

**GADWA FOR INDUSTRIAL DEVELOPMENT COMPANY (S.A.E.)
CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025
TOGETHER WITH LIMITED REVIEW REPORT**

GADWA FOR INDUSTRIAL DEVELOPMENT COMPANY (S.A.E.)

Consolidated Interim Financial Statements For the nine months ended 30 September 2025 Contents

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Review Report

To The Board of Directors of Gadwa For Industrial Development Company (S.A.E.)

Introduction

We have reviewed the accompanying consolidated interim financial position of **Gadwa For Industrial Development Company (S.A.E.)** as of 30 September 2025, as well as the related consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Egyptian Standard on Review Engagements No. 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view, in all material respects, of the consolidated interim financial position of the entity as of 30 September 2025, and of its consolidated interim financial performance and its consolidated interim cash flows for the period then ended in accordance with Egyptian Accounting Standards.

Cairo: 26 November 2025

UHY United
Auditing, Tax, Advisory & Financial Services
37, Street 200, Maadi
Auditor
Mohamed Ahmed Abu El-Kasim

FESAA
FEST
R.A.A. 17553
EFSAR 359
United For Auditing & Taxes
(UHY – United)

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2025

	Note	30 September 2025 EGP	31 December 2024 EGP
ASSETS			
Non-current assets			
Fixed assets	(4)	1,783,737,647	1,781,321,771
Projects under construction	(5)	153,264,838	105,022,075
Right-of-use assets	(29-1)	92,646,208	102,595,414
Investments in associates	(6)	223,757,321	249,256,980
Governmental bonds		2,643,282	2,643,282
Intangible assets	(7)	608,829	49,077
Goodwill	(8)	1,040,056,540	1,040,056,540
Deferred tax assets	(25)	9,898,642	-
Total non-current assets		3,306,613,307	3,280,945,139
Current assets			
Cash on hand and at banks	(9)	1,222,343,669	1,054,516,162
Investments at fair value through profit or loss	(10)	111,379,220	9,116,791
Non-current assets held for sale	(30)	35,155,767	35,155,767
Investments at amortized cost - current	(31)	15,042,710	13,708,545
Trade and notes receivable	(11)	10,044,317,834	9,175,868,032
Due from related parties	(12-1)	55,723,386	-
Housing and development projects		141,143,253	222,997,204
Inventories	(13)	5,406,102,155	4,756,635,905
Tax authority - debit balances	(14)	652,471,115	412,441,110
Prepayments and other debit balances	(15)	1,523,969,617	1,241,540,646
Total current assets		19,207,648,726	16,921,980,162
TOTAL ASSETS		22,514,262,033	20,202,925,301
EQUITY AND LIABILITIES			
EQUITY			
Issued And Paid-up Capital	(16)	2,048,653,980	2,004,129,804
Treasury Stock	(16)	(40,053,797)	(116,483,266)
Legal reserve		53,228,669	389,437
Retained earnings		1,096,776,518	236,073,379
Profit for the period / year		563,888,892	1,144,807,723
Total equity attributable to the equity holders of the parent company		3,722,494,262	3,268,917,077
Non-controlling interests	(17)	1,562,382,822	1,424,819,313
TOTAL EQUITY		5,284,877,084	4,693,736,390
LIABILITIES			
Non-current liabilities			
Non-current portion of long-term loans	(18)	157,566,922	119,733,739
Non-current portion of lease liabilities	(29-2)	538,068,598	552,544,951
Deferred tax liabilities	(25)	-	50,157,554
Total non-current liabilities		695,635,520	722,436,244
Current liabilities			
Due to related parties	(12-2)	22,225	454,141,737
Current portion of long-term loans	(18)	6,666,664	35,748,406
Shareholders' credit balances	(19)	2,819,685	2,684,947
Credit facilities	(20)	13,010,167,318	10,871,741,357
Trade payable, contractors and notes payable	(21)	1,714,400,903	1,285,399,407
Tax authority - credit balances	(22)	251,689,943	620,524,569
Accrued expenses and other credit balances	(23)	1,339,880,342	1,222,123,692
Provisions	(24)	5,183,063	23,041,176
Current portion of lease liabilities	(29-2)	155,251,228	215,624,426
Dividends payable		47,668,058	55,722,950
Total current liabilities		16,533,749,429	14,786,752,667
TOTAL LIABILITIES		17,229,384,949	15,509,188,911
TOTAL LIABILITIES AND EQUITY		22,514,262,033	20,202,925,301

Group Chief Financial Officer


 Ahmed Hamdy Helmy

Chief Executive Officer


 Yasser Mohamed Zaki

- The accompanying notes from (1) to (36) are an integral part of these consolidated interim financial statements.
 - Limited Review Report "attached".

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025

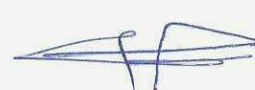
	Note	For the nine months ended 30 September 2025 EGP	For the nine months ended 30 September 2024 EGP	For the three months ended 30 September 2025 EGP	For the three months ended 30 September 2024 EGP
Operations revenue	(26)	12,257,379,963	14,439,441,052	3,162,458,445	5,336,007,069
Operations cost	(27)	(8,693,033,842)	(10,327,108,987)	(2,189,557,661)	(3,996,773,071)
GROSS PROFIT		3,564,346,121	4,112,332,065	972,900,784	1,339,233,998
General and administrative expenses		(439,117,882)	(395,775,872)	(153,543,586)	(150,801,698)
Selling, distribution, and marketing expenses		(322,151,647)	(277,747,096)	(123,793,964)	(87,583,109)
Profit share from investments in associates	(6)	19,371,015	20,806,239	8,377,831	2,915,560
Results from exclusion of a subsidiary from business combination		8,207,739	-	8,207,739	-
Investments at fair value through profit or loss valuation difference	(10)	38,817,494	1,642,343	24,252	288,223
(Loss) gain from sale of investments at fair value through profit or loss	(10)	(166,637)	1,065,380	-	2,131,993
Expected credit loss in the trade and notes receivable balance	(11)	(32,908,535)	(55,376,571)	907,981	(28,281,921)
Expected credit loss in the other debit balances	(15)	154,602	(113,500)	-	-
Provisions provided	(24)	(1,955,751)	(1,300,000)	(755,751)	(700,000)
Coupons		275,101	107,800	148,129	30,828
Return on investments in treasury bills		2,261,312	7,519,727	680,864	853,179
Other operating income		44,320,624	108,220,177	33,556,989	33,053,680
OPERATING PROFIT		2,881,453,556	3,521,380,692	746,711,268	1,111,140,733
Finance expense		(2,200,816,757)	(1,607,358,064)	(768,958,750)	(721,018,258)
Finance income		72,102,969	72,756,994	22,224,772	44,258,774
Foreign exchange differences		(3,104,650)	19,568,886	(1,861,587)	22,289,521
Gain on sale of fixed assets	(4)	24,182,692	1,922,005	23,529,086	-
PROFIT(LOSS) BEFORE INCOME TAXES		773,817,810	2,008,270,513	21,644,789	456,670,770
Income taxes	(25)	(125,439,827)	(467,491,331)	(14,273,624)	(123,369,469)
PROFIT FOR THE PERIOD		648,377,983	1,540,779,182	7,371,165	333,301,301
Attributable to:					
Equity holders of the parent company		563,888,892	1,056,097,095	17,463,167	206,087,890
Non-controlling interest	(17)	84,489,091	484,682,087	(10,092,002)	127,213,411
PROFIT FOR THE PERIOD EARNINGS PER SHARE FOR THE HOLDING COMPANY	(28)	0.55	1.00	0.02	0.19

Group Chief Financial Officer



Ahmed Hamdy Helmy

Chief Executive Officer



Yasser Mohamed Zaki



CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025

		For the nine months ended	For the nine months ended	For the three months ended	For the three months ended
	Note	30 September 2025	30 September 2024	30 September 2025	30 September 2024
		EGP	EGP	EGP	EGP
Profit for the period		648,377,983	1,540,779,182	7,371,165	333,301,301
Items related to comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		648,377,983	1,540,779,182	7,371,165	333,301,301
Attributable to:					
Equity holders of the parent company		563,888,892	1,056,097,095	17,463,167	206,087,890
Non-controlling interests	(17)	84,489,091	484,682,087	(10,092,002)	127,213,411
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		648,377,983	1,540,779,182	7,371,165	333,301,301

- The accompanying notes from (1) to (36) are an integral part of these consolidated interim financial statements.

