PIONEERS PROPERTIES FOR URBAN DEVELOPMENT COMPANY - PRE GROUP (S.A.E.)
SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2026 TOGETHER WITH REVIEW REPORT

Pioneers Properties for Urban Development Company - PRE Group (S.A.E.)

Separate Interim Financial Statements
For The Three Months Ended 31 March 2026

Contents

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Translation Of Review report
Originally Issued in Arabic

Limited Review Report on Separate Interim Financial Statements

To The Board of Director Members of Pioneers Properties for Urban Development Company - PRE Group (S.A.E.)

Introduction

We have performed a limited review for the accompanying Separate_Interim statement of financial position of **Pioneers Properties for Urban Development Company - PRE Group (S.A.E.)** as of 31 March 2026, as well as the Separate_Interim statements of profit or loss, comprehensive income, changes in equity, and cash flows for the Three- months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these separate interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these financial statements based on our limited review.

Scope of Limited Review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements No. 2410, "Limited Review of Separate_Interim Financial Statements Performed by the Independent Auditor of the Entity." A Limited review of Separate_Interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these 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 of 31 March 2026, and of its financial performance and its cash flows for the Three- months then ended in accordance with Egyptian Accounting Standards.

Cairo: 29 June 2026

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Auditor
Mohamed Ahmed Abu EL Kassim
FESAA
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SEPARATE INTERIM STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2026

	Notes	31 March 2026 EGP	31 December 2025 EGP
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	(3)	**12,146,332**	12,732,974
Investments in Subsidiaries and Associates	(4)	**6,778,377,853**	6,549,994,734
Investment properties	(5)	**51,387,674**	52,096,170
Right–of–use assets	(17-1)	**11,613,227**	12,353,093
Deferred tax – asset	(13)	**163,201,015**	151,668,493
TOTAL NON-CURRENT ASSETS		**7,016,726,101**	6,778,845,464
CURRENT ASSETS			
Financial Instruments Measured at FVTPL	(6)	**296,627**	367,491
Due from related parties	(7-1)	**329,182,292**	374,666,831
Prepayments and other debit balances	(8)	**22,581,545**	18,878,230
Cash on hand and at banks	(9)	**15,504,853**	1,902,232
TOTAL CURRENT ASSETS		**367,565,317**	395,814,784
TOTAL ASSETS		**7,384,291,418**	7,174,660,248
EQUITY AND LIABILITIES			
EQUITY			
Capital Issued and Paid	(10)	**4,712,175,720**	4,712,175,720
Treasury Stocks	(10)	**(33,432,867)**	(33,432,867)
Legal reserve		**47,010,632**	29,109,729
Retained earnings		**1,516,059,579**	1,183,611,840
Profit for the period / year		**163,510,469**	358,018,060
TOTAL EQUITY		**6,405,323,533**	6,249,482,482
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current portion of lease liabilities	(17-2)	**55,790,610**	65,270,411
TOTAL NON-CURRENT LIABILITIES		**55,790,610**	65,270,411
CURRENT LIABILITIES			
Credit facilities	(11)	**335,071,927**	294,473,491
Current portion of lease liabilities	(17-2)	**34,197,188**	32,086,973
Due to related parties	(7-2)	**456,529,264**	417,402,048
Tax liabilities		**30,897,644**	37,033,583
Accruals and other credit balances	(12)	**66,481,252**	78,911,260
TOTAL CURRENT LIABILITIES		**923,177,275**	859,907,355
TOTAL LIABILITIES		**978,967,885**	925,177,766
TOTAL LIABILITIES AND EQUITY		**7,384,291,418**	7,174,660,248

Group Chief Financial Officer	**Chief Executive Officer**
Mohamed Mostafa Abdelaziz	**Walid Mohamed Zaki**

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بي ار اي جروب PRE Group
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- The accompanying notes from (1) to (24) are an integral part of these separate interim financial statements.
- Review Report "attached".

SEPARATE INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

	Note	**For the three months ended 31 March 2026**	For the three months ended 31 March 2025
		EGP	EGP
Operations revenue	(14)	**239,705,234**	59,391,218
Operations cost	(15)	**(708,496)**	(708,496)
GROSS PROFIT		**238,996,738**	58,682,722
General and administrative expenses	(16)	**(32,985,157)**	(26,066,928)
Reversal of expected credit loss in due from related parties balance	(7-1)	**1,173,829**	234,301
Other revenues		**-**	1,277,861
OPERATING PROFIT		**207,185,410**	34,127,956
Finance cost		**(13,707,509)**	(41,201,628)
Finance income		**7,307**	1,001,906
Return on Financial assets at amortized cost		**-**	7,312,594
Foreign exchange differences		**(41,507,261)**	2,370,325
PROFIT BEFORE INCOME TAXES FOR THE PERIOD		**151,977,947**	3,611,153
Income taxes	(13)	**11,532,522**	10,344,478
PROFIT FOR THE PERIOD		**163,510,469**	13,955,631
EARNINGS PER SHARE	(21)	**0.14**	0.01

Group Chief Financial Officer	Chief Executive Officer
Mohamed Mostafa Abdelaziz	Walid Mohamed Zaki

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- The accompanying notes from (1) to (24) are an integral part of these separate interim financial statements.

SEPARATE INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2026

	For the three months ended 31 March 2026	For the three months ended 31 March 2025
	EGP	EGP
Profit for the period	**163,510,469**	13,955,631
Items related to other comprehensive income:		
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**163,510,469**	13,955,631

- The accompanying notes from (1) to (24) are an integral part of these separate interim financial statements.

SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2026

	Paid up Capital	Treasury Stocks	Legal reserve	Retained earnings	Profit for the period	Total
	EGP	EGP	EGP	EGP	EGP	EGP
Balances as of 1 January 2026	4,712,175,720	(33,432,867)	29,109,729	1,183,611,840	358,018,060	6,249,482,482
Transferred to legal reserved and Retained earnings	-	-	17,900,903	340,117,157	(358,018,060)	-
Adjustments to Retained earnings – Subsidiaries	-	-	-	(7,669,418)	-	(7,669,418)
Profit for the period	-	-	-	-	163,510,469	163,510,469
Balance as of 31 March 2026	**4,712,175,720**	**(33,432,867)**	**47,010,632**	**1,516,059,579**	**163,510,469**	**6,405,323,533**
Balances as of 1 January 2025	4,746,623,220	(111,280,771)	104,716	705,292,337	580,100,251	5,920,839,753
Transferred to legal reserved and Retained earnings	-	-	29,005,013	551,095,238	(580,100,251)	-
Adjustments to Retained earnings – Subsidiaries	-	-	-	(33,005,090)	-	(33,005,090)
Treasury stocks purchase	-	(17,052,563)	-	-	-	(17,052,563)
Profit for the period	-	-	-	-	13,955,631	13,955,631
Balance as of 31 March 2025	4,746,623,220	(128,333,334)	29,109,729	1,223,382,485	13,955,631	5,884,737,731

- The accompanying notes from (1) to (24) are an integral part of these separate interim financial statements.

