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١ شارع وادى النيل
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القاهره - جمهورية مصر العربية
ص.ب : ١١٠ / ١٢٦٥٥

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القاهرة في ١٥ نوفمبر ٢٠٢٦

السيد الأستاذ/ أحمد حسين العزب
نائب الرئيس التنفيذي المالي
شركة مدينة نصر للاسكان والتعمير – ش.م.م.
٤ شارع يوسف عباس – المنطقة الثانية
مدينة نصر - القاهرة

تحية طيبة .. وبعد

الموضوع: القوائم المالية المجمعة للشركة عن الفترة المالية المنتهية في ٣٠ سبتمبر ٢٠٢٦

يسرنا أن نرفق لكم طيه عدد (٦) نسخة (عدد ٣ نسخ باللغة العربية، عدد ٣ نسخ باللغة الإنجليزية) من القوائم المالية المجمعة لشركتكم الموقرة عن الفترة المالية المنتهية في٣٠ سبتمبر ٢٠٢٦ مع تقريرينا عليها.

برجاء التوقيع على نسخة واحدة من القوائم المالية المجمعة المنوه عنها أعلاه باللغتين العربية والإنجليزية وإعادتهما إلينا للحفظ.

وتفضلوا بقبول فائق الاحترام،،،

تامر مهيا – شريك

مدينة مصر - خطاب تسليم سبتمبر ٢٠٢٦
MAA

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MADINET MASR FOR HOUSING AND DEVELOPMENT - S.A.E.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND LIMITED REVIEW REPORT THEREON

AT 30 SEPTEMBER 2026

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Translation of the Report originally issued in Arabic

LIMITED REVIEW REPORT ON THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF MADINET MASR FOR HOUSING AND DEVELOPMENT - S.A.E.

Introduction

We have carried out a limited review of the accompanying interim consolidated financial statements of Madinet Masr for Housing and Development - S.A.E. which comprise of the interim consolidated financial position as of 30 September 2026 and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our limited review.

Scope of Limited Review

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

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the interim consolidated financial position of Madinet Masr for Housing and Development - S.A.E. as of 30 September 2026, and its interim consolidated financial performance and its interim consolidated cash flows for the nine months then ended, in accordance with Egyptian Accounting Standards.

BDO Khaled & Co. BDO Public Accountants & Advisors

Hamdy Youssef
Member of CPA
Fellow of ESAA
RAA No. 7242
FRA No. 404

Cairo, 12 November 2026

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Madinet Masr for Housing and Development - S.A.E.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2026

	Note	*30/9/2026* *L.E.*	*31/12/2025* *L.E.*
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	4	303,000,294	205,910,651
Right of use assets	24	103,394,900	130,733,083
Assets under constructions	5	889,141,970	435,075,209
Amounts paid on account of investments in subsidiaries	6/1	164,747,605	87,330,229
Financial assets at amortized cost	6/2	1,636,889	1,636,889
Financial assets at fair value through other comprehensive income	6/3	13,681,317	8,681,317
Investment properties	6/4	1,724,563,248	1,722,591,722
Notes receivables (Net)	10	3,240,076,460	2,628,049,687
Restricted bank deposits		89,324,554	86,574,542
Debtors and other debit balances	12/1	161,724,236	153,435,657
Total Non-Current Assets		6,691,291,473	5,460,018,986
CURRENT ASSETS			
Inventories	7	78,164,017	68,655,032
Work in progress	8	15,285,138,084	12,531,241,668
Finished properties	9	79,404,564	302,922,534
Investment properties available for sale	39	415,218,562	254,982,560
Short term notes receivable (Net)	10	3,851,865,700	3,361,860,438
Trade receivables	10	903,799,864	492,783,795
Advances to trade payables	11/a	8,643,548,973	6,420,918,264
Debtors and other debit balances	12/2	11,162,664,722	8,625,790,971
Investments at fair value through profit or loss	6/5	4,656,677	4,075,590
Financial assets of amortized cost - Treasury bills	6/6	3,624,372,124	2,960,727,238
Residential complexes management, operation and maintenance	22	-	42,074,733
Contracts assets		170,755,403	149,769,188
Cash and bank balances	13	3,372,481,532	2,569,151,865
Total Current Assets		**47,592,070,222**	**37,784,953,876**
Total Assets		**54,283,361,695**	**43,244,972,862**
EQUITY AND LIABILITIES			
Equity			
Issued and paid-up capital	18	2,135,000,000	2,135,000,000
Treasury shares		(301,803,863)	(386,757,569)
Legal reserve		787,342,754	620,672,378
Retained earnings		7,999,784,302	5,722,951,947
Net profit for the year		1,812,455,101	3,611,782,137
Employees and executives' shares option plan		124,927,009	113,050,000
Change in fair value of financial assets through other comprehensive income		6,573,022	6,573,022
Investment properties revaluation surplus at fair value (Net)		627,246,167	627,246,167
Shareholders' equity of parent		**13,191,524,492**	**12,450,518,082**
Non-controlling interest	19	**176,937,977**	**170,049,431**
Total Equity		**13,368,462,469**	**12,620,567,513**

The attached notes 1 to 45 form part of these interim consolidated financial statements.

Madinet Masr for Housing and Development – S.A.E.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION – *Continued*

At 30 September 2026

	Note	*30/9/2026* *L.E.*	*31/12/2025* *L.E.*
NON-CURRENT LIABILITIES			
Term loans	20	4,008,640,205	3,023,750,060
Lease liability	36	71,284,026	98,802,100
Deferred tax liabilities	35	82,824,761	62,919,554
Total Non-Current Liabilities		4,162,748,992	3,185,471,714
CURRENT LIABILITIES			
Advance payments – Customers	14	26,849,833,277	18,189,114,478
Provisions	15	292,028,618	311,897,744
Trade payables	11/b	2,251,709,157	1,469,632,455
Infrastructure completion liabilities	16	445,310,785	847,797,263
Dividends payable		81,446,218	69,698,903
Creditors and other credit balances	17	2,104,205,429	2,094,299,654
Creditors of management, option and maintenance of residential compounds	22	74,303,509	-
Current portion of long-term loans	20	245,144,351	269,366,750
Short term loans	21/1	3,160,379,827	2,396,583,156
Credit banks (credit facilities)	21/2	348,663,881	260,034,800
Lease liability	36	34,849,406	32,398,797
Land development liability	42	372,255,951	372,255,951
Income tax		492,019,825	1,125,853,684
Total Current Liabilities		36,752,150,234	27,438,933,635
Total Liabilities		40,914,899,226	30,624,405,349
Total Equity and Liabilities		54,283,361,695	43,244,972,862

Limited Review Report "attached"

Senior Vice President - Finance	President & CEO	Chairman
Mr. Ahmed Hussein Elazab	**Eng. Mohamed Abdallah Sallam**	**Eng. Mohamed Hazem Barakat**

The attached notes 1 to 46 form part of these interim consolidated financial statements.

Madinet Masr for Housing and Development – S.A.E.

INTERIM CONSOLIDATED STATEMENT OF INCOME

At 30 September 2026

	Note	*From 1/1/2026 to 30/9/2026* L.E.	*From 1/1/2025 to 30/9/2025* L.E.	*From 1/7/2026 to 30/9/2026* L.E.	*From 1/7/2025 to 30/9/2025* L.E.
Net revenue	25-A	8,133,847,230	7,378,177,037	2,999,026,792	2,588,509,277
Less:					
Cost of revenue	25-B	(3,948,789,665)	(2,511,023,052)	(1,504,888,853)	(841,636,762)
Gross Profit		**4,185,057,565**	**4,867,153,985**	**1,494,137,939**	**1,746,872,515**
Less:					
Selling and marketing expenses	26	(1,287,582,089)	(1,348,736,276)	(362,378,559)	(237,139,110)
General and administrative expenses	27	(650,717,229)	(344,121,010)	(175,304,234)	(112,113,957)
Management of the residential compound expenses & other operating expenses	28	(69,431,341)	(76,317,762)	(29,555,664)	(30,540,039)
Provisions provided	15	(57,276,095)	(68,434,304)	(6,820,698)	(23,058,682)
Finance cost	29	(577,235,464)	(504,068,488)	(206,878,757)	(178,662,888)
Impairment of financial investments at fair value		-	(219,200)	-	-
Expected credit loss provided		(79,232,706)	(29,686,643)	(22,686,947)	(7,673,275)
Add:					
Reversal of provisions	15	70,088,206	-	316,104	-
Finance income	30	740,920,338	560,697,588	288,207,454	226,639,412
Relevant to activity income	31	185,864,052	134,203,884	70,076,726	71,069,308
Operating profit		**2,460,455,237**	**3,190,471,774**	**1,049,113,364**	**1,455,383,284**
Dividend distributions from financial assets at fair value through other comprehensive income		355,556	-	-	-
Return on financial assets at amortized cost		41,716	1,069,921	-	1,069,921
Other expenses	32	(88,594,708)	(73,340,699)	(21,952,275)	(23,069,329)
Net profit for the period before tax		**2,372,257,801**	**3,118,200,996**	**1,027,161,089**	**1,433,383,876**
Income tax		(463,996,582)	(701,062,705)	(221,279,712)	(332,070,285)
Deferred tax	35	(84,188,219)	(63,451,001)	(8,020,688)	(30,985,203)
Net profit for the period		**1,824,073,000**	**2,353,687,290**	**797,860,689**	**1,070,328,388**
Add: Non-controlling interest		(11,617,899)	(2,842,594)	(7,495,280)	(1,000,167)
Shareholders' equity of parent	33	**1,812,455,101**	**2,350,844,696**	**790,365,409**	**1,069,328,221**
Earnings per share for the period	38	0.755	0.983		

Senior Vice President - Finance	President & CEO	Chairman
Mr. Ahmed Hussein Elazab	**Eng. Mohamed Abdallah Sallam**	**Eng. Mohamed Hazem Barakat**

The attached notes 1 to 46 form part of these interim consolidated financial statements.

Madinet Masr for Housing and Development – S.A.E.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

At 30 September 2026

	From 1/1/2026 to 30/9/2026 L.E.	*From 1/1/2025 to 30/9/2025 L.E.*	*From 1/7/2026 to 30/9/2026 L.E.*	*From 1/7/2025 to 30/9/2025 L.E.*
Net profit for the period	1,824,073,000	2,353,687,290	797,860,689	1,070,328,388
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**1,824,073,000**	**2,353,687,290**	**797,860,689**	**1,070,328,388**
Shareholders' equity of parent	1,812,455,101	2,350,844,696	790,365,409	1,069,328,221
Non-controlling interest	11,617,899	2,842,594	7,495,280	1,000,167
Shareholders' equity of parent	1,824,073,000	2,353,687,290	797,860,689	1,070,328,388

Ahmed El Azab		
Senior Vice President Finance	**President & CEO**	**Chairman**
Mr. Ahmed Hussein Elazab	**Eng. Mohamed Abdallah Sallam**	**Eng. Mohamed Hazem Barakat**

The attached notes 1 to 46 form part of these interim consolidated financial statements.

Madinet Masr for Housing and Development – S.A.E.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

At 30 September 2026

	Issued and paid-up capital L.E.	*Legal reserve* L.E.	*Treasury Shares* L.E.	*Retained earnings* L.E.	*Net profit for the period* L.E.	*Employees & executives shares option plan* L.E.	*Change in fair Value of financial assets through OCI* L.E.	*Investment properties revaluation surplus at fair value* L.E.	*Total* L.E.	*Non-controlling interest* L.E.	*Total* L.E.
Balance at 1 January 2025	2,135,000,000	479,260,291	-	3,850,468,071	2,914,125,251	98,350,000	6,298,222	452,666,480	9,936,168,315	134,774,834	10,070,943,149
Treasury shares	-	-	(386,757,569)	-	-	-	-	-	(386,757,569)	-	(386,757,569)
Transfer to retained earnings	-	-	-	2,914,125,251	(2,914,125,251)	-	-	-	-	-	-
Transfer to legal reserve	-	141,412,087	-	(141,412,087)	-	-	-	-	-	-	-
Dividends declared 2024	-	-	-	(900,229,288)	-	-	-	-	(900,229,288)	(3,616,924)	(903,846,212)
Comprehensive income for the period	-	-	-	-	2,350,844,696	-	-	-	2,350,844,696	2,842,594	2,353,687,290
Revaluation of the reward and incentive system shares	-	-	-	-	-	11,550,000	-	-	11,550,000	-	11,550,000
Balance at 30 September 2025	**2,135,000,000**	**620,672,378**	**(386,757,569)**	**5,722,951,947**	**2,350,844,696**	**109,900,000**	**6,298,222**	**452,666,480**	**11,011,576,154**	**134,000,504**	**11,145,576,658**
Balance at 1 January 2026	2,135,000,000	620,672,378	(386,757,569)	5,722,951,947	3,611,782,137	113,050,000	627,246,167	6,573,022	12,450,518,082	170,049,431	12,620,567,513
Treasury shares dividends(*)	-	-	386,757,569	(385,722,168)	-	-	-	-	1,035,401	-	1,035,401
Acquisition of Treasury Shares(**)	-	-	(301,803,863)	-	-	-	-	-	(301,803,863)	-	(301,803,863)
Transfer to retained earnings	-	-		3,611,782,137	(3,611,782,137)	-	-	-	-	-	-
Transfer to legal reserve	-	166,670,376		(166,670,376)	-	-	-	-	-	-	-
Dividends declared 2025	-	-	-	(782,557,238)	-	-	-	-	(782,557,238)	(4,729,453)	(787,286,691)
Paid-in capital in subsidiaries by non-controlling interest	-	-	-	-	-	-	-	-	-	100	100
Profit for the Period	-	-	-	-	1,812,455,101	-	-	-	1,812,455,101	11,617,899	1,824,073,000
Revaluation of the reward and incentive system shares	-	-	-	-	-	11,877,009	-	-	11,877,009	-	11,877,009
Balance at 30 September 2026	**2,135,000,000**	**787,342,754**	**(301,803,863)**	**7,999,784,302**	**1,812,455,101**	**124,927,009**	**627,246,167**	**6,573,022**	**13,191,524,492**	**176,937,977**	**13,368,462,469**

(*) A total of 85,400,000 treasury shares were distributed to shareholders on 9 March 2026 in accordance with the resolution of the Ordinary General Assembly held on 15 February 2026.

(**) A total of 38,300,000 treasury shares were repurchased up to 30 September 2026.

Senior Vice President - Finance	**President & CEO**	**Chairman**
Mr. Ahmed Hussein Elazab	**Eng. Mohamed Abdallah Sallam**	**Eng. Mohamed Hazem Barakat**
Ahmed ElAzab		

The attached notes 1 to 46 form part of these interim consolidated financial statements.