Gadwa For Industrial Development Company (S.A.E)

 Translation Of Financial Statements
 Originally Issued in Arabic

**CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
 FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025**

	Issued And Paid-up Capital	General reserve	Treasury Stocks	Legal reserve	Splitting process adjustments	Retained earnings	Profit for the period	Total equity attributable to the equity holders of the parent company EGP	Non- controlling interest	Total equity
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Balance as of 1 January 2025	2,004,129,804	-	(116,483,266)	389,437	-	236,073,379	1,144,807,723	3,268,917,077	1,424,819,313	4,693,736,390
Transferred to legal reserve and retained earnings	-	-	-	52,839,232	-	1,091,968,491	(1,144,807,723)	-	-	-
Increase in capital for the Holding Company	85,870,196	-	-	-	-	-	-	85,870,196	-	85,870,196
Adjustments on subsidiaries retained earnings	-	-	-	-	-	(40,204,012)	-	(40,204,012)	(15,023,177)	(55,227,189)
Adjustments arising from capital increase of subsidiaries	-	-	-	-	-	-	-	-	8,592,367	8,592,367
Adjustments arising from changes in subsidiaries' ownership percentage	-	-	-	-	-	216,261,712	-	216,261,712	167,687,420	383,949,132
Treasury Stocks Purchase Holding Company	-	-	(40,053,797)	-	-	-	-	(40,053,797)	-	(40,053,797)
Treasury Stocks retirement Holding Company	(41,346,020)	-	116,483,266	-	-	(75,137,246)	-	-	-	-
Dividends distribution	-	-	-	-	-	(332,185,806)	-	(332,185,806)	(94,964,952)	(427,150,758)
Adjustments arising from exclusion of a subsidiary from business combination	-	-	-	-	-	-	-	-	(13,217,240)	(13,217,240)
Profit for the period	-	-	-	-	-	-	563,888,892	563,888,892	84,489,091	648,377,983
Balance as of 30 September 2025	2,048,653,980	-	(40,053,797)	53,228,669	-	1,096,776,518	563,888,892	3,722,494,262	1,562,382,822	5,284,877,084
Balance as of 1 January 2024	2,004,129,804	29,678,496	-	371,012	(88,916,974)	(316,784,897)	1,000,296,518	2,628,773,959	1,158,866,260	3,787,640,219
Transferred to (accumulated loss)	-	(29,678,496)	-	18,425	88,916,974	941,039,615	(1,000,296,518)	-	-	-
Adjustments on (accumulated losses)	-	-	-	-	-	(164,551,414)	-	(164,551,414)	(99,078,743)	(263,630,157)
Adjustments arising from capital increase of subsidiaries	-	-	-	-	-	(4,709,890)	-	(4,709,890)	(16,273)	(4,726,163)
Adjustments arising from changes in subsidiaries' ownership percentages	-	-	-	-	-	41,062,928	-	41,062,928	(52,645,947)	(11,583,019)
Adjustments arising from treasury stocks purchase for subsidiary	-	-	-	-	-	(5,971,618)	-	(5,971,618)	(6,165,741)	(12,137,359)
Treasury Stocks Purchase Holding Company	-	-	(102,237,012)	-	-	-	-	(102,237,012)	-	(102,237,012)
Dividends distribution	-	-	-	-	-	(155,601,810)	-	(155,601,810)	(64,202,670)	(219,804,480)
Profit for the period	-	-	-	-	-	-	1,056,097,095	1,056,097,095	484,682,087	1,540,779,182
Balance as of 30 September 2024	2,004,129,804	-	(102,237,012)	389,437	-	334,482,914	1,056,097,095	3,292,862,238	1,421,438,973	4,714,301,211

- The accompanying notes from (1) to (36) are an integral part of these consolidated interim financial statements.

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025

	Note	For the nine months ended 30 September 2025 EGP	For the nine months ended 30 September 2024 EGP
Cash flows from operating activities			
Profit for the period before income taxes and non-controlling interests		773,817,810	2,008,270,513
Depreciation of fixed assets	(4)	78,886,105	78,621,760
Amortization of intangible assets	(7)	115,137	60,507
Amortization of right-of-use assets	(29-1)	17,278,669	6,367,616
Gain on sale of fixed assets	(4)	(24,182,692)	(1,922,005)
Results from exclusion of a subsidiary from business combination	(6)	(8,207,739)	-
Expected credit loss in the trade and notes receivable balance	(11)	32,908,535	55,376,571
Expected credit loss in the other debit balances	(15)	(154,602)	113,500
Provisions provided	(24)	1,955,751	1,300,000
Investments at fair value through profit or loss valuation differences	(10)	(38,817,494)	(1,642,343)
Loss from sale of investments at fair value through profit or loss	(10)	166,637	(1,065,380)
Coupons		(275,101)	(107,800)
Return on investments in treasury bills		(2,261,312)	(7,519,727)
Profit share from investments in associates	(6)	(19,371,015)	(20,806,239)
Finance expense		2,200,816,757	1,607,358,064
Finance income		(72,102,969)	(72,756,994)
Operating profit before changes in working capital		2,940,572,477	3,651,648,043
Changes in investments at fair value through profit or loss	(10)	(489,988)	(110,367)
Changes in trade and notes receivable		(1,257,445,068)	(3,923,810,283)
Changes in housing and development projects		81,853,951	130,342,371
Changes in inventories		(649,466,250)	(1,940,243,538)
Changes in debit balances – Tax authority		(240,030,005)	(72,667,275)
Changes in prepayments and other debit balances		(282,274,369)	(396,449,744)
Changes in due to related parties		(157,521,053)	(20,463,482)
Changes in due from related parties		(55,723,386)	-
Changes in trade payable, contractors and notes payable		456,148,529	513,957,137
Changes in credit balances – Tax authority		(549,090,529)	(220,822,373)
Changes in accrued expenses and other credit balances		89,591,571	409,072,417
Provisions used	(24)	(19,813,864)	(5,102,403)
Net cash flows (used in) operating activities		356,312,016	(1,874,649,497)
Cash flows from investing activities			
Payments to acquire fixed assets	(4)	(85,097,880)	(118,624,276)
Proceeds from sale of fixed assets	(4)	68,824,803	5,805,333
Payments in projects under construction	(5)	(100,075,226)	(171,162,016)
Payments to acquire intangible assets	(7)	(674,889)	-
Payments to acquire treasury bills		(12,897,153)	(1,482,895)
Proceeds from sale of treasury bills	(31)	13,824,300	118,250,248
Coupons received		275,101	107,800
Finance income received		72,102,969	72,756,994
Net cash received from (paid in) investments in subsidiaries		383,949,132	(11,583,019)
Net cash flows provided from (used in) investing activities		340,231,157	(105,931,831)
Cash flows from financing activities			
Proceeds from credit facilities		2,130,376,095	3,658,773,789
Payments in lease liabilities		(82,179,014)	(108,564,131)
Proceeds from long term loans		8,751,441	-
Payments in long term loans		-	(5,336,919)
Changes in shareholders' – credit balances		134,738	17,300,520
Proceeds from increase in capital for the Holding Company		85,870,196	-
Non-controlling interests in capital increase of subsidiaries	(17)	8,592,367	(4,726,163)
Payments to acquire treasury shares- subsidiaries		-	(12,137,359)
Payments to purchase treasury stocks - subsidiaries		(40,053,797)	(102,237,012)
Dividends paid		(435,205,650)	(166,474,034)
Finance expense paid		(2,200,816,757)	(1,607,358,064)
Net cash flows provided from financing activities		(524,530,381)	1,669,240,627
Net change in cash and cash equivalent during the period		172,012,792	(311,340,701)
Foreign exchange difference related to cash and cash equivalent		-	33,228,652
Balances of subsidiaries excluded from consolidation		(4,185,285)	-
Cash and cash equivalent – beginning of the period	(9)	1,054,516,162	1,349,167,350
Cash and cash equivalent – end of the period	(9)	1,222,343,669	1,071,055,301