SEPARATE INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

	Note	**For the three months ended 31 March 2026 EGP**	For the three months ended 31 March 2025 EGP
Cash flows from operating activities			
Profit for the period before income taxes		**151,977,947**	3,611,153
Depreciation of fixed assets	(3)	**652,731**	618,536
Depreciation of investment properties	(5)	**708,496**	708,496
Amortization of right-of-use assets	(17-1)	**739,866**	650,145
Reversal of expected credit loss in due from related parties balance	(7-1)	**(1,173,829)**	(234,301)
Financial Instruments Measured at FVTPLvaluation difference	(14)	**70,864**	(20,452)
Profit shares from subsidiaries	(14)	**(236,052,537)**	(55,647,205)
Return on Financial assets at amortized cost		**-**	(7,312,594)
Finance cost		**13,707,509**	41,201,628
Finance income		**(7,307)**	(1,001,906)
Operating (losses) before changes in working capital		**(69,376,260)**	(17,426,500)
Changes in due from related parties		**46,658,368**	296,533,468
Changes in prepayments and other debit balances		**(3,703,315)**	(1,162,119)
Changes in due to related parties		**39,127,216**	212,201,652
Changes in tax liabilities		**(6,135,939)**	4,892,491
Changes in accruals and other credit balances		**(12,430,008)**	9,025,034
Net cash flows (used in) /provided from operating activities		**(5,859,938)**	504,064,026
Cash flows from investing activities			
(Payments to) acquire fixed assets	(3)	**(66,089)**	(1,285,016)
Proceeds from investments in treasury bills		**-**	123,480,500
Finance income received		**7,307**	1,001,906
Net cash flow (used in) / provided from investing activities		**(58,782)**	123,197,390
Cash flows from financing activities			
Proceeds from / (Payments in) credit facilities		**40,598,436**	(441,461,757)
(Payments in) lease liabilities		**(7,369,586)**	-
(Payments in) purchase treasury stocks		**-**	(5,113,519)
(Payments in) long-term loans		**-**	(17,052,563)
Finance cost paid		**(13,707,509)**	(41,247,511)
Net cash flows provided from / (used in) financing activities		**19,521,341**	(504,875,350)
Net changes in cash and cash equivalent during the period		**13,602,621**	122,386,066
Cash and cash equivalent – beginning of the period	(9)	**1,902,232**	2,180,272
Cash and cash equivalent – end of the period	(9)	**15,504,853**	124,566,338

- The accompanying notes from (1) to (24) are an integral part of these separate interim financial statements.

1- Background

Pioneers Properties for Urban Development Company (S.A.E.) was established in accordance with Law No. (159) for the year 1981 as a result of the splitting of Aspire Capital Holding Company for Financial Investments (S.A.E) (previously - Pioneers Holding Company for Financial Investments) in according to Law No. (159) of 1981 and without violating Article (27) of the Capital Market Law No. (95) for the year 1992 and Article (121) and Article (122) of the Executive regulations.

The main purpose of the Company is to invest in real estate activities share and contribute, directly and indirectly in all areas of real estate investments, contracting and real estate development activities and the Company may have an interest or participate in any way with companies and others that carry out similar businesses or that may assist it in achieving its purpose in Egypt or abroad. It may also merge with, buy, or join the mentioned parties in accordance with the provisions of the law and its executive regulations.

The Company was registered in the Commercial Register under No. 172104 - Cairo on 8 September 2021.

The Company was listed on the stock exchange on 10 October 2021.

The Company's duration is 25 years, starting on 8 September 2021.

The separate financial statements for the three months ended 31 March 2026 were approved by the Board of Directors resolution on 29 June 2026.

2- Significant Accounting Policies

2-1 Basis of preparation the financial statements

The separate financial statements have been prepared under the going concern assumption on a historical cost basis, except for financial assets and Investments at fair value through profit or loss, and Investments at fair value through comprehensive income measured at fair value.

Statement of compliance

The separate financial statements of the Company have been prepared in accordance with the Egyptian Accounting Standards and the applicable laws and regulations.

Changes in accounting policies

Accounting policies applied this period is the same as in the previous periods.

2-2 Lease contracts

Contract is defined to be (or include) a lease contract based on its contents, The contract is a lease contact or include a lease contract if it transfers the control over the use of the asset described for a period for a price.

At the commencement of the contract, lease is classified as a financial lease or operating lease; where the contract is classified as a financial lease if it transfers in a material respect mostly all the risks and rewards from owning the contractual asset and classified as an operating lease if it doesn’t transfer in a material respect mostly all the risks and rewards from owning the contractual asset.

At the commencement of the contract, asset is measured (right of use) at cost, where cost includes all initiation costs incurred to prepare the asset to the condition required as per the contract.

The lease liability is measured by the fair value of the unpaid lease payments at the date, deducting the lease payments using the imbedded interest in the contract, if it can be easily measured, or using interest on extra lending for the lessor if it can’t be measured, in addition to any other variable payments, expected payments, and price for the right of purchasing the asset, according to the contract.

Interest on lease payments, or any variable payments not included in the measurement of the lease liability is included in the statement of profits or losses.

2- Significant Accounting Policies (Cont'd)

2-2 Lease contracts (Cont'd)

If the lease contract transfers the ownership of the asset, or the asset cost reflects the right of purchasing the asset, the asset is amortized over its useful life (right of use), and except for that, the asset is amortized (right of use) starting from the contract commencing date till its useful life (right of use) or the end of the contract date, whichever is shorter.

The Company assesses at each reporting date whether there is an indication that asset may be impaired, Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, impairment loss is recognized in the statement of profits or losses.

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

2-3 Foreign currency translation

- The financial statements are prepared and presented in Egyptian pound, which is the Company's functional currency.
- Transactions in currencies other than Egyptian pound are initially recorded using the prevailing exchange rates on the transaction date.
- Monetary assets and liabilities denominated in currencies other than Egyptian pound are retranslated using the exchange rate at the statement of financial position date, all differences are recognized in the statement of profit or loss.
- Nonmonetary items that are measured at historical cost in currencies other than Egyptian pound are translated using the exchange rates prevailing at the date of the initial recognition.
- Nonmonetary items measured at fair value in currencies other than Egyptian pound are translated using the exchange rates prevailing at the date when the fair value is determined.

2-4 Fixed assets

Fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses, Such cost includes the cost of replacing part of the Fixed assets when the cost is incurred, if the recognition criteria are met, likewise, when a major improvement is performed, its cost is recognized in the carrying amount of the Fixed assets as a replacement if the recognition criteria are satisfied, all other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

Depreciation of an asset begins when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is computed using the straight-line method according to the estimated useful life of the assets as follows:

	Years
Computers	8
Furniture	16.7
Leasehold Improvements	As per contract term
Electric Devices	5-8
Vehicles	5-4
Telecommunications Equipment	8
Decorations	10-5
Machinery and Equipment	10

Fixed assets are derecognized upon disposal or when no future economic benefits are expected from its use or disposal, any gain or loss arising on derecognizing of the asset is included in the statement of profit or loss when the asset is derecognized. The assets residual values, useful lives and methods of depreciation are reviewed at each financial period.