Madinet Masr for Housing and Development – S.A.E.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

At 30 September 2026

	Note	*30/9/2026* L.E.	*30/9/2025* L.E.
OPERATING ACTIVITIES			
Net profit for the period before tax		2,372,257,801	3,118,200,996
Adjustments for:			
Depreciation of fixed assets and investment properties	4	31,758,286	15,907,363
Amortization of right of use assets	24	41,171,922	33,084,998
Provisions	15	57,276,095	68,434,304
Expected credit loss reversal (Net)		79,232,706	29,686,643
Return on financial assets at amortized cost		(41,716)	(1,069,921)
(Losses)/Gains on foreign currencies	31/32	(34,211,843)	19,937,877
Accrued financing expenses	29	577,235,464	504,068,488
Reversal of provisions no longer required	15	(70,088,206)	
Dividends income from financial assets at fair value through other comprehensive income		(355,556)	
Reversal of impairment of financial assets			219,200
		3,054,234,953	**3,788,469,948**
Work in progress, Finished properties and material		(2,723,081,179)	(3,420,579,315)
Notes and Trade receivables, trade payables debit balance, debtors of compound facilities management		(6,230,783,195)	(3,875,029,716)
Trade payables, suppliers, advance payments from customers for undelivered unites, and projects' advance payment infrastructure completion liabilities		9,011,651,453	6,755,557,454
Used provisions	15	(7,057,015)	(52,423,983)
Dividends paid to Board of Directors and employees		(455,289,376)	(312,012,765)
Payments for the purchase of non-current restricted bank deposits		(2,750,012)	(4,321,580)
Income tax paid		(1,162,113,449)	(939,877,604)
Finance expenses paid		(538,672,119)	(451,679,135)
Net cash from operating activities		**946,140,061**	**1,488,103,304**
INVESTING ACTIVITIES:			
Payments for purchase of fixed assets and fixed assets under construction	4, 5	(582,914,690)	(170,034,724)
Return on financial assets at amortized cost		-	-
Payments under investment in subsidiaries		(77,417,377)	-
			-
Purchase of investments at fair value through other comprehensive income		(5,000,000)	-
Income from financial assets at fair value through other comprehensive income		355,556	(87,160,880)
Income from financial assets at amortized cost		41,716	-
Purchase of treasury bills with a maturity of more than 90 days		-	(20,000,000)
Net cash (used in) investing activities		**(664,934,795)**	**(277,195,604)**
FINANCING ACTIVITIES:			
Dividends to shareholders		(320,250,000)	(258,625,000)
Treasury shares		(301,803,863)	(386,757,569)
Non-controlling interests		100	-
Payments of lease liabilities		(38,901,204)	(36,760,886)
Proceeds from long term loans		1,188,063,540	1,175,519,465
Payments for long term loans	20	(227,395,794)	(370,846,423)
Payments for short term loans		(540,975,496)	-
Proceeds from short term loans		1,304,772,167	692,663,819
Net cash from financing activities		**1,063,509,450**	**815,193,406**
Change in cash and cash equivalents during the period		1,344,714,716	2,026,101,106
Cash and cash equivalents at the beginning of the period		5,253,919,893	3,452,533,218
(Losses)/Gains on foreign exchange	31/32	34,211,843	(19,937,877)
		6,632,846,452	5,458,696,447
Less:			
Restricted time deposits against letters of guarantee		(10,000,000)	(12,476,880)
Restricted treasury bills	6/6	(16,116,600)	(16,116,600)
Restricted investment certificates against letters of guarantee (Note 6/4)		(487,000)	(487,000)
Cash and cash equivalents at the end of the period	21	**6,606,242,852**	**5,429,615,967**

Senior Vice President - Finance	President & CEO	Chairman
Mr. Ahmed Hussein Elazab	Eng. Mohamed Abdallah Sallam	Eng. Mohamed Kazem Barakat

The attached notes 1 to 46 form part of these interim consolidated financial statements.

1. COMPANY BACKGROUND

1.1 Legal form of the company

Madinet Masr for Housing and Development - S.A.E. was incorporated in accordance with the Presidential Decree No. 815/1959 and was changed to Joint Stock Company according to Presidential Decree No 2908/1964, then became a subsidiary of Public Sector Authority for Housing by Presidential Decree No. 469/1983.

The company was converted under the provisions of Law No. 203 for 1991 issued on 30/06/1996 to an Egyptian Joint Stock Company as a subsidiary to the Holding Company for Housing under the name of Madinet Nasr Housing and Development. The Extraordinary General Assembly of the company held on 30/06/1996 approved the change in the governing laws under which the company was operating from the provisions of Law No. 203 for 1991 to the provisions of Law No. 159 for 1981 and its executive regulations and published in company's journal on January 1997.

The Company was registered in the Commercial Registry under No. (300874) dated 23 December 1996 and Tax Registration No. 095-009-200.

On 2 May 2023, the Extraordinary General Assembly Meeting has approved the amendments of the company's name in Article (2) of the Articles of Association to become "Madinet Masr for Housing and Development Company", and the amendment has been registered in the company's commercial registry on 13 June 2023.

1.2 Activity

The company is engaged in all activities related to real estate development for land, buildings and facilities including acquisition of land and real estate, sale and rental, dividing it and providing all types of facilities necessary for reconstruction and connected to it in Nasr City and other areas nationwide, the purchase and development, utilization, leasing and sale of all buildings and land. The company can establish, manage and invest in all residential, administrative, tourist, recreational and all projects necessary to achieve these purposes, and all real estate operations, financial, commercial and entertainment related to these purposes, as well as carrying out design, and engineering consultancy, and supervision of the execution by others.

BIG Investment Group Limited – Britain – is considered the main shareholder of the company.

1.3 Duration

The company's term is 50 years starting from 23/12/1996 and ending 22/12/2046.

1.4 Location

The company's Head Office is located at 4, Youssef Abbass St., Nasr City, Cairo, Egypt.

The Chairman is Eng. Mohamed Hazem Barakat.

The company's ordinary shares are listed on the Egyptian Exchange (EGX) and, as Global Depositary Receipts (GDRs).

The company's Board of Directors has approved the consolidated financial statements for the period ended 30 September 2026 on 9 November 2026.

1. COMPANY BACKGROUND - *Continued*

1.5 Basis of consolidation

A subsidiary is a company in which the company owns more than 50% of the share capital and the company exercises the right to control the investee when the company is exposed or entitled to variable returns through the company's contribution to the investee company and has the ability to affect those returns through its authority over the company. Therefore, the company controls the investee company when the company has all the following:

1. Power over the investee.
2. Exposure or right to variable returns by contributing to the investee company.
3. The ability to use the authority on the investee company to influence the amount of proceeds obtained from it.

- Investments in subsidiaries are carried at cost less impairment losses, if any.
- The consolidated financial statements include the financial statements of the company and its subsidiaries.
- The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.
- All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognized as assets and liabilities, are eliminated in full.
- Subsidiaries are fully consolidated from date of acquisition, being the date on which the group obtains control, and continue to be consolidated until the date such control ceases.
- Non-controlling interests represent the portion of total comprehensive income and net assets not held by the group are presented separately in statement of income and within equity in consolidated financial position, separate from owners of parent's equity.

The parent company - Madinet Nasr for Housing and Development Company - invests and have control over 30 September 2025 the subsidiary companies, which was included in the consolidated financial statements, as follows:

Subsidiary	*Legal Form*	*Percentage Ownership*	*Activity*
Al Nasr for Civil Works S.A.E.	S.A.E.	52.46%	Civil construction
Egy Can for Real Estate Development Co.	S.A.E.	100%	Real estate development, investment
Minka for Real Estate Investment Co.	S.A.E.	100%	Real estate development, investment
Doors for property management	S.A.E.	100%	Brokerage
Madinet Masr for the Management of Sports Clubs	S.A.E.	74%	Clubs Management
Madinet Masr for Project Management	S.A.E.	100%	Project Management
Madinet Masr for Finishing	S.A.E.	100%	Constructions
Abwab Al Khibrah Projects Company	S.A.E.	100%	Real estate brokerage
Abwab Al Khibrah Investment Company	S.A.E.	100%	Real estate investment

2. USE OF ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements in accordance with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable, under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on a continuous basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the future periods if it affects future periods.

The following are items on the consolidated financial statements that are affected by judgments, assumptions, and estimates:

- Estimate useful lives of fixed assets, intangible assets and investment properties.
- Provisions and contingent liabilities
- Impairment of financial and non-financial assets
- Taxation
- Cost of sales and cost of completion of infrastructure liability
- Present value (significant financing component)
- Expected credit loss

Fair value Measurement

The fair value represents the price that the company would receive in exchange for selling the asset or the consideration paid to transfer the liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the assumption that the transaction to sell the asset or transfer the liability will occur in the principal market for the asset, liability, or market that will yield the most interest on the asset or liability.

The fair value of the asset or liability is measured using assumptions that market participants would use when pricing the asset or liability, on the assumption that market participants will pursue their economic interests.

The measurement at the fair value of the non-financial asset takes into account the market participant's ability to generate economic benefits by using the asset to the maximum acceptable degree or by selling it to another market participant who would use the asset to its maximum capacity.

For assets traded in an active market, the fair value is determined by reference to the quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates on similar items with similar terms and risk characteristics.

For unlisted assets, fair value is determined by reference to the market value 2of a similar asset or based on the expected discounted cash flows.

2. USE OF ESTIMATES AND JUDGMENTS - *Continued*

The company uses valuation methods that are appropriate in the surrounding circumstances and for which sufficient data are available to measure the fair value, thus maximizing the use of relevant observable data and minimizing the use of data that cannot be observed to a minimum.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are classified into significant categories based on the fair value measurement as a whole:

- **The first level**: using trading prices (unadjusted) for fully identical assets or liabilities in active markets.
- **The second level**: by using inputs other than the trading prices contained in the first level, but that can be observed for the asset or liability directly (that is, prices) or indirectly (that is, derived from prices).
- **The third Level:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

On March 6, 2023, Prime Minister Decision No. (883) of 2023 was issued to amend and issue some provisions of the Egyptian Accounting Standards issued No. 110 of 2015 and amended on March 18, 2019, by a decision of the Minister of Investment and International Cooperation, which includes some new accounting standards and amendments to some existing standards, which were published in the Official Gazette on March 6, 2023.

3.1 Basis of preparation of consolidated financial statements

- The consolidated financial statements were prepared in accordance with the Egyptian Accounting Standards and relevant local laws and regulations.
- The consolidated financial statements are presented in Egyptian Pounds which presents the functional currency of the group.
- The company apply securitization treatments in the financial statements in accordance to Article No. (41) bis to (41) bis 8 of the capital market law promulgated by Law No. 95 of 1992.

3.2 Summary of significant accounting policies

3.2.1 Fixed assets and depreciation

Recognition and measurement

Fixed assets are recorded on purchase at cost and are presented in the consolidated financial position net of accumulated depreciation and impairment losses (Note 4). Historical costs include costs associated with the purchase of the asset. For assets constructed internally, the cost of the asset includes the cost of raw materials, direct labor and other direct costs incurred in bringing each asset to its location and the purpose for which it was acquired, as well as the costs of removal and rearrangement of the site, where the assets are located.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Components are accounted for on an item of fixed assets that have different useful lives as separate items within those fixed assets.

Subsequent costs

The carrying amount of fixed assets includes the cost of replacing a part or component of such assets when it is expected to obtain future economic benefits as a result of spending that cost. Other costs allocated to the consolidated statement of income as an expense when incurred.

Any gain or loss on disposal of an item of fixed assets is recognized in profit or loss.

3.2.2 Fixed assets and depreciation

Depreciation

Depreciation is provided on a straight-line basis to write off the cost less estimated residual value of each asset – other than land. Estimated useful lives are reviewed periodically and on review base useful lives are adjusted and relevant rates as follows:

	Estimated useful life
Buildings	10-40 years
Improvements- Leasehold building	5 or the duration of the lease whichever is lower
Improvements- Building owned	8 years
Machinery & equipment for production	2-10 years
Vehicles	5-10 years
Computers & servers	4 years
Tools & equipment	2-10 years
Furniture & office equipment	2-10 years
Fixtures & decorations	4 years

Fixed assets under construction

Fixed assets under construction are recorded at cost which includes all the direct costs incurred on the assets to reach its final position (Note °). These are transferred to fixed assets or investment property or intangible assets when the asset is complete and ready for its intended use. Fixed assets under construction are recorded at cost less impairment, if any.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

3.2.3 Intangible assets (Software and IT)

Recognition

Assets of a non-monetary nature that are identifiable and have no physical existence and that is held for purposes of use and from which future benefits are expected to flow are treated as intangible assets.

The first measurement at recognition

Intangible assets are measured at cost, which is represented in the monetary price on the date of evidence, and in the event that payment is postponed for periods exceeding the followed credit periods, the difference between the cash price and the total amount paid is recognized as interest. Intangible assets are shown net, net of depreciation and impairment.

Subsequent expenditures

Subsequent expenditures on the acquisition of intangible assets are capitalized only when these expenditures increase the future economic benefits of the related asset, and all other expenditures are charged to the income statement (profits or losses) when incurred.

3.2.4 Fixed assets and depreciation

Amortization

Amortization is charged to the income statement (profits or losses) according to the straight-line method over the life of the useful life of the intangible assets, and this is the amortization of intangible assets from the date in which they are available for use, but if the useful life of the intangible assets is not specified then it is done. Carrying out impairment testing on a regular basis at the date of each financial position for these assets.

	Useful life (years)
Software	1 year

3.2.5 Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Classification and subsequent measurement
Financial assets
On initial recognition, a financial asset is classified as measured at:

- Amortized cost;
- FVOCI – debt investment and equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect future cash flows.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

3.2.3 Financial assets

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Financial assets- Business Model Assessment:

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management; and
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company takes under consideration:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

- A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual per amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets classified at FVTPL

Financial assets at FVTPL are measured at fair value. Changes in the fair value, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss.

Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value.
Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Financial Liabilities - Classification, Subsequent Measurement, Profits and Loss

Financial liabilities are classified as at amortized cost or at fair value through profit and loss.

Financial liabilities are classified as fair value through profit or loss if they are classified as held for trading at initial recognition.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Financial liabilities measured at fair value through profit and loss are measured at fair value and net gains and losses, including interest expense, are recognized in profit and loss.

Other financial liabilities are measured at amortized cost using the effective interest method. Interest expense and gains and losses from changes in foreign exchange rates are recognized in profit and loss. Gains and losses resulting from disposal are recognized in profit and loss.

De-recognition

Financial assets

The company derecognizes the financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the contractual cash flows from the financial asset, or it transfers the contractual rights to receive the cash flows in a transaction in which all the risks and rewards of ownership of the financial asset have been transferred materially, or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial assets.

Financial liabilities

Financial liabilities are derecognized when the contractual obligations are discharged, canceled or expired.

The company also derecognizes the financial obligations when their terms are modified and the cash flows of the modified obligations differ substantially, in which case the new financial obligations are recognized on the basis of the modified terms at fair value.

On derecognition of financial liabilities, the difference between the carrying amount and consideration paid (including any non-monetary assets transferred or liabilities assumed) is recognized in profit or loss.

3.2.6 Investment properties

Investment properties are measured at cost model, and measured later using the fair value model and the outcome of revaluation of investment properties is charged to the statement of other comprehensive income, and in case of revaluation loss it decreases first from revaluation surplus, and if it exceeds the revaluation surplus it charged to the statement of income. The cost model is used for investment properties which has no reliable fair value in accordance to para 53 of investment properties standard, and depreciation expense charged to the separate statement of income according to the straight-line method over the estimated useful life of all investment property except the land. In case of such assets are impaired, the loss is included in the separate income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Assets	*Estimated useful life*
Residential	40 years
Non-residential units	40 years

3.2.7 Securitization

The company dispose the notes receivable which were sold through securitization, from the accounting records and recognize the difference between current value and cash value received through securitization as finance cost in the separate statement of profit or loss.

3.2.8 Financial assets at FVPL

Financial assets at fair value through profit or loss are recorded in the books at cost. Financial assets are evaluated at the date of the consolidated financial statements at fair value, which represents the market price at the date of valuation. Valuation differences are included in the consolidated income statement.

