DSC
Delta Sugar Company
شركة الدلتا للسكر
شركة مساهمة مصرية

القاهرة في ١٨-٥-٢٠٢٦

السادة / البورصة المصرية
إدارة الإفصاح

تحيه طيبه وبعد،،،،،

نرفق لكم طيه صوره من تقرير مجلس الإداره عن نشاط الشركة عن العام المالى المنتهى في ٢٠٢٥/١٢/٣١ مترجم باللغة الإنجليزية

برجاء التفضل بالاستلام

وتفضلوا بقبول فائق الأحترام ،،،

رئيس الشئون المالية

أمنية صبري

(محاسب /أمنية صبري عزيز)

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المركز الرئيسى
قطعة ١٧ - شارع مركز الخدمات الحي الرابع - مدينة ٦ اكتوبر - ص.ب ٧٩/١٢٥٦٦
تليفون : ٠٢٣٨٣٠٨٢١٢ (٧ خطوط) فاكس : ٠٢٣٨٣١١٠٦٠
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The Board of Directors is honored
to present to the Ordinary General Assembly
Its report on the activities of
Delta Sugar Company
Regarding the business results
for the fiscal year ending
December 31, 2025

Table of Contents

1 - Basic Information of the Company

- **Company Name:** Delta Sugar Company, "An Egyptian Joint Stock Company."
- **Incorporation Decree:** An Egyptian Joint Stock Company established in accordance with the provisions of the Arab and Foreign Capital Investment and Free Zones Law No. 43 of 1974, and its amendments under Law No. 159 of 1981, Law No. 95 of 1992, and Law No. 8 of 1997.
- **Company Purpose:**
  - Manufacturing sugar from sugar beet and industries based on the by-products of industrial operations, and refining raw sugar for the company and third parties.
  - Cultivating, developing, and reclaiming agricultural lands necessary for sugar beet cultivation and other agricultural products.
  - Buying and selling sugar and all agricultural products or associated by-products, including their import and export.
  - Leasing lands and sub-leasing them directly or indirectly, as well as selling lands in accordance with the applicable laws in the Arab Republic of Egypt.
  - Producing agricultural fertilizers and manufacturing animal feed and related materials.
  - Carrying out all other activities related to or complementary to the aforementioned purposes.
- **Company Term:** Fifty years.
- **Date of Status Alignment on the Stock Exchange:** 23-09-2003.
- **Nominal Value per Share:** Five Egyptian Pounds.
- **Commercial Registry Number & Date:** 72516 on 28/12/1986.
- **Capital:**
  - **Authorized:** 1 Billion EGP
  - **Issued and Paid-up:** 710,990,375 EGP
- **Company Site:** Kafr El-Sheikh Governorate.
- **Legal Domicile of the Company:** 20 Salem Salem Street - Agouza - Giza.
- **Company Main Headquarters:** 20 Salem Salem Street - Agouza - Giza.
- **Main Headquarters Telephone Numbers:** 02/37614329 - 02/37614330
- **Main Headquarters Fax:** 0237498687 - P.O. Box 192 Dokki.
- **Company Branch Office:** Plot 17, Service Center Street - Fourth District - 6th of October City.
- **Branch Office Telephone Numbers:** 02/38308212 (7 lines)
- **Branch Office Fax:** 02/38311060 (P.O. Box 79/12566)
- **Contact Person:** Hossam Fares.
- **Website:** deltasugar.com
- **Email:** delta@deltasugr.com
- **Auditor Name:** Bureau of Essam Ghorab & Co.
  - **Appointment Date:** 2025
  - **Authority Registration No.:** 134

Shareholders Owning 5% or More of the Company's Shares

Shareholder Name	Number of Shares as of 31-12-2025	Percentage %
Egyptian Sugar and Integrated Industries Company	79,243,726	55.73%
Misr Life Insurance	12,899,705	9.07%
Misr Insurance Company	11,794,778	8.29%
Egyptian Chemical Industries - KIMA	9,182,572	6.46%
National Investment Bank	8,923,160	6.28%
Total	**122,043,941**	**85.83%**

Latest Composition of the Audit Committee

Name	Representation Entity
Mr. Adel Ahmed Ali El-Khateeb	Egyptian Sugar and Integrated Industries Co.
Mr. Mohamed El-Sayed Motawa Ibrahim	Egyptian Sugar and Integrated Industries Co.
Dr. Atef Abdel Fattah Abdel Rahman	Misr Insurance Company
Ms. Nemat Mohamed Ahmed	National Investment Bank
Mr. Adel Mohamed Farghaly	Egyptian Sugar and Integrated Industries Co.

Statement of the Committee’s Jurisdictions and Assigned Tasks:

1. Examining and reviewing the internal control procedures of the company and the extent of commitment to their application.
2. Studying the accounting policies followed and the changes resulting from the application of new accounting standards.
3. Examining and reviewing internal audit mechanisms, tools, procedures, plans, and results, studying internal audit reports, and following up on the execution of its recommendations.
4. Examining the procedures followed in preparing and reviewing financial statements.
5. Reviewing the draft of preliminary financial statements before presenting them to the Board of Directors, and in preparation for sending them to the external auditor.
6. The committee convened 12 (twelve) times during the year 2025, and prepared its reports, which included constructive observations and follow-ups on all recommendations.

