced by **1,000,000 treasury shares** at a nominal value of **EGP 20 per share**. Accordingly, the issued and paid-up capital decreased from **EGP 420,000,000** to **EGP 400,000,000**.
- Pursuant to the **Extraordinary General Assembly** held on **31 December 2024**, the share capital was reduced by **500,000 shares**, with ratification obtained on **28 May 2025**.

- Pursuant to the Extraordinary General Assembly of the company held on 5/7/2026, the shareholders approved amending Articles 6 and 7 of the company's Articles of Association and reducing the capital from EGP 507,000,000 to EGP 474,000,000. The reduction was made by cancelling 1,650,000 treasury shares with a par value of EGP 20 per share, for a total value of EGP 33 million.

Capital Increase

- The **Extraordinary General Assembly** held on **30 June 2024** approved an increase in share capital by **EGP 117,000,000**, representing **30%**, through capitalization of **retained earnings and current year profits**. The resolution was ratified on **30 September 2024**.

Treasury stocks Purchases

- By Board of Directors resolution dated **10 April 2025**, the Company purchased **400,000 treasury shares** at a price of **EGP 110 per share**.
- By Board resolution dated **26 May 2025**, the Company purchased **450,000 treasury shares** at a price of **EGP 110 per share**.
- By Board resolution dated 12 August 2025, the Company purchased 800,000 treasury shares at a price of EGP 111 per share.
- Pursuant to the Extraordinary General Assembly of the company held on 5/7/2026, the shareholders approved amending Articles 6 and 7 of the company's Articles of Association and reducing the capital from EGP 507,000,000 to EGP 474,000,000. The reduction was made by cancelling 1,650,000 treasury shares with a par value of EGP 20 per share, for a total value of EGP 33,000,000.
-

21. Retained Earnings Adjustments:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Opening balance	545,357,735	247,497,549
Prior year profit	262,489,874	226,291,163
Treasury shares losses adjustment	--	(28,500,000)
Dividends	(105,080,000)	-
Adjustments	(62,989,78V)	100,069,023
Closing balance	**639,777,822**	**545,357,735**

22. Customers' Long-Term Checks Liability:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Total long-term notes receivable	7,611,001	6,566,402
Less:		
Present value discount	(1,398,881)	(1,732,843)
Net balance	**6,212,120**	**4,833,559**

23. Provisions:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Claims Provision	275,989,581	223,989,581
Total	**275,989,581**	**223,989,581**

- **Claims Provision** represents amounts provided to cover potential exposures arising from tax inspections relating to corporate income tax, payroll tax, value added tax (VAT), stamp tax, and any other potential obligations, based on the tax position as at the financial statement date and the opinion of the Company's tax advisor.

24. Suppliers and Notes Payable:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Trade Payables	217,719,291	116,092,117
Notes Payable	24,716,805	19,376,083
Total	**242,436,096**	**135,468,200**

25. Customers' Liabilities Against Short-Term Cheques:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Gross Short-Term Notes Receivable	10,264,346	15,212,291
Less:		
Present Value Discount	(1,417,487)	(1,507,524)
Total	**8,846,859**	**13,704,767**

26. Due to Related Parties:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Pyramisa for Tourism Investment and Hotels	26,074,252	26,080,302
Isis Hotel - Luxor	9,395	16,330
Pyramisa Resorts - Luxor	8,585,763	8,591,813
Pyramisa Resorts - Sahl Hasheesh	3,991,189	2,302,684
Pyramisa Hotel Apartments - Dubai	31,001,023	49,308,519
Total	**69,661,622**	**86,299,648**

- During the year, the parties agreed to transfer the value of works and equipment purchased by Pyramisa Hotels and Tourist Villages (First Party) to Pyramisa Resorts - Sahl Hasheesh (Second Party) in settlement of the outstanding payable due from the First Party to the Second Party amounting to EGP 286,203,000.