3.2.9 Inventories

Inventories are stated at the lower of cost or net realizable value. Costs include expenses incurred in bringing each product to its present location and condition. Cost of raw materials, packing materials, spare parts, fuel and oil is determined on a weighted average basis.

Net realizable value is based on estimated selling price less selling and completion cost.

3.2.10 Lands, unfinished and finished properties

All cost incurred on lands, unfinished and finished properties are included in this account. At point of sale, this account is adjusted based on actual per meter cost of land or units sold. Lands, unfinished and finished properties are measured at the lower of cost and net realizable value. In case of decrease the net realizable value under the cost, the decrease is charged to the consolidated statement of income.

3.2.11 Consolidated statement of cash flows

The consolidated statement of cash flow is prepared according to the indirect method. Earned and paid interest, employees share in profit, and Board of Directors remunerations are being classified in operating activities.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

3.2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, time deposits and treasury bills (due within 3 months), investments at fair value through profit and loss, bank current accounts, and short term highly liquid investments, which can be easily converted to cash, less overdrafts (credit banks) and pledged time deposits against letters of guarantee. Cash and cash equivalents does not include the balances of current accounts and bank deposits related to the maintenance deposit of residential compounds that are collected and managed for the benefit of customers and are not considered as cash balances of the company.

3.2.13 Trade receivables, notes receivables and other debit balances

Trade accounts receivable stated at cost net of allowance for doubtful debts, which is estimated for amounts not expected to be collected in full. Other debit balances are being stated at cost less any impairment losses, (if any).

Notes receivable represents the value of the Post-Dated Checks (PDCs) obtained from the customers in payment of the remaining contractual values of the contracted real estate units. The initial recognition of notes receivable is at fair value at the time the contract is entered into with the customers. At the date of preparation of the consolidated financial statements, notes receivable is re-measured at amortized cost which is determined by discounting the future cash flows of the notes receivable using the rate of return that discounts the nominal value of the instruments to the current cash price for selling the real estate units.

3.2.14 Asset's impairment

Non-Financial Assets

At the consolidated financial statements date, the company reviews the carrying amounts of its owned non-financial assets to determine whether there is any indication that those assets may be impaired. If any such indication exists, the company estimates the recoverable amount for each asset separately in order to estimate the impairment losses. In case the recoverable amount of the asset cannot be properly estimated, the company estimates the recoverable amounts for the cash-generating unit which is related to the asset.

In case of using a reasonable and consistent basis for allocating of the assets to the cash generating units, the company's general assets would be also allocated to these units. If this is unattainable, the general assets of the company shall be allocated to the smallest group of the cash-generating units, which the company determined using logical and fixed bases.

The asset recoverable amount or the cash-generating unit is represented by the higher of the fair value (less the estimated selling costs) or the estimated amount from the usage of the asset (or the cash generating unit).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

The estimated future cash flow from the usage of the assets, or the cash generating unit using a discount rate before tax is discounted in order to reach the present value for these flows which represents the estimated amount from using the asset (or the cash generating unit).

This rate reflects current market assessments of the time value of money and the risks specific to the asset, which were not taken into consideration when estimating the future cash flow generated from it. When the recoverable amount of the asset (cash generating unit) is estimated to be less than their carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount with the impairment loss recognized immediately in the consolidated income statement.

In case the impairment on asset (or cash generating unit) decreases subsequently, and this decrease is related in a logical manner to one event or more taking place after the initial recognition of the impairment at the profit or losses, a reversal is done for the revised amount of losses (or a part of it) – which had been previously recognized – in the consolidated income statement, and the carrying amount for the asset is increased (or the cash generating unit) with the new estimated recoverable amount provided that the revised carrying amount of the asset after revising (or the cash generating unit) does not exceed the carrying amount determined for the asset, had the recognized losses resulting from impairment, not been recognized in previous periods

The company applies a three-stage approach to measuring the expected credit losses from financial assets carried at amortized cost and debt instruments at fair value through other comprehensive income. Assets go through the following three phases based on the change in credit quality since their initial recognition.

Stage 1: The expected credit loss over 12 months

Stage one includes financial assets on initial recognition that do not have a significant increase in credit risk since initial recognition or that have relatively low credit risk. For these assets, 12-month ECL is recognized and interest is charged on the total carrying amount of the assets (without deducting the credit provision). 12-month ECL This is the expected credit loss that could result from defaults likely within 12 months after the date of the financial statements.

Stage 2: the expected credit loss over the life - with no impairment of the value of credit

Second stage includes financial assets that have had a significant increase in credit risk since initial recognition but there is no objective evidence of impairment. Lifetime ECL is recognized for those assets, but interest continues to be charged on the total carrying amount of the assets. Lifetime ECL is the expected credit loss arising from all possible defaults over the expected life of the financial instrument.

Stage 3: Lifetime Expected Credit Loss – Credit Impairment

Stage three includes financial assets for which there is objective evidence of impairment at the reporting date; For these assets, a lifetime ECL is recognized.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Financial Assets

At the end of each reporting date, the company determines whether there is any indication that its financial assets may be impaired.

Financial assets are exposed to impairment when an objective evidence that the estimated future cash flow have been affected by the event or more established at a date subsequent to the initial recognition of the financial asset.

The carrying value of all financial assets is reduced directly with the impairment losses except those related to the reduction in the expected value of the collections from the customers debts and other debit balances, where a formed allowance for impairment loss is done on its value. When the debt of the clients or the owner of the debit balance is uncollectible, a written off discount is applied upon this account. All the changes in the book value relating to this account are recognized in the consolidated statement of income.

3.2.15 Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable an outflow of resources embodying economic benefits will be required to settle this obligation and a reliable estimate can be made for the obligation. Provisions are reviewed at the consolidated statement of financial position date and adjusted (if necessary) to present the best current estimate.

3.2.16 Treasury shares

Treasury shares are recorded at cost and deducted from shareholders equity. Gain or loss from sale of shares is included in equity.

3.2.17 Dividends

Dividends are recorded as liability during the period when declared.

3.2.18 Revenue recognition

1) Revenue from customer contracts

The Company applied the EAS No. 48 as of January 1, 2021 where the Company recognizes the revenue from contract with customers in accordance with the five steps module as identified in EAS No. 48, as follows:

- Identify Contract with Customers
- Identify separate performance obligations in the contract
- Determine the transaction price
- Allocate Transaction price to the distinct performance obligations based on relative standalone selling price.
- Revenue recognition when/(at) the entity satisfies its performance obligation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

The Company satisfy the performance obligation and recognize revenue over time, if one of the following criteria is met:

a) Company performance does not arise any asset that has an alternative use of the Company and the Company has an enforceable right to pay for completed performance until the date.
b) The Company arise or improves a customer-controlled asset when the asset is arise or improved.
c) The customer receives and consumes the benefits of Company performance at the same time as soon as the company has performed.

Revenue from customer contracts is recognized over the time if the performance obligations are not fulfilled over a year of time. All remaining benefits, in this case the company must recognize revenue because it has fulfilled its performance obligations.

When the company satisfies the performance obligation by providing the promised goods and services, it creates the principal of the contract based on the amount achieved through performance. When the amount collected from the customer exceeds the amount of revenue recognized, a contract obligation arises.

Revenue is measured at the fair value of the consideration received or receivable, taking into account the contractual terms specified for the payments. The Company evaluates revenue contracts against specific criteria to determine whether it is acting as principal or agent. The company concluded that it was acting as a major supplier in all of its revenue contracts.

The Company adjusts the transaction price for the effect of the significant financing component by discounting it using the rate that would be reflected in a separate financing transaction between the Company and its customers on the contract inception date.

The company pays sales commission for contracts it obtains to sell certain units of real estate and capitalizes the additional costs of obtaining a contract that meet the criteria in Egyptian Accounting Standard No. 48. These costs are recognized when revenue is recognized. The capitalized costs of acquiring such contracts are presented separately as a current asset in receivables and other receivables and amortized in selling and marketing expenses in the statement of profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Revenue recognition

Madinet Masr For Housing and Development:

Real Estate sales

Revenue from the sale of contracted residential administrative and commercial units shall be proven upon the transfer of control to customers in accordance with the stages of delivery as sale value in accordance with contracts with customers for such units. The revenues of such units shall be proven at a point of time net of the units that the customers have transferred control over.

Land sales

Land sale revenue are recognized when control transfers from the company to customers when the land is actually delivered to customers provided that the facilities are completed and revenue from the land proven at a point of time for the land that have been transferred to the customers.

Interest income

Interest income is recognized on an accrual basis using the effective interest method is the rate used to deduct future cash payments expected to be made or collected during the financial instruments life expectancy/or if appropriate, a lesser period of time) to fully equal the financial assets book value or financial obligation.

Al-Nasr for Civil Works

Estimated contracts revenue

The company records contracts revenue using the percentage of completion for contracts work at the end of the financial period, in case it is possible to reliably estimate the results of contracts.

The percentage of completion is assessed by referring to the sustained contract costs till to date to gross estimated costs for the contract. It is required to make assumptions to assess the estimated gross contract costs and different work that can be redeemed which affect the percentage of completion. The assessment is performed based on the experience and previous knowledge of the projects' engineers and other technical differences.

The accuracy of this assessment might have an effect on revenue and profits.

At the end of each period, the company should estimate the costs to complete the contracts based on the work that should be performed after the financial year. It consists objective assessment for the project progress according to time schedule and assessment of the work to the performed and the costs related to deliver the contract to the client.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

The assessment of contract revenue is affected by a group of different uncertainties (including the estimation of costs) which depends on the outcome of future circumstances. The assessment should be reviewed as a result of circumstances and the settlement of uncertainties. Therefore, the recorded revenue of the contract may increase or decrease from period to period.

2) Joint arrangement

A joint arrangement is an arrangement in which two or more parties have joint control. It is either a joint operation or a joint venture. A joint arrangement is that the parties are bound by a contractual agreement granting joint control to two or more parties of the arrangement.

The classification of a joint arrangement as a joint operation or a joint venture depends on the rights and obligations (undertakings) of the parties to the arrangement. The joint operation becomes a joint arrangement when its parties have joint control over the rights over the assets and the obligations associated with the arrangement. These parties are called joint operators. A joint venture is a joint arrangement when its parties have joint control over the rights over the net assets associated with the arrangement. These parties are called shareholders in joint ventures. The entity shall apply the judgment in assessing whether the joint arrangement is a joint venture or a joint venture.

The joint operator shall account for assets, liabilities, revenue and expenses related to its share in the joint operation in accordance with the Egyptian Accounting Standards applicable to such assets, liabilities, revenues and expenses.

On 31 December 2015, the Company adopted a new strategy to execute a joint venture development contract based on a share in the revenue of the sales. The Company receives its share against the land provided for development by the other co-developer who will receive the rest of the sale revenue against incurring the development cost.

3) Other revenue

- Rental income is recognized on a time-apportioned basis. Interest income on deposits and bonds is recognized on a time basis and using the target rate of return on the financial asset.

- Dividend income is recognized in the consolidated statement of income when the right to receive dividends from the investee is established and is recognized after the date of acquisition.

When the Group satisfies a performance obligation by delivering the agreed goods or providing the agreed services, it recognizes an asset under the contract in exchange for the consideration received as a result of the performance. If the amount invoiced to the customer exceeds the revenue recognized, this results in an increase in the contract liability.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Revenue is measured at the fair value of the consideration received or receivable, taking into account the specific contractual payment terms.

Revenue is recognized in the statement of profit or loss to the extent that it is probable that the economic benefits will flow to the Group and the revenue and related costs can be measured reliably, where applicable.

3.2.19 Direct and indirect cost

The actual costs of establishing real estate units are capitalized within (a work in progress and finished properties) costs are charged according to contractors and suppliers extracts after the company's technical affairs department has approved those extracts, the costs are appointed among the units on the basis of the actual completion of each phase in accordance with the following bases:

- The units share of attached long cost allocated for the establishment of the units, when is distributed on the basis of the long area of each unit in the residential assembly.
- The units share of the actual construction costs distributed on the basis of contracts and invoices for all units within each phase.
- The units share of actual interest costs and finance expenses based on the units' direct costs to the total costs of units for the residential assembly of each phase.

3.2.20 Other operating expenses and residential community measurement

An expense represents the cost of temporary operating activity for residential compounds until delivering the units to the customers.

3.2.21 Lease contracts

Recognition and measurement

At the commencement date, the company recognizes the right of use asset and a lease liability as follows:

Initial measurement of the right of use asset

At the commencement date of lease contract, the right of use assets is measured at "cost" which is:

- The initial measurement of lease contract liability which is presented in the paragraph below.
- Any lease payments made at or before the commencement date, less any lease incentives received.
- Any initial direct costs incurred by the lessee.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease contract, unless those costs are incurred to produce inventories, the lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Initial measurement of the lease liability

At the commencement date, the lessee measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease contract, if that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- Fixed payments, less any lease incentives receivable.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable by the lessee under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Recognition and measurement of the company as lessor:
The company classifies each lease contract as an operating lease or as a financing lease:

Operating lease:

The company recognizes lease payments from operating lease as income either in instalment method or on any other regular basis if that basis is more reflective of the pattern in which the use of the asset under contract decreases.

Sale and leaseback contracts

In the case of sale and leaseback, the transfer of assets shall be evaluated if the sale of the buyer obtains control over the asset, directs its use and obtain the remaining benefits from it or is not a sale as follows:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Asset transfer represent a sale:

The asset is established as a right of utilization in accordance with the requirements of Egyptian Accounting Standard No. (49) on lease against recognized of the lease liability at the present value of lease payments as liability as set out in the policy for initial measurement of the asset of the benefit, where the contract is classified as a lease in this case.

Asset's transfer is not a sale:

The asset transferred to the company's books shall be recognized as an asset against a financial obligation equal to the receipts of the transfer of the contract. This obligation shall be accounted for in accordance with Egyptian Accounting Standard No. (47) in this case, the contract shall be classified as a secured financing contract.
Short term lease and leases with lease low value assets

Short term leases are leases with a term of 12 month or less impaired assets are items that do not meet the requirements for capitalization of a company and are considered immaterial to the company's statement of the financial position as a whole. Lease payments for short-term and low value asset lease are recognized as an expenses on straight line basis in the statement of profit or loss.

3.2.22 Employees' benefits

The company contributes to the social insurance scheme for the benefit of its employees in accordance with the Social Insurance Law. No.79 of 1975 and its amendments Contributions of workers and employers are calculated at a fixed rate of wages. The company's commitment is represented in value of its contribution. The company's contributions are charged to the consolidated statement of income. The company gives employees who have reached retirement age, end of service gratuity up to a maximum of 50 thousand Egyptian pounds. At 21 December 2022, the Board of Directors decided to increase the amount of end of services gratuity to be L.E. 100,000 instead of L.E. 50,000. The Company also applies an optional early retirement scheme. End of service benefits for employees benefiting from this system are charged to the consolidated statement of income in the year in which they are approved for early retirement.

3.2.23 Taxation

Income tax

Taxation is accounted according to Egyptian laws and regulations.

Income tax expense that is calculated on the profits of the company represents the sum of the tax currently payable (calculated according to the applied laws and regulations and using the tax rates prevailing as of the consolidated financial statements date) and deferred tax. Current and deferred taxes are recognized as income or expenses and included in the profits or losses of the period except for instances that taxes are established from:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

- A transaction or event recognized, in the same period or other period, outside profit or loss either in other comprehensive income or directly in equity, or
- Business combinations.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities according to the accounting basis used in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted at the separate financial statements date.