2- Board of Directors Members

Name	Position	Representing
1 - Dr. Ahmed Zakaria Samir	Chairman of the Board	Independent Expert
2 - Eng. Samy Ahmed Mohamed Abdel Mottaleb	Executive Managing Director	Sugar & Integrated Industries Co.
3 - Dr. Eng. Mohamed Adel Ibrahim Ali Sheta	Board Member	Independent Expert
4 - Mr. Adel Ahmed Ali Mohamed El-Khateeb	Board Member	Sugar & Integrated Industries Co.
5 - Mr. Mohamed El-Sayed Motawa Ibrahim	Board Member	Sugar & Integrated Industries Co.
6 - Chemist / Mahmoud Mohamed Abdel Aal Abdel Hamid	Board Member	Sugar & Integrated Industries Co.
7 - Chemist / Adel Mohamed Farghaly Abdel Qader	Board Member	Sugar & Integrated Industries Co.
8 - Eng. Mohamed Haidar Mahmoud Ahmed	Board Member	Sugar & Integrated Industries Co.
9 - Eng. Sameh Talaat Mohamed Hassan	Board Member	Egyptian Chemical Industries (KIMA)
10 - Dr. Atef Abdel Fattah	Board Member	Misr Insurance Company
11 - Mr. Hegazi Beltagi Abdel Razoq	Board Member	Misr Life Insurance
12 - Ms. Shereen Mohamed El-Mohelmy	Board Member	Independent Expert
13 - Ms. Nemat Mohamed Ahmed	Board Member	National Investment Bank

Amendments Occurred During the Year:

- Appointment of Dr. Eng. / Mohamed Adel Sheta on 22-01-2025 as an expert board member.
- Appointment of Ms. / Nemat Mohamed Ahmed on 26-03-2025 instead of Mr. / Mohamed Mohamed Hassan (National Investment Bank).
- Resignation of Chemist / Adel Hussein Ayoub on 10-04-2025 (Technical Managing Director).
- Attendance of Mr. / Mahmoud Morsi Ahmed in the session of 28-04-2025 by virtue of an authorization (Sugar & Integrated Industries Co.).
- Attendance of Mr. / Yasser Mostafa Mohamed in the session of 14-05-2025 by virtue of an authorization (Sugar & Integrated Industries Co.).
- Appointment of Major General / Ahmed Samir Zakaria Al-Zare' as Chairman of the Board instead of Dr. / Ahmed Shereen Karim on 29-06-2025.
- Appointment of Mr. / Mohamed El-Sayed Motawa on 29-06-2025 (Sugar & Integrated Industries Co.).
- Attendance of Chemist / Salah Fathy Mohamed (expert member) in the session of 29-06-2025 by virtue of an authorization (Sugar & Integrated Industries Co.).
- Attendance of Mr. / Yasser Mostafa Mohamed in the session of 29-07-2025 by virtue of an authorization (Sugar & Integrated Industries Co.).
- Appointment of Eng. / Sameh Talaat Mohamed Hassan on 29-07-2025 instead of Chemist / Abdel Majeed Mohamed Hassan (KIMA Co.).

- Amendment of the representation of Major General Dr. Ahmed Zakaria Al-Zare' to become a non-executive Chairman from the independent experts instead of representing the Egyptian Sugar and Integrated Industries Company on 29-07-2025.
- Appointment of Eng. Mohamed Haidar Mahmoud Ahmed at the Board meeting dated 27-08-2025 (Sugar & Integrated Industries Co.).

We are honored to present
A report on the company's activity during the fiscal year from 1/1/2025 to 31/12/2025, Company Financial Statements, and Financial Position

First: Statement of Capital Evolution

Evolution of the Company's Issued and Paid-up Capital:
The company started with a capital of **Thirty-Three Million Egyptian Pounds**, which was increased as follows:

- **41.9 Million EGP** pursuant to Ministerial Decree No. 432 of 1987.
- **64.3 Million EGP** pursuant to Ministerial Decree No. 401 of 1991.
- **74.30 Million EGP** pursuant to Ministerial Decree No. 268 of 1994.
- **110.60 Million EGP** pursuant to Ministerial Decree No. 90 of 1995.
- **239.30 Million EGP** pursuant to Ministerial Decree No. 114 of 1997.
- **299.30 Million EGP** pursuant to Ministerial Decree No. 886 of 1998.
- **314.3 Million EGP** pursuant to Ministerial Decree No. 2/3315 of 2005.
- **368.20 Million EGP** pursuant to Ministerial Decree No. 2/3355 of 2005.
- **493.20 Million EGP** pursuant to Ministerial Decree No. 1204/A of 2007.
- **618.20 Million EGP** pursuant to Ministerial Decree No. 2195/A of 2008.
- **710.90 Million EGP** pursuant to Ministerial Decree No. 1949/A of 2011.

3- Financial Report

Second: Activities and Achievements in Different Sectors of the Company

Factory Operating Results for the 2025 Season Compared to the 2024 Season

A-Beet Processing Statement	Year 2025	Year 2024
Start of Operation	15-02-2025	04-03-2024
End of Operation	02-08-2025	27-07-2024
Season Duration (Days)	165	145
- Total Beet Supplied Area (Feddan)	123,127	105,750
- Total Quantity of Beet Supplied (Tons)	2,653,108	2,083,822
- Net Quantity of Beet Supplied (Tons)	2,586,547	2,076,557
- Quantity of Beet Sliced (Tons)	2,467,350	1,980,500
- Sugar Beet Sweetness Percentage %	19.81%	17.43%
- Sugar Yield Percentage %	13.88%	13.02%
- Average Beet Yield per Feddan (Tons)	21.5	19.7
- Average Slices Processed Daily (Tons/Day)	18,326	16,233
- Average Price of a Ton of Beet (inc. bonuses, seed support, & freight)	3,186	2,389
- Average Purity of Juice Supplied %	86.93%	86.63%
- **Total Value Paid for Beet (Thousand EGP)**	**8,241,572**	**4,960,819**
- White Sugar Produced from Beet (Tons)	342,400	257,782
- Beet Pulp Produced from Beet (Tons)	162,664	120,549
- Molasses Produced (Tons)	136,155	114,160
B - Processing Beet for Third Parties (Tons)		
- Supplied Beet (Tons)	249,635	58,598
- Net Supplied Beet (Tons)	202,038	58,467
- Quantity of Beet Sliced (Tons)	200,500	55,671
- Sugar Yield from Processing (Tons)	22,968	6,402
- Beet Pulp Yield from Processing (Tons)	10,905	3,173
- Beet Molasses Yield from Processing (Tons)	12,245	3,002

The following data illustrates the most important production indicators for the 2025 season compared to the 2024 season:

- **1 - Beet Quantities and Average Tonnage Processed:**
  - The quantity of supplied beet reached 2,653,108 tons in the 2025 season compared to 2,083,822 tons in 2024, representing an increase of 569,286 tons (27.32%) over the previous year.
- **2 - Sugar Yield Percentage from Beet:**
  - It reached 13.88% against 13.02% in the previous year, an increase of 0.86%.
- **3 - Total Paid Beet Value:**
  - The value of beet paid this season reached 8,242 million EGP compared to 4,961 million EGP in the previous year, an increase of 3,281 million EGP due to the increase in quantities and the average price of supplied beet this year.
- **4 - Production Quantities:**
  - **Sugar from Beet:** Quantities reached 342,400 tons in the 2025 season compared to 257,782 tons in the 2024 season, a 32.83% increase (84,618 tons).
  - **Molasses from Beet:** Total production reached 136,155 tons in 2025 compared to 114,160 tons in 2024, an increase of 21,995 tons (19.27%).
  - **Beet Pulp:** Total fodder produced reached 162,664 tons in 2025 compared to 120,549 tons in 2024, an increase of 42,115 tons (34.94%).
- **Processing Beet for Third Parties:**
  - Total net supplied beet reached 202,038 tons for the "Mostaqbal Misr" (Future of Egypt) Project, with 200,500 tons sliced, yielding 22,968 tons of sugar, 10,905 tons of beet pulp, and 12,245 tons of molasses.

Third - Company Products

Statement of Company Product Movement This Year:

Product Movement Statement	Year 2025 (Qty in Tons)	Year 2024 (Qty in Tons)
1 - Sugar		
- Beginning Balance of Beet Sugar	150,284.07	3,199.44
- Beginning Balance of Refining Yield	-	-
- Year Production from Beet	342,399.90	257,781.80
- Year Production of Raw Sugar Refined at Company Factories	-	48,032
- Inventory Surplus in Packaging Rooms	1,748	-
Total	**492,685.768**	**309,013.29**
2 - Molasses		
- Beginning Balance (Damietta + Factory)	6,439.78	40,302.64
- Refining Yield Beginning Balance	-	-
- Refining Inventory Surplus	-	1,681
- Year Production	136,155	114,159.96
- Year Production of Refining Yield	-	-
- Inventory Surplus in Damietta Tanks	345.98	-
Total	**142,940.76**	**156,143.6**
3 - Beet Pulp		
- Beginning Balance	-	230.9
- Year Production	162,663.72	120,548.7
Total	**162,663.72**	**120,779.6**

Fourth - Marketing of the Company's Products

Year 2024

Product	Quantity (Tons)	Average Price (EGP/Ton)	Value (Thousand EGP)
Sugar (Beet + Refining)	158,729	29,692.60	4,713,076
Beet Pulp (Export)	11,0993	6,561.09	728,235
Beet Pulp (Local)	9,787	6,743.74	66,001
Total Beet Pulp	120,780	6,575.90	794,236
Molasses (Export)	126,824	4,217.11	534,829
Molasses (Local)	22,906	4,196.00	96,115
Total Molasses	149,730	4,213.88	630,944
TOTAL			**6,138,256**

Year 2025

Product	Quantity (Tons)	Average Price (EGP/Ton)	Value (Thousand EGP)
Paid Sugar 2025	143,437	27,559.00	3,953,004
Paid Sugar 2024	91,624	24,000.00	2,198,976
Total Beet Sugar	235,061	26,172	6,151,980
Beet Pulp (Export)	153,903	8,763.00	1,348,788
Beet Pulp (Local)	8,761	8,474.00	74,249
Total Beet Pulp	162,664	8,748.00	1,423,037
Molasses (Export)	89,610	7,019.51	629,018
Molasses (Local)	50,933	7,050.59	359,108
Total Molasses	140,543	7,030.75	988,126
TOTAL			**8,563,143**

- **Agricultural Activity Revenues:** Revenues reached 12.61 million EGP in 2025 compared to 10.72 million EGP in 2024.

Key Sales Indicators for 2025 Compared to 2024:

- **First: Sugar**
  - The average prices decreased during the year by 12% compared to the average prices of the previous year.

- **Second: Beet Pulp and Molasses**
  - The average prices of beet pulp increased during the year by 33% compared to the previous year.
  - The average prices of molasses increased by 67% compared to the previous year.

Ending Balance Inventory

Product	Year 2025 (Tons)	Year 2024 (Tons)
Sugar:		
- Bulk Beet Sugar	257,524.32	149,805.96
- Packaged Sugar	82.26	449.28
- Sugar Cubes	18.18	28.83
Total Sugar	**257,624.76**	**150,284.07**
Molasses:		
- Beet Molasses - Damietta	1,915	6,113.6
- Beet Molasses - Factory	482.34	326.18
Total Molasses	**2,397.34**	**6,439.78**
Beet Pulp	**0.00**	**0.00**

Fifth: Labor

- **1 - Workforce:** Total labor cost reached approximately 1,008 million EGP in 2025 compared to 919 million EGP in 2024, representing an increase of 89 million EGP due to the longer production season and allowances. The total number of employees is **2,609**.
- **2 - Services Provided to Employees:**
  - The company provides family housing in the residential city, as well as hotels and guest houses for bachelors.
  - The company contributes by 36% of total annual basic salaries to the Private Insurance Fund for employees, as approved by the (Board of Directors) BoD on 30-09-2013 and the General Assembly on 31-03-2018.
  - A sports and social club with a swimming pool and squash court is available for employees and their families.
  - Transportation is provided for workers living outside the residential city to and from the factory, as well as for the main headquarters staff.
  - A nursery, primary, preparatory, and secondary school operate inside the factory area to serve employees' children.
  - Medical care is provided with the assistance of two nurses and specialized contracted physicians.
  - The company rents summer vacation units in Alexandria, Baltim, Gamasa, Marsa Matrouh, and Ras El Bar, with costs installment-split over 8 months.

- Continuous technical and administrative training courses are provided to raise efficiency.