27. Customers' Advances:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Advances from Customers - Unit Reservations	--	526,270
Total	**--**	**526,270**

28. Other Payables:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Note	Balance as at 30/09/2026	Balance as at 31/12/2025
Tourism Customers - Advances		117,366,758	124,596,018
Accrued Expenses		8,966,643	11,767,386
Tourism Companies Customers' Deposits		657,449,269	436,740,581
Miscellaneous Creditors	28/1	100,010,626	86,686,443
Contractors		11,608,461	-
Other Credit Balances	28/2	93,866,673	71,210,709
Maintenance Creditors - Palm View		743,146	993,183
Gas Creditors - Town View		5,000	11,444
Gas Creditors - Palm View		24,000	24,000
Total		**990,040,576**	**732,029,763**

Accounting Policy - Tourism Companies Customers' Deposits

- The balance under **Tourism Companies Customers' Deposits** represents refundable security deposits received from tourism companies as a guarantee for ongoing business transactions with the Company.
- Amounts received are initially recognized as a liability under this caption. Upon rendering the related services, revenue is recognized in the statement of profit or loss, and the deposit balance is reduced accordingly.
- In cases of default or non-settlement by tourism companies, the outstanding receivable is offset against the related customer deposit balance.

28/1. Miscellaneous Creditors:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Penalties Fund	0	75,416
Social Insurance Authority	2,322,194	1,657,597
Emergency Fund	16,808	25,661
Maintenance Deposit	26,824,000	24,781,000
Deposits from Third Parties	36,761,286	29,780,783
Other (Supplier Deductions)	28,050,851	28,097,222
75% Collection	987,019	2,268,764
Palm View credit balances	5,048,468	
Total	**100,010,626**	**86,686,443**

28/2. Other Credit Balances:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Deferred Revenue	758,431	515,106
20% Retention Provision	33,859,558	23,340,144
Penalties	108,436	20,749
Claims Payable	8,665,306	8,665,306
Wages Payable	83,144	68,807
Other Credit Balances	27,776,487	26,385,927
5% Collection	9,179,168	6,681,270
Municipality Payable	13,436,143	5,533,399
Total	**93,866,673**	**71,210,709**

29. Tax Payables:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Withholding Taxes Payable	3,062,756	2,210,067
Payroll Tax (Employment Income Tax)	2,981,800	2,126,643
Stamp Tax	91,028	53,573
Value Added Tax (VAT) Payable	4,920,577	15,078,958
Real Estate Tax	2,407,953	3,357,953
Current Income Tax for the Period	128,263,779	129,982,595
Total	**141,727,893**	**152,809,789**

- Tax payables represent amounts due to the Egyptian Tax Authority in respect of **withholding taxes, payroll taxes, VAT, real estate tax, and current income tax** calculated based on the taxable profit for the year in accordance with the applicable Egyptian tax laws.

30. Dividends Payable:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 31/12/2025
Employees' Share - FY 2016	100,287	100,287
Employees	-	16,190
Board of Directors	80,000	-
Total	**180,287**	**116,477**

