

E Finance for Digital and Financial Investments
Company "S.A.E"
Separate Financial Statements
For the year ended 31 December 2025 and Audit report

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Translation from Arabic

Hazem Hassan

Public Accountants & Consultants

B (105) – Avenue (2) – Smart Village
Km 28 Cairo – Alex Desert Road
Giza – Cairo – Egypt
Postal Code : 12577

Telephone : (202) 35 37 5000 – 35 37 5005
E-mail : Egypt@kpmg.com.eg
Fax : (202) 35 37 3537
P.O. Box : (5) Smart Village

Auditor’s Report

To the Shareholders of

E-finance for Digital and Financial investments “S.A.E”

Report on the Separate Financial Statements

We have audited the accompanying separate financial statements of E-finance for Digital and Financial investments “S.A.E” (the Company) which comprise the separate balance sheet as of December 31, 2025, the separate statement of profit or loss, separate statement of comprehensive income, separate statement of change in equity and separate cash flows statement for the financial year then ended December 31, 2025, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Separate Financial Statements

These separate financial statements are the responsibility of the company’s management. The management is responsible for preparing and presenting the separate financial statements in accordance with Egyptian accounting standards and in the light of the prevailing Egyptian laws. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error, management responsibility includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor’s Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether separate the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the separate financial statements.

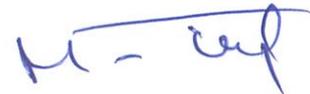
Opinion

In our opinion, the separate financial statements referred to above present fairly and clearly, in all their material respects, the separate financial position of E-finance for digital and financial investments on December 31, 2025, and its separate financial performance and separate cash flows for the year ended on December 31, 2025 in accordance with Egyptian accounting standards and in accordance to the Egyptian laws and regulations relevant to the preparation of separate these financial statements.

Report on Other Legal and Regulatory Requirements

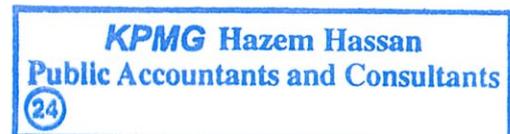
The company maintains regular financial accounts that include everything that the law and the company's policy stipulate that must be recorded in them, and the separate financial statements have been found to be in agreement with what is stated in those accounts.

The financial data contained in the report of the board of directors prepared in accordance with the requirements of Law No. 159 of 1981 and its executive regulations are in agreement with what is recorded in the company's books, within the limits in which such data is recorded in the books.



Mohamed Tarek Mostafa Nagy
KPMG Hazem Hassan
Registered in Auditor's register of the
Financial Regulatory Under No. (392)

Cairo, March 4, 2026



Translation from Arabic

E-Finance for Digital and Financial Investments Company (S.A.E)
Separate statement of financial position as of

<u>Assets</u>	<u>Note No.</u>	<u>December 31, 2025</u> <u>L.E.</u>	<u>December 31, 2024</u> <u>L.E.</u>
<u>Non-current assets</u>			
Property, plant and equipment	(5)	74 426 026	78 520 378
Right of use assets	(6-1)	7 733 822	10 478 962
Project under constructions	(7)	562 001	562 001
Prepaid employees' benefits	(12)	32 339 167	-
Investments in subsidiaries and associate	(9)	2 544 707 119	2 665 621 429
Equity-investment at FVOCI	(10)	2 778 504 050	1 361 529 554
Total non-current assets		5 438 272 185	4 116 712 324
<u>Current assets</u>			
Trade receivables and other debit balances	(13)	189 465 901	150 404 108
Due from related parties	(28-1)	72 525 730	64 641 291
Loans for subsidiaries	(29)	429 870 000	58 870 000
Equity-investment at FVTPL	(8)	1 350 514 144	973 341 262
Cash and cash equivalents	(14)	432 704 887	826 879 766
Total current assets		2 475 080 662	2 074 136 427
Total assets		7 913 352 847	6 190 848 751
<u>Owners equity & liabilities</u>			
<u>Owners equity</u>			
Paid-up capital	(15-2)	1 733 333 334	1 155 555 556
Share premium (Special reserve)		1 952 355 391	1 956 462 107
Other reserves	(16)	1 778 392 531	911 189 810
Legal reserves	(11-4)	578 743 586	516 791 078
Share based payment reserve	(33)	308 668 335	573 671 062
Retained earnings		765 324 220	618 105 142
Total equity		7 116 817 397	5 731 774 755
<u>Liabilities</u>			
<u>Non-current liabilities</u>			
Lease liability	(6-2)	8 014 586	10 453 587
Employee benefits liabilities (End of service)	(19-1)	208 521 874	100 102 102
Deferred tax liabilities	(11-2)	455 716 780	225 425 707
Total non-current liabilities		672 253 240	335 981 396
<u>Current liabilities</u>			
Trade payables and other credit balances	(18)	99 613 175	103 823 106
Lease liability	(6-2)	2 403 911	1 914 196
Income tax liability	(11-3)	15 713 477	17 355 298
Due to related parties	(28-2)	6 551 647	-
Total current liabilities		124 282 210	123 092 600
Total liabilities		796 535 450	459 073 996
Total equity and liabilities		7 913 352 847	6 190 848 751