- The accompanying notes from (1) to (36) are an integral part of these consolidated interim financial statements.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025****1 BACKGROUND**

Gadwa For Industrial Development Company (S.A.E.) was established in accordance with law number (159) 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) without violating Article (27) of the Capital Market Law Number (95) of 1992 and Article (121) and Article (122) of the Executive Regulations of Law number (95) of year 1992.

The main purpose of the Company is to invest in, share and contribute, directly and indirectly in all fields of industrial investments, and the Company is allowed to have an interest or engage by any means with companies and others that practice similar businesses to its own or that may assist it in achieving its purpose in Egypt or abroad, also the Company may merge with such previous entities, purchase, or acquire in accordance with the law and its executive regulations.

The Company was registered in the Commercial Register under No. 171850 - Cairo on 5 September 2021.

The Company's registered address is: 5th Floor (above ground level), Building No. 231, Second District – Downtown Area, Fifth Settlement, New Cairo – Cairo.

The Company was registered in the Egyptian Exchange on 10 October 2021.

The Company's duration is 25 years starting from 5 September 2021.

The consolidated interim financial statements for the nine months ended 30 September 2025 were authorized for issuance in accordance with the board of directors' resolution on 26 November 2025.

Ownership percentage of the company in the following subsidiaries:

Company Name	Activity	Country	Ownership Percentage
Universal For Papers and Packing Materials Company (Unipack)*	Manufacturing packing materials and papers (S.A.E)	Egypt	37.47%
Varsal For Urban Planning Company*	Contracting and real estate investment (S.A.E)	Egypt	37.47%
Electro Cables Egypt Company	Manufacturing electrical wires and cables (S.A.E)	Egypt	71.15%
Giza Power For Manufacturing Company	Manufacturing electrical wires and cables (S.A.E)	Egypt	71.15%
Al Giza Egyptian For Distribution Company	Contracting (S.A.E)	Egypt	71.15%
G.P.I For Projects Company	Contracting (S.A.E)	Egypt	71.15%
O.M.S Cables Manufacturing Company *	Manufacturing electrical wires and cables (S.A.E)	Egypt	32.02%
G.P.I Meters Company	Manufacturing, installing, and assembling electricity, water and gas meters (S.A.E)	Egypt	59.34%
Arabian Company for Dairy Products (Arab Dairy) *	Manufacturing dairy products (S.A.E)	Egypt	44.95%
Arab Developed Company for Trade and Imports (ACTY) *	Trading (S.A.E)	Egypt	35.96%
PHC Food Company	Food & beverage (S.A.E)	Egypt	99.66%
Integrated Egyptian Company For Food Industries	Food & beverage (S.A.E)	Egypt	74.75%
El Noor Pharmaceutical Company	Pharmaceuticals (S.A.E)	Egypt	64.98%
Green Drugstore Medical Company	Pharmaceuticals (S.A.E)	Egypt	55.23%
Orange For Pharmacies Management Company	Pharmaceuticals (S.A.E)	Egypt	65.02%
Semow For Consulting Company	Financial advisors (S.A.E)	Egypt	100%
El Hessn For Consulting Company	Financial advisors (S.A.E)	Egypt	99.65%
P.F.A For Consulting Company	Financial advisors (S.A.E)	Egypt	99.99%

* The financial statements of these companies have been consolidated, although the holding company's contribution to its capital is less than 50%, however the holding company has control over the company with its ability to control the company's financial and operational policies in order to obtain benefits from its activities.

2 BASIS OF CONSOLIDATION

- The following steps are followed when preparing the consolidated financial statements:
 - a- Eliminate the carrying amount of the parent's investment in each subsidiary and the Parent Company portion of equity of each subsidiary.
 - b- Identify non-controlling interests in the profit (loss) of the consolidated subsidiaries for the reporting period.
 - c- Identify non-controlling interests in net assets of consolidated subsidiaries and are presented separately from the Parent Company's ownership interests in them.

They consist of:

 - (1) The amount of those non-controlling interests at the date of the original consolidation.
 - (2) The non-controlling interests' share of changes in equity since the date of the consolidation.
 - d- Full elimination for intergroup balances, transactions, income and expenses.

2 BASIS OF CONSOLIDATION (CONT'D)

- The financial statements of the Parent Company and its subsidiaries which are used in the preparation of the consolidated financial statements are prepared at same date.
- The consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.
- Non-controlling interests are presented in the consolidated balance sheet within equity, separately from the equity of the owners of the parent company. Also, the non-controlling interests share in the group profit or loss presented separately.
- Profit or loss and each component of OCI are attributed to the equity holders of the parent company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
- Deconsolidating subsidiaries is when the group loses control, where any remaining investment from lost subsidiary, is recognized at its fair value, at the date of losing control. Any variance is recognized as profit or loss in the parent company.

3 SIGNIFICANT ACCOUNTING POLICIES**3-1 Basis of preparation**

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

3-2 Statement of compliance

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

3-3 Changes in accounting policies

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

3-4 Lease Contracts

Contract is defined to be (or include) a lease contract based on its contents. The contract is a lease contract when or includes 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 measure 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 financial statement of profits or losses.

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.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**3-4 Lease Contracts (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 amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profits or losses.

3-5 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 rates prevailing 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.

3-6 Fixed assets

Fixed assets are stated at historical cost net of accumulated depreciation and accumulated decline in value. 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 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:

Item	Years
Telecommunications equipment	8
Computers	3-8
Furniture	4-16.7
Electrical equipment	5-8
Tools and equipment	5-8
Decorations	5-10
Vehicles	4-5
Buildings	10-40
Machinery and Equipment	4-20

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 fiscal year end.

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 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 depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profits or losses.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025****3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3-7 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as of the date of acquisition.

After initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated decline in value.

Internally generated intangible assets are not capitalized, and expenditure is reflected in the statement of profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for decline in value whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at each fiscal year end.

Intangible assets represent the computer software and the related licenses and are amortized using the straight-line method over their estimated useful lives (4 years).