- Pursuant to the resolution of the **Ordinary General Assembly** held on 28 February 2016, it was resolved to distribute shareholders' share of profits for the financial year ended 31 December 2014 in cash amounting to EGP 64,825,977, at EGP 3 per share.
- The Assembly also ratified the Board of Directors' resolution to redistribute employees' profit shares relating to former employees who left service and whose entitlements had lapsed by prescription, amounting to EGP 2,807,749 as of 30 September 2018.
- Pursuant to the resolution of the **Extraordinary General Assembly** held on 28 February 2016, it was resolved to ratify the Board of Directors' decision to cancel the capital increase to EGP 496,999,160, which represented an increase of EGP 64,825,980 to be funded from shareholders' profit share, through the issuance of bonus shares at a rate of 0.15000000694 bonus share for each original share.
- Pursuant to the resolution of the Ordinary General Assembly held on 30 March 2017, it was resolved to distribute profits for the financial year ended 31 December 2016 as follows:
  - Shareholders' share: EGP 21,608,659
  - Employees' share: EGP 2,160,866
  - Board of Directors' share: EGP 650,445
- Pursuant to the resolution of the Ordinary General Assembly held on 30 March 2020, it was resolved to distribute profits for the financial year ended 31 December 2019 as follows:
  - Shareholders' share: EGP 42,000,000
  - Employees' share: EGP 4,200,000
  - Board of Directors' share: EGP 800,000
- Pursuant to the resolution of the Ordinary General Assembly held on 30 March 2021, it was resolved to carry forward the profits for the financial year ended 31 December 2020 after deducting 5% as a legal reserve.
- Pursuant to the resolution of the Ordinary General Assembly held on 30 March 2023, it was resolved to distribute dividends for the financial year ended 31 December 2022 at EGP 1 per share, based on a total of 20,400,000 shares outstanding.
- Pursuant to the resolution of the Ordinary General Assembly held on 30 September 2024, it was resolved to distribute bonus shares at a rate of 3 shares for every 10 shares, with a total capitalization amount of EGP 117 million, representing 5,850,000 shares.

31. Revenue from Operating Activities:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 30/09/2025
Pyramisa Sharm El Sheikh Resort	818,595,701	659,899,548
Pyramisa Suites Hotel Cairo	109,472,783	99,840,074
Pyramisa Hotel Luxor (Al-Galaa Branch)	222,133,728	196,830,016
Other Revenues	4,743,684	
Sales Value of Units	35,225,305	24,212,283
Total	**1,190,171,201**	**980,781,921**

32. Cost of Operating Activities:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 30/09/2025
Pyramisa Sharm El Sheikh Resort	398,414,469	404,987,790
Pyramisa Suites Hotel Cairo	96,572,562	81,522,484
Pyramisa Hotel Luxor (Al-Galaa Branch)	96,770,173	65,533,233
Cost of Units	10,173,339	2,457,760
Total	**601,930,543**	**554,501,267**

Acquisition of Al-Galaa Hotel

- Pyramisa Hotel Luxor (Al-Galaa Branch) was acquired from Pyramisa for Tourism Investment and Hotels pursuant to the Board of Directors' resolution dated 17 March 2010 at book value. The transaction was approved by the Ordinary General Assembly held on 28 April 2010.

Management Agreement

- Pyramisa Hotels & Resorts manages Isis Hotel Luxor and Isis Island Hotel Aswan, which are owned by Isis Hotels & Tourist Establishments Company, under a management agreement dated 30 June 2005.

Key terms of the agreement are as follows:

- The contract term is five (5) years commencing 1 July 2005 and ending 30 June 2010.
- The contract renews automatically for a similar term unless either party notifies the other of its intention not to renew at least three months prior to the expiry of the renewal term.
- Pyramisa Hotels & Resorts is responsible for undertaking appropriate local and international marketing and advertising arrangements for the hotels owned by Isis Hotels & Tourist Establishments Company.

Management Fees

- The management fees are determined as follows:
  - The Management Company shall not be entitled to any fees on the first EGP 10 million of the Hotel's annual net revenue (defined as total revenues less all hotel-related expenses).
  - If the Hotel's annual net revenue exceeds EGP 10 million, the Management Company shall be entitled to **9% of the excess over the first EGP 10 million** of annual net revenue.
  - If the Hotel's annual net revenue exceeds EGP 20 million, the Management Company shall be entitled to:
    - **9% of the excess over the first EGP 10 million**, plus **11% of the excess over EGP 20 million**.

Renewal of Management Agreement

- The Company renewed the hotel management agreement with Isis Hotels & Tourist Establishments Company for the following additional terms, under the same terms and conditions of the original agreement:
  - A five (5) year term commencing 1 July 2010 and ending 30 June 2015.
  - A further five (5) year term commencing 1 July 2015 and ending 30 June 2020.
  - A further five (5) year term commencing 1 July 2020 and ending 30 June 2025.