The Company assesses at each reporting date whether there is an indication that Fixed assets may be impaired, Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, impairment loss is recognized in the statement of profit or loss.

2- Significant Accounting Policies (Cont'd)

2-4 Fixed assets (Cont'd)

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

2-5 Investments

Investments in subsidiaries and associate

Investments in subsidiaries are investments in entities which the company has control, Control is presumed to exist when the parent has direct or indirect control through subsidiaries on the investee having the power to control the financial and operating policies of the company to benefit from its operations, unless, in exceptional circumstances, it can be clearly demonstrated that this is not the case.

Investments in subsidiaries are accounted for using the equity method and according to the equity method the investment in any subsidiary company is recognized initially at cost. Then the investment balance is increased or decreased to prove the company's share in the investee company profit or loss among the company's profit or loss, the investment balance is decreased by dividends value acquired from the investee company.

Financial Instruments Measured at FVTPL

Investments at fair value through profit or loss are financial assets classified according to fair value model, as either held for trading acquired for the purpose of selling in the near term or financial assets designated upon initial recognition at fair value through profit or loss.

Investments at fair value through profit and loss are initially recognized at fair value.

Investments at fair value through profit and loss are carried in the financial position at fair value with gains or losses recognized in the statement of profit or loss.

Gains or losses from sale of an investments at fair value through profit or loss shall be recognized in the statement of profit or loss.

2-6 Accounts receivable and other debit balances

Accounts and other receivables are stated at original invoice amount net of any impairment losses.

Impairment losses are measured as the difference between the accounts and other receivables carrying amount and the present value of estimated future cash flows, The impairment loss is recognized in the statement of profit or loss, reversal of impairment is recognized in the statement of profit or loss in the period in which it occurs.

2-7 Legal reserve

According to the Company's articles of association, 5% of the profits are transferred to the legal reserve until this reserve reaches 50 % of the capital, the reserve is used upon a decision from the general assembly meeting according to board of directors' suggestion.

2-8 Projects under construction

Projects under construction represent the amounts that are incurred for the purpose of constructing or purchasing assets until it is ready to be used in the operation, upon which it is transferred to relevant asset category. Projects under construction are valued at cost less decline in value.

2-9 Investment properties

Investment properties held to generate rent or for value appreciation, or both, is initially recognized at cost, Cost includes purchase price, or construction cost, and any related direct expenses, After the initial recognition, Investment properties are measured at cost after deducting the accumulated depreciation and any impairment in value, Depreciation is calculated using straight-line method according to the useful life of the asset.

2- Significant Accounting Policies (Cont'd)

2-10 Accounts payable and other credit balances

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

2-11 Income taxes

Income tax is calculated in accordance with the Egyptian tax law.

Current income tax

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

Deferred income tax

Deferred income tax is recognized using the liability method on temporary differences between the amount attributed to an asset or liability for tax purposes (tax base) and it's carrying amount in the statement of financial position (accounting base) using the applicable tax rate.

Deferred tax asset is recognized when it is probable that the asset can be utilized to reduce future taxable profits and the asset is reduced by the portion that will not create future benefit.

Current and deferred tax shall be recognized as income or an expense and included in the statement of income for the period, except to the extent that the tax arises from a transaction or an event which is recognized, in the same period or a different period, directly in equity.

2-12 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, Revenue is measured at the fair value of the consideration received, excluding discounts and rebates.

- **Revenue from contracts with customers**

An Egyptian standard no.48 revenue from contract with customers set out five step model to be applied as follow:

Step one: Identify the contract (contracts) with the customer. A contract is an agreement between two parties or more creates enforceable rights or obligations A company applies the revenue guidance to contracts with customers.

Step two: Identify the separate performance obligations in the contract. A performance obligation is a promise in a contract to provide a product or service to a customer.

Step nine: Determine the transaction price. The transaction price is the amount of consideration that a company expects to receive from a customer in exchange for transferring goods and services, except the amount that collect on behalf of third parties.

Step Four: Allocate the transaction price to the separate performance obligations. If more than one performance obligation exists in a contract, allocate the transaction price based on relative standalone selling prices.

Step five: Recognize revenue: when the company satisfies its performance obligation.

Companies satisfy performance obligations and recognize revenue over a period of time if one of the following criteria is met.

a. The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.

b. The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

c. The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If an entity does not satisfy its performance obligation over time according to previous conditions, the entity will recognize revenue at point in time when performance obligation is satisfied.

2- Significant Accounting Policies (Cont'd)

2-12 Revenue recognition (Cont'd)

The following specific recognition criteria must also be met before revenue is recognized:

- **Contracting revenue**
  Revenues from construction contracts include the initial value of each construction contract in addition to order changes, incentives, or subsequent claims, provided that sufficient expectation exists for the realization of that value and the reliability of its estimate.

  Where the results of the contract can be reliably estimated, revenues from construction contracts are recognized in accordance with the percentage of completion method according to the nature of the contract as follows:

  - Long-term contracts: The percentage of completion is determined according to limitation of the executed works method. The contract costs incurred to meet this revenue are recognized.
  - Short-term contracts: Short-term contract revenue is recognized in accordance with accounting for the work performed method and the actual costs incurred to meet the revenue.

  Where a contract revenue cannot be reliably estimated, revenue is recognized within the limit of the actual cost incurred and is expected to be recovered.

  Any expected loss of the contract is recognized as an expense in the event that the expected total cost of the contract is likely to exceed the total revenue of the contract irrespective to the percentage of completion of the contract.

  Any increase (decrease) in the value of income calculated according to the percentage of completion than the actual bill of progress issued to the client is charged to the clients' account.

- **Units' sales**
  Housing and developments projects revenue is recognized on the sale of unit when all risks and rewards is transferred to the buyer and realized by the completion of the actual contract of the unit.

- **Sale on instalments**
  The net present value of the sold unit is recognized as income on the date of sale. The selling price is the present value of the consideration and is determined by discounting the amount of premiums receivable using the targeted interest rate. Deferred interest is recognized as income when earned and on a time proportion basis taking into account the targeted interest rate.

- **Real estate rental revenue**
  Real estate revenue is recognized in the statement of profit and loss using fixed installments over the term of the contract.

- **Dividends revenue**
  Revenue is recognized when the company's right to receive the payment is established.

- **Interest income**
  Interest income is recognized as interest accrues according to timeline considering the targeted return on the financial asset.

2-13 Expenses

All expenses including operating expenses, general and administrative expenses and other expenses are recognized and charged to the statement of profit or loss in the financial period in which these expenses were incurred.

2-14 Related parties' transactions

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the board of directors. Pricing policies and terms of these transactions with related parties are similar to those with others.

2- Significant Accounting Policies (Cont'd)

2-15 Borrowings

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in the statement of income.

2-16 Cost of borrowings

Costs of borrowings directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Cost of borrowings consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

Capitalization cost of borrowing expenses should be stopped during the periods which the contract process for the assets is postponed.

2-17 Significant accounting estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets, liabilities, revenues, and expenses during the financial periods, while the actual results may vary from those estimates.