3-8 Goodwill

At the acquisition date, the company recognizes goodwill acquired from business combination as an asset. Goodwill is initially measured at cost, which represents the excess of the aggregate of the consolidation transferred over the company's share in the net identifiable assets and liabilities acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impaired loss, goodwill acquired in a business combination cannot be amortized, and consequently the company makes an impairment test on the goodwill acquired annually or periodically, if there is an indication of impairment in its value.

3-9 Investments**Investments in associates**

Investments in associates are investments in entities which the company has significant influence and that is neither a subsidiary nor an interest in a joint venture, significant influence is presumed to exist when the company holds, directly or indirectly through subsidiaries 20 percent and less than 50 percent of the voting power of the investee, unless it can be clearly demonstrated that this is not the case.

Investments in associates are accounted for using the equity method and according to the equity method the investment in any associate 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.

Investments in Government bonds

Investments in government bonds are recorded at cost according to amortized cost model. In case of decline in value, the book value should be adjusted by the amount declined and charged to the statement of profit or loss in the same period for each investment separately.

Investments at fair value through profit or loss

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.

A gain or loss arising from sale of an investment at fair value through profit or loss shall be recognized in the statement of profit or loss.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025****3- SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3-10 Trade and notes receivable**

Trade and notes receivable 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 year in which it occurs.

3-11 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.

3-12 Non-current assets held for sale

Non-current assets are classified as assets for the purpose of selling, if it is expected that their book value will be recovered mainly from a sale transaction and not from continuing to use it, and this includes assets acquired in exchange for debt settlement and fixed assets that the establishment ceases to use for the purpose of selling it, and subsidiaries and sister companies acquired by the establishment for the purpose of selling it.

The asset (or the group being disposed of) shall be available for immediate sale in the condition it is in without any conditions other than the traditional and usual sale conditions for those assets. A non-current asset (or a group being disposed of) that is classified as assets non-current held for sale is measured on the basis of the book value at the date of classification or the fair value less selling costs, whichever is less.

If the sale is expected to take more than one year, the entity shall measure the selling costs at their present value, and for any increase in the present value of the selling costs arising from the passage of time, it shall be recorded in profit or loss as a financing cost.

3-13 Inventory

The inventories elements are valued as follows:

- **Raw materials and packing:** at the lower of cost (using the moving average method) or net realizable value.
- **Work in process:** at the lower of the cost of production of the latest completed phase (based on the costing sheets) or net realizable value.
- **Finished goods:** at the lower of the cost of production (based on the costing sheets) or net realizable value. Cost includes direct material, direct labour, and allocated share of manufacturing overhead and excluding borrowing cost.

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

The amount of any decline in value of inventories to net realizable value and all losses of inventories shall be recognized in cost of sales in the statement of profit or loss in the period the decline in value occurs. The amount of any reversal of any decline in value of inventories, arising from an increase in net realizable value, shall be recognized as reduction of cost of sales in the statement of profit or loss in the period in which the reversal occurs.

3-14 Borrowings

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

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by 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.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025****3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3-15 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.

3-16 Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are reviewed at the financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision should be the present value of the expected expenditures required to settle the obligation.

3-17 Related party transactions

Related parties represent associated companies, major quota holders, 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.

3-18 Taxes**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 years 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 its 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 profit or loss for the year, except to the extent that the tax arises from a transaction or an event which is recognized, in the same or a different year, directly in equity.

3-19 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 three: 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.

3 Significant Accounting Policies (Cont'd)**3-19 Revenue recognition (Cont'd)****- Revenue from contracts with customers (Cont'd)**

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.

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

- Selling goods

Revenue from selling goods is recognized when the company transfer all risks and returns to the buyer which usually happens when the goods are received and invoices are issued in case the Company is selling these goods locally, or when goods leave the factory in case exporting.

- 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.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025****3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3-19 Revenue recognition (Cont'd)****- 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.

3-20 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 fiscal year in which these expenses were incurred.

3-21 Accruals 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.

3-22 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 years, Such reversal is recognized in the statement of profit or loss.

3-23 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.

At initial recognition, the financial liabilities classified at 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 three 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.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025****3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3-23 Financial Instruments (Cont'd)****B. Classification and measurement of financial assets and liabilities (Cont'd)**

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 asset contractual conditions generate cash flows in specific dates, based on only the asset and related interest payments for the principal amount due.

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 that kind of liabilities and related derivatives representing 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 income balance recognized in accordance with the Egyptian Accounting Standard number (48).
- 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 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.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025****3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3-23 Financial instruments (Cont'd)****B. Classification and measurement of financial assets and liabilities (Cont'd)**

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 at equity.

The company valuates 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, if there is an increase in the expected credit losses. And to value if there is a material increase in credit risk, the failure to pay risk, at the 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).

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.

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 asset 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.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025****3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3-24 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 fiscal years, while the actual results may vary from those estimates.

3-25 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.

3-26 Statement of cash flows

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

3-27 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 three months after deducted banks credit balances.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025

4- FIXED ASSETS

	Land	Tele- communications equipment	Computers	Furniture	Electrical equipment	Tools and equipment	Decorations	Vehicles	Buildings	Machinery and equipment	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost											
1 January 2025	592,293,951	1,647,836	38,564,072	35,693,004	3,428,441	68,783,509	84,240,194	89,743,616	396,726,961	1,206,605,603	2,517,727,187
Additions for the period	-	4,479	5,344,314	3,692,130	466,543	2,199,660	-	304,074	25,104,914	47,981,766	85,097,880
Transferred from project under construction (Note 5)	-	-	-	-	-	-	1,032,329	1,984,956	46,544,031	2,271,147	51,832,463
Disposals for the period	-	-	(147,739)	(37,537)	-	-	-	(1,034,801)	-	(62,429,164)	(63,649,241)
Excluded from business combination	-	-	-	-	-	-	-	(12,925,002)	-	-	(12,925,002)
30 September 2025	592,293,951	1,652,315	43,760,647	39,347,597	3,894,984	70,983,169	85,272,523	78,072,843	468,375,906	1,194,429,352	2,578,083,287
Accumulated depreciation											
1 January 2025	-	(487,021)	(21,017,540)	(16,279,119)	(1,350,190)	(44,565,198)	(68,231,465)	(48,293,630)	(89,131,010)	(447,050,243)	(736,405,416)
Depreciation for the Period	-	(154,516)	(5,164,085)	(2,330,556)	(451,677)	(4,648,779)	(6,831,845)	(12,011,044)	(8,667,276)	(38,626,327)	(78,886,105)
Depreciation of disposals	-	-	81,628	37,536	-	-	-	258,419	-	18,629,547	19,007,130
Excluded from business combination	-	-	-	-	-	-	-	1,938,751	-	-	1,938,751
30 September 2025	-	(641,537)	(26,099,997)	(18,572,139)	(1,801,867)	(49,213,977)	(75,063,310)	(58,107,504)	(97,798,286)	(467,047,023)	(794,345,640)
Net book value											
As of 30 September 2025	592,293,951	1,010,778	17,660,650	20,775,458	2,093,117	21,769,192	10,209,213	19,965,339	370,577,620	727,382,329	1,783,737,647

- An amount of EGP 195,810,048 was included in fixed assets items, resulting from the reallocation of goodwill resulted from the business combination process, and the amortization of that allocated goodwill was allocated to operations cost (Note 8). The balance of the remaining allocated goodwill after amortization on 30 September 2025 amounted to EGP 144,018,708 (as of 31 December 2024, amounted to: EGP 152,196,288).