33. Marketing Expenses:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 30/09/2025
Marketing Salaries and Related Benefits	1,938,251	1,580,549
Company's Share of Social Insurance	371,613	281,438
Clothing Expenses	121,782	45,000
Transportation Expenses	1,629,562	708,389
Vehicle Expenses	204,807	477,079
Staff Meals	826,402	678,459
Stationery	0	25,694
Travel Expenses	40,350	102,072
Maintenance	1,740,110	1,046,106
Online Marketing	0	30,608
Car Running Expenses	3,754,003	3,191,175
Printing	118,000	--
Sales Commissions	0	66,018
Hospitality Expenses	335,157	659,991
Visa Expenses	20,493	39,479
Property Photography	0	49,160
Exhibition Participation Fees	367,075	801,782
Total	**11,474,339**	**9,783,615**

34. General and Administrative Expenses:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 30/09/2025
Salaries and Related Benefits	13,403,416	8,240,169
Company's Share of Social Insurance	792,519	652,156
Medical Expenses	861,847	216,703
Governmental Fees	509,338	497,630
Legal Fees	58,947	305,158
Stationery	214,627	92,722
Transportation	289,846	101,082
hospitality	2,599	
Postage	113,461	54,456
Travel Expenses	1,045,522	714,759
Maintenance and Repairs	1,722,532	508,856
Gratuities and Other	4,148,019	1,751,090
Advertising	71,500	45,600
Audit Fees	265,000	187,000
Bonuses	756,528	259,042
Vehicle Maintenance	34,642	85,745
Miscellaneous	662,284	239,600
Legal Expenses (Litigation)	110,045	345,904
Computer software	67,868	
Rent	54,644	64,225
Total	**25,185,184**	**14,361,896**

35. Finance Costs:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 30/09/2025
Bank Charges	25,148	28,534
Total	**25,148**	**28,534**

36. Interest Income:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 30/09/2025
Interest Income	5,530,684	4,881,763
Total	**5,530,684**	**4,881,763**

37. Earnings per Share:

- **The Breakdown as follows:**

Egyptian Pounds

Description	Balance as at 30/06/2026	Balance as at 30/06/2025
Profit for the period after tax	387,224,361	262,768,042
Weighted average number of shares	24,500,000	24,629,815
Earnings per share (EGP/share)	**15.81**	**10.67**

38. Related Parties:

- Related parties represent the Company's shareholders, members of the Board of Directors, executive management, and companies in which they directly or indirectly hold shares granting them significant influence or control over the Company.
- The Company entered into various transactions with related parties during the period. These transactions were carried out in accordance with the terms approved by the Board of Directors. Below is a summary of the significant transactions and the outstanding balances as at the reporting date:

Egyptian Pounds

Related Party	Nature of Transaction	Balance as at 30/06/2026	Balance as at 31/12/2025
Isis Hotels and Touristic Establishments Company	Current Account	26,824,000	24,781,000
Pyramisa Touristic Investment and Hotels Company	Current Account	26,074,252	26,080,302
Pyramisa Touristic Resorts Company (Sahl Hasheesh)	Current Account	3,991,189	2,302,684
Pyramisa Touristic Resorts Company (Luxor)	Current Account	8,585,763	8,591,813

Right of Usufruct - Pyramisa Cairo Hotel

- Pyramisa Hotels and Touristic Villages Company holds a usufruct right over **Pyramisa Cairo Hotel** for a period of 67 years commencing on 1 July 1994.
- The hotel pays:
  - A fixed annual usufruct fee of EGP 242,910.
  - A variable usufruct fee of 3% of total revenues during the first five years, increasing to 4% of total revenues until the end of the contract term.
- The Company is also responsible for carrying out periodic maintenance of the hotel.