2-18 Impairment

Impairment of financial assets

The Company assesses at each statement of financial position date whether there is any objective evidence that a financial asset or a group of financial assets is impaired, a financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired, where the carrying amount of an asset or cash-generating unit's (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, impairment losses are recognized in the statement of profit or loss.

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

2-19 Financial Instruments

A- Initial Recognition

The institution is to recognize in the balance sheet the financial asset, or liability only when the institution is a contractual part in a financial instrument.

At initial recognition the financial asset, or liability is measured at fair value if they are classified as financial assets, or liabilities at fair value through profits or losses.

At initial recognition, the financial assets classified as financial assets at fair value through other comprehensive income, and financial assets at amortized cost are recognized at fair value plus the transaction cost.

2- Significant Accounting Policies (Cont'd)

2-19 Financial Instruments (Cont'd)

A- Initial Recognition (Cont'd)

At initial recognition, the financial liabilities classified as amortized cost are recognized at fair value minus the transaction cost.

B- Classification and measurement of financial assets and liabilities

The Egyptian standard number (47) – Financial Instruments include nine main categories based on the subsequent measurement for the financial assets, as follows:

- Financial assets by amortized cost.
- Financial assets at fair value through other comprehensive income.
- Financial assets through profits or losses.

In general, the classification of the financial assets as per the Egyptian standard number 47 – Financial Instruments is based on the business model managing the financial asset and related contractual cash flows.

Financial assets are classified based on amortized cost, or fair value through other comprehensive income, or fair value through profits or losses.

The financial asset is classified based on the business model managing the financial asset and related contractual cash flows.

Financial assets are measured by amortized cost, if two conditions were met, and if was not measure by fair value through profits or losses.

- The asset is included in a business model planning to keep the asset for its contractual future cash flows.
- The asset contractual conditions generate cash flows in specific dates, based on only the asset and related interest payments for the principal amount due.
- The debt instrument is measured at fair value through other comprehensive income, if two conditions were met, and if was not measured by fair value through profits or losses.
- The asset is included in a business model. Its goal is to collect contractual cash flows and sale of the financial asset.

The financial asset must be measured at fair value through profits or losses, if not measured by the amortized cost, or at fair value through comprehensive income.

The institution can, without recourse, assign a financial asset to be measured at fair value through profits or losses, if this would materially result in reducing the volatility of measurement and recognition.

The institution must classify all its assets to be subsequently measure at amortized cost, except for the following:

- Financial liabilities at fair value through profits or losses, where those kinds of liabilities and related derivatives represent these liabilities, subsequently, at fair value.
- Financial liabilities resulting from financial asset not qualified to be disposed from books, or when continuous interference is not applicable, in accordance with the Egyptian accounting Standards, like those financial liabilities.
- Financial guarantee contracts: after initial recognition, the issuer must subsequently measure the contract in accordance with the Egyptian Accounting Standards, by the lager one of the two following amounts:
    A. Impairment loss in accordance with Egyptian accounting standard.
    B. Or the recognized balance- initially minus, when it is applicable, the consolidated income balance recognized in accordance with the Egyptian Accounting Standard number (48).

2- Significant Accounting Policies (Cont'd)

2-19 Financial Instruments (Cont'd)

B- Classification and measurement of financial assets and liabilities (Cont'd)

- Granting loans engagements with a lower interest than the market: the issuer must in accordance with the Egyptian Accounting Standards, by the lager one of the two following amounts:
  A. Impairment loss in accordance with Egyptian accounting standard.
  B. Or the recognized balance- initially minus, when it is applicable, the consolidated income balance recognized in accordance with the Egyptian Accounting Standard number (48).
- Expected return recognized by the acquirer through consolidation applied by the Egyptian accounting Standard number (29), where subsequent measurement for such return must be in fair value, with changes are to be recognized through profits and losses.

The institution can, without recourse, assign a financial asset to be measured at fair value through profits or losses, when applicable by the Egyptian Accounting Standards, or when it results in better information, for:

A. Eliminate, or materially reduce – the measurement or recognition non-steadiness (shown as – sometimes- as "accounting non uniformness"), resulting from, except from that, measuring the assets and liabilities, or profits or losses recognition, from it, on different bases.

B. There were other financial liabilities, or financial assets, managed and performance valuated based on fair value bases, in accordance with the approved strategy for managing risks and investments; and internally, information is presented for this group on this base to the top management of the institution (also as defined in the Egyptian accounting standard number (15) "Disclosing the Related Party", example, the institution board of directors and the managing president.

Financial Assets and Liabilities – re-classification:
financial instruments are re-classified only when the financial model of the portfolio as a total change.

C. Impairment of financial assets value
The "Expected Credit Loss" model is applied on the financial assets measured at amortized cost, and contractual assets, and debt investments, at fair value through other comprehensive income, but not based on investments in equity.

The company evaluates all available information, including future-based information for the expected credit losses related to the included assets at amortized cost.

The "Expected Credit Loss" model is based on whether there is an increase in the expected credit losses. And to valuate if there is a material increase in credit risk, the failure to pay risk, at the separate financial statements date, is compared with the failure to pay risk at the initial recognition date, according to all the available information, and reasonable supporting future information.

As for only trading debtors' balances, due from related parties, and cash and cash equivalent, the company recognize the expected credit losses according to simple approach as per Egyptian Accounting Standard number (47).

C. Impairment of financial assets value (Cont'd)
The simple approach for recognizing expected credit losses, don't require the company to track the credit risk changes, but it can recognize impairment losses according to the permanent expected credit losses, at the preparation date of the financial statements.

The impairment in the credit losses value guide may include indicators showing that debtors or group of debtors are facing material financial problems, or failure, or delay in profits or principal payment, or liquidation problem, or any other financial restructuring, and as the observable information are showing a measurable impairment in the expected future cash flows, like, delays variables, or economic conditions related to payment failure. The trading debtors are audited in kind, depending on each situation, to detect if there is any reason for disposal.

The company measures the expected credit losses through considering payment failure risks during the contractual period, and includes, during measurement, the future information.

2- Significant Accounting Policies (Cont'd)

2-19 Financial Instruments (Cont'd)

D- Disposing of the financial asset from the books

The institution is to dispose of the financial assets from the books, only when:

- The contractual rights of the financial asset cash flows are over, or
- The institution transfers the financial asset.

The institution must dispose of the financial assets from the books (or part of the financial liability) from the balance sheet, when only it is reconciled – meaning that, the liability is paid to the contractual exact time, or canceled, or expired.

2-20 Statement of cash flows

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

2-21 Cash and cash equivalent

For the purpose of preparing the cash flow statement, the cash and cash equivalent comprise cash on hand, current accounts with banks and time deposits maturing within period after deducted banks credit balances.