4 - Technical Report

Technical Report for the Year 2025 (Projects + Maintenance)
First: Major Overhauls Completed
First Line:

- Installed a new sample lathe in the receiving lab.
- Added movable sides to the new weighbridge platform to reduce beet loss beneath truck wheels.
- Completed the rehabilitation of dryer No. (2) and replaced deteriorated pipes.
- Completed the rehabilitation and capacity expansion of the beet distribution conveyor (Jeep) in the beet store.
- Installed a new inclined screw conveyor in the washing room to reintroduce beet tails into processing.
- Replaced the superheater in boiler No. (2).
- Adjusted the position of the leaf press and upgraded the leaf treatment station to improve performance.
- Installed a screw conveyor for tail transport in the washing room to improve efficiency and reduce loss.
- Rerouted discharged leaves from the washing room to be added to fodder instead of disposal to increase value.
- Replaced beet store ventilation pipes with a length of 120m and a diameter of 800mm.

Second Line:

- Executed a phased rehabilitation of diffusion apparatus (RT4) for 18m out of 50m. Materials for 12m are available, and the rest are being requested.
- Completed rehabilitation and adjustment of the pulp conveyor under diffusion device (RT4).
- Installed a feeding screw conveyor to replace the transverse conveyor at the apparatus discharge.
- Overhauled two sample lathes in the receiving lab.
- Installed a new massecuite mixer above C-shifters.
- Raised the western sample grabber to accommodate taller beet transport trucks.
- Upgraded the PLC system and scales in the receiving lab.
- Modified weighbridge conveyor No. (1) on the eastern side to handle unloading loads.
- Adjusted the alignment of diffusion apparatus (RT5) and installed two new speed reducers.
- Completed the rehabilitation of pulp dryer No. (2).
- Completed installation of a coal transport conveyor from the coal store to the lime kiln bunker.
- Fixed omega bars for 4 rotary filters, welded worn areas, machined the journals, and applied chemical linings via a specialized firm.
- Replaced the condensate water tank used for washing shifters.
- Executed a limited overhaul for the Fincantieri turbine No. 3 (14 MW) via the supplier.
- Fully rehabilitated the front wall of boiler furnace No. (1) on the second line.

- Changed turbine oil for turbines (1, 2) FC and cleaned tanks and oil circuits.
- Completed a major overhaul of the sand catcher, replacing rings and pins.
- Completed a major overhaul of the leaf press, replacing ribs and screens.

Transportation and Civil Works:

- Purchased 2 new employee buses (55-passenger capacity).
- Rehabilitated 1 minibus.
- Constructed a rainwater drainage line at the main storage area to protect stored sugar from rain.
- Completed the rehabilitation and restoration of 12 apartment buildings in the residential city.
- Prepared 2 open yards to increase sugar storage capacity by 18,000 tons.
- Progressing with civil defense works in factories to obtain a permanent industrial registry.

Second: Works under Preparation for the Next 2026 Maintenance Season

New Projects:

- Installing an integrated weighbridge dumping platform equipped with a beet impurity cleaning system with a capacity of 250 tons/hour (contracted and under execution).
- Installing a slice conveyor for the RT4 diffusion apparatus to save about 3% of steam consumption.
- Feeding the factory with dry beet to eliminate water feeding, reduce unmeasured losses, and optimize energy.
- Raising the ceiling of the industrial operations building on the first line and installing an overhead crane to facilitate maintenance.
- Constructing a covered sugar warehouse with a capacity of 50,000 tons to minimize the usage of costly tarpaulins.
- Upgrading the 100-ton scale near the Alexandria gate to increase its capacity to 120 tons.
- Rehabilitating the roof of the 50,000 cubic meter water reservoir dome.

Major Overhauls Maintenance:

- Paving and rehabilitating 4,000 square meters of factory internal roads.
- Rehabilitating 2 stainless steel rotary filters on the first line.
- Replacing seed-A massecuite receiver (Norge 25) on the second line.
- Replacing 2 seed-B receivers on the second line.
- Replacing 2 massecuite receivers for continuous boiling pans (VKT) on the second line.
- Replacing massecuite mixer (C) above C-shifters on the second line.
- Rehabilitating the component balloon behind boiling pans (A, B) on the first line.
- Rehabilitating the lime mixer on the first line.
- Completing the rehabilitation of the horizontal diffusion device RT4.
- Replacing the area under the rings of horizontal diffusion device RT5 with a length of 6 meters (3m + 3m).

5 - Financial Statements

First: Statement of Financial Position as of 31-12-2025
Non-Current Assets:

- **1 - Fixed Assets:** Net fixed assets reached **791,703 Thousand EGP** on 31/12/2025 compared to 635,823 Thousand EGP last year.
- **A - Additions:** Total additions to fixed assets reached **221,282 thousand EGP** in 2025. Below are the key items:

Item / Description	Value (Thousand EGP)	Total (Thousand EGP)
Buildings and Constructions: Firefighting system room (368k) + Workers' room (3,019k) + Residential city restoration (15,422k) + Sugar storage wall (3,201k) + Warehouse side cladding (172k) + Gas cylinder store room (169k).		22,351
Machinery and Equipment		169,730
Machinery and Equipment (First Line): Electric motor (1,691k) + Emergency power system (886k) + PLC system with accessories (4,498k) + Dumping platforms (37,414k) + New platform (15,170k) + Slice heater (2,200k) + Control transformer (503k) + Injection pump (148k) + Beet sample lathe (4,601k) + Medium pressure switch (1,350k) + Overhaul (9,702k) + Complete pump (225k) + Agricultural tractor (2,453k) + Loader overhaul (752k).	79,739	
Agricultural Machinery (First Line): Agricultural tractor: EGP 2,453 K + Comprehensive overhaul of loader EGP 752K	3,203	
Workshop Machinery & Tools (First Line): Chain crane (342k) + Oil device (34k) + Charging tool (27k) + Air drill (17k) + Others.	433	
Firefighting Machinery & Equipment (First Line): 65 fire extinguishers (433k) + Fire cabinet with accessories (80k).	513	
Machinery and Equipment (Second Line): Counter conveyor addition (141k) + Pulp dryer overhaul (22,837k) + Power supply unit with accessories (1,287k) + Chemical injection pump (159k) + Diffusion device overhaul (1,128k) + Coal transport conveyor (10,898k) + Speed reducer (25,487k) + Continuous shifter overhaul (11,459k) + Radiation devices update (5,660k) + Pressure switch (3,723k) + Experts' fees (199k).	82,978	
Damietta Port Equipment: Firefighting system (2,249k) + Generator (169k) + Fire system (446k).	2,864	
Cars and Transportation		19,640
- Chevrolet pickup truck: 5 Debbah car	5,075	
- Other transport vehicles: 2 MCV buses	14,565	
Tools and Equipment:		3,613
- First Line: Press for 13 system 49 EGP thousand + 6 grinder EGP thousand + digital scale 4.9 EGP thousand + welding machine 15 EGP thousand + sewing machine + jack hydraulic 79 EGP thousand + hydraulic jack 4.4 EGP thousand + grease and lubrication pump 34.8 EGP thousand + air drill 35 EGP thousand + 2 drills 72 EGP thousand + alignment testing device 125 EGP **thousand + 2 spanners 37 EGP**	1,175	