- Gain on sale of fixed assets during the period is presented as follows:

	EGP	For the nine months ended 30 September 2025 EGP
Proceeds from sale of fixed assets		68,824,803
Cost of disposed asset	(63,649,241)	
Accumulated depreciation of disposed asset	19,007,130	
Net book value of disposed asset		(44,642,111)
Gain on sale of fixed assets		24,182,692

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025

4- FIXED ASSETS (CONT'D)

	Land	Tele- communications equipment	Computers	Furniture	Electrical equipment	Tools and equipment	Decorations	Vehicles	Buildings	Machinery and equipment	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost											
1 January 2024	477,873,951	1,237,233	21,774,951	26,525,395	2,901,771	62,699,566	81,475,958	69,212,285	315,078,805	1,066,067,034	2,124,846,949
Additions for the year	114,420,000	410,603	16,772,591	7,333,946	526,670	4,549,386	51,300	21,092,243	19,310,555	86,282,445	270,749,739
Transferred from project under construction (Note 5)	47,268,540	-	25,764	1,833,663	-	1,534,557	2,712,936	2,863,066	62,337,601	59,890,285	178,466,412
Disposals	(47,268,540)	-	(9,234)	-	-	-	-	(3,423,978)	-	(5,634,161)	(56,335,913)
31 December 2024	<u>592,293,951</u>	<u>1,647,836</u>	<u>38,564,072</u>	<u>35,693,004</u>	<u>3,428,441</u>	<u>68,783,509</u>	<u>84,240,194</u>	<u>89,743,616</u>	<u>396,726,961</u>	<u>1,206,605,603</u>	<u>2,517,727,187</u>
Accumulated depreciation											
1 January 2024	-	(288,486)	(13,668,037)	(13,900,059)	(853,547)	(38,606,618)	(58,315,088)	(38,787,968)	(80,831,707)	(381,860,910)	(627,112,420)
Depreciation for the year	-	(198,535)	(7,358,737)	(2,379,060)	(496,643)	(5,958,580)	(9,916,377)	(11,846,143)	(10,025,381)	(65,343,354)	(113,522,810)
Depreciation of disposals	-	-	9,234	-	-	-	-	2,340,481	1,726,078	154,021	4,229,814
31 December 2024	<u>-</u>	<u>(487,021)</u>	<u>(21,017,540)</u>	<u>(16,279,119)</u>	<u>(1,350,190)</u>	<u>(44,565,198)</u>	<u>(68,231,465)</u>	<u>(48,293,630)</u>	<u>(89,131,010)</u>	<u>(447,050,243)</u>	<u>(736,405,416)</u>
Net book value											
As of 31 December 2024	<u>592,293,951</u>	<u>1,160,815</u>	<u>17,546,532</u>	<u>19,413,885</u>	<u>2,078,251</u>	<u>24,218,311</u>	<u>16,008,729</u>	<u>41,449,986</u>	<u>307,595,951</u>	<u>759,555,360</u>	<u>1,781,321,771</u>

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025

5- PROJECTS UNDER CONSTRUCTION

	30 September 2025	31 December 2024
	EGP	EGP
Beginning balance	105,022,075	246,267,484
Additions	100,075,226	37,221,003
Transferred to fixed assets (Note 4)	(51,832,463)	(178,466,412)
Ending Balance	153,264,838	105,022,075

6- INVESTMENTS IN ASSOCIATES

	Percentage	30 September 2025	Percentage	31 December 2024
	%	EGP	%	EGP
Aman Construction Company (L.L.C)	19.93	1,471,135	19.93	1,412,112
Al Giza General For Contracting And Real Estate Investment Company (S.A.E)	4.31	33,533,174	4.31	27,550,424
United Company For Housing And Development (S.A.E)	5.19	86,757,337	4.67	85,190,989
El Safwa For Consulting And Development Company (S.A.E)	2.50	-	2.47	63,121,584
Cairo For Housing And Real Estate Development Company (S.A.E)	1.42	67,872,716	1.42	62,074,336
El Saeed For Contracting And Real Estate Investment Company (S.A.E)	0.79	10,060,637	0.79	9,907,535
Panda for Trading and Distribution Company	22.48	24,062,322		
		223,757,321		249,256,980

* These investments were considered as an investment in associate companies due to the presence of significant influence represented in exchange in management personnel.

The company's share in the assets, liabilities and equity of associate companies is represented as follows:

Values are in (KEGP)	Non-current assets	Current assets	Current liabilities	Non-current liabilities	Capital and shareholders' equity
Aman Construction Company	20	70,548	69,102	-	1,466
Al Giza General For Contracting And Real Estate Investment Company	17,313	87,524	68,256	3,174	33,407
United Company For Housing And Development	8,013	114,679	57,031	18,724	46,937
Cairo For Housing And Real Estate Development Company	106,111	10,078	18,433	23,940	73,816
El Saeed For Contracting And Real Estate Investment Company	3,877	28,230	20,527	437	11,143
Panda for Trading and Distribution Company	2,324	16,741	11,813	125	7,127

The company's profit share from investments in associates during the period is represented as follows:

	For the nine months ended 30 September 2025	For the nine months ended 30 September 2024
	EGP	EGP
Aman Construction Company	200,240	31,344
Al Giza General For Contracting And Real Estate Investment Company	6,054,447	1,379,767
United Company For Housing And Development	9,024,108	4,119,266
El Safwa For Consulting And Development Company	-	(1,659,526)
Cairo For Housing And Real Estate Development Company	802,957	16,202,605
El Saeed For Contracting And Real Estate Investment Company	652,005	732,783
Panda for Trading and Distribution Company	2,637,258	-
	19,371,015	20,806,239

* During the period, the Company reclassified its investment in Safwa Consulting and Development Company from Investments in Associates to Investments at Fair Value Through Profit or Loss due to the absence of significant influence.

* During the period, One of the group's companies lost control over the financial and operational policies of Panda Trading and Distribution Company, Consequently, the Company remeasured the investment at fair value in accordance with the valuation report prepared by an independent financial advisor accredited by the Financial Regulatory Authority for this purpose, As a result, the Company and its investments were deconsolidated, leading to the recognition of a gain amounting to EGP 8,207,739, The investment has been classified as an investment in an associate, as significant influence continues to exist through representation on the Board of Directors,

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 2025

7- INTANGIBLE ASSETS

	30 September 2025	31 December 2024
	Software EGP	Software EGP
Cost		
Beginning balance	3,189,285	3,189,285
Additions for the period/year	674,889	-
Ending balance	3,864,174	3,189,285
Accumulated Amortization		
Beginning balance	(3,140,208)	(3,064,078)
Amortization for the period/year	(115,137)	(76,130)
Ending balance	(3,255,345)	(3,140,208)
Net Book Value at the end of the period/year	608,829	49,077

8- GOODWILL

	30 September 2025	31 December 2024
	EGP	EGP
Universal For Papers and Packing Materials Company (UNIPACK)	186,239,555	186,239,555
Electro Cable Egypt Company	354,457,677	354,457,677
Arabian Company For Dairy Products (Arab Dairy)	554,875,284	554,875,284
	1,095,572,516	1,095,572,516
The impairment in goodwill balance	(55,515,976)	(55,515,976)
	1,040,056,540	1,040,056,540

- Goodwill balances represent the difference between the book value and the group companies' share in the fair value of the investment. The company has reallocated part of the goodwill with an amount of EGP 195,810,048 on the item of fixed assets (Note 4). And during 2022 the Company conducted a fair value test of investments to determine the extent to which there is an indicator of impairment in those companies, and accordingly the Company formed an impairment of EGP 55,515,976 from the value of goodwill.