Deferred tax liabilities are generally recognized (generated from taxable temporary differences in the future) while deferred tax assets recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reduced to the extent that it is no longer probable that sufficient taxable profits will be available in future years to allow all or part of the asset to be recovered. The balance sheet method is used in accounting for deferred assets and liabilities and they are recognized as non-current assets and liabilities.

3.2.24 Earnings per share

Earnings per share are calculated by dividing the net profit for the year after deducting employees share in profit and Board of Directors remuneration by the weighted average number of outstanding shares during the year.

3.2.25 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualified asset for capitalization of cost of borrowing; are capitalized as part of the cost of the asset. Other borrowing costs are charged as an expense in the consolidated statement of income on a time-apportioned basis using the effective interest rate.

An asset eligible to bear the cost of borrowing necessarily requires a long year of time to process it for use for its intended purposes or to sell it. This applies to land and building facilities items as fixed assets under construction (under construction projects) and incomplete inventory of reconstruction and housing projects.

Capitalization of borrowing costs begins as part of the cost of the qualifying asset to bear the cost of borrowing when:

- Expenditure on the qualified asset.
- The Company incurs a borrowing cost.
- The activities required for the preparation of the asset for use for purposes specified for it or for its sale to others are currently under implementation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Capitalization of borrowing costs is suspended during periods in which the effective construction of the asset is impaired. Capitalization is contingent upon the completion of all material activities necessary to prepare the qualifying asset to bear the borrowing cost for its intended use or to sell it to third parties.

3.2.26 Legal reserve

As required, by the Companies Law No. 159 of 1981 and the company's Articles of Association 5% of the profit for the year is transferred to the legal reserve. The company may resolve to discontinue such annual transfers when the reserve totals 50% of the issued share capital. The legal reserve cannot be distributed except in cases stated in the Law.

3.2.27 Foreign currency transactions

The company's functional currency is the Egyptian pound. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the consolidated financial statements date are translated at the rate of exchange ruling at that date. Retranslation exchange profit and loss is taken to the consolidated statement of income.

3.2.28 Takaful contribution

Takaful contribution system mandated by Law No. 2 for 2018 has been adopted on 12 July 2018 and is applied on all entities whether individual or corporate regardless of their nature in legal form.

4. FIXED ASSETS

30/9/2026	*Land (*)* L.E.	*Buildings & constructions (*)* L.E.	*Leasehold improvement* L.E.	*Machinery & equipment* L.E.	*Vehicles* L.E.	*Tools & Equipment* L.E.	*Furniture & office equipment* L.E.	*Computers* L.E.	*Fixtures* L.E.	*Total* L.E.
Cost:										
At 1 January 2026	68,558,785	65,524,121	38,034,916	36,581,001	57,510,998	4,144,347	28,709,273	63,661,952	1,815,282	364,540,675
Additions during the period	-	16,881,388	-	1,948,813	24,072,427	191,000	18,126,250	67,181,969	446,082	128,847,929
At 30 September 2026	**68,558,785**	**82,405,509**	**38,034,916**	**38,529,814**	**81,583,425**	**4,335,347**	**46,835,523**	**130,843,921**	**2,261,364**	**493,388,604**
Accumulated depreciation:										
At 1 January 2026	-	18,396,193	36,760,385	33,917,429	18,160,160	4,108,620	19,972,855	25,499,187	1,815,195	158,630,024
Depreciation for the period	-	5,189,098	483,238	1,782,270	8,018,504	40,048	2,464,203	13,697,283	83,642	31,758,286
At 30 September 2026	-	**23,585,291**	**37,243,623**	**35,699,699**	**26,178,664**	**4,148,668**	**22,437,058**	**39,196,470**	**1,898,837**	**190,388,310**
Net book value:										
At 30 September 2026	**68,558,785**	**58,820,218**	**791,293**	**2,830,115**	**55,404,761**	**186,679**	**24,398,465**	**91,647,451**	**362,527**	**303,000,294**

(*) Lands and buildings include land and building of the social club and the playground for Madinet Masr for Housing and Development Employees' club, and the book value is approximately L.E. 1.3 million for the land and L.E. 1.9 million for the buildings. There are no guarantees or pledging on fixed assets at the date of the consolidated financial statements.

4. FIXED ASSETS - *Continued*

31/12/2025	*Land (*)* L.E.	*Buildings & constructions (*)* L.E.	*Leasehold improvement* L.E.	*Machinery & equipment* L.E.	*Vehicles* L.E.	*Tools & Equipment* L.E.	*Furniture & office equipment* L.E.	*Computers* L.E.	*Fixtures* L.E.	*Total* L.E.
Cost:										
At 1 January 2025	68,558,785	29,190,743	38,034,916	33,171,996	40,618,712	4,144,347	21,624,564	47,351,615	1,815,282	284,510,960
Additions during the year	-	36,333,378	-	3,409,005	17,511,165	-	7,084,709	17,539,615	-	81,877,872
Disposals	-	-	-	-	(618,879)	-	-	(1,229,278)	-	(1,848,157)
At 31 December 2025	**68,558,785**	**65,524,121**	**38,034,916**	**36,581,001**	**57,510,998**	**4,144,347**	**28,709,273**	**63,661,952**	**1,815,282**	**364,540,675**
Accumulated depreciation:										
At 1 January 2025	-	16,378,501	36,114,301	32,925,246	12,496,833	2,762,840	18,446,008	15,736,891	1,675,564	136,536,184
Depreciation for the year	-	2,017,692	646,084	992,183	6,282,206	1,345,780	1,526,847	10,991,574	139,631	23,941,997
Disposals	-	-	-	-	(618,879)	-	-	(1,229,278)	-	(1,848,157)
At 31 December 2025	-	18,396,193	36,760,385	33,917,429	18,160,160	4,108,620	19,972,855	25,499,187	1,815,195	158,630,024
Net book value:										
At 31 December 2025	**68,558,785**	**47,127,928**	**1,274,531**	**2,663,572**	**39,350,838**	**35,727**	**8,736,418**	**38,162,765**	**87**	**205,910,651**

(*) Lands and buildings include land and building of the social club and the playground for Madinet Masr for Housing and Development Employees' club, and the book value is approximately L.E. 1.3 million for the land and L.E. 4.5 million for the buildings. There are no guarantees or pledging on fixed assets at the date of the consolidated financial statements.

4. FIXED ASSETS - *Continued*

Fully depreciated assets and still in use are as follows:

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Leasehold improvements	38,676,625	38,347,264
Elevators	885,932	885,932
Buildings and constructions	1,192,838	1,192,838
Machinery and equipment	33,040,076	32,909,352
Vehicles	11,834,834	11,322,416
Tools and equipment	3,999,850	3,947,813
Furniture and office equipment	14,505,150	13,803,951
Computers and software	6,053,563	2,993,226
	110,188,868	**105,402,792**

Depreciation for the year is allocated as follows:

	30/9/2026 *L.E.*	*30/9/2025* *L.E.*
Cost of sales	7,286,007	3,428,978
Selling & marketing expenses (Note 26)	7,891,216	3,120,704
General & administrative expenses (Note 27)	16,293,707	9,093,148
Management of the residential compound expenses & other operating expenses (Note 28)	287,356	264,533
	31,758,286	**15,907,363**

5. FIXED ASSETS UNDER CONSTRUCTION

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
New Administrative Headquarters at Taj City Project	620,035,588	433,378,848
Document Storage Equipment	709,633	709,633
Computer Software and Information Systems Under Development (Doors)	86,081,823	986,728
Kayan Club Equipment	182,314,926	-
	889,141,970	**435,075,209**

6. AMOUNTS PAID ON ACCOUNT OF INVESTMENTS AND FINANCIAL ASSETS

6/1 Investments in subsidiaries

	Contribution %	*30/9/2026 L.E.*	*31/12/2025 L.E.*
Saudi Arabia Doors of Expertise Real Estate Company	100	100,000,000	50,000,000
IFI Real Estate Investment Fund Company	100	5,071,172	5,000,805
SEFI Underwriting and Promotion Company	100	10,156,384	10,085,955
Safe International Company	100	48,499,044	21,303,394
Cities of the World Company	100	940,075	940,075
U Fund Capital Company	100	80,930	-
		164,747,605	**87,330,229**

6/2 Financial assets at amortized cost

	30/9/2026 L.E.	*31/12/2025 L.E.*
Investments in Governmental bonds (Non active market)	**1,636,889**	**1,636,889**

6/3 Financial assets at fair value through other comprehensive income

	Contribution %	*30/9/2026 L.E.*	*31/12/2025 L.E.*
High Education House (S.A.E.)	1.20	8,681,317	8,681,317
El Nasr Transformers & Electrical Products Co. (El-Maco)	0.01	19,200	19,200
El Nasr Co. for Clay Brick Production	0.80	200,000	200,000
Loop Micromobility Company	22.5	5,000,000	
Less:			
Impairment of investments	-	(219,200)	(219,200)
		13,681,317	**8,681,317**

6/4 Investments properties

	30/9/2026 L.E.	*31/12/2025 L.E.*
Leased real-estate to others – Revalued using the fair value model	1,722,322,696	1,720,351,170
Held land ownership on sold properties	2,076,334	2,076,334
Rented building using cost model – Net	164,218	164,218
	1,724,563,248	**1,722,591,722**

6. INVESTMENTS PROPERTIES AND FINANCIAL ASSETS - *Continued*

30/9/2026	*Residential units L.E.*	*None residential units L.E.*	*Total L.E.*
Cost:			
At 1 January 2026 and at 30 September 2026	**594,539**	**339,905**	**934,444**
Accumulated depreciation:			
At 1 January 2026 and at 30 September 2026	**526,270**	**243,956**	**770,226**
Net book value:			
At 30 September 2026	**68,269**	**95,949**	**164,218**

Investment properties leased to others – using the net cost model (**)

31/12/2025	*Residential units L.E.*	*None residential units L.E.*	*Total L.E.*
Cost:			
At 1 January 2025	596,163	339,905	936,068
Disposals during the year	(1,624)	-	(1,624)
At 31 December 2025	**594,539**	**339,905**	**934,444**
Accumulated depreciation:			
At 1 January 2025	527,894	243,956	771,850
Disposal for the year	(1,624)	-	(1,624)
At 31 December 2025	**526,270**	**243,956**	**770,226**
Net book value:			
At 31 December 2025	**68,269**	**95,949**	**164,218**

- Fully depreciated investment properties and still used are as follows:

	30/9/2026 L.E.	*31/12/2025 L.E.*
Residential units	526,270	526,270
Non-residential units	243,956	243,956
	770,226	**770,226**

6. INVESTMENTS PROPERTIES AND FINANCIAL ASSETS - *Continued*

(*) The revalued investment properties using the fair value model. The fair value of these investments properties has been valued by an independent expert who is registered with the Financial Regulatory Authority, this valuation has been conducted in accordance with paragraph (75) of standard No (34).

(**) The investment properties that has been valued with cost model cannot determine their fair value reliably according to paragraph 53 of Egyptian Accounting Standard No (34), This is mainly due to they are residential properties leased under old lease Contracts which under indefinite an undetermined lease contracts according to the law, currently there are no market transactions for comparable properties and alternative estimates of fair value are not available.

6/5 Investments at fair value through profit or loss

	30/9/2026	*31/12/2025*
	L.E.	*L.E.*
Investment certificates in:		
QNB Investment Fund	3,370,927	2,935,686
Banque Du Caire Investment Fund	137,340	137,340
United Bank Investment Fund - Rakhaa (*)	1,148,410	1,002,564
	4,656,677	**4,075,590**

Investments in investment fund certificates are short-term investments for the purpose of managing the company's cash balances by investing in cash investment funds, which are highly liquid investments that can be redeemed daily or weekly and are considered part of the cash and cash equivalents. (Note 21)

(*) United Bank Investment Fund (Rakhaa) includes restricted investment certificates by L.E. 487,000 (2025: L.E. 487,000) against letters of guarantee as of consolidated financial statements date. (Note 21)

6. INVESTMENTS PROPERTIES AND FINANCIAL ASSETS - *Continued*

6/6 Financial assets at amortized cost

Treasury bills	*30/9/2026 L.E.*	*31/12/2025 L.E.*
Treasury Bills - 363 days	20,000,000	-
Treasury Bills - 349 days	-	20,000,000
Treasury Bills - 69 days	52,000,000	-
Treasury Bills - ٥٧ days	176,125,000	-
Treasury Bills - 56 days	55,300,000	153,800,000
Treasury Bills - 43 days	1,096,000,000	-
Treasury Bills - 44 days	-	257,700,000
Treasury Bills - 34 days	21,450,000	-
Treasury Bills - 33 days	3,050,000	-
Treasury Bills - 28 days	898,050,000	-
Treasury Bills - 22 days	-	360,000,000
Treasury Bills - 21 days	1,347,400,000	400,000,000
Treasury Bills - 16 days	-	208,200,000
Treasury Bills - 14 days	-	1,587,925,000
	3,669,375,000	2,987,625,000
Less:		
Unrealized gain on treasury bills	(45,002,876)	(26,897,762)
	3,624,372,124	**2,960,727,238**

Treasury bills due within three months from the date of acquisition are classified as cash and cash equivalents (Note 21).

Treasury bills on 30 June 2026 include an amount of L.E. 16,116,600 (2025: L.E. 16,116,600) frozen as cover against letters of guarantee.

7. INVENTORIES

	30/9/2026 L.E.	*31/12/2025 L.E.*
Materials and supplies	76,625,594	66,235,069
Fuel and oil	20,159	20,159
Spare parts and supplies	1,518,264	2,399,804
	78,164,017	**68,655,032**

8. WORK IN PROGRESS

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Lands and unites uncompleted		
Tag City (*)	7,186,081,519	4,922,277,914
Sarai City (**)	3,864,824,710	3,109,798,406
West Assuit (***)	646,004,825	607,021,316
Tag Ville	471,191,852	766,106,301
Victoria mall	1,099,155	663,024
Butterfly	69,452,682	66,909,124
New Heliopolis	145,003,723	57,469,786
Kinda EgyCan for Real Estate Development Co.	2,899,171,698	3,000,995,797
Fit-out works under construction at the Taj City Project	2,307,920	-
	15,285,138,084	**12,531,241,668**

(*) Tag City includes the completed phases that the company started for sale: "Tag sultan", "Park residence", "Shalya & Lake Park", "Elect", "Coblet" and "club side "Origami'' In addition to the not yet ready for sale, where the balance of 30 September 2026 represents the cost of external and internal utilities, the cost construction works and cost of extension works of the Shinzo Abi corridor that pass through the company's lands. (Note 41)

(**) Sarai includes the phases that are ready for sale: "Taval", "Crowns", "Cavana", "Strip mall", and "Mansion" rayi. In addition to the not yet ready for sale, where the balance of 30 September 2026 represents the cost of external and internal facilities & the cost construction works.

Land and real estate units have been recorded at actual cost which shall not be less than its redemption value as at the date of the consolidated financial statements.