thousand + torque wrench 147 EGP thousand + measuring device 2.1 EGP thousand		
Centerless center 5 inches	1	
- Second Line: (Bosch grinder) 7 EGP thousand + automatic oiling pump 263 EGP thousand + grinding wheel 7 EGP thousand + heavy weight measuring device 215 EGP thousand + drill 27 EGP thousand + counting scale 1260 EGP thousand + 238 EGP thousand + bulldozer + electric drill 3 EGP thousand + wheelbarrow + 17 EGP thousand	2,437	
Total Added Assets		**215,334**

Description	Value (Thousand EGP)	Total (Thousand EGP)
Brought Forward		**215,334**
Office Furniture and Equipment:		**5,948**
- Office Furniture & Equipment (Line 1)	5,232	
- Office Furniture & Equipment (Headquarters)	6	
- Office Furniture & Equipment (6th of October)	40	
- Office Furniture & Equipment (Line 2)	670	
Total		**221,282**

B - Disposals:

The total disposals of fixed assets reached **2,886 thousand Egyptian Pounds** in 2025 The key items are as follows:

Item	Value (Thousand EGP)
Machinery and Equipment: (Line 1: 406 EGPk + Line 2: 2,060 EGPk + Workshop machinery 1: 24 EGPk + Agricultural machinery: 32 EGPk + Others)	2,605
Tools and Equipment: (Line 1: 132 EGPk)	108
Vehicles and Transportation Means: (Passenger 1: 71 EGPk + Other transport: 1 EGPk + Line 2 transport trucks: 36 EGPk)	132
Furniture: (Damietta Port: 2 EGPk + Line 1 offices: 17 EGPk + Line 2 offices: 8 EGPk)	41
Total	**2,886**

2 - Projects Under Construction:

This item amounted to approximately **59,017 Thousand EGP** as of 31-12-2025, compared to 120,413 Thousand EGP in 2024, representing a decrease of 61,396 Thousand EGP. The main project items include:

Line 1 Machinery and Equipment: 55,987 Thousand EGP, broken down as:	
Major Overhaul of the Diffusion Device	13,596
Rehabilitation of the Pulp Dryer	4,151
Firefighting System	38,240
Total	**55,987**

Projects Inventory: 3,030 Thousand EGP, broken down as	
Chrome Stainless Steel Sheets	944
Steel Sheets (Plates)	2,048
Others	38
Total	**3,030**

3 - Long-Term Investments and Amounts Paid Under Investment Account:
The total value of this item reached **381,864 thousand EGP**, representing equity shares in companies as follows:

Description	Share Percentage %	Value (Thousand EGP)
Contribution to Nubaria Sugar Company	30%	150,000
Contribution to Fayoum Sugar Company	26.8%	119,441
Contribution to United Packaging Company	41%	20,090
Contribution to Egyptian Ethanol Company	5%	92,333
Total		**381,864**

During this year, the company received **320,228 thousand EGP** as returns on these investments for the year 2025, distributed as follows:

1. **Fayoum Sugar Company:** 182,744 Thousand EGP (25% has been paid).
2. **Nubaria Sugar Company:** 135,000 EGP.
3. **United Packaging Company:** 2,583 Thousand EGP (Fully collected).

Second: Current Assets:

- **Inventory and Letters of Credit:**
  This item reached approximately **7,178,926 Thousand EGP**, compared to 4,300,200 Thousand EGP in 2024, representing an increase of 2,878,725 Thousand EGP. The main components are:

Item	Amount (Thousand EGP)	Item	Amount (Thousand EGP)
Raw Materials Warehouse	204,838	Maintenance Materials & Misc. Goods Warehouse	37,048
Fuel Warehouse	66,309	Packaging Materials Warehouse	3,211
Spare Parts Warehouse	224,085	LCs for purchasing production supplies	241,331
Finished Goods Inventory (Ending)	**5,831,407**	Consignment Goods Warehouse	787,897

- **Finished Goods Inventory Details:**
  1. **Sugar:** A total quantity of 257,624.76 tons (A quantity of 248,950.32 tons, 10.85 tons packaged in 10 kg bags, and 71.41 tons packaged in 1 kg bags were valued at net realizable value in accordance with Accounting Standard No. 2 "Inventory" and Standard No. 7 "Subsequent Events") (p. 2). A quantity of 8,376 tons of sugar from the 2024 production belongs to the Holding Company and was valued at 2024 cost (p. 2). A quantity of 28

tons of non-compliant sugar, plus 170 tons for melting, were valued at less than net realizable value at melting cost (p. 2). A quantity of 18.18 tons of sugar cubes was valued at cost. Molasses quantity of 2,397.34 tons was valued at cost.