The attached notes from (1) to (36) are an integral part of these separate financial statements and to be read with them.

The Audit report is attached.

Chief Financial Officer
Wael Salem

Wael Salem

Chairman & Managing Director
Ibrahim Sarhan

Ibrahim Sarhan



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Translation from Arabic

E-Finance for Digital and Financial Investments Company

Separate statement of profit or loss for the financial year ended December 31, 2025

	<u>Note No.</u>	<u>2025 L.E.</u>	<u>2024 L.E.</u>
Revenue	(20)	1 695 193 058	1 155 954 416
Cost of sales	(21)	(342 479 038)	(230 421 452)
Gross profit		1 352 714 020	925 532 964
Other revenue	(27)	80 635 854	59 092 067
General and administrative expenses	(22)	(102 298 522)	(91 900 913)
Share based payment expense	(33)	(133 128 591)	(84 767 837)
Marketing and selling expenses	(23)	(135 834 880)	(90 562 683)
ECL	(28-1)	9 738 266	(9 738 266)
Other expenses	(24)	(4 308 000)	(3 177 500)
Net operating profit		1 067 518 147	704 477 832
Finance cost	(25)	(6 519 300)	(2 949 478)
Finance income	(26)	495 967 094	489 080 016
Net profit for the year before tax		1 556 965 941	1 190 608 370
Income tax expense	(11-1)	(170 696 743)	(140 353 105)
Net profit for the year after tax		1 386 269 198	1 050 255 265
Basic and diluted earning per share	(34)	0.34	0.39

The attached notes from (1) to (36) are an integral part of these separate financial statements and to be read with them.

Translation from Arabic

E-Finance for Digital and Financial Investments Company

Separate statement of comprehensive income for the financial year ended December 31, 2025

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Net profit for the year	1 386 269 198	1 050 255 265
<u>Other comprehensive income items:-</u>		
Actuarial gain from employee benefit plan	2 820 905	(2 607 033)
Revaluation gain at FVTOCI	1 116 150 348	271 925 637
Income tax related to other comprehensive income	(251 768 532)	(60 596 684)
Total other comprehensive income	<u>867 202 721</u>	<u>208 721 920</u>
Total comprehensive Income for the year	<u>2 253 471 919</u>	<u>1 258 977 185</u>

The attached notes from (1) to (36) are an integral part of these separate financial statements and to be read with them.

E-Finance for Digital and Financial Investments Company (S.A.E)

Separate statement of change in shareholders equity for the financial year ended December 31, 2025