(***) In accordance with the resolution of New Urban Communities Authority's Board of Directors no. (134) dated 22 January 2020 to allocate a plot of land with area 104.15 Feddan in the new Nasr city (west Assuit) in favor of the company to construct an urban complex. Also, the resolution of the board of directors no (138) dated 14 May 2020 to amend the schedule of payment of amounting L.E. 497,309,325 and a percent of 15% to be paid as administration fees and board of trustees amounting L.E. 56,297,962, and the remaining percent of 85% will be paid amounting L.E. 441,011,367 on installments after grace period of 2 years from date advice. The company issued notes payable against these installments in favor of the authority of new Nasser city (West of Assuit)- (Note 17).

The capitalized interests from the significant financing component with clients according to the Egyptian according standard No. (48) revenue from contracts with customers as follows:

8. WORK IN PROGRESS - *Continued*

	30/6/2026 *L.E.*	*31/12/2025* *L.E.*
Taj city	19,433,363	32,671,043
Sarai	14,682,453	21,935,859
Tag Ville	574,348	678,491
	34,690,164	**55,285,393**

9. FINISHED PROPERTIES

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
El Waha, Premira & Nasr City	4,782,864	11,890,330
Nasr Gardens	74,621,700	291,032,204
	79,404,564	**302,922,534**

10. TRADE AND NOTES RECEIVABLE

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Notes receivables - long term		
Tag City	1,077,111,997	1,159,020,589
Sarai	2,135,891,865	2,011,605,854
Kinda	296,010,000	-
Other	353,950,349	7,497,153
	3,862,964,211	**3,178,123,596**
Less:		
Finance component of contracts with customers	(566,402,185)	(525,382,917)
Expected credit losses	(56,485,566)	(24,690,992)
	3,240,076,460	**2,628,049,687**
Notes receivables - short term		
Tag City	718,389,486	894,608,596
Sarai	3,347,686,845	2,813,565,102
Kinda	91,080,000	-
Other	167,961,441	16,813,051
	4,325,117,772	**3,724,986,749**
Less:		
Finance component of contracts with customers	(408,430,240)	(334,186,713)
Expected credit losses	(64,821,832)	(28,939,598)
	3,851,865,700	**3,361,860,438**
Trade receivables		
Tag City	42,246,964	36,889,629
Sarai	207,256,634	147,606,980
Construction's receivables (NCCW)	135,698,352	260,972,875
Other	536,135,420	57,666,406
Less:	**921,337,370**	**503,135,890**
Expected credit losses	(17,537,506)	(10,352,095)
	903,799,864	**492,783,795**

The discount of the present value of notes receivable is amortized as revenue in the maturities of these securities according to the effective interest rate.

10. TRADE AND NOTES RECEIVABLE - *Continued*

Movement for expected credit loss for notes receivables and trade receivables during the year is as follows:

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Balance at the beginning of the year	63,982,685	58,109,591
Provided/(Reversal) during the year	74,862,219	5,873,094
Ending balance for the period / year	**138,844,904**	**63,982,685**

According to the decision of the Financial Supervisory Authority issued on 12 January 2022, the company applied the accounting treatment related to the real estate development activity.

Post-dated checks (off balance sheet)

The company maintains off balance sheet post-dated checks received from customers for undelivered units and not included in financial position as follows:

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Notes receivables for undelivered units- short term	11,133,976,148	10,791,163,632
Notes receivables for undelivered units- long term	80,787,771,045	70,172,928,377
	91,921,747,193	**80,964,092,009**

- The value of cheques received from customers in respect of units not yet delivered and not recognized within the statement of financial position includes the development partners' share, amounting to L.E. 7,730,516,600 as at 30/9/2026 (31/12/2025: L.E. 4,161,799,442).

11. TRADE PAYABLES DEBIT BALANCES – NET

a) Suppliers – Debit balances

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Advance payments	4,006,221,317	3,590,409,195
Materials on site	649,085,504	514,039,236
Contractors' receivables and advances	3,999,376,227	2,325,865,639
Total suppliers	**8,654,683,048**	**6,430,314,070**
Less:		
Expected credit losses	(11,134,075)	(9,395,806)
	8,643,548,973	**6,420,918,264**

11. TRADE PAYABLES DEBIT BALANCES – NET - *Continued*

b) Suppliers – Credit balances

	30/9/2026 L.E.	*31/12/2025 L.E.*
Suppliers	1,160,848,758	802,268,928
Performance guarantee	469,249,359	316,302,437
Additions	400,377,537	172,582,536
Final retention (security deposit)	221,233,503	178,478,554
	2,251,709,157	**1,469,632,455**

Movement for Expected credit loss for trade payables – debit balance during the year as follows:

	30/9/2026 L.E.	*31/12/2025 L.E.*
Balance at the beginning of the period/year	9,395,806	9,121,209
(Reversal)/ provided during the period/year	1,738,269	274,597
	11,134,075	**9,395,806**

12. RECEIVABLES AND OTHER DEBIT BALANCES (NET)

12/1 Receivables and other credit balances – long-term (Net)

	30/9/2026 L.E.	*31/12/2025 L.E.*
Current accounts	5,342,866	7,921,768
Insurance reservation	109,882,183	103,176,711
Duties and responsibilities	60,054,682	54,450,638
	175,279,731	**165,549,117**
Less:		
Expected credit losses	(13,555,495)	(12,113,460)
	161,724,236	**153,435,657**

12. RECEIVABLES AND OTHER DEBIT BALANCES (NET) - *Continued*

12/2 Debtors and other debit balances – Net

	30/9/2026 L.E.	*31/12/2025 L.E.*
Masr Elgededa for Development Company (****)	2,057,912,103	2,057,912,103
Medar Investment and Urban Development Company (***)	2,385,223,146	1,259,068,127
Zahraa El Maadi for Investment and Development Company (Advance of Participatory development) (*****)	-	333,000,000
Contract acquisition costs (**)	6,074,387,447	4,367,428,762
Tamweel Mortgage Company	26,953,686	31,793,541
Securitization Financial Group	49,427,102	49,427,102
Employee share option plan (ESOP)(*)	2,765,900	22,538,853
Paid under Gas lines	44,934,285	48,188,748
Refundable deposits	76,546,310	91,749,861
Prepaid expenses	143,990,866	78,703,914
Accrued interest (deposits interest)	4,511,851	1,084,715
Other debit balances	276,521,432	152,836,981
Cash cover of letters of guarantee	1,039,443	1,039,443
Prepaid rental benefits		6,873,674
Tax Authority	20,574,824	125,078,637
	11,164,788,395	**8,626,724,461**
Less:		
Expected credit losses	(2,123,673)	(933,490)
	11,162,664,722	**8,625,790,971**

Movement for Expected credit loss for debtors and other debit balances during the year is as follows:

	30/9/2026 L.E.	*31/12/2025 L.E.*
Balance at the beginning of the period/year	933,490	215,022
Provided during the period/year	1,190,183	718,468
Balance at the end of the period/year	**2,123,673**	**933,490**

(*) On 18 April 2023 the ordinary general assembly meeting has approved the increase of the issued capital with L.E. 35,000,000 by issuing number of 35 million share dividends to be determined for employee share option plan, manager, executive Board of Directors and employees of the company which was authorized by financial Regulatory Authority in February 2022, The remaining shares under the Employee Share Option and Incentive Plan amounted to 369,279 shares as at 30 September 2026 (5,328,334 shares as at 31 December 2025).

12. RECEIVABLES AND OTHER DEBIT BALANCES (NET) – *Continued*

(**) According to paragraph (91) of Egyptian Accounting Standard No. (48) Revenue from Contracts with Customers, the entity must recognize the additional costs of obtaining a contract with a customer as an asset if the entity expects to recover those costs that the entity would not have incurred had the contract not been obtained (for example: sales commission). The mentioned amount represents the sales commission on unrealized revenue from contracts with customers until 30/9/2026.

(***) On July 10, 2024, the Company entered into a co-development agreement for a fully serviced residential project spanning 238 acres in Mostakbal City with Medar for Investment and Urban Development under a revenue-sharing arrangement. According to the agreement, an amount of L.E. 1.07 billion was paid to Medar as an advance payment from its share of the project's revenues, to be settled against future revenues. In addition, an amount of L.E. 1.201 billion was paid representing the difference in the guaranteed minimum share of the development partner from sales proceeds up to September 30, 2026 as well an amount of L.E. 114,624,322 representing the first maintenance installment.

(****) On July 10, 2024, the Company entered into a co-development agreement for a fully serviced residential project spanning 491 acres in New Heliopolis City with Heliopolis Company for Housing and Development under a revenue-sharing arrangement. According to the agreement, an amount of L.E. 1.10 billion was paid to Heliopolis Company for Housing and Development as an advance payment from its share of the project's revenues, to be settled against future revenues. In addition, an amount of L.E. 957,912,103 was paid representing the difference in the guaranteed minimum share of the development partner from sales proceeds up to Sep 30, 2026.

(*****) On September 27, 2026, the Company reached a mutual agreement with Zahraa El Maadi Investment and Development Company to terminate the co-development agreement relating to a fully serviced residential project in New Heliopolis City. Consequently, the advance payment previously paid by the Company under the agreement was recovered.

13. CASH AND BANK BALANCES

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Cash on hand	5,314,698	5,839,150
Current account with bank interest	2,724,218,614	1,996,586,815
Bank current accounts	633,869,720	562,739,400
Cheques under collection	9,078,500	3,986,500
	3,372,481,532	**2,569,151,865**

Banks' time deposits as of 30 September 2026 include L.E. 10,000,000 (as of 31 December 2025: L.E. 12,476,880) frozen deposits against letters of guarantee.

14. ADVANCE PAYMENT FROM CLIENTS FOR UNDELIVERED UNITS

	30/9/2026 L.E.	*31/12/2025 L.E.*
Tag City	8,519,817,320	6,023,585,101
Sarai	11,384,914,262	7,643,860,028
Tag Ville	140,863,848	378,631,769
Mostakabal City	2,459,177,596	1,528,288,924
New Heliopolis	1,273,828,643	184,217,079
West Assiut (Zahw)	79,218,494	50,118,979
Victoria mall	32,392,959	15,333,545
D2n	16,824,258	-
Nasr Gardens	67,049,799	-
The Hoft	103,765,426	19,570,150
Kinda	2,011,228,217	1,918,057,359
Finishing works	9,608,434	14,732,612
Sports clubs in Taj City and Sarai	741,487,906	396,781,979
	26,840,177,162	**18,173,177,525**
Stockpiling Customers	5,115,360	9,698,447
Construction Contract Liabilities	4,540,755	6,238,506
	26,849,833,277	**18,189,114,478**

The unrealized revenue from contracts with customers includes amounts received from customers and received postdated checks at 30/06/2026 amounted to L.E. 111,031,407,755 (31/12/2025: L.E. 94,975,470,092).

15. PROVISIONS

	Balance at 1/1/2026 L.E.	*Provided during the period L.E.*	*Used during the period L.E.*	*No longer required L.E.*	*Balance at 30/9/2026 L.E.*
Provision for client's subscription in club	67,250,000	-	-	(67,250,000)	-
Claims provision	105,768,852	12,520,698	(6,707,015)	(54,050)	111,528,485
Legal provision	48,599,603	44,755,397	(350,000)	-	93,005,000
Tax provisions	15,662,937	-	-	-	15,662,937
Other provisions	74,616,352	-	-	(2,784,156)	71,832,196
	311,897,744	57,276,095	(7,057,015)	(70,088,206)	292,028,618

	Balance at 1/1/2026 L.E.	*Additions / (returns) L.E.*	*Work executed L.E.*	*Balance at 30/9/2026 L.E.*
Tag City	4,244,548	(1,379,797)	-	2,864,751
Sarai and Capital Gardens	160,570,394	96,885,810	(229,640,054)	27,816,150
Operating and maintenance Expenses liability for residential compounds	682,982,321	-	(276,776,534)	406,205,787
Minka Company	-	6,495,200	-	6,495,200
Finishing Company	-	1,928,897	-	1,928,897
	847,797,263	103,930,110	(506,416,588)	445,310,785

16. INFRASTRUCTURE COMPLETION LIABILITIES - *Continued*

The balance of the utilities completion obligations represents the estimated costs required to complete the main and external utilities networks related to the residential communities. These networks are currently under construction and have not yet been finally handed over by the contractors. The balance also includes the Company's obligations for the operation and maintenance of the residential communities during the period of their handover to customers.

17. CREDITORS AND OTHER CREDIT BALANCES

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Notes payable – West Assuit Land	30,778,352	63,333,074
Notes payable	270,308,862	233,983,111
Support to National Housing Project	340,000	340,000
Down payment for reservation of land and property sales	108,335,481	183,105,064
Customer Collections (Gas-Water-Dish)	866,967	496,433
Contractors and amounts under settlement	-	7,012,328
Customers' balances for cancelled reservations	11,064,494	11,077,849
Amounts due to customers for cancelled contracts.	47,829,474	33,556,630
Proceeds for maintenance expenses and counters	48,827,878	45,401,345
Accrued interest	38,563,345	41,076,836
Accrued Commission	721,950,959	677,119,103
Governmental authorities	483,858,074	376,546,671
Accrued expenses	7,326,866	95,139,386
Accrued salaries and others	200,760	635,476
Bank receipts from customers under settlement	195,179,524	205,010,211
Accrued Development partner	69,068,265	17,737,714
Takaful contribution	35,072,661	42,343,895
Lease contract security deposits	7,246,423	-
Other	27,387,044	60,384,528
	2,104,205,429	**2,094,299,654**

18. SHARE CAPITAL

Authorized capital:

The authorized capital is five billion Egyptian Pounds.

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Issued and paid up:		
The value of each share is one Egyptian Pound	2,135,000,000	2,135,000,000
Treasury shares (38,3 M shares)	(301,803,863)	(386,757,569)

18. SHARE CAPITAL - *Continued*

- A total of (85,400,000) treasury shares were distributed to the shareholders on 9 March 2026 in accordance with the Ordinary General Assembly resolution dated 15 February 2026.

- A total of (38,300,000) treasury shares were purchased on 30 September 2026.

The following are a list of percentage of shares of issued and paid-up capital for shareholders:

30/9/2026	*No. of shares*	*Nominal value L.E.*	*Contribution %*
BIG Investment Group Ltd.	435,295,072	435,295,072	20,39
Holding Co. for Construction and Development	332,290,813	332,290,813	15,56
Social Insurance Fund of Governmental Sector Workers	178,699,327	178,699,327	8,37
B Investment Holding Co.	163,446,982	163,446,982	7,66
Al Alian Co. for Investments Ltd.	99,479,163	99,479,163	4,66
National Investment Bank	80,617,333	80,617,333	3,78
Other shareholders / Public subscription (different nationalities)	845,171,310	845,171,310	39,58
	2,135,000,000	**2,135,000,000**	**100**

31/12/2025	*No. of shares*	*Nominal value L.E.*	*Contribution %*
BIG Investment Group Ltd.	417,883,272	417,883,272	19.57
Holding Co. for Construction and Development	318,999,182	318,999,182	14.94
Social Insurance Fund of Governmental Sector Workers	171,551,357	171,551,357	8.04
B Investment Holding Co.	156,909,104	156,909,104	7.35
Al Alian Co. for Investments Ltd.	95,500,002	95,500,002	4.47
National Investment Bank	77,392,641	77,392,641	3.62
Other shareholders / Public subscription (different nationalities)	896,764,442	896,764,442	42.01
	2,135,000,000	**2,135,000,000**	**100**

19. NON-CONTROLLING INTEREST

Non-controlling interest right are their share of equity (Net assets) in subsidiary company.