- **Consignment Goods Warehouse:**
  - A quantity of 32,829 tons of swap sugar belonging to the Sugar Company, valued at 24,000 EGP/ton.
  - A quantity of 22,968.450 tons of sugar belonging to the "Mostaqbal Misr" Project (Not valued; disclosure only).
  - A quantity of 969.540 tons of molasses belonging to the "Mostaqbal Misr" Project (Not valued; disclosure only).

2. **Customers, Debtors, and Sundry Debit Accounts:**
   The total for these items was approximately 955,053 Thousand EGP in 2024, down from 1,066,357 Thousand EGP, a decrease of 111,304 Thousand EGP.
   - **Customers:** The balance is 123,000 **EGP**.

Debtors and Debit Accounts - Main Items (Thousand EGP):

Description	Value	Description	Value
Deposits with Others (includes $4.09M; paid value 194.97M EGP; current value 207.73M EGP)	77,251	Prepaid Expenses (Factory - Center); mainly the company's share of seed costs	53,958
Large Taxpayers Center - Debit balances & claims	26,125	Employees' advances and installments	25,349
Beet Suppliers - Mechanical Cultivation (Debit Balances)	109,545	Sales Tax on Capital Goods	3,462
Suppliers (Debit Balances)	6,576	Real Estate Taxes under dispute	6,695
Withholding Taxes	51,144	The company's share in Nubaria profits	136,239
Alexandria Customs	777	The company's share in Fayoum profits	137,059
Beet Suppliers (Seeds and Pesticides)	209,871	"Mostaqbal Misr" Project - Processing for third parties	86,124

3 – Cash at Banks and On Hand:
The total value of this item reached **229,022 Thousand EGP** compared to 557,696 Thousand EGP in 2024, representing a decrease of 328,674 Thousand EGP. The main items include:

- **Cash in Current Accounts (Local & Foreign):** 226,438 Thousand EGP.
- **Cash On Hand (Treasury):** 2,584 Thousand EGP.
- ***Note: Foreign currency holdings total $2.04 Million + €0.145 Million.***

Third: Current Liabilities:

- **1 - Provisions:**
  The total reached **124,594 Thousand EGP** compared to 142,467 Thousand EGP in 2024, a decrease of 17,873 Thousand EGP. This is attributed to a decrease in

the claims provision by 32,873 thousand EGP and an increase in the beet suppliers provision by 15,000 thousand EGP.

- **2 - Suppliers and Contractors:**
  The total reached **107,103 Thousand EGP** compared to 103,297 Thousand EGP in 2024, an increase of 3,806 Thousand EGP. The main components include:

Supplier / Contractor	Value (Thousand EGP)	Supplier / Contractor	Value (Thousand EGP)
Goods Suppliers	90,692	Arabian Technology for Supplies	503
Services Suppliers	6,826	ABB Company	1,093
External Suppliers	2,332	MCI Company	491
Beet Suppliers	24	Green Bridge	379
Falcon Systems	584	Power Tech for Supplies	320
El-Roweiny Contracting Office	377	Normetic	606
Egypt Solutions	594		

Credit Accounts - Main Items (Thousand EGP):
The total credit balances amounted to **1,278,745 Thousand EGP** compared to 2,805,713 Thousand EGP in 2024, a decrease of 1,526,968 Thousand EGP. The key components are:

Description	Value	Description	Value
Customers - Credit Balances:		Commercial, Industrial Profits & Sales Taxes	3,278
The Holding Company for Food Industries	201,024	Disputed Unified Payroll Tax	24,916
The Egyptian Austrian Company	524	Health Insurance (Takaful Contribution)	23,084
Hamdanco for Trading (Feed)	102	National Social Insurance Authority	6,238
Losafur Egypt (Molasses)	167	Suspense Accounts (Center - Factory)	14,969
AD & F Mann	9,631	Sugar Company - Holding (Swap Sugar)	787,896
Other Credit Balances:		Sugar Crops Council	9,834
Insurance for Others & Contractors Deposits	21,287	Accrued Incentives and Expenses	14,969
Outstanding Checks	32,169	Private Insurance Fund	42,137
Payroll Tax, Professional Fees, & Stamp Duty	2,442	Disputed Capital Goods and Payroll Taxes	27,828
Disputed Amounts / Mechanical Cultivation	53,662	Factory Tax District Office	16,386

- **Income Tax:** The tax return for the year 2025 was prepared, resulting in tax losses.

- **Retained Earnings:** The balance of retained earnings for this year reached **973,415 Thousand EGP**, following adjustments for prior years' expenses and revenues in accordance with Article 43 of Egyptian Accounting Standard No. 5 .

Retained Earnings Statement	Value (Thousand EGP)
Retained Earnings Balance as of 31-12-2024	709,650
Add: Carried forward to the Retained Earnings account for the year 2024	381,081
Subtotal	**1,090,731**
Add: Adjustments made to prior years' revenues account during 2025	4,116
Less: Adjustments made to prior years' expenses account during 2025	-121,432
Retained Earnings Balance as of 31-12-2025	**973,415**

Related Party Transactions:

- **Egyptian Sugar and Integrated Industries Company (55.73% Shareholder):** Transactions included El-Hawamdeya Medical Center (Debit balance: 3,667.50 EGP). Machinery and Equipment Factories carried out dynamic balancing and unloading platform installation with a transaction volume of ~17 Million EGP. The Sugar Company has a credit balance of 1,008,090 EGP for seeds (paid in January), and a credit balance of 335,736 EGP in the current account. Consignment inventory includes 32,829 tons of swap sugar. Machinery and Equipment Factories' ending balance is 233,350 EGP (Debit balance).
- **Misr Insurance Company (Shareholder):** Insures all company assets; total premiums paid during the period reached **7,409,000 EGP**.
- **United Packaging Company (41% owned by Delta Sugar):** Supplies sugar bags; has a debit balance (within suppliers) of **450 EGP**.