	Note No.	Paid up Capital	Legal Reserve	Other reserves	Share based payments reserve	Share Premium (Special Reserve)	Retained earnings*	Total
		L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	
Balance as of January 1, 2025		1 155 555 556	516 791 078	911 189 810	573 671 062	1 956 462 107	618 105 142	5 731 774 755
Legal reserve			61 952 508				(61 952 508)	-
Balance after transfer to legal reserve		1 155 555 556	578 743 586	911 189 810	573 671 062	1 956 462 107	556 152 634	5 731 774 755
Comprehensive Income								
Net profit for the year		-	-	-	-	-	1 386 269 198	1 386 269 198
Other comprehensive income items		-	-	867 202 721	-	-	-	867 202 721
Total comprehensive income		-	-	867 202 721	-	-	1 386 269 198	2 253 471 919
Transaction with the company's shareholders								
Capital increase	(15-2)	577 777 778	-	-	(573 671 062)	(4 106 716)	-	-
Share based payments reserve	(33)	-	-	-	308 668 335	-	-	308 668 335
Dividends profits for Employees and board of directors		-	-	-	-	-	(186 472 331)	(186 472 331)
Dividends profits for stakeholders		-	-	-	-	-	(990 625 281)	(990 625 281)
Total transaction with shareholders		577 777 778	-	-	(265 002 727)	(4 106 716)	(1 177 097 612)	(868 429 277)
Balance as of December 31, 2025		1 733 333 334	578 743 586	1 778 392 531	308 668 335	1 952 355 391	765 324 220	7 116 817 397

*The retained earnings include as amount of 69 million Egyptian pounds transferred from the non-distributable surplus resulting from the split.

The attached notes from (1) to (36) are an integral part of these separate financial statements and to be read with them.

E-Finance for Digital and Financial Investments Company (S.A.E)

Separate statement of change in shareholders equity for the financial year ended December 31, 2024

	Note No.	Paid up Capital	Legal Reserve	Other reserves	Share based payments reserve	Share premium (Special reserve)	Retained earnings*	Total
		L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	
Balance as of January 1, 2024		924 444 445	488 788 954	702 467 890	505 435 841	1 956 462 107	491 905 600	5 069 504 837
Legal reserve		-	28 002 124	-	-	-	(28 002 124)	-
Balance after transfer to legal reserve		924 444 445	516 791 078	702 467 890	505 435 841	1 956 462 107	463 903 476	5 069 504 837
Comprehensive Income								
Net profit for the year		-	-	-	-	-	1 050 255 265	1 050 255 265
Other comprehensive income items		-	-	208 721 920	-	-	-	208 721 920
Total comprehensive income		-	-	208 721 920	-	-	1 050 255 265	1 258 977 185
Transaction with the company's shareholders								
Capital Increase	(15-2)	231 111 111	-	-	(231 111 111)	-	-	-
Treasury Stocks		-	-	-	-	-	49 773 684	49 773 684
Share based payments reserve	(33)	-	-	-	299 346 332	-	-	299 346 332
Dividends profits for Employees and board of directors		-	-	-	-	-	(160 429 700)	(160 429 700)
Dividends to stakeholders		-	-	-	-	-	(785 397 583)	(785 397 583)
Total transaction with shareholders		231 111 111	-	-	68 235 221	-	(896 053 599)	(596 707 267)
Balance as of December 31, 2024		1 155 555 556	516 791 078	911 189 810	573 671 062	1 956 462 107	618 105 142	5 731 774 755

*The retained earnings include as amount of 69 million Egyptian pounds transferred from the non-distributable surplus resulting from the split. The attached notes from (1) to (36) are an integral part of these separate financial statements and to be read with them.

Translation from Arabic

E-Finance for Digital and Financial Investments Company (S.A.E)
Separate statement of cash flows for the financial year ended December 31, 2025