3- Fixed Assets

	Computer	Furniture	Leasehold Improvements	Electric Devices	Vehicles	Tele-communications Equipment	Decorations	Machinery and Equipment	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost									
1 January 2026	682,342	3,047,208	12,289,768	1,392,645	845,000	476,096	1,262,181	255,700	20,250,940
Additions for the period	-	-	-	66,089	-	-	-	-	66,089
31 March 2026	682,342	3,047,208	12,289,768	1,458,734	845,000	476,096	1,262,181	255,700	20,317,029
Accumulated depreciation									
1 January 2026	(209,066)	(559,535)	(4,688,895)	(502,737)	(676,000)	(182,062)	(623,529)	(76,142)	(7,517,966)
Depreciation for the period (Note 16)	(21,323)	(45,708)	(414,318)	(44,752)	(42,250)	(14,878)	(63,109)	(6,393)	(652,731)
31 March 2026	(230,389)	(605,243)	(5,103,213)	(547,489)	(718,250)	(196,940)	(686,638)	(82,535)	(8,170,697)
Net book value As of 31 March 2026	**451,953**	**2,441,965**	**7,186,555**	**911,245**	**126,750**	**279,156**	**575,543**	**173,165**	**12,146,332**

- There is no mortgage over the ownership of fixed assets.

3- Fixed Assets (cont'd)

	Computer	Furniture	Leasehold Improvements	Electric Devices	Vehicles	Tele-communications Equipment	Decorations	Machinery and Equipment	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost									
1 January 2025	511,342	2,626,119	11,420,993	1,346,910	845,000	476,096	1,115,791	255,700	18,597,951
Additions for the year	171,000	421,089	868,775	45,735	-	-	146,390	-	1,652,989
31 December 2025	682,342	3,047,208	12,289,768	1,392,645	845,000	476,096	1,262,181	255,700	20,250,940
Accumulated depreciation									
1 January 2025	(145,148)	(382,838)	(3,050,476)	(331,340)	(507,000)	(122,550)	(374,180)	(50,572)	(4,964,104)
Depreciation for the year	(63,918)	(176,697)	(1,638,419)	(171,397)	(169,000)	(59,512)	(249,349)	(25,570)	(2,553,862)
31 December 2025	(209,066)	(559,535)	(4,688,895)	(502,737)	(676,000)	(182,062)	(623,529)	(76,142)	(7,517,966)
Net book value									
As of 31 December 2025	473,276	2,487,673	7,600,873	889,908	169,000	294,034	638,652	179,558	12,732,974

4- Investments in Subsidiaries and Associates

	Affiliation	**ownership percentage**	**31 March 2026 EGP**	ownership percentage	31 December 2025 EGP
Cairo for Housing and Real Estate Development Company (S.A.E.) *	Subsidiary	**31.50%**	**2,044,660,450**	31.50%	1,914,301,446
Wadi for Consulting Company (S.A.E.)	Subsidiary	**99.99%**	**2,199,987,240**	99.99%	2,078,295,289
El Safwa for Consulting and Development Company (S.A.E.)	Subsidiary	**58.12%**	**364,474,844**	58.12%	390,866,015
Rooya Holding Company for Investments (S.A.E.)	Subsidiary	**36.70%**	**498,669,794**	36.70%	531,150,334
United Company for Housing and Development (S.A.E.)	Subsidiary	**19.71%**	**302,291,787**	19.71%	289,470,882
Al Giza General for Contracting and Real Estate Investment Company (S.A.E.) **	Subsidiary	**60.01%**	**685,039,361**	60.01%	658,242,423
El Saeed Contracting and Real Estate Investment Company (S.A.E.)	Subsidiary	**5.69%**	**57,952,436**	5.69%	56,875,855
Blue for Real Estate Development Company (S.A.E.)	Subsidiary	**57.18%**	**625,143,628**	57.18%	630,624,800
Sigma for Urban Planning Company (S.A.E.)	Associate	**20.00%**	**158,313**	20.00%	167,690
			6,778,377,853		6,549,994,734

* During the period, Cairo for Housing and Real Estate Development Company increased its capital from EGP 530,504,159 to EGP 928,382,278, an increase of EGP 397,878,119, with a nominal value of EGP 50 per share, funded from the share premium, by increasing the number of issued shares from 1061008318 million shares to 1856764556 million shares. This was recorded in the Commercial Register on January 14, 2026. Pioneers Properties for Urban Development PRE Group (S.A.E) received EGP 125,334,566 of the increase for 250669131 shares, the total number of shares to 584894641 as of March 31, 2026.

** During the period, Al Giza General for Contracting and Real Estate Investment Company increased its capital from EGP 288,542,043 to EGP 432,814,000, an increase of EGP 144,271,957, with a nominal value of EGP 20 per share, funded from the retained earnings, by increasing the number of issued shares from 1442710215 million shares to 2164070000 million shares. This was recorded in the Commercial Register on February 26, 2026. Pioneers Properties for Urban Development PRE Group (S.A.E) received EGP 86,571,453 of the increase for 432857265 shares, the total number of shares to 1298571795 as of March 31, 2026.

The company's profit share from investments in subsidiaries and Associates as follows:

	For the three months ended 31 March 2026 EGP	For the three months ended 31 March 2025 EGP
Cairo for Housing and Real Estate Development Company	**130,846,286**	1,096,933
Wadi for Consulting Company	**123,618,911**	53,019,924
El Safwa for Consulting and Development Company	**(23,311,933)**	(22,405,148)
Rooya Holding Company for Investments	**(31,507,121)**	3,454,509
United Company for Housing and Development	**13,080,714**	7,367,535
Al Giza General for Contracting and Real Estate Investment Company	**26,796,938**	8,738,431
El Saeed Contracting and Real Estate Investment Company	**1,831,068**	3,801,151
Blue for Real Estate Development Company	**(5,298,992)**	574,027
Sigma for Urban Planning Company	**(3,334)**	(157)
	236,052,537	55,647,205

The company's share from adjustments on retained earnings of investments in subsidiaries and Associates as follows:

	For the three months ended 31 March 2026 EGP	For the three months ended 31 March 2025 EGP
Cairo For Housing and Real Estate Development Company	**(487,282)**	-
Wadi For Consulting Company	**(1,926,960)**	3,344,606
El Safwa for Consulting and Development Company	**(3,079,238)**	(1,741,281)
Rooya Holding Company for Investments	**(973,419)**	(5,133,259)
United Company for Housing and Development	**(259,809)**	(28,599,209)
El Saeed Contracting and Real Estate Investment Company	**(754,487)**	-
Blue for Real Estate Development Company	**(182,180)**	(859,727)
Sigma for Urban Planning Company	**(6,043)**	(16,220)
	(7,669,418)	(33,005,090)

5- Investment Properties

	Lands EGP	Building EGP	Total EGP
Cost			
1 January 2026	44,616,480	25,505,845	70,122,325
31 March 2026	44,616,480	25,505,845	70,122,325
Accumulated Depreciation			
1 January 2026	-	(18,026,155)	(18,026,155)
Depreciation for the period	-	(708,496)	(708,496)
31 March 2026	-	(18,734,651)	(18,734,651)
Net book value as of 31 March 2026	**44,616,480**	**6,771,194**	**51,387,674**

	Lands EGP	Building EGP	Total EGP
Cost			
1 January 2025	44,616,480	25,505,845	70,122,325
31 December 2025	44,616,480	25,505,845	70,122,325
Accumulated Depreciation			
1 January 2025	-	(15,192,172)	(15,192,172)
Depreciation for the year	-	(2,833,983)	(2,833,983)
31 December 2025	-	(18,026,155)	(18,026,155)
Net book value as of 31 December 2025	44,616,480	7,479,690	52,096,170

Investment properties represent sold and leased back assets value resulted after applying the new Egyptian Accounting Standard number (49) - (Note 17).