Second: Income Statement for the Fiscal Year Ended December 31, 2025

Description	Year 2025 (Thousand EGP)	Year 2024 (Thousand EGP)
Net Sales	8,563,143	4,704,980
Agricultural Activity Revenues	12,609	10,724
Agricultural Activity Expenses	-3,877	-3,480
Processing Revenues for Third Parties	253,433	66,673
Processing Costs for Third Parties	-192,951	-48,960
Cost of Sales (Beet)	-8,584,752	-3,511,949
Revenues from Raw Sugar Refining Yield	-	1,433,277
Raw Sugar Refining Expenses	-	-192,951
Refining Costs for Third Parties	-	-1,348,686
Gross Profit	**47,605**	**1,302,579**
Investment Income	320,327	286,787
Other Income	84,274	328,827
Selling and Distribution Expenses	-15,662	-4,904
General and Administrative Expenses	-135,549	-157,368
Formed Provisions	-15,000	-
Provisions No Longer Required	-	175,000
Other Expenses	-81,178	-120,065
Financing Expenses	-730,944	-309,444
Net Profit / (Loss) Before Tax	**-526,127**	**1,500,412**
Income Tax Expense	-	-238,513
Net Profit / (Loss) for the Period from Continuing Operations	**-526,127**	**1,261,899**
Net Profit / (Loss) from Discontinued Operations (Net of Tax)	-	-
Net Profit / (Loss) for the Period	**-526,127**	**1,261,899**

Main Items of Other Income (Thousand EGP):

- **Credit Interest:** 17,355 EGPk.
- **Gain on Foreign Exchange Differences:** 37,702 EGPk.
- **Scrap Sales and Other Revenues:** 29,217 EGPk

Production Quantities and Cost of Sales Influencing the Income Statement:

1 - General Production:

Product	Year 2025 (Tons)	Year 2024 (Tons)
Beet Sugar	342,399.95	257,781.85
Beet Pulp	162,663.72	120,548.70
Beet Molasses	136,155.00	114,159.96
Refined Sugar (Internal)	-	48,032.00
Refined Molasses (Internal)	-	1,681.00

2 - Inventory Change (Thousand EGP):

Item	Year 2025	Year 2024
Beginning Inventory	3,616,637	133,494
Ending Inventory	-5,831,407	-3,616,637
Inventory Change	**-2,214,770**	**-3,483,143**

Production Cost Structure (Thousand EGP):

Cost Element	Year 2025	Year 2024
Raw Materials (Beet)	8,360,701	5,061,127
Wages	839,821	742,370
Packaging Materials	106,488	62,196
Factory Depreciation	59,998	50,574
Factory Expenses	1,432,513	1,071,682
Total Production Cost	**10,799,521**	**6,995,092**
Total Comprehensive Cost	**8,584,751**	**3,511,949**

Third: Profit Distribution Law and Regulation

The distribution of net realized profits is governed by the company’s articles of association, Companies Law No. 159 of 1981, Investment Law No. 230 of 1989, and Investment Incentives Law No. 8 of 1997.

Proposed Profit Distribution Statement for the Year 2025 (Thousand EGP):

Item	Value (Thousand EGP)	Total (Thousand EGP)
Net Profit / (Loss) for the Year	**-526,127**	
Add: Retained Earnings from Last Year	**973,415**	
Total Available for Distribution		**447,288**
Proposed Distributions		-
Balance After Distributions		**447,288**
Retained Earnings Balance Carried Forward		**447,288**

Factors Affecting Business Results and Incurred Losses of Delta Sugar Company for the Fiscal Year Ending 31-12-2025

1. Price Declines and Import Surge: Global and domestic sugar prices dropped significantly. High volumes of imported raw sugar led to an oversupply of low-cost refined sugar compared to local production costs. This severely hampered local sales velocity under continuous downward pressure on selling prices.

2. Rising Manufacturing Costs: The manufacturing cost per ton of locally produced sugar increased. This was driven by higher supply prices for traditional and mechanical sugar beet, paired with price hikes in critical production inputs following fuel price adjustments.

3. Distress Selling Below Cost: The company resorted to selling a portion of its production at prevailing market prices—which were substantially lower than actual production costs—to satisfy pressing financial obligations, primarily settling payments due to beet farmers and production supply vendors.

4. Financing Expenses Impact: Sluggish market demand and slower inventory turnover forced the company to utilize bank overdraft facilities to meet operational liabilities. This multiplied the company's financing and interest expenses during the fiscal year.

5. Inventory Revaluation Under Accounting Standards: The ongoing collapse of market prices during January and February 2026 necessitated a revaluation of the ending sugar inventory (amounting to 249,000 tons) as of 31-12-2025. Valuing inventory at these lower net realizable prices in compliance with Egyptian Accounting Standard (EAS) No. 2 "Inventory" and EAS No. 7 "Subsequent Events" heavily inflated the cost of sales figures on the Income Statement.