Shareholding Structure

- Misr for Real Estate and Touristic Investment Company is an investor in Pyramisa Hotels and Touristic Villages Company, holding **11.66%** of the issued share capital.

39. Contractual Commitments:

- The value of contractual commitments at the financial statements date amounted to EGP 13,933,330, which represents the unpaid portion of the company's share in the capital of Pyramisa Resorts Company (Luxor).

40. Tax Position:

1) Corporate Income Tax:

- The Company is subject to the provisions of the Egyptian Income Tax Law No. 91 of 2005, effective from the financial year ended 31 December 2005.
- The tax inspection covering the period from commencement of operations in 1995 through 2020 has been finalized, and all assessed taxes have been settled.
- Estimated assessments were imposed for the years 1999, 2000, 2006 and 2007. The Company filed legal appeals, the cases were reconsidered, and decisions were issued by the Dispute Resolution Committee. The related tax liabilities for those years were subsequently settled.
- The years from 2001 to 2004 were subject to appeal committees, which resolved to return the files to the Tax Authority for reassessment. The reassessment was finalized and the related taxes were paid.
- The years 2005-2008 and 2013 were inspected, reassessed and tax assessments were issued accordingly.
- The years 2014-2020 were inspected and finalized, and the related taxes were paid.

Effective Tax Rate:

Egyptian Pounds

Description	Balance as at 30/09/2026	Balance as at 30/09/2025
Net Profit Before Tax	518,551,309	354,777,814
Income Tax Expense	128,263,779	88,525,033
Effective Tax Rate	**24.74%**	**24.95%**

2) Payroll Tax:

- The Company deducts the payroll taxes due from employees and remits them to the Egyptian Tax Authority in accordance with the statutory deadlines. Tax returns are submitted regularly using:
- **Form 2** - Monthly payroll returns and payment forms
- **Form 4** - Quarterly payroll returns
- **Form 6** - Annual payroll reconciliations
- The Parent Company (Head Office) has been inspected up to the year 2022, and all payroll taxes due have been fully settled.
- The **Sharm El Sheikh** branch has been inspected up to 2022, with all taxes settled.
- The **Cairo and Al-Galaa** branches have been inspected up to 2022, and all payroll taxes have been settled.

3) Sales Tax (Value-Added Tax - VAT):

- The Company submits monthly VAT returns regularly and pays the tax due based on these filings.
- The Company has been inspected for VAT from the start of operations until 2015; any differences were reconciled and settled.
- VAT inspections for the years 2016-2024 were conducted by the Large Taxpayers Center.

4) Stamp Duty:

- The Company has been inspected for stamp duty from the start of operations until 2022, and all stamp duty liabilities have been settled.

5) Deferred Taxes:

- The Company calculates deferred taxes in accordance with **Egyptian Accounting Standard (EAS) No. 24**, which arise from temporary differences as described in paragraphs 17 and 18 of the standard.
- These differences result in deferred tax assets or liabilities, mainly due to the difference between **tax depreciation** and **accounting depreciation**.

41. Legal Position:

- Some lawsuits have been filed **by the Company against third parties** and are still pending before the courts and the Experts Department at the Ministry of Justice.
- Other lawsuits have been filed **against the Company** and are also still pending in the courts.
- The Company has recognized the necessary **provisions** for potential liabilities arising from these cases.

42. Capital Management:

- The Company's capital management aims to ensure the **continuity of operations** and maintain an **efficient capital structure** to support business growth and maximize returns to shareholders through optimal utilization of equity.
- The Company's objectives and policies related to capital management have **remained unchanged since 2012.**
- The capital structure consists of **shareholders' equity**, including **issued capital, reserves, retained earnings, and net profit for the period**.
- **Shareholders' equity** as at **30 September 2026** amounted to **EGP 1,620,443,206** compared to **EGP 1,401,288,633** as at **31 December 2025**.