- During year 2024, the Company conducted a fair value test of investments to determine the extent to which there is an indicator of impairment in those companies, and it did not find any indication of impairment.

9- CASH ON HAND AND AT BANKS

	30 September 2025	31 December 2024
	EGP	EGP
A- Local currency		
Cash on hand	18,609,120	23,620,561
Current accounts	787,282,285	424,950,886
Term deposits (less than three months)	223,631,383	433,074,823
	1,029,522,788	881,646,270
B- Foreign currency		
Cash on hand	15,264,468	25,773,343
Current accounts	177,556,413	147,096,549
	192,820,881	172,869,892
	1,222,343,669	1,054,516,162

10- INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 September 2025	31 December 2024
	EGP	EGP
Quoted investments	953,859	903,472
Investment fund certificates	9,131,020	8,213,319
Non quoted investments	101,294,341	-
	111,379,220	9,116,791

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**10- INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

- The changes in investments at fair value through profit or loss is presented as following:

	For the nine months ended 30 September 2025	For the nine months ended 30 September 2024
	EGP	EGP
Beginning balance	9,116,791	12,950,273
Investments at fair value through profit or loss valuation differences	38,817,494	1,642,343
(Loss) from sale of investments at fair value through profit or loss	(166,637)	1,065,380
Investments transferred from subsidiaries *	63,121,584	-
Ending balance	(111,379,220)	(15,768,363)
Changes in investments at fair value through profit or loss	(489,988)	(110,367)

* During the period, the Company reclassified its investment in Safwa Consulting and Development Company from Investments in Associates to Investments at Fair Value Through Profit or Loss due to the absence of significant influence. This reclassification resulted in a gain of EGP 38,172,757, which was recognized in the statement of profit or loss.

11- TRADE AND NOTES RECEIVABLE

	30 September 2025	31 December 2024
	EGP	EGP
Trade receivable	9,518,331,041	8,932,908,859
Notes receivable	771,056,798	435,355,556
	10,289,387,839	9,368,264,415
Expected credit loss in trade and notes receivable	(245,070,005)	(192,396,383)
	10,044,317,834	9,175,868,032

The change in expected credit loss in trade and notes receivable is as following:

	For the nine months ended 30 September 2025	For the nine months ended 30 September 2024
	EGP	EGP
Beginning balance	192,396,383	113,685,693
Charged during the period	32,908,535	55,376,571
Used during the period	(749,674)	-
Adjustments	20,514,761	-
Ending balance	245,070,005	169,062,264

12- DUE FROM / TO RELATED PARTIES**12-1 DUE FROM RELATED PARTIES**

	Affiliation	30 September 2025	31 December 2024
		EGP	EGP
Pioneers Properties For Urban Development Company	Related Party	55,723,386	-
		55,723,386	-

12-2 DUE TO RELATED PARTIES

	Affiliation	30 September 2025	31 December 2024
		EGP	EGP
Cairo For Housing And Real Estate Development Co.	Associate	22,225	22,225
Flourish For Investment Company	Related Party	-	5,750,000
Pioneers Properties For Urban Development Company	Related Party	-	448,369,512
		22,225	454,141,737

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025

13- INVENTORIES

	30 September 2025	31 December 2024
	EGP	EGP
Raw materials	1,891,385,634	1,752,895,967
Finished goods	1,911,699,851	1,971,206,878
Work in process	1,260,009,466	514,958,339
Spare parts and supplies	120,607,368	105,692,770
Letters of credit	218,921,064	405,729,338
Others	3,714,632	6,388,473
	<u>5,406,338,015</u>	<u>4,756,871,765</u>
Decline in inventories value	(235,860)	(235,860)
	<u>5,406,102,155</u>	<u>4,756,635,905</u>

The change in decline in inventories value is as following:

	For the nine months ended 30 September 2025	For the nine months ended 30 September 2024
	EGP	EGP
Beginning balance	235,860	12,793,584
Charged during the period	-	-
Ending balance	<u>235,860</u>	<u>12,793,584</u>

14- TAX AUTHORITY – DEBIT BALANCES

	30 September 2025	31 December 2024
	EGP	EGP
Withholding tax	213,128,397	238,911,117
Refundable sales tax	135,824,850	113,407,124
Value added tax	303,488,773	60,092,035
Sundry	29,095	30,834
	<u>652,471,115</u>	<u>412,441,110</u>

15- PREPAYMENTS AND OTHER DEBIT BALANCES

	30 September 2025	31 December 2024
	EGP	EGP
Prepaid expenses	40,453,738	41,421,354
Exporting support fund	233,155,899	229,952,686
Advance payments to suppliers and contractors	246,870,640	169,474,077
Sundry contractors	6,222,098	236,385
Employees' custodies and petty cash	15,460,104	10,498,040
Deposits with others	444,277,195	288,445,195
Letters of guarantee and credit cover	26,558,322	27,937,133
Accrued revenue	327,777,263	1,121,866
Other debit balances	430,629,433	720,043,587
	<u>1,771,404,692</u>	<u>1,489,130,323</u>
Expected credit loss in other debit balances	(247,435,075)	(247,589,677)
	<u>1,523,969,617</u>	<u>1,241,540,646</u>

The change in expected credit loss in the other debit balances is as following:

	For the nine months ended 30 September 2025	For the nine months ended 30 September 2024
	EGP	EGP
Beginning balance	247,589,677	249,539,730
(Reversed) / Charged during the period	(154,602)	113,500
Ending balance	<u>247,435,075</u>	<u>249,653,230</u>

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**16- ISSUED AND PAID-UP CAPITAL**

As of 24 July 2021, the Extraordinary General Assembly Meeting unanimously approved the report number 534 as of 15 June 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 owners' 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. which resulted in Net shareholders' equity of Gadwa for Industrial Development (S.A.E) amounted to EGP 2,033,808,300.

Issued and paid-up capital is amounted to EGP 2,004,129,804, divided on 1054805160 shares with a face value of EGP 1.9 per share with authorized capital of EGP 10 billion.

The Commercial Register was issued on 5 September 2021.

During year 2024, the Company purchased treasury stocks in accordance with the Board of Directors resolution on 15 April 2024, and the number of treasury stocks purchased until 31 December 2024, equal to 21761063 shares, with a value of EGP 116,483,266.

On 3 June 2025, the Company's Extraordinary General Assembly decided to reduce the company's share capital from EGP 2,004,129,804 to EGP 1,962,783,784, representing a reduction of EGP 41,346,019, through the cancellation of treasury shares that had been held for more than three months, totalling 21761063 shares. The procedures were completed and recorded in the Commercial Registry on July 16, 2025

On 3 June 2025, the Company's Extraordinary General Assembly also decided to increase the company's share capital from EGP 1,962,783,784 to EGP 2,048,653,980, representing an increase of EGP 85,870,196 through the issuance of 45194840 shares at their par value. The procedures were completed and recorded in the Commercial Registry on 22 September 2025.

During the period, the company purchased treasury shares in accordance with the Board of Directors' resolution issued on 14 January 2025. The number of treasury shares purchased up to 30 September 2025 amounted to 7687000 shares, at a value of EGP 40,053,797.