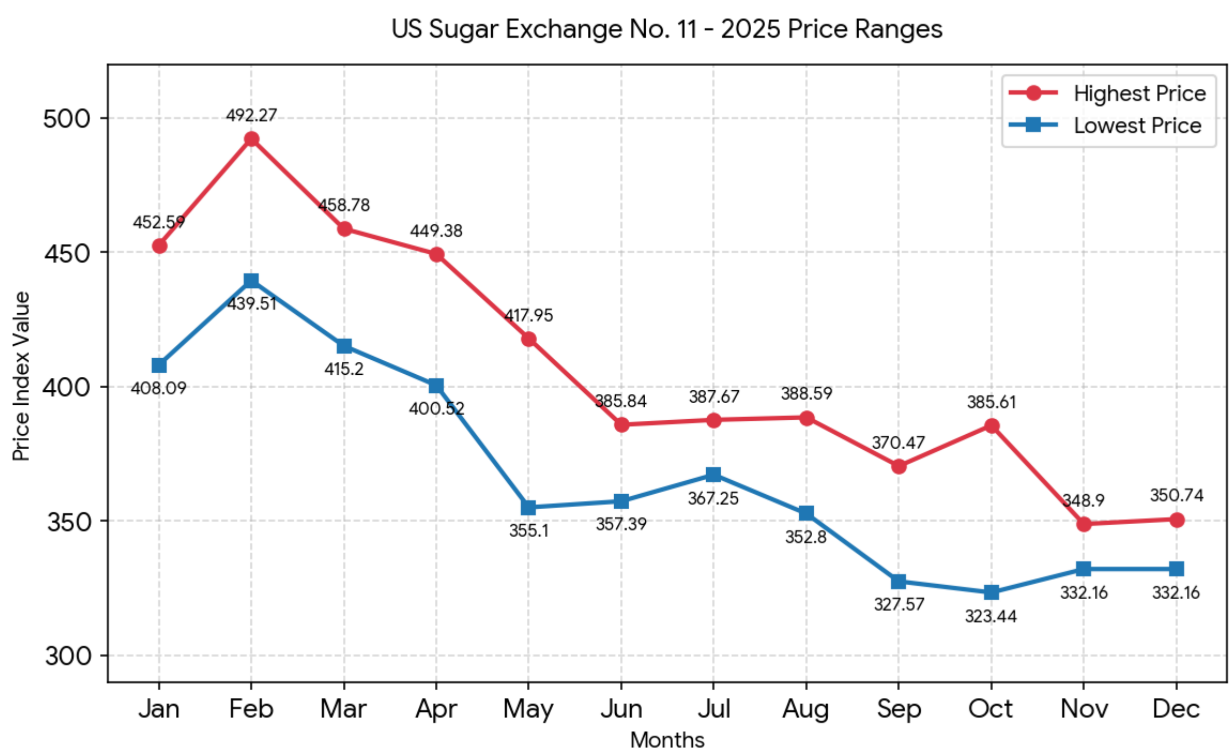
Operational Enhancements and Mitigations:

Despite these compounding challenges, operating the factory at maximum production capacity, improving sugar extraction yields, and increasing overall output volume effectively diluted the fixed expense ratio per ton This softened the severe financial hit caused by rising raw material prices (sugar beet) Concurrently, corporate sales generated from byproduct streams (beet pulp and molasses) achieved a substantial growth of **1 billion EGP** compared to the preceding year.

The Board of Directors expresses deep hope for an upcoming recovery in domestic sugar prices and looks forward to national industrial protection measures to offset these uncontrollable losses. The Board also extends its profound appreciation and gratitude to all factory and corporate employees for their exceptional performance under these force majeure events

Detailed Statement of US Sugar Exchange No. 11 Prices
For the Monthly Highest and Lowest Prices of the Year 2025:

Month	US Sugar No. 11 Contracts (Highest Price)	US Sugar No. 11 Contracts (Lowest Price)
January	452.59	408.09
February	492.27	439.51
March	458.78	415.20
April	449.38	400.52
May	417.95	355.10
June	385.84	357.39
July	387.67	367.25
August	388.59	352.80
September	370.47	327.57
October	385.61	323.44
November	348.90	332.16
December	350.74	332.16
General Average	**407.40**	**372.22**



Detailed Statement of London Sugar Exchange Prices
For the Monthly Highest and Lowest Prices of the Year 2025:

Month	London Sugar (Highest Price)	London Sugar (Lowest Price)
January	522.90	466.40
February	563.80	514.10
March	564.80	516.90
April	552.90	492.80
May	509.80	471.40
June	484.70	463.30
July	498.50	458.80
August	493.20	462.10
September	502.10	451.00
October	464.40	414.00
November	436.50	407.90
December	435.20	415.90
General Average	**502.40**	**461.21**

Fourth: Proposed Resolutions

The Company’s Board of Directors is honored to present its report on the company's activities, achievements, financial statements, and the complementary disclosures for the fiscal year ending December 31, 2025 (p. 1). The Board requests the Ordinary General Assembly of Shareholders to kindly approve the following resolutions :

1. **Board of Directors Composition:** Approve the composition of the Board of Directors in its new term for a period of 3 years starting from January 1, 2026. This includes ratifying previous resolutions effective from January 1, 2026, and approving the amendments made regarding the expert members of the Board of Directors during the year 2025
2. **Statement of Financial Position:** Ratify the Statement of Financial Position as of December 31, 2025, along with its complementary notes, the Board of Directors' report, the Corporate Governance report, the Sustainability report, and review the Auditors' report
3. **Income Statement:** Ratify the Company's Income Statement for the fiscal year ending December 31, 2025
4. **Board Attendance Allowances:** Determine the session attendance allowances and transport expenses for the members of the Board of Directors for the fiscal year ending December 31, 2026
5. **Chairman's Remuneration:** Approve the salary of the Major General Dr. / Chairman of the Board of Directors, determining his baseline salary starting from the year 2026, exclusive of in-kind benefits and other fringe benefits
6. **Discharge of Liability:** Absolute discharge and release of liability for the Chairman of the Board, the Executive Managing Director, and the members of the Board of Directors for their management during the fiscal year ending December 31, 2025
7. **Auditor Appointment & Fees:** Ratify the appointment of the Bureau of Essam Ghorab & Co. as the company’s financial auditor for the fiscal year ending December 31, 2025 Furthermore, appoint the financial auditor for the fiscal year ending December 31, 2026, and determine their professional fees in addition to the fees of the Accountability State Authority (ASA)
8. **Employee & Board Bonuses:** Review the distribution of performance and activity bonuses for the Board members and employees for the year 2025, as deemed appropriate by the General Assembly
9. **Donations Budget:** Approve an allocation of 3 Million EGP for corporate charitable donations during the year 2026, authorizing the company's management to designate the beneficiary entities
10. **Related-Party Contracts:** Review and ratify the related-party transactions (disclosure contracts) executed during the year 2025, while authorizing the Board of Directors to provisionally approve related-party contracts for the year 2026 until they are presented at the nearest General Assembly
11. **Other Business:** Discuss any other matters that the Board of Directors, the competent administrative authority, or shareholders holding 5% or more of the company's capital deem necessary to present to the General Assembly

- **Signatories:**
    - *Chief Financial Officer:* Omnia Sabry
    - *Executive Managing Director:* Eng. Samy Ahmed Abdel Mottaleb
    - *Chairman of the Board:* Major General Dr. Ahmed Zakaria Al-Zare'.