	Non-controlling interest in net assets %	*Non-controlling interest in net assets 1/1/2026* L.E.	*Non-controlling interest in Share capital*	*Distribution Of non-controlling interest* L.E.	*Non-controlling interest share in net Profit the year* L.E.	*Non-controlling interest in net assets 30/9/2026* L.E.
Al Nasr Company for Civil Works	47,54	159,807,590	-	(4,729,453)	778,110	155,856,247
Doors for Assets Management	0.020	146,914	-	-	67,346	214,260
Minka for Real Estate investment	0.0679	11,912	-	-	12,548	24,460
EgyCan for Real Estate Development	0.0002	13	-	-	42	55
Madinet Masr for SportsClubs Management	26.00	10,081,951	-	-	10,750,803	20,832,754
Madinet Masr for Project Management	0.0001	1,597	-	-	3,837	5,434
Madinet Masr for Finishing Works	0.0001	(546)	-	-	302	(244)
Abwab Al Khibrah Projects Company	0.020	-	50	-	4,932	4,932
Abwab Al Khibrah Investment Company	0.020	-	50	-	(21)	(21)
		170,049,431	100	(4,729,453)	11,617,899	176,937,977

20. TERM LOANS

Madinet Misr for Housing & Development S.A.E.

The movement in loans during the comparative year is as follows:

	Balance at the beginning of the period L.E.	*Amounts withdrawn during the period* L.E.	*Installments paid during the period* L.E.	*Balance at the end of the period* L.E.
30/9/2026				
a) Syndication loan – Notes receivable discount	350,071,942	-	(187,357,497)	162,714,445
b) Syndication loan – Notes receivable discount	274,068,038	-	(40,038,297)	234,029,741
c) Medium-term revolving syndicated loan	2,668,976,830	1,188,063,540	-	3,857,040,370
	3,293,116,810	**1,188,063,540**	**(227,395,794)**	**4,253,784,556**

Classification of loans and interest for each loan are as follows:

	Current portion of term loans L.E.	*Term loans* L.E.	*Balance at the end of the year* L.E.	*Interest and commission capitalized on qualified assets* L.E.
30/9/2026				
a) Syndication loan – Notes receivable discount	162,714,445	-	162,714,445	20,359,911
b) Syndication loan – Notes receivable discount	82,429,906	151,599,835	234,029,741	20,799,988
c) Medium-term revolving syndicated loan	-	3,857,040,370	3,857,040,370	-
	245,144,351	**4,008,640,205**	**4,253,784,556**	**41,759,899**

20. TERM LOANS - *Continued*

The movement in loans during the comparative year is as follows:

	Balance at the beginning of the year L.E.	*Amounts withdrawn during the period* L.E.	*Installments paid during the period* L.E.	*Balance at the end of the year* L.E.
31/12/2025				
a) Egyptian Gulf Bank	167,294,571	-	(167,294,571)	-
b) Syndication loan – Notes receivable discount	517,511,779	-	(167,439,837)	350,071,942
c) Syndication loan – Notes receivable discount	347,945,994	-	(73,877,957)	274,068,037
d) Medium-term revolving syndicated loan	-	2,668,976,831	-	2,668,976,831
	1,032,752,344	**2,668,976,831**	**(408,612,365)**	**3,293,116,810**

Classification of loans and interest for each loan are as follows:

	Current portion of term loans L.E.	*Term loans* L.E.	*Balance at the end of the year* L.E.	*Interest and commission capitalized on qualified assets* L.E.
31/12/2025				
a) Egyptian Gulf Bank	-	-	-	17,325,351
b) Syndication loan – Notes receivable discount	187,357,497	162,714,445	350,071,942	47,321,689
c) Syndication loan – Notes receivable discount	82,009,253	192,058,785	274,068,038	35,208,383
d) Medium-term revolving syndicated loan	-	2,668,976,830	2,668,976,830	-
	269,366,750	**3,023,750,060**	**3,293,116,810**	**99,855,423**

These loans are represented in long term facilities granted from the following banks:

a) Egyptian Gulf Bank

A medium-term loan contract was signed between the Egyptian Gulf Bank and Madinet Masr for Housing and Development on 23 February 2020, to finance the cost of establishing and developing the Sarai transformer station.

The amount of financing is available for withdrawal starting from the date of the first withdrawal of financing, which took place on 17 June 2020, and ends on 30 July 2024.

The financing period is 74 months, starting from the date of signing the financing documents and ending on 31 December 2028.

The full outstanding balance of the medium-term revolving syndicated loan granted by the Commercial International Bank (CIB) Egypt and other banks has been fully repaid.

20. TERM LOANS - *Continued*

b) Syndicated loan – Notes receivable discount

A long-term syndicated loan agreement was concluded on August 26, 2020.
Purpose of financing: Discounting commercial papers with a nominal value of L.E. 1,133,870,000 in order to provide the necessary funds to finance the construction and development of the company's unfunded projects.
Participating banks:

Commercial International Bank (CIB), acting as the lead arranger, facility marketer, facility agent, and lender.
The United Bank, acting as a lender.
Arab Investment Bank, acting as a lender.
Egyptian Gulf Bank, acting as a lender.

Loan tenor: Ending on March 9, 2027.

c) Syndicated loan – Notes receivable discount

A long-term syndicated financing contract signed in July 2021
Participating banks:

- Commercial International Bank as the main arranger, finance marketer, financing agent and lending bank.
- National Bank of Kuwait as the lending bank.
- Purpose of financing: discounting commercial papers with a nominal value of 761,108,401 Egyptian pounds, in order to provide the necessary amounts to finance the construction and development of the company's unfunded projects.
- Loan period: ends on November 30, 2028.

d) Medium-Term Revolving Syndicated Financing

A medium-term revolving syndicated financing agreement totaling L.E. 9 billion.

On December 24, 2024, the company signed a financing agreement with the Commercial International Bank (CIB), First Abu Dhabi Bank (FAB), Al Baraka Bank, Abu Dhabi Commercial Bank (ADCB), Export Development Bank of Egypt (EDB), Housing and Development Bank (HDB), and Industrial Development Bank (IDB). The agreement aims to finance several phases of the Taj City and Sarai projects, repay the balance of the bridge loan granted by CIB, and repay the balance of the Egyptian Gulf Bank facility. This financing is used in two tranches, as follows:

- The first tranche – Taj City, with a total amount of L.E. 4 billion, to finance the phases of Chalia, Lake Park, Taj Gardens, Taj Ville, Elect, Clubside, and Arigami, in addition to repaying the balance of the bridge loan granted by the Commercial International Bank (CIB) to finance the first tranche projects.

20. TERM LOANS - *Continued*

- The second tranche – Sarai, with a total amount of L.E. 5 billion, will finance the Krones, Kavana, Ray, Ray Views, and Elan phases, in addition to repaying the balance of the bridge loan granted by the Commercial International Bank (CIB) to finance the second tranche projects, as well as the Egyptian Gulf Bank loan. The availability period, during which the financing is available for withdrawal, begins on the financial closing date (one month from the contract date) and ends on:
- First Tranche: The date falling 4 years and 10 months after the financial closing date or August 30, 2029.
- Second Tranche: The date falling 7 years and 4 months after the financial closing date or February 29, 2032

Final Maturity Date:

- First Tranche: The date falling 4 years and 11 months after the financial closing date or September 30, 2029
- Second Tranche: The date falling 7 years and 5 months after the financial closing date or March 31, 2032

21. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following consolidated financial position amounts:

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Cash and bank balances (Note 13)	3,372,481,532	2,569,151,865
Investment at fair value through profit and loss (Note 6/5)	4,656,677	4,075,590
Investment held to maturity – Treasury bills (Note 6/6)	3,604,372,124	2,940,727,238
Less:		
Credit facilities (Note 21/2)	(348,663,881)	(260,034,800)
Cash and cash equivalents at the end of the year	**6,632,846,452**	**5,253,919,893**
Less:		
Restricted treasury bills to cover letters of guarantee (Note 6/6)	(16,116,600)	(16,116,600)
Restricted investment certificates against letters of guarantee (Note 6/5)	(487,000)	(487,000)
Restricted for time deposits against letters of guarantee (Note 13)	(10,000,000)	(12,476,880)
Cash and cash equivalents at the end of the year	**6,606,242,852**	**5,224,839,413**

21. CASH AND CASH EQUIVALENTS - *Continued*

21/1 Short Term Loan

	Balance at the beginning of the period L.E.	*Withdrawals during the period L.E.*	*Installment paid during the period*	*Balance at the end of the period L.E.*	*Commissions and interest during the period L.E.*
30/9/2026					
Kuwait National Bank	2,396,583,156	114,624,322	-	2,511,207,478	372,865,067
Qatar National Bank	-	1,190,147,845	(540,975,496)	649,172,349	84,531,192
	2,396,583,156	**1,304,772,167**	**(540,975,496)**	**3,160,379,827**	**457,396,259**

	Balance at the beginning of the year L.E.	*Withdrawals during the year L.E.*	*Installment paid during the year*	*Balance at the end of the year L.E.*	*Commissions and interest during the year L.E.*
31/12/2025					
Kuwait National Bank	1,650,000,000	746,583,156	-	2,396,583,156	525,147,973

A) NBK

In March 2020, a short-term loan was obtained from the National Bank of Kuwait – Egypt amounting to L.E. 700,000,000 to finance operating expenses. The agreement was renewed in March 2024. In June 2024, In August 2025 the credit facility limit was increased to L.E. 3,000,000,000. The agreement was subsequently renewed in September 2026 to mature on September 30, 2027. The loan balance amounted to EGP 2,511,207,478 as of September 30, 2026.

B) QNB

In April 2026, a short-term loan was obtained from Qatar National Bank (QNB) amounting to EGP 1.3 billion, unsecured by collateral, for the purpose of financing operating expenses. The loan balance amounted to EGP 649,172,349 as of September 30, 2026.

21/2 Credit Banks (credit facilities)

First: Credit facility from United Bank to Madinet Masr Housing and Development Company

Current overdraft limit of 400 million Egyptian pounds without collateral to finance the payment of checks and transfers to beneficiaries' accounts in other dealing banks for administrative and general expenses, The facility balance on June 30, 2026 amounted to L.E. 348,663,881 (December 31, 2025: L.E. 260,034,800).

Sub-limit for letters of guarantee of L.E. 572,415.

21. CASH AND CASH EQUIVALENTS – *Continued*

Second: Credit facilities with Al-Nasr Civil Works Company (a subsidiary)

The credit facilities granted by the banks to the company are as follows:

NBE

An amount of L.E. 29.7 million to issue letters of guarantee for the purpose of bidding on tenders and executing awarded works.

QNB

Amount of L.E. 89 million to issue letters of guarantee for the purpose of bidding on tenders and executing awarded works.

FAB

- Amount of L.E. 54.1 million to issue letters of guarantee for the purpose of bidding on tenders and executing awarded works.
- The above credit facilities are subject to interest and commissions at the rates due to each bank separately according to the credit facility contracts.

22. DEBTORS OF COMPOUNDS FACILITY MANAGEMENT

	30/9/2026 L.E.	*31/12/2025 L.E.*
Treasury bills	2,706,607,131	2,904,510,999
Bank current accounts	496,981,553	54,627,689
Cheques under collection	11,826,546,122	9,562,098,098
Bank deposits of compounds facility management	15,030,134,806	12,521,236,786
Amounts under settlement	74,303,509	(42,074,733)
Liabilities of compounds facility management	**15,104,438,315**	**12,479,162,053**

23. JOINT ARRANGEMENT

	Nature of relationship	*Nature of Account*	*Balance at 30/9/2026 L.E.*	*Balance at 31/12/2025 L.E.*
Capital Gardens project	Joint operation	Long term notes receivable	802,026,477	851,479,375
		Finance component discount	(417,172,489)	(531,307,204)
		Net	384,853,988	320,172,171
		Short term notes receivable	106,979,305	124,789,877
			491,833,293	**444,962,048**

24. RIGHT OF USE ASSETS

	30/9/2026 L.E.	*31/12/2025 L.E.*
Cost:		
At the beginning of the period/year	164,168,736	124,675,570
Additions during the period/year	13,833,739	130,461,351
Disposals	(8,759,822)	(90,968,185)
At the end of the period/year	**169,242,653**	**164,168,736**
Accumulated amortization:		
At the beginning of the period/year	33,435,653	78,386,028
Amortization during the period/year (Notes 26, 27)	41,171,922	46,017,810
For disposals	(8,759,822)	(90,968,185)
At the end of the period/year	**65,847,753**	**33,435,653**
Net book value		
At the end of the period/year	**103,394,900**	**130,733,083**

25. REVENUES AND COST OF REVENUES

25-a Net Revenues

	30/9/2026 L.E.	*30/9/2025 L.E.*
Tag City	1,231,092,712	2,467,956,845
Sarai	4,348,928,350	3,895,420,523
Madinet Nasr and Nasr Gardens	849,657,920	249,963,394
Minka Real Estate Investment Company's revenues	265,389,819	426,408,940
Contracting revenue (Al Nasr for Civil Works)	181,071,910	188,401,525
Doors revenue	84,760	26,169,954
Madinet Masr Project Management Company	277,887,186	-
Egy Can Company	625,873,139	-
Madinet Masr Finishing Company	9,956,781	-
Abwab El Khebra for Project Management	1,718,907	-
	7,791,661,484	**7,254,321,181**
Add:		
Financial component from contracts	314,891,808	99,672,918
Return on investment properties	27,293,938	24,182,939
	8,133,847,230	**7,378,177,037**

25. REVENUES AND COST OF REVENUES - *Continued*

25-b Cost of Revenues

	30/9/2026 L.E.	*30/9/2025 L.E.*
Tag City	992,214,959	1,564,747,988
Sarai	1,482,008,667	402,215,294
Madinet Nasr and Nasr Gardens	266,575,103	5,742,711
Cost of revenue from Minka for Real Estate Investment	206,349,802	349,899,827
Contracting cost of revenue (Al Nasr for Civil Works)	159,093,356	170,063,266
Doors revenue	70,475	18,353,966
Madinet Masr Project Management Company	231,053,120	-
Egy Can Company	604,209,714	-
Madinet Masr Finishing Company	7,214,469	-
	3,948,789,665	**2,511,023,052**

26. SELLING AND MARKETING EXPENSES

	30/9/2026 L.E.	*30/9/2025 L.E.*
Salaries and wages	32,725,858	24,978,027
Selling and marketing commissions	358,342,609	349,318,361
Advertising expenses (including stamp tax)	735,726,151	849,808,338
Professional and marketing fees	19,063,325	6,467,245
Depreciation (Note 4)	7,891,216	3,120,704
Transportation, sundry expenses, and maintenance	6,901,157	5,605,042
Expenses for maintenance and renewal of computer software licenses	80,122,576	69,813,414
Rent	1,732,351	1,495,838
Materials, Fuel, and spare parts	2,006,790	831,450
Security, guarding, and Cleaning	862,103	3,518,436
Other service expenses	1,602,007	1,260,390
Amortization of right of use assets (Note 24)	40,605,946	32,519,031
	1,287,582,089	**1,348,736,276**