The capital structure is presented as follows:

	Percentage %	Number of shares	Value EGP
Walid Mohamed Zaki	25.72	277279730	526,831,487
Abdelkader Elmohedeb And Sons Company	14.07	151658750	288,151,625
Taha Ibrahim Mostafa Mohamed Eltelbani	9.86	106344921	202,055,350
Hossam Mohamed Zaki Ibrahim	4.03	43485236	82,621,948
Hesham Ali Shoukry Hafez	6.92	74643766	141,823,155
EGYCAP Investments Ltd.	6.58	70935897	134,778,204
Nawaf bin Abdullah bin Ibrahim bin Dayel	5.01	54055782	102,705,986
Remouz Development Company	7.24	78024451	148,246,457
Other shareholders	20.57	221810404	421,439,768
Total	100.00	1078238937	2,048,653,980

17- NON-CONTROLLING INTEREST

	30 September 2025 EGP	31 December 2024 EGP
Beginning balance	1,424,819,313	1,158,866,260
Adjustments on retained earnings	(15,023,177)	(103,724,083)
Adjustments arising from capital increase of subsidiaries	8,592,367	15,996,891
Adjustments arising from changes in subsidiaries' ownership percentage	167,687,420	(43,572,271)
subsidiaries' treasury stocks purchase	-	(10,441,190)
Dividends distributed of subsidiaries	(94,964,952)	(68,176,317)
Adjustments arising from exclusion of a subsidiary from business combination	(13,217,240)	-
Non-controlling interest in consolidated statement of profit or loss	84,489,091	475,870,023
Ending balance	1,562,382,822	1,424,819,313

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**18- LONG TERM LOANS**

	30 September 2025	31 December 2024
	EGP	EGP
Loans balance	164,233,586	155,482,145
Deduct:		
Current portion	(6,666,664)	(35,748,406)
Non-current portion	<u>157,566,922</u>	<u>119,733,739</u>

- Loans granted by the bank with an interest of 1% - 3% above the CORRIDOR rate guaranteed by financial papers held by banks.

19- SHAREHOLDERS' CREDIT BALANCES

	30 September 2025	31 December 2024
	EGP	EGP
Shareholders – (Parent company)	304,655	169,917
Shareholders – (Subsidiary companies)	2,515,030	2,515,030
	<u>2,819,685</u>	<u>2,684,947</u>

20- CREDIT FACILITIES

	30 September 2025	31 December 2024
	EGP	EGP
Credit facilities – Local currency	12,902,838,977	10,705,566,720
Credit facilities – Foreign currency	107,328,341	166,174,637
	<u>13,010,167,318</u>	<u>10,871,741,357</u>

- Credit facilities granted by banks with an interest rate of 1% above the CORRIDOR rate and between 2.5% – 4% above the LIBOR rate guaranteed by notes receivable, sales orders and supplying contracts.

21- TRADE PAYABLE, CONTRACTORS, AND NOTES PAYABLE

	30 September 2025	31 December 2024
	EGP	EGP
Trade payable and contractors	1,557,670,486	1,102,750,593
Notes payable	156,730,417	182,648,814
	<u>1,714,400,903</u>	<u>1,285,399,407</u>

22- TAX AUTHORITY – CREDIT BALANCES

	30 September 2025	31 December 2024
	EGP	EGP
Tax Authority – Income tax	189,991,577	553,896,320
Tax Authority – Other taxes	61,698,366	66,628,249
	<u>251,689,943</u>	<u>620,524,569</u>

23- ACCRUED EXPENSES AND OTHER CREDIT BALANCES

	30 September 2025	31 December 2024
	EGP	EGP
Accrued expenses	141,805,923	115,471,220
Deposits from others	155,799,165	168,226,321
Advances from customers	512,175,312	443,906,945
Social Insurance Authority	8,539,592	6,515,892
Union of occupants	5,244,000	5,244,000
Accrued construction cost	8,315,221	6,207,926
Other credit balances	507,122,537	464,712,910
	<u>1,339,001,750</u>	<u>1,210,285,214</u>
Accrued interest	878,592	11,838,478
	<u>1,339,880,342</u>	<u>1,222,123,692</u>

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**24- PROVISIONS**

	1 January 2025 EGP	provided during the period EGP	Used during the period EGP	30 September 2025 EGP
Provision for liabilities	23,041,176	1,955,751	(19,813,864)	5,183,063
	<u>23,041,176</u>	<u>1,955,751</u>	<u>(19,813,864)</u>	<u>5,183,063</u>

25- INCOME TAXES**INCOME TAX EXPENSE**

	For the nine months ended 30 September 2025 EGP	For the nine months ended 30 September 2024 EGP
Current income tax	179,864,491	477,720,840
Return on treasury bills tax	452,262	560,507
Deferred income tax – (asset)	(54,876,926)	(10,790,016)
Income tax expense	<u>125,439,827</u>	<u>467,491,331</u>

DEFERRED INCOME TAX

	30 September 2025 EGP	31 December 2024 EGP
Beginning balance – liability	50,157,554	131,293,860
Deferred income tax – (revenue) / expense	(54,876,926)	45,186
Adjustments	(4,615,821)	(81,181,492)
Balances of subsidiaries excluded from business combination	(563,449)	-
Ending balance – (asset) / liability	<u>(9,898,642)</u>	<u>50,157,554</u>

26- OPERATIONS REVENUE

	For the nine months ended 30 September 2025 EGP	For the nine months ended 30 September 2024 EGP
Electrical cables revenue	7,403,673,034	9,860,586,759
Dairy products revenue	1,873,700,948	2,161,118,576
Packing and packaging revenue	1,037,370,068	1,053,542,277
Retail revenue	526,118,683	526,673,508
Medical services revenue	6,403,412	2,769,529
Real estate & contracting revenue	1,410,113,818	834,750,403
	<u>12,257,379,963</u>	<u>14,439,441,052</u>

27- OPERATIONS COST

	For the nine months ended 30 September 2025 EGP	For the nine months ended 30 September 2024 EGP
Electrical cables cost	5,096,405,516	6,914,179,375
Dairy products cost	1,576,753,990	1,575,449,442
Packing and packaging cost	861,741,042	853,147,141
Retail cost	340,704,023	325,288,441
Medical services cost	2,351,926	1,017,228
Real estate & contracting cost	815,077,345	658,027,360
	<u>8,693,033,842</u>	<u>10,327,108,987</u>

28- EARNING PER SHARE

Earnings per share is calculated by dividing the equity holders of the parent company share in profit for the period by weighted average number of outstanding shares, as follows:

	For the nine months ended 30 September 2025 EGP	For the nine months ended 30 September 2024 EGP
Profit for the period attributable to equity holders of the parent company	563,888,892	1,056,097,095
Weighted average number of outstanding shares during the period	1028087623	1054552215
Earnings per share for the period	<u>0.55</u>	<u>1.00</u>