	<u>Note</u>	<u>2025</u>	<u>2024</u>
	<u>No.</u>	<u>L.E.</u>	<u>L.E.</u>
<u>Cash flow from operating activities</u>			
Net profit before tax		1 556 965 941	1 190 608 370
<u>Adjustments to reconcile net profit to cash flow from operating activities</u>			
Depreciation of property, plant and equipment	(5)	7 594 008	6 401 620
Amortization of right of used assets	(6-1)	2 745 141	2 782 963
Investment income from equity investment at FVTOCI	(10)	(158 567 575)	(104 857 152)
Investment income from equity investment at FVTPL	(8)	(373 290 721)	(278 427 741)
Revenue from Investment in sister company		(45 338 009)	(61 199 658)
Investment income from financial assets at amortized cost		(4 640 451)	(50 943 029)
Credit Interest	(6-2)	2 230 552	-
Lease contracts interest		(71 147 036)	(157 220 680)
Share based payments expense		86 124 354	76 556 318
		<u>1 002 676 204</u>	<u>626 239 613</u>
<u>Change in working capital</u>			
Change in trade and other receivables		(47 979 468)	46 573 733
Change in due from related parties		59 973 527	18 132 542
Change in trade and other payables		(4 150 705)	27 810 466
Change in due to related parties		6 551 647	(1 267 417)
Change in advance to employees share based payments		-	5 486 066
Change in employee benefits		111 885 559	(51 906 351)
Payment of / proceeds from prepaid employees' benefits		(41 821 666)	1 630 867
Change in loans for subsidiaries		29 000 000	46 241 110
		<u>1 116 135 098</u>	<u>718 940 629</u>
Cash flow result from operating activities			
Employee and Board of Directors Dividends		(186 472 331)	(160 429 700)
Income taxes paid		(25 596 674)	(1 470 008)
		<u>904 066 093</u>	<u>557 040 921</u>
<u>Net cash flows resulting from operating activities</u>			
<u>Cash flow from investing activities</u>			
Proceeds from financial investments at amortized cost		3 712 360	706 443 003
Payment of purchasing equity investments at FVTOCI	(10)	(300 824 148)	(15 284 623)
Payment of purchasing equity investments at FVTPL	(8)	(20 000 000)	(231 932 847)
Proceeds from the exclusion from equity investments at FVTPL	(8)	12 237 255	-
Payment of purchasing PP&E and project under construction		(3 499 656)	(8 078 606)
Collection From Crdit Interest		71 147 036	157 220 680
Payment to acquire investment in associate		(66 208 700)	(788 398 793)
		<u>(303 435 853)</u>	<u>(180 031 186)</u>
Net cash flow (used in) investing activities			
<u>Cash flow from financing activities</u>			
Leasing payments	(6-2)	(4 179 838)	(3 693 030)
Change in pledged cash		61 642 654	-
Proceeds of treasury shares		-	246 303 320
Payment of dividends to shareholders'		(990 625 281)	(785 397 583)
		<u>(933 162 465)</u>	<u>(542 787 293)</u>
Net cash flow (used in) result from financing activities			
Net change in cash & cash equivalent during the year		<u>(332 532 225)</u>	<u>(165 777 558)</u>
Cash & cash equivalent at beginning of the year		765 237 112	931 014 679
Cash & cash equivalent at end of the year	(14)	<u>432 704 887</u>	<u>765 237 121</u>

The attached notes from (1) to (36) are an integral part of these separate financial statements and to be read with them.

1- Company's background

1-1 The Entity

- The company was established in the name of Raya for Technology of Operating Financial Institutions Company, and the name has been modified to E-finance for Digital and Financial investment Company– S.A.E- an Egyptian joint stock company - Giza Commercial Registry No. 15026 on 08/06/2005 in accordance with the provisions of Law No. 8 of 1997 Law of Guarantees And investment incentives, as amended by Law No. 72 of 2017 and Law No. 159 of 1981 and its executive regulations.
- The duration of the company is twenty-five years, starting from the date of registration in the commercial register.
- The company's headquarters: Building No. A3B 82 - Smart Village - Kilo 28 Cairo-Alexandria Desert Road - Giza.

Shareholders	Ownership %	Country
Saudi Egyptian Investment Company	25.75%	Kingdom of Saudi Arabia
National Investment bank	21.8%	Egypt
Banque Misr (S.A.E)	6.7%	Egypt
Egypt Bank Company for Technology Advancement (S.A.E)	6.7%	Egypt
Egyptian Company for Investment Projects (ECIP) (S.A.E)	6.7%	Egypt
National Bank of Egypt (S.A.E)	6.7%	Egypt
Public Offering shares	25.65%	--
	100%	

1-2 Company's Purpose:

- Leading the digital transformation of financial transactions through companies that the company invests in
- Providing consulting services in the field of digital transformation.
- Providing technical, financial and administrative support to companies that contribute in and work in the field of digital transformation.

2- Financial statement approval

The separate condensed financial statements were approved for issuance by the Company' Board of Directors on 03 March 2026

3- Basis of preparation of separate financial statement

The separate financial statements are prepared according to the going concern assumption and the historical cost basis, except for financial assets and liabilities that are recorded at fair value through profit or losses or fair value.

3-1 Compliance by the Accounting Standards and Laws:

The attached separate financial statements were prepared according to the Egyptian Accounting