27. GENERAL AND ADMINISTRATIVE EXPENSES

	30/9/2026 L.E.	*30/9/2025 L.E.*
Salaries, wages and equivalent	226,287,157	164,835,670
Board of Directors remuneration	23,053,413	21,129,347
Expense of shares option plan for employees	44,558,736	22,932,945
Advertisement expenses	9,592,465	880,126
Transportation and communications expenses	16,649,540	8,448,014
Consulting fees, training and conferences	160,895,093	25,265,896
Depreciation (Note 4)	16,293,707	9,093,148
Maintenance expenses, and software licenses	95,506,787	39,103,880
Rent	2,020,378	1,867,156
Raw materials, fuel and spare parts	3,394,541	2,241,500
Property tax and stamp tax	237,080	145,515
International deposit certificates at London Stock Exchange expenses	3,924,867	2,721,976
Security, cleaning and training expenses	7,052,559	5,128,864
Bank charges	22,952,460	21,969,139
Amortization of ROU (Note 24)	565,972	565,967
Other service expenses	17,732,474	17,791,867
	650,717,229	**344,121,010**

28. RESIDENTIAL COMMUNITY MANAGEMENT & OTHER OPERATING COST

	30/9/2026 L.E.	*30/9/2025 L.E.*
Salaries and wages	11,507	16,180,986
Residential compound operating expenses	10,482,318	6,083,855
Transportation and communications expenses	14,460	583,634
Depreciation of fixed assets (Note 4)	287,356	264,533
Maintenance of buildings, furniture and computer and materials, fuels and spare parts expenses	55,955,505	45,233,687
Rental expenses	186,895	697,463
Security and training expenses	2,492,399	7,155,396
Other service expenses	901	118,208
	69,431,341	**76,317,762**

29. FINANCE COST

	30/9/2026 L.E.	*30/9/2025 L.E.*
Loans, facilities and securitization interests	554,730,177	496,375,045
Lease contract interest	22,505,287	7,693,443
	577,235,464	**504,068,488**

30. FINANCE INCOME

	30/9/2026 L.E.	*30/9/2029 L.E.*
Income from investment at fair value through profit or loss	581,088	412,233
Credit interest	322,376,894	218,886,065
Return on treasury bills	417,962,356	341,399,290
	740,920,338	**560,697,588**

31. OTHER OPERATING INCOME

	30/9/2026 L.E.	*30/9/2025 L.E.*
Administrative fees from customers (for redemption)	100,944,907	62,297,643
Sundry income	1,521,557	64,828
Delay fines on customers	47,265,462	71,836,285
Gain on foreign exchange	34,212,646	5,128
Compensation	286,142	-
Gain on Sale of Scrap	1,633,338	-
	185,864,052	**134,203,884**

32. OTHER EXPENSES

	30/9/2026 L.E.	*30/9/2025 L.E.*
Compensations and fines	47,818,198	19,319,970
Donations	11,531,735	10,267,171
Health insurance - Takaful contribution	29,243,972	23,810,553
Foreign exchange Losses	803	19,943,005
	88,594,708	**73,340,699**

33. CONSOLIDATED STATEMENT OF INCOME

	30/9/2026 L.E.	*30/9/2025 L.E.*
Net profit from Madinet Masr for Housing & Development S.A.E.	1,603,238,369	2,206,064,760
Madinet Masr's net profits from subsidiaries companies	473,591,041	407,033,823
Elimination effect of return from investments in subsidiaries	(268,261,789)	(259,986,502)
Reversal of expected credit loss – related parties	3,887,480	(2,267,385)
	1,812,455,101	**2,350,844,696**

34. CONTINGENT LIABILITIES

Madinet Nasr for Housing & Development S.A.E.

The value of letters of guarantee as at 30 September 2026 amounted to L.E. 210,925,963 (December 31, 2025: L.E. 230,925,963). These are secured by cash collateral for letters of guarantee amounting to L.E. 1,039,443 (December 31, 2025: L.E. 1,039,443) (Note 12/2), treasury bills collateral amounting to L.E. 16,116,600 (Note 6/6), in addition to investment fund certificates (Rokhaa Money Market Fund) at The United Bank amounting to L.E. 487,000 (December 31, 2025: L.E. 487,000) (Note 6/5), and time deposits amounting to L.E. 10,000,000 with Abu Dhabi Commercial Bank (December 31, 2025: L.E. 12,476,880) (Note 13).

Al Nasr Co. for Civil Works – (Subsidiary Company)

Contingent liabilities as at 30 September 2026 represent the value of letters of guarantee issued by banks on behalf of the company in favor of third parties against execution contracts, amounting to L.E. 173,112,546 (2025: L.E. 177,669,652). It should be noted that advance payment guarantee' letters amounting to L.E. 3,402,948 and final guarantee letters amounting to L.E. 1,154,157 had been released as of 30 September 2026.

35. DEFERRED TAX

Madinet Masr for Housing and Development (Parent company)

	30/9/2026		*31/12/2025*	
	Assets L.E.	*(Liabilities) L.E.*	*Assets L.E.*	*(Liabilities) L.E.*
Fixed assets	-	(7,798,937)	-	(4,119,067)
Financial Assets	-	(1,908,295)	-	(1,908,295)
Investment's property	-	(341,761,307)	-	(341,761,307)
Right of use assets	1,880,555	-	1,364,435	-
Provisions	111,569,248	-	191,994,253	-
Total deferred tax	**113,449,803**	**(351,468,539)**	**193,358,688**	**(347,788,669)**
Net deferred tax (assets)	-	(238,018,736)	-	(154,429,981)
Total deferred tax charged to the separate statement of income	-	**(83,588,755)**	-	**(50,703,025)**
Total deferred tax charged to the statement of other comprehensive income	-	-	-	**(46,799,234)**

Al Nasr Company for Civil Works – (Subsidiary Company)

	30/9/2026		*31/12/2025*	
	Assets L.E.	*(Liabilities) L.E.*	*Assets L.E.*	*(Liabilities) L.E.*
Fixed assets	-	(77,626)	-	(10,216)
Right of use assets	-	11,009	-	(97,496)
Provisions	12,131,006	-	13,041,841	-
Total deferred tax assets/(liabilities)	12,131,006	(66,617)	13,041,841	(107,712)
Net deferred tax assets	12,064,389	-	12,934,129	-
Deferred tax charged to the statement of income	(869,740)	-	2,746,582	-

35. DEFERRED TAX - *Continued*

Minka for Real Estate Investment Co. – (Subsidiary Company)

	30/9/2026		*31/12/2025*	
	Assets L.E.	*(Liabilities) L.E.*	*Assets L.E.*	*(Liabilities) L.E.*
Fixed assets	8,609	-	87,440	-
Provisions	22,500	-	22,500	-
accumulated losses	-	-	-	-
Investment properties	-	3,964,971	-	(3,964,971)
Total deferred tax	31,109	3,964,971	109,940	(3,964,971)
Net deferred tax (assets)	-	3,933,862	-	(3,855,031)
Total Deferred tax charged to the statement of income	78,832	-	-	(7,617,664)
Total Deferred tax charged to the OCI	-	-	-	(3,964,971)

EgyCan for Real State Development Co. – (Subsidiary Company)

	30/9/2026		*31/12/2025*	
	Assets L.E.	*(Liabilities) L.E.*	*Assets L.E.*	*(Liabilities) L.E.*
Fixed assets	60,541	-	90,423	-
Provision tax differences	780,015	-	34,661	-
Total deferred tax	840,556	-	125,084	-
Net deferred tax (assets)	840,556	-	-	-
Total Deferred tax charged to the statement of income	715,472	-	(7,170)	-

Madinet Masr for Finishing Works – (Subsidiary Company)

	30/9/2026		*31/12/2025*	
	Assets L.E.	*(Liabilities) L.E.*	*Assets L.E.*	*(Liabilities) L.E.*
Fixed assets	-	(55,035)	-	(55,035)
Retained earnings tax differences	2,236,726	-	1,641,221	-
Total deferred tax	2,236,726	(55,035)	1,641,221	(55,035)
Net tax differences (liability) / asset	2,181,691	-	-	-
Total Deferred tax charged to the statement of income	**595,504**	-	1,586,186	-

35. DEFERRED TAX - *Continued*

Madinet Masr for Project Management – (Subsidiary Company)

	30/9/2026		*31/12/2025*	
	Assets L.E.	*(Liabilities) L.E.*	*Assets L.E.*	*(Liabilities) L.E.*
Fixed assets	67,317	(800,303)	-	(800,303)
Total deferred tax	67,317	(800,303)	-	(800,303)
Net tax differences (liability) / asset	-	(732,986)	-	(800,303)
Total Deferred tax charged to the statement of income	67,317	-	-	(800,303)

Madinet Masr for Sports Club Management – (Subsidiary Company)

	30/9/2026		*31/12/2025*	
	Assets L.E.	*(Liabilities) L.E.*	*Assets L.E.*	*(Liabilities) L.E.*
Fixed assets	-	19,801	-	(16,983)
Total deferred tax	-	19,801	-	(16,983)
Total Deferred tax charged to the statement of income	-	(2,818)	-	(16,983)

Doors Real Estate Asset Management LLC (Subsidiary)

	30/9/2026		*31/12/2025*	
	Assets L.E.	*(Liabilities) L.E.*	*Assets L.E.*	*(Liabilities) L.E.*
Fixed assets	-	(1,026,367)	-	-
Total deferred tax	-	(1,026,367)	-	-
Total deferred tax charged to the statement of income	-	(1,026,367)	-	-

	30/9/2026 L.E.	*31/12/2025 L.E.*
The effect on consolidated financial statements		
Total deferred tax asset (statement of financial position)	(228,645,116)	(144,456,899)
Adjusting on Differed tax liabilities	145,820,355	81,536,785
Total Differed tax liabilities (statement of financial position)	82,824,761	62,919,554
Total charged to the statement of income	**(84,188,219)**	**(54,812,377)**

36. LEASE LIABILITY

Madinet Nasr for Housing and Development (Parent company)

	30/9/2026 L.E.	*31/12/2025 L.E.*
Balance at beginning year	131,200,897	47,288,067
Add:		
Lease liabilities during the year	13,833,739	130,461,351
Lease interest during the year	22,505,287	14,484,181
Less:		
Interest paid on lease contracts during the period	(22,505,287)	(14,484,181)
Principle paid during the year	(38,901,204)	(46,548,521)
Balance at ending year	**106,133,432**	**131,200,897**
Short term lease liabilities:		
Short term Lease liabilities	**34,849,406**	**32,398,797**
Long term Lease liabilities		
1-5 years	**71,284,026**	**98,802,100**

37. TAX STATUS

Madinet Masr for Housing and Development S.A.E. (Parent company)

- *Corporate tax*

The company submitted its tax returns and amended returns on the legally prescribed dates, and the company paid taxes based on these returns after being approved by the company's tax advisor until 2024.

The years from the start of the activity until 2017

The tax examination between the company and the Tax Authority for those years has been terminated, and the due tax has been paid in full, according to the decisions of the internal committees, the Appeal Committee, and the dispute settlement committees.

The years are from 2018 to 2019

The company received a Form 19 tax return for those years. The tax office made the estimated linkage to Form 19 issued under No. 313 on April 8, 2024. The form was appealed within the legal deadlines. The documents are being prepared for field inspection with the Tax Authority. In accordance with the Tax Authority's inspection method, an estimated provision has been established for anticipated points of dispute.

37. TAX STATUS - *Continued*

The years are from 2020 to 2025

The inspection was not conducted by the Tax Authority, and the company did not receive any forms for those years to date, and according to the method of the Tax Authority in the inspection, the estimated provision was formed for the expected points of disagreement.

- ***Payroll tax***

The years from the start of the activity until 2020

The tax audit between the company and the tax authority for those years was completed and the tax due was paid in full.

The years are from 2021 to 2022

The tax inspection for these years is underway and the company has not been notified of any assessment forms to date. In accordance with the Tax Authority's audit method, an estimated provision for points of dispute has been created.

The years are from 2023 to 2024

The inspection was not conducted by the Tax Authority, and the company did not receive any forms for those years to date, and according to the method of the Tax Authority in the inspection, the estimated provision was formed for the expected points of disagreement.

- ***Stamp tax***

The years from the start of the activity until 2020

The tax dispute between the company and the tax authority has been terminated and the tax due has been paid in full.

The years are from 2021 to 26/1/2025

The inspection was not conducted by the Tax Authority, and the company did not receive any forms for those years to date, and according to the method of the Tax Authority in the inspection, the estimated provision was formed for the expected points of disagreement.

- ***Real estate tax***

The years are from 2013 to 2025

The tax returns were submitted within the specified legal date, and the tax was paid for the real estate for which the tax forms were received, and a provision was made for the tax on the real estate for which no tax forms were received to date.

37. TAX STATUS - *Continued*

Al Nasr Company for Civil Works – S.A.E. (Subsidiary company)

The company follows the mission of the Center of Major Financiers File No. 410/3/5/555 and registered under No. 933/396/100 General Tax and Sales.

- ***Corporate tax***

  Years until 30/6/2008

  The taxes were settled and there is no tax due for these years.

  Years from 1/7/2009 until 31/12/2012

  The link was made based on the decisions of the appeal committees and it was appealed with the administrative court and reconciliation request was submitted to the Senior Finance Center Submit a request in accordance with Law No. 174 of 2018 regarding delay fines.

  From year 2013 to 2019

  The inspection has been made in estimate and an internal committee worked to re-examine.

  From year 2020 to 2025

  The inspection has not been conducted to date, and estimated tax declaration according to law 91 to year 2005.

- ***Payroll tax***

  Year ended 31/12/2004

  The tax inspection and the dispute were ended, and the tax differences were paid.

  Years from 2005 to 2018

  The inspection has been made and the Appeal Committee issued a decision to re-examine in light of the yearly adjustments and the provided documents by the company.

  Years from 2019 to 2020

  The inspection has been made and the Appeal Committee issued a decision to re-examine in light of the yearly adjustments and the provided documents by the company.

  The years from 2021 to 2025 haven't been requested for inspection.

37. TAX STATUS - *Continued*

- ***Stamp Tax***

  - Periods till 31/12/2015 The tax dispute between the company and the tax authority has been terminated and the tax due has been paid in full.
  - The period from 1/1/2016 until 31/12/2024 have not been inspected yet

- ***Withholding tax***

  The company pays on a quarterly basis according to the forms prepared for that purpose.

- ***Value Added tax (VAT)***

  Years until 31/12/2013 were inspected and the outstanding discrepancies paid in full.

  Years 2014 and 2015 Inspection and appeal were conducted and the Appeal Committee decision was issued to reduce outstanding discrepancies.

  Years 2016 and 2017 were inspected, appeal and the dispute is under consideration.

  Years from 2018 to 2020, The inspection has been completed and an internal committee has been formed.

  Years from 2021 to 2025, the company provides monthly tax returns and reimburses the tax due from the return.

  The company registered in VAT issued by Law No. 67 of 2016.

- ***Real Estate tax***

  Tax returns were submitted in accordance with the law and tax due until 31/12/2024 was paid.

Egy Can Real Estate Development S.A.E. (Subsidiary)

- ***Corporate Tax***

  The Company has filed its tax returns, duly approved by the Company's tax advisor, within the legally prescribed deadlines, and the related tax liabilities have been settled.

  - The Company was tax inspected from the commencement of its operations through 2022.
  - The Company has not been notified of any tax assessment forms or inspection notices for the years 2023 through 2025.

37. TAX STATUS - *Continued*

- ***Payroll Tax***

  - The monthly withholding forms and quarterly payroll tax returns (Form No. 4 Payroll Tax Return) are submitted within the legally prescribed deadlines.
  - The annual payroll tax reconciliation return (Form No. 6 Payroll Tax Return) is submitted within the legally prescribed deadlines.
  - The Company's payroll tax records are currently under inspection from the commencement of its operations through 2022.