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025

29- LEASE CONTRACTS

1- RIGHT-OF-USE ASSETS

	Buildings EGP	Land EGP	Vehicles EGP	Total EGP
Cost				
1 January 2025	68,056,864	35,797,690	38,177,691	142,032,245
Additions	-	-	7,329,463	7,329,463
30 September 2025	<u>68,056,864</u>	<u>35,797,690</u>	<u>45,507,154</u>	<u>149,361,708</u>
Accumulated Amortization				
1 January 2025	(25,631,199)	(6,711,009)	(7,094,623)	(39,436,831)
Amortization for the period	(9,055,830)	(1,142,479)	(7,080,360)	(17,278,669)
30 September 2025	<u>(34,687,029)</u>	<u>(7,853,488)</u>	<u>(14,174,983)</u>	<u>(56,715,500)</u>
Net Book Value				
As of 30 September 2025	<u>33,369,835</u>	<u>27,944,202</u>	<u>31,332,171</u>	<u>92,646,208</u>
Cost				
1 January 2024	56,400,940	35,797,690	5,387,691	97,586,321
Additions for the year	11,655,924	-	32,790,000	44,445,924
31 December 2024	<u>68,056,864</u>	<u>35,797,690</u>	<u>38,177,691</u>	<u>142,032,245</u>
Accumulated Amortization				
1 January 2024	(18,447,015)	(5,187,703)	(4,292,438)	(27,927,156)
Amortization for the year	(7,184,184)	(1,523,306)	(2,802,185)	(11,509,675)
31 December 2024	<u>(25,631,199)</u>	<u>(6,711,009)</u>	<u>(7,094,623)</u>	<u>(39,436,831)</u>
Net Book Value				
As of 31 December 2024	<u>42,425,665</u>	<u>29,086,681</u>	<u>31,083,068</u>	<u>102,595,414</u>

2- LEASE LIABILITIES

	Operating Lease Contracts EGP	Financial Lease Contracts EGP	30 September 2025 EGP
Lease liabilities balance	67,718,666	625,601,160	693,319,826
deduct:			
Current portion	(13,788,039)	(141,463,189)	(155,251,228)
Non-current portion	<u>53,930,627</u>	<u>484,137,971</u>	<u>538,068,598</u>
	Operating Lease Contracts EGP	Financial Lease Contracts EGP	31 December 2024 EGP
Lease liabilities balance	77,415,023	690,754,354	768,169,377
deduct:			
Current portion	(19,683,350)	(195,941,076)	(215,624,426)
Non-current portion	<u>57,731,673</u>	<u>494,813,278</u>	<u>552,544,951</u>

- Financial lease liabilities represent lease liability balances of Electro Cables Egypt Company (S.A.E.) amounted to EGP 470,618,360 and the Arabian Company For Dairy Products (Arab Dairy) (S.A.E) amounted to EGP 154,982,800, which resulted from the sale and leaseback contracts of assets that were originally owned by the companies and will regain its ownership at the end of the contracts by the amount of EGP 1 each.

30- NON-CURRENT ASSETS HELD FOR SALE

Non-traded assets for sale are the value of assets (Land, real estate and spare parts) worth EGP 48,544,167, registered at net sales value which includes EGP 46,845,700, value of assets received from a customer (Land and real estate) in repayment of part of the debt owed to him by which an authorized resident was assessed and whose ownership is being transferred to the Company which the Company's management wants to dispose of within one year and was settled and listed as assets for sale in accordance with paragraph 6 of Egyptian Accounting Standard (32) during the fourth quarter of 2022 The marketing process was initiated at the suitable price in accordance with the Company's plan to sell it.

During 2023, some of those assets were sold at a value of EGP 5,160,000, and the company reallocated part of those assets with an amount of EGP 8,228,400 to fixed assets items (Land) (Note 4), which makes the balance EGP 35,155,767, and the rest of the assets are being marketed during the current period.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025**31- INVESTMENTS AT AMORTIZE COST – CURRENT****Treasury Bills – Less Than One Year**

	30 September 2025	31 December 2024
	EGP	EGP
Par value	30,500,000	137,474,999
Deferred returns	(1,005,028)	(733,806)
Taxes on return on treasury bills	(627,962)	(199,070)
Sales during the period / year	(13,824,300)	(122,833,578)
Present value	15,042,710	13,708,545

32- TAX POSITION

Gadwa For Industrial Development Company (S.A.E) and its subsidiaries are subject to income tax. Income tax is calculated for each company. The income tax balance shown in the consolidated statement of profit or loss represents the total income tax for the nine months ended 30 September 2025.

33- FINANCIAL INSTRUMENTS RISK MANAGEMENT

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 debit balances), the financial liabilities include (customers – credit balances, credit facilities, trade payable, contractors, notes payable, loans, and creditors, due to related parties, tax liabilities, shareholders' credit balances, accrued expenses and other credit balances).

Note (3) in the accompanying notes of the consolidated interim financial statements includes the accounting policies applied concerning the recognition and measurement of significant financial instruments & the related revenues & expenses.

Fair value of financial instruments

In accordance with the valuation principles used in the valuation of the Company's assets and liabilities stated in note (3), the fair values of financial assets and liabilities are not materially different from their carrying amounts at the financial position date.

Interest rate risk

The Company monitors the maturity structure of assets and liabilities with the related interest rates.

Foreign Currency Risk

The foreign currency risk is the risk that the value of the inflows and outflows in foreign currencies, as well as, valuation of assets and liabilities in foreign currencies, will fluctuate due to changes in foreign currency exchange rates.

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.

Liquidity risk

The Company's 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.

Cash flows risk related to the interest rate

The risk of interest rate cash flows is the risk of changes in future cash flows due to changes in interest rates. The Company seeks to reduce that risk by relying on cash flows from operating activities.

Capital Management

The main purpose of the capital management is to ensure that the Company maintain a proper percent of the capital to support its business and to achieve the maximum increase for the shareholders.

The Company manages the capital structure and adjust it in considerations to the changes in the business environment. There were no changes in the Company goals, policies and operations for the nine months ended 30 September 2025 and the year ended 31 December 2024.

34- 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 fiscal year are indicated below:

Decline in trade and other receivables value

An estimate of the collectible amount of trade and other receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2025****34- KEY SOURCES FOR UNCERTAIN ESTIMATES (CONT'D)****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 years.

35- SIGNIFICANT EVENTS

- A. On April 17, 2025, the Monetary Policy Committee of the Central Bank of Egypt decided to reduce the credit and discount rate by 225 basis points to 25.50%. On May 22, 2025, the Central Bank of Egypt's Discretionary Policy Committee decided to reduce the credit rate by 100 basis points to 24.50%. On August 28, 2025, the Monetary Policy Committee decided to further reduce the credit and discount rate by 200 basis points to 22.50%. On October 2, 2025, the Committee decided to reduce the credit and discount rate again by 100 basis points to 21.50%. The company is currently studying the impact of these changes on its future financial statements.
- B. On May 22, 2025, the Monetary Policy Committee of the Central Bank of Egypt decided to reduce the key policy rates by 100 basis points, bringing the overnight deposit rate, the overnight lending rate, and the main operation rate to 24.00%, 25.00%, and 24.50%, respectively. The Committee also decided to cut the credit and discount rate by 100 basis points, bringing it to 24.50%.
- C. On August 28, 2025, the Monetary Policy Committee of the Central Bank of Egypt decided to reduce the overnight deposit rate, the overnight lending rate, and the rate of the Central Bank's main operation by 200 basis points to 22%, 23%, and 22.5%, respectively. The Committee also decided to cut the credit and discount rate by 200 basis points to reach 22.5%.

36- SUBSEQUENT EVENTS:

- A. On October 2, 2025, the Monetary Policy Committee of the Central Bank of Egypt decided to reduce the overnight deposit rate, the overnight lending rate, and the rate of the Central Bank's main operation by 100 basis points to 21.00%, 22.00%, and 21.50%, respectively. The Committee also decided to cut the credit and discount rate by 100 basis points to reach 21.50%. This decision reflects the Committee's assessment of the latest inflation developments and its outlook since the previous meeting.