6- Financial Instruments Measured at FVTPL

	31 March 2026 EGP	31 December 2025 EGP
Quoted investments	**296,627**	367,491
	296,627	367,491

7- Due From / To Related Parties

A- Due From Related Parties

	Affiliation	**31 March 2026 EGP**	31 December 2025 EGP
Cairo For Real Estate Marketing Company	Subsidiary	**11,405**	11,405
El Safwa for Consulting and Development Company	Subsidiary	**-**	12,842,267
Rooya Holding Company for Investments	Subsidiary	**1,536,022**	1,536,022
Cairo For Housing and Real Estate Development Company	Subsidiary	**-**	181,664,445
Blue for Real Estate Development Company	Subsidiary	**244,049**	205,818
Aspire Capital Holding Company for Financial Investments	Related Party	**53,134,094**	65,127,197
Gadwa For Industrial Development Company	Related Party	**275,779,909**	115,976,693
		330,705,479	377,363,847
Expected credit loss in due from related parties' balances *		**(1,523,187)**	(2,697,016)
		329,182,292	374,666,831

* Expected credit loss in due from related parties' balances as follows:

	For the three months ended 31 March 2026 EGP	For the three months ended 31 March 2025 EGP
Beginning balance	**(2,697,016)**	(5,752,120)
Reversal during the period	**1,173,829**	234,301
Ending balance	**(1,523,187)**	(5,517,819)

7- Due From / To Related Parties (Cont'd)

B- Due To Related Parties

	Affiliation	31 March 2026	31 December 2025
		EGP	EGP
Wadi For Consulting Company	Subsidiary	**262,412,358**	297,445,448
Nemow for Consulting Company	Subsidiary	**14,339,128**	16,903,219
Shareholders current account	Shareholders	**116,859,372**	103,053,381
El Safwa for Consulting and Development Company	Subsidiary	**62,918,406**	-
		456,529,264	417,402,048

8- Prepayments And Other Debit Balances

	31 March 2026	31 December 2025
	EGP	EGP
Advance payments	**1,146,522**	846,522
Deposits with others	**611,076**	611,076
Employee's custodies and trusts	**6,556,600**	5,023,191
Advance payments to acquire assets	**627,000**	627,000
Accrued revenue	**462,886**	462,886
Accrued rents	**11,509,135**	7,785,573
Other debit balances	**1,668,326**	3,521,982
	22,581,545	18,878,230

9- Cash On Hand and At Banks

	31 March 2026	31 December 2025
Local Currency	EGP	EGP
Cash on hand	**1,197,899**	171,187
Current accounts	**13,923,953**	903,402
	15,121,852	1,074,589
Foreign currency		
Cash on hand	**13,101**	102,014
Current accounts	**369,900**	725,629
	383,001	827,643
	15,504,853	1,902,232

10- Capital

As of 24 July 2021, the Extraordinary General Assembly Meeting unanimously approved the report number 534 as of 15 September 2021 from the Economic Performance Sector of the General Authority for Investment and Free Zones reports, confirming the preliminary book and fair value assessment of the company's assets and liabilities for the purpose of splitting the company into three companies (an original company and two resulted companies). The report concluded that net shareholders' equity value of Aspire Capital Holding Company for Financial Investments (S.A.E) (Previously - Pioneers Holding Company for Financial Investments) is EGP 7,039,494,200, Net shareholders' equity of Pioneers Properties for Urban Development Company PRE Group (S.A.E) (resulted company) amounted to EGP 4,752,277,200.

The Issued and paid-up capital of EGP 4,712,175,720 divided over 1047150160 shares with a face value of EGP 4.5 per share, with authorized capital of EGP 23 billion.

The remaining treasury shares as of 31 March 2026 amounted to 9,990,000 shares with a value of EGP 33,432,867 (9,990,000 shares with a value of EGP 33,432,867 as of 31 December 2025).

10- Capital (Cont'd)

The capital structure is as the follow:

	Percentage	Number of shares	Value EGP
Walid Mohamed Zaki	29.85%	312607929	1,406,735,681
Abdelkader Elmohedeb And Sons Company	12.00%	125658750	565,464,375
Taha Ibrahim Mostafa Mohamed Eltelbani	10.16%	106344921	478,552,145
Hesham Ali Shoukry Hafez	7.13%	74643766	335,896,947
EGYCAP Investments Ltd Company	6.77%	70935897	319,211,536
Hossam Mohammed Zaki	4.91%	51387410	231,243,345
Others shareholders	29.18%	305571487	1,375,071,691
Total	**100.00%**	**1047150160**	**4,712,175,720**

11- Credit Facilities

	31 March 2026 EGP	31 December 2025 EGP
Credit Facilities - Foreign Currency	**335,071,927**	294,473,491
	335,071,927	294,473,491

The Company obtained credit facilities at an average interest rate of 1% above LIBOR, secured by marketable securities deposited with the bank.

12- Accruals And Other Credit Balances

	31 March 2026 EGP	31 December 2025 EGP
Accrued expenses	**1,496,997**	6,466,213
Accrued interest	**496,051**	554,771
Brokerage companies' liabilities	**59,920,154**	67,455,943
Other credit balances	**4,568,050**	4,434,333
	66,481,252	78,911,260

13- Income Taxes

Deferred Tax	**31 March 2026 EGP**	31 December 2025 EGP
Beginning balance for the period – Asset	**151,668,493**	117,087,094
Deferred tax for the period – Asset	**11,532,522**	34,581,399
Ending balance for the period – Asset	**163,201,015**	151,668,493

Income Taxes Expenses	**For the three months ended 31 March 2026 EGP**	For the three months ended 31 March 2025 EGP
Deferred tax – revenue	**11,532,522**	11,806,997
Taxes on treasury bill returns	**-**	(1,462,519)
	11,532,522	10,344,478

Reconciliation of effective income tax rate	**For the three months ended 31 March 2026 EGP**	For the three months ended 31 March 2025 EGP
Profit before income taxes	**151,839,977**	3,611,153
Adjustments		
Add:		
Amounts that are not considered deductible costs	**66,622,340**	9,315,575
Deducted:		
Amounts considered deductible costs	**(789,389,955)**	(437,110,568)
Adjusted taxable net (loss)	**(570,789,669)**	(424,183,840)
Income tax	**-**	-
Effective tax rate	**-**	-

14- Operations Revenue

	For the three months ended 31 March 2026	For the three months ended 31 March 2025
	EGP	EGP
Investment properties rental income	**3,723,561**	3,723,561
Financial Instruments Measured at FVTPL valuation difference	**(70,864)**	20,452
Profit shares from investments in subsidiaries	**236,052,537**	55,647,205
	239,705,234	59,391,218

15- Operations Cost

	For the three months ended 31 March 2026	For the three months ended 31 March 2025
	EGP	EGP
Investment properties depreciation (Note 5)	**708,496**	708,496
	708,496	708,496

16- General And Administrative Expenses

	For the three months ended 31 March 2026	For the three months ended 31 March 2025
	EGP	EGP
Salaries and wages	**23,405,266**	18,883,051
Registrations and other fees	**1,186,999**	429,698
Other expenses	**7,000,295**	5,485,498
Depreciation of fixed assets (Note 3)	**652,731**	618,536
Amortization of right-of-use assets (Note 17-1)	**739,866**	650,145
	32,985,157	26,066,928

17- Lease Contracts

As of August 2020, Aspire Capital Holding Company for Financial Investments (S.A.E) (Previously - Pioneers Holding Company for Financial Investments) signed a financial lease contract assigned to the company with Cairo Leasing company, for land and buildings associated, for a property in Nozha district, with a rental value amounted to EGP 104,259,713, and a present value of EGP 70,122,325, represented in a down payment of EGP 5,122,325 and the rest on quarterly instalments for 7 years, each of EGP 3,540,621.