- ***Withholding Tax***

  - Amounts withheld from third parties under the tax withholding system are remitted regularly in accordance with the legally prescribed deadlines. Form No. 41 is submitted and the related payments are made within the legally prescribed deadlines.

Mink Investment for Real Estate Development S.A.E. (Subsidiary)

- ***Corporate Tax***

  Fiscal Years from the Commencement of Operations through 2021

  The Company was notified of Tax Inspection Form No. (4/3) covering the fiscal years from the commencement of operations through 2021. The Company is currently preparing the documents and analyses requested by the Tax Authority for the examination of its accounts.

  Fiscal Years from 2022 through 2025

  These years have not yet been subject to tax inspection, and the Company has not been notified of any tax assessment forms up to the date of this report.

- ***Withholding Tax***

  The Company complies with the submission of the quarterly withholding and collection tax return (Form No. 41) and remits the related tax amounts within the legally prescribed deadlines. The Company's records for the years from the commencement of operations through 2025 are currently under tax inspection.

- ***Payroll Tax***

  Fiscal Years from the Commencement of Operations through 2019

  The Company was inspected for payroll tax purposes from the commencement of its operations through 2019, and the related tax liabilities were settled.

37. TAX STATUS - *Continued*

Fiscal Years from 2020 through 2023

The Company was notified of a payroll tax inspection (Form No. 4), and is currently preparing the reconciliations, supporting documents, and analyses requested by the Tax Authority for the examination of its records.

Fiscal Years from 2024 through 2025

These years have not yet been subject to tax inspection, and the Company has not been notified of any tax assessment forms up to the date of this report.

- ***Value Added Tax (VAT)***

The Company complies with filing its monthly VAT returns within the legally prescribed deadlines. The Company's records have not been inspected for VAT purposes from the commencement of operations through 2025.

- ***Stamp Tax***

Fiscal Years from the Commencement of Operations through 2019
The Company was inspected for stamp tax purposes from the commencement of its operations through 2019, and the related tax liabilities were settled.

Fiscal Years from 2020 through 2023

The Company has been notified of a tax inspection, and is currently preparing the required supporting documents.

Fiscal Years from 2024 through 2025

These years have not yet been subject to tax inspection, and the Company has not been notified of any tax assessment forms up to the date of this report.

- ***Real Estate Tax***
The five-year real estate tax return has been submitted through the Egyptian Real Estate Tax Authority's system. Any tax due will be settled upon assessment and demand by the Authority.

Madinet Masr Finishing Works S.A.E. (Subsidiary)

- ***Corporate Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through December 31, 2025.

37. TAX STATUS - *Continued*

- The Company regularly files its annual tax returns and is compliant with the payment of all tax liabilities due.

- ***Payroll Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through 2025.
  - The Company regularly files its tax returns and is compliant with the payment of all tax liabilities due.

- ***Value Added Tax (VAT)***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the date of its VAT registration through December 31, 2025.
  - The Company regularly files its VAT returns and is compliant with the payment of all tax liabilities due.

- ***Stamp Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through 2025.

- ***Withholding Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through December 31, 2025.
  - The Company regularly submits the required tax forms and is compliant with the payment of taxes related to the submitted forms.

Madinet Masr Project Management S.A.E. (Subsidiary)

- ***Corporate Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through December 31, 2025.
  - The Company regularly files its annual tax returns and is compliant with the payment of all tax liabilities due.

- ***Payroll Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through 2025.

37. TAX STATUS - *Continued*

- The Company regularly files its annual tax returns and is compliant with the payment of all tax liabilities due.

- ***Value Added Tax (VAT)***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the date of its VAT registration through December 31, 2025.
  - The Company regularly files its VAT returns and is compliant with the payment of all tax liabilities due.

- ***Stamp Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through 2025.

- ***Withholding Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through December 31, 2025.
  - The Company regularly submits the required tax forms and is compliant with the payment of taxes related to the submitted forms.

Madinet Masr Sports Clubs Management S.A.E. (Subsidiary)

- ***Corporate Tax***

  - The Company is subject to the provisions of Income Tax Law No. 91 of 2005 and its Executive Regulations governing corporate income tax.
  - The Company files its tax returns within the legally prescribed deadlines.

- ***Payroll Tax***

  - The Company regularly withholds and remits payroll taxes in accordance with the provisions of the Income Tax Law on a monthly basis, and all tax liabilities are settled within the legally prescribed deadlines.

- ***Withholding Tax***

  - The tax withholding system is applied to the Company's transactions in accordance with the provisions of the Income Tax Law and its amendments issued under Law No. 91 of 2005. The Company has not been notified of any tax inspection up to the date of this report.

37. TAX STATUS - *Continued*

- ***Stamp Tax***

  - The provisions of the Stamp Tax Law No. 111 of 1980, as amended, are applied by the Company.

- ***Value Added Tax (VAT)***

  - The Company regularly files its VAT returns and remits the related tax liabilities on a timely basis.

Doors Real Estate Asset Management S.A.E. (Subsidiary)

- ***Corporate Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through December 31, 2025.
  - The Company regularly files its annual tax returns and is compliant with the payment of all tax liabilities due.

- ***Payroll Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through 2025.
  - The Company regularly files its annual tax returns and is compliant with the payment of all tax liabilities due.

- ***Value Added Tax (VAT)***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the date of its VAT registration through December 31, 2025.
  - The Company regularly files its VAT returns and is compliant with the payment of all tax liabilities due.

- ***Stamp Tax***

  - The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through 2025.

- ***Withholding Tax***

  The Company's books and records have not been inspected by the Egyptian Tax Authority for the period from the commencement of operations through December 31, 2025.

  - The Company regularly submits the required tax forms and is compliant with the payment of taxes related to the submitted forms.

38. EARNINGS PER SHARE

	30/9/2026 L.E.	*30/9/2025 L.E.*
Net profit for the period after tax	1,812,455,101	2,350,844,696
Less: Board of Directors and employees share in profit	(224,453,372)	(309,000,000)
Shareholders share in net profit	1,588,001,729	2,041,844,696
Weighted average numbers of shares outstanding during the period	2,103,264,605	2,076,795,167
Earnings per share	0,755	0.983

39. INVESTMENT PROPERTY

	30/9/2026 L.E.	*30/9/2025 L.E.*
First Settlement Building	210,727,311	204,512,310
Mivida Building	1,741,523	1,216,344
Katameya Building G6	3,615,354	1,819,252
Katameya Building G5	2,908,437	1,995,913
Waterway 5A	3,020,219	2,610,169
Mivida My Park B05	8,627,576	4,718,477
Administrative Unit No. 6A-1/104	3,979,528	3,019,278
Administrative Unit No. 1102	4,159,970	4,190,910
Administrative Unit No. 06-02-04, 2nd Floor, EDNC Sodic Project	2,196,909	3,984,850
Administrative Unit No. 3-4.B, Building B2	2,787,784	2,265,260
Administrative Unit No. 2-2-5, 2nd Floor, EDNC Sodic Project	2,101,389	2,435,549
Two Administrative Units No. (1-13) & (1-11), Building B1, Mivida	3,505,536	22,214,248
Administrative Units No. 2-2-6 & 2-2-7, EDNC Sodic Project	9,007,812	-
Administrative Units TH316:TH322, U Venues	109,556,200	-
Administrative Units No. 1305 and 1306, Building B1, Park St. East Project	47,283,014	-
Shareholders share in net profit	415,218,562	254,982,560

40. FINANCIAL INSTRUMENTS AND RELATED RISKS

The financial instruments for the parent company represent the financial assets and liabilities. the financial assets include cash and bank balances, financial investments, debtors, and amounts due from related parties. Whilst the financial liabilities include bank overdrafts, creditors and amounts due to related parties. And then follows the notes to the financial statements which include the accounting policies adopted in the recognition and measurement of financial instruments.

The significant risks associated with the financial instruments and the procedures followed by the company to mitigate these risks are as follows:

- ***Credit risk***

  Credit risk is the risk that debtors fail to settle the amounts due from them, the company seeks to reduce this risk to the minimum by agreeing with the customers to transfer property after settling all of their debts, also the company charges customers for delay penalties calculated on settlement.

- ***Liquidity risk***

  Liquidity risk represents all factors which affect the company's ability to pay part or all of its obligations, according to the company's policy sufficient liquidity is maintained which reduce the risk to the minimum.

The following are due dates of the financial liabilities:

	Less than one year L.E.	*1-2 years L.E.*	*More than 2 years L.E.*	*Book value L.E.*
30/9/2026				
Term loans	245,144,351	98,853,872	3,909,786,333	4,253,784,556
Creditors and other credit balances	2,104,205,430	-	-	2,104,205,430
Short term loans	3,160,379,827	-	-	3,160,379,827
Land development liability by face value	372,255,951	-	-	372,255,951
Trade payables	2,251,709,157	-	-	2,251,709,157
	8,133,694,716	**98,853,872**	**3,909,786,333**	**12,142,334,921**
31/12/2025				
Term loans	269,366,750	253,749,957	2,770,000,103	3,293,116,810
Creditors and other credit balances	2,094,299,654	-	-	2,094,299,654
Short term loans	2,396,583,156	-	-	2,396,583,156
Land development liability by face value	372,255,951	-	-	372,255,951
Trade payables	1,469,632,455	-	-	1,469,632,455
	6,602,137,966	**253,749,957**	**2,770,000,103**	**9,625,888,026**

40. FINANCIAL INSTRUMENTS AND RELATED RISKS - *Continued*

- ***Market risk***

Market risk includes potential gains and losses from the company's financial investments. The company's management applies an investment policy aimed at reducing risk, through investing in various low-risk financial instruments (mainly Egyptian treasury bills).

- ***Interest rate risk***

Interest rate risk represents the risk of changes in the rate of interest, Time deposits, loans and bank overdrafts are subject to this risk. The company uses most of its deposits in settling its loans and overdraft balances whenever a gap between debit and credit interest rates takes place in order to reduce this risk to the minimum as possible.

The following are the financial assets and liabilities according to interest rate type:

	30/9/2026 *L.E.*	*31/12/2025* *L.E.*
Financial assets instruments with fixed interest rate		
Financial assets (trade and notes receivable)	9,463,526,539	7,651,872,520
Financial liabilities instruments with floating interest rate		
Financial liabilities (Long- and short-term loans and credit banks)	7,762,828,263	5,949,734,766

- ***Capital Management***

Regarding capital management, the company's policy is to uphold a strong capital base to safeguard its shareholders' equity, creditors, and market confidence, as well as the continued growth of its future activities.

The company seeks to maintain a balance between the lowest cost of borrowing and the other associated risks and benefits of the finance to keep a strong capital base.

The company has no change in the capital management during the year and it has no external capital requirements.

41. CONTRACTUAL COMMITMENTS

The value of contracts with contractors for the implementation of housing and development projects amounted to L.E. 29.21 billion, the executed works till 30 September 2026 amounted to L.E. 14.93 billion. Contractors' dues have been paid in accordance with the contracts.

41. CONTRACTUAL COMMITMENTS – *Continued*

The following are the remaining due as on 30 September 2026:

Project	*Value of current works contracted with contractors to execute residential units L.E.' Billions*	*Value of executed works till 30/6/2025 L.E.' Billions*	*Value of remaining contractual commitment at 30/6/2026 L.E.' Billions*
Taj Sultan	EGP 1.95 billion	EGP 1.91 billion	EGP 41 million
Park residence	EGP 1.77 billion	EGP 1.69 billion	EGP 79 million
Shalya	EGP 2.85 billion	EGP 2.65 billion	EGP 215 million
Elect- Taj City	EGP 856 million	EGP 440 million	EGP 416 million
Club side-Taj City	EGP 3.24 billion	EGP 384 million	EGP 2.85 billion
Orgami-Taj City	EGP 1.38 billion	-	EGP 1.38 billion
Taj Ville - Joint venture	EGP 719 million	EGP 716 million	EGP 3 million
Zahw	EGP 510 million	EGP 58 million	EGP 452 million
Taval	EGP 1.04 billion	EGP 1.04 billion	-
Croons	EGP 4.61 billion	EGP 3.82 billion	EGP 790 million
Cavana	EGP 1.14 billion	EGP 775 million	EGP 366 million
Rai	EGP 1.65 billion	EGP 105 million	EGP 1.54 billion
Rai views	EGP 1.25 billion	EGP 121 million	EGP 1.13 billion
Rai valleys	EGP 538 million	EGP 36 million	EGP 502 million
Rai Elan	EGP 4.44 billion	EGP 246 million	EGP 4.19 billion
Strip Mall	EGP 194 million	EGP 156 million	EGP 38 million
Show room (Tajed)	EGP 973 million	EGP 686 million	EGP 287 million
Nasr Gardens 6 October	EGP 135 million	EGP 128 million	EGP 7 million
Total	**EGP 29.21 billion**	**EGP 14.93 billion**	**EGP 14.29 billion**

42. COMMITMENTS RELATED TO DEVELOPING LAND

These commitments comprise of a contractual commitment to finance the execution of a part of the extended axis of "Shinzo Abe" that pass through the company's land in "Taj City"; these liabilities are amounting LE 871.7 million in addition to the incurred interest amounting LE 151.2 million. The company paid an amount of L.E. 650.66 million out of these liabilities. The counter value will be paid as follows:

	30/9/2026 L.E.	*31/12/2025 L.E.*
Present value for short term liabilities	**372,255,951**	**372,255,951**

43. FAIR VALUE

The financial instruments consist of the financial assets. And the financial assets of the company include the cash in the treasury and the banks, Account Receivables, and some of the other debit balances, the investments at amortized costs, fair value through the profit or loss, fair value through other comprehensive income, and the amounts due from related parties. But the financial liabilities for the group include the credit facilities, Trade payable balances and the credit balances, land development liability, and the financial liabilities by the amortized cost and the financial liabilities through profit and loss. The fair values of financial assets and liabilities are not materially different from their carrying value unless stated otherwise. The methodologies and assumptions used to determine the fair value of assets are presented under the fair value section in Note 3: Summary of Significant Accounting Policies.

44. FINANCIAL INSTRUMENTS

The group holds the financial assets by fair value through other comprehensive income as follows:

Measuring the recurring fair value

	First level L.E.	*Second level L.E.*	*Third level L.E.*	*Total L.E.*
Measuring the recurring fair value as at 30/9/2026				
Financial assets in fair value through the other comprehensive income (equity instruments) (Note 6/3)	-	13,681,317	-	13,681,317
Total financial assets	-	**13,681,317**	-	**13,681,317**
Measuring the recurring fair value as at 31/12/2025				
Financial assets in fair value through the other comprehensive income (equity instruments) (Note 6/3)	-	8,681,317	-	8,681,317
Total financial assets	-	**8,681,317**	-	**8,681,317**

45. CURRENT EVENTS

According to the decision of the Monetary Policy Committee of the Central Bank of Egypt issued at its meeting held on February 12, 2026, the Committee decided to reduce the overnight deposit and lending rates of the Central Bank of Egypt (CBE) and the main operation rate by 100 basis points to reach 19% and 20%, respectively. The discount rate was also reduced by 100 basis points to 19.50%.

The current geopolitical developments in the region and the associated instability may result in global inflationary pressures. The Company's management is closely monitoring these developments and assessing their potential impact on the Company's operations. As of the date of issuance of these financial statements, no material direct effects on the Company's financial position or results of operations have been identified. However, given the uncertainties surrounding these events, it is not currently possible to reliably determine any potential impacts that may arise in subsequent periods.