During 2024, the company obtained an additional tranche from Cairo Leasing Company amounting to 50,000,000, in addition to an additional tranche from the Housing and Construction Leasing Company amounting to 7,000,000, bringing the total rental value to 177,146,136, to be paid in 12 quarterly installments.

The Company has the right to purchase the land and the buildings associated with it at the end of the contract year by EGP 1.

During 2021, the company leased its headquarters in the New Cairo area, Cairo Governorate, for a year of nine years. The total undiscounted rental value according to the contract amounted to EGP 39,720,835, to be paid in quarterly instalments of EGP 864,114, with an annual increase of 5% for the second year and 7% starting from the third year until the end of the contract.

During 2025, the company leased its headquarters in the New Cairo area, Cairo Governorate, for a year of two years. The total undiscounted rental value according to the contract amounted to EGP 924,000, to be paid in quarterly instalments of EGP 110,000, with an annual increase of 10% for the second year.

17- Lease Contracts (Cont'd)

1- Right-of-use assets

	31 March 2026 Buildings EGP	31 December 2025 Buildings EGP
Cost		
Beginning balance	**23,689,558**	22,971,794
Additions for the period	**-**	717,764
Ending balance	**23,689,558**	23,689,558
Accumulated Amortization		
Beginning balance	**(11,336,465)**	(8,496,630)
Amortization for the period (Note 16)	**(739,866)**	(2,839,835)
Ending balance	**(12,076,331)**	(11,336,465)
Net book value at the end of the period	**11,613,227**	12,353,093

2- Lease liability

	Finance Lease contracts EGP	Operating Lease contracts EGP	**31 March 2026 Total EGP**
Liability balance	72,560,644	17,427,154	**89,987,798**
Current portion	(31,196,147)	(3,001,041)	**(34,197,188)**
	41,364,497	14,426,113	**55,790,610**

	Finance Lease contracts EGP	Operating Lease contracts EGP	31 December 2025 Total EGP
Liability balance	79,285,149	18,072,235	97,357,384
Current portion	(29,252,842)	(2,834,131)	(32,086,973)
	50,032,307	15,238,104	65,270,411

18- Tax Position

Corporate tax

- The Company was submitted tax returns on the legal dates according to Law No. 91 for year 2005 and has not been examined till the financial statements date.

Payroll tax

- The Company deducts payroll taxes from employees according to Law No. 91 for year 2005 and its amendments and reconciled regularly with the Tax Authority.

Withholding tax

- The Company deducts withholding taxes according to the Law and pay the accrued balance to the Tax Authority.

Stamp tax

- Not checked by the tax authority

Value Added Tax

- The company was registered for value added tax as of 30 June 2022. The company submits tax returns in accordance with the provisions of Law No. 67 of 2016 and pays the tax due from the returns from the date of registration.

19- Financial Instruments Risk Management

Introduction

The company is exposed to the following risks due to the usage of financial instruments:

A) Market risk.
B) Foreign Currency Risk.
C) Interest rate risk.
D) Credit risk.
E) Liquidity risk.

This note presents the information on the company’s exposure to the previously mentioned risks and the company’s objectives, policies, and operations in terms of measuring and managing these risks as well as how the company manages its capital.

The Board of Directors of the parent company is responsible for establishing and supervising a general framework for managing the risks to which the company is exposed. And the company's senior management is responsible for developing and following up on risk management policies and submitting reports to the parent company on its activities on a regular, periodic basis.

The Company's current financial risk management framework is a mixture of formally documented risk management policies in some areas and non-formally documented risk management policies in other areas.

Financial instruments of the company are represented in the financial assets includes (cash on hand and at banks, financial investments, trade and notes receivable, due from related parties, and other receivables), the financial liabilities include (customers – credit balances, credit facilities, lease liabilities, trade payable, contractors, notes payable, loans, land creditors, due to related parties, tax liabilities, shareholders’ credit balances, accrued expenses and other credit balances). Note (2) in the accompanying notes of the consolidated financial statements includes the accounting policies applied concerning the recognition and measurement of significant financial instruments & the related revenues & expenses.
In accordance with the valuation principles used in the valuation of the Company's assets and liabilities stated in Note (2), the fair values of financial assets and liabilities are not materially different from their carrying amounts at the financial position date.

A) Market Risk

Market risk represents the risk of fluctuation of the fair value of future cash flows of a financial instrument as a result of changes in market prices, such as foreign exchange rate risk and interest rate risk, which are risks that would affect the company’s profits. Financial instruments affected by market risk include loans, interest-bearing facilities and deposits. The objective of market risk management is to manage and control risk within acceptable limits while at the same time achieving attractive returns. The Company does not hold or issue derivative financial instruments.

B) Foreign Currency Risk

The foreign currency risk represents the risk that the value of the inflows and outflows in foreign currencies, as well as, valuation of monetary assets and liabilities in foreign currencies, will fluctuate due to changes in foreign currency exchange rates. The major financial instruments that include foreign currency balances represents cash and cash equivalent, current accounts, due to/from related parties, accrued expenses, other credit balances and loans.

The assets (liabilities) value in foreign currency in the date of the financial statements amounted to:

	31 March 2026	31 December 2025
	Net	Net
Currency	**EGP**	EGP
US Dollar	**(334,048,751)**	(415,968,319)
Euro	**9,214,838**	7,771,302
Sterling Pound	**236,661**	66,503

19- Financial Instruments Risk Management (Cont'd)

B) Foreign Currency Risk (Cont'd)

	31 March 2026		31 December 2025	
Currency	**Change percentage**	**Effects on the profit before tax**	Change percentage	Effects on the profit before tax
	٪	**EGP**	٪	EGP
US Dollar	**10٪+**	**(33,404,875)**	10٪+	(41,596,832)
US Dollar	**10٪-**	**33,404,875**	10٪-	41,596,832
Euro	**10٪-**	**921,484**	10٪-	777,130
Euro	**10٪+**	**(921,484)**	10٪+	(777,130)
Sterling Pound	**10٪-**	**23,666**	10٪-	6,650
Sterling Pound	**10٪+**	**(23,666)**	10٪+	(6,650)

C) Interest rate risk

Interest risk represents the risk that results from changes in interest rates that may have an adverse effect on business results.

The company's total interest charged on those liabilities during the Three Months ended on 31 March 2026 amounted to EGP 7,307 (as of 31 March 2025, amounted to EGP 8,314,500 included in finance income and return on treasury bills). The company's total liabilities (loans, credit facilities and lease liability) on 31 March 2026 amounted to EGP 425,059,725 (as of 31 December 2025, the amount of EGP 391,830,875). The total interest charged on those liabilities during the Three Months ended on 31 March 2026 amounted to EGP 8,799,091 (as of 31 March 2025, amounted to EGP 36,044,464 included in finance expenses).

The company's management always works to obtain the best borrowing terms available.

There are no effects on the shareholders' equity except for the effect on net profit as shown below:

	31 March 2026		31 December 2025	
	Changes in interest rate	**Effects on the profit before tax**	Changes in interest rate	Effects on the profit before tax
		EGP		EGP
Financial liability	**٪1+**	**4,250,597**	٪1+	3,918,309
	٪1-	**(4,250,597)**	٪1-	(3,918,309)

D) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation, resulting in financial losses beard by the other party. The Company is exposed to credit risk from its deposits with banks, accounts receivables as well as some other assets as represented on the financial position.
The company seeks to reduce credit risk related to bank deposits by dealing with reputable banks and by setting credit limits to its clients and monitoring their customer outstanding credit balances.

Other financial assets and cash deposits

Other credit risks arising from other financial assets related to the company which includes the balances at the banks, financial assets at amortized cost, the company is exposed the credit risks due to the failure of the other party to settle the amounts. The maximum exposure level to the credit risk equals the fair value of the assets.
The financial department of the company with the support of the parent company takes over and manages the credit risk that arise from the balances at the banks and financial entities.

Due from related parties

Balances due from related parties are related to transactions that arise within the normal course of business, and the exposure of these balances to credit risk is low, and the maximum exposure to risk is the book value of these balances.

19- Financial Instruments Risk Management (Cont'd)

E) Liquidity risk

Liquidity risk represents all factors which affect the company's ability to pay part or all of its obligations.

The Company's management monitors the company's cashflows, financing, and liquidity requirements and its objective is to maintain a balance between continuity of funding and flexibility through the use of retained earnings, and company bank balances to match the maturity of the company liabilities when due. It also manages liquidity risks by maintaining sufficient reserves and by obtaining credit facilities.

The below table summarizes the dates of the accrual financial liabilities related to the company based on undiscounted contractual payments.

Financial liabilities	**Less than 3 months**	**From 3 to 12 months**	**From 1 to 5 years**	**Total**
31 March 2026	**EGP**	**EGP**	**EGP**	**EGP**
Loans and financing leases	-	**34,197,188**	**55,790,610**	**89,987,798**
Credit facilities	-	**335,071,927**	**-**	**335,071,927**
Due to related parties	-	**456,529,264**	**-**	**456,529,264**
Tax liabilities	-	**30,897,644**	**-**	**30,897,644**
Accrued expenses and other credit balances	-	**66,481,252**	**-**	**66,481,252**
Total undiscounted financial liabilities	-	**923,177,275**	**55,790,610**	**978,967,885**

Financial liabilities	Less than 3 months	From 3 to 12 months	From 1 to 5 years	Total
31 December 2025	EGP	EGP	EGP	EGP
Loans and financing leases	-	32,086,973	65,270,411	97,357,384
Credit facilities	-	294,473,491	-	294,473,491
Due to related parties	-	417,402,048	-	417,402,048
Tax liabilities	-	37,033,583	-	37,033,583
Accrued expenses and other credit balances	-	78,911,260	-	78,911,260
Total undiscounted financial liabilities	-	859,907,355	65,270,411	925,177,766

20- Key Sources for Uncertain Estimates

The Company makes future estimates and assumptions, the results of accounting estimates, as defined, are rarely equal to actual results, estimates and assumptions with significant risks that could cause a material adjustment to the carrying amounts of assets and liabilities during the next financial period are indicated below:

Income taxes

The company is subject to corporate tax, a provision for income tax is estimated using an expert opinion, any discrepancies between estimated and actual tax are reflected on provision for income tax and deferred tax for these periods.

21- Earnings Per Share

Earnings per share is based on a projected distribution, by dividing profit for the period by weighted average number of outstanding shares during the period as follows:

	For the three months ended 31 March 2026	For the three months ended 31 March 2025
	EGP	EGP
Net profit for the period	**163,510,469**	13,955,631
Employees Share (estimate)*	**(15,533,495)**	(1,325,785)
	147,976,974	12,629,846
Weighted average number of outstanding shares during the period	**1037160160**	1015693513
Earnings per share	**0.14**	0.01

* Employees share in the dividend's distribution is calculated based on an estimated distribution project for the period's profit, for the purpose of calculating the earnings per share.

22- Related Parties Transaction

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

The transactions with related parties included in the statement of profit or loss are as follows:

Company	**Affiliation**	**Nature of transaction**	**For the three months ended 31 March 2026 EGP**	For the three months ended 31 March 2025 EGP
United Company for Housing and Development	Subsidiary	Other revenue	**-**	1,277,861
Rooya for Real Estate Investments Company	Subsidiary	Investment properties rental revenue	**3,723,561**	3,723,561
Aspire Securities and Bonds Trading Company	Related Party	Finance expense	**4,908,418**	5,157,164

The balances of related parties included in the statement of financial position are as follows:

Company	**Affiliation**	**Nature of transaction**	**31 March 2026 EGP**	31 December 2025 EGP
Cairo For Housing and Real Estate Development Company	Subsidiary	Deposits with others	**576,076**	576,076
Cairo For Housing and Real Estate Development Company	Subsidiary	Lease liabilities	**17,427,154**	18,072,235
Rooya Holding Company for Investments	Subsidiary	Deferred rents	**11,509,135**	7,785,573
Aspire Securities and Bonds Trading Company	Related Party	Brokage companies' liabilities	**59,920,154**	67,455,943

23- Professional fees

According to the instructions of the General Authority for Financial Supervision, Resolution No. 26 of 2026, the value of professional fees for Interim and annual financial statements of the auditor amounted to EGP 350,000.

24- Significant Events

- On Thursday, February 12, 2026, The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting to reduce the overnight deposit and lending rates and the Central Bank's main operation rate by 100 basis points to 19% and 19.50% and 20%, respectively. It also decided to reduce the credit and discount rate by 100 basis points to 19.50%. This decision reflects the Committee's assessment of the latest inflation developments and expectations since its previous meeting.
- The region witnessed an escalation in geopolitical tensions between the United States of America and Iran, along with resulting military and political developments that may have implications for the global and regional economy. These developments could potentially lead to disruptions in global supply chains, particularly regarding increased shipping, insurance, and transportation costs, in addition to possible fluctuations in energy and basic commodity prices.

  These events may also place pressure on foreign exchange markets, including potential volatility in the exchange rate of the U.S. dollar against other currencies, including the Egyptian pound, which may affect import costs and the prices of certain inputs used in the company's operations.

  The company's management is continuously monitoring these developments to assess any potential financial impacts on the company's operations and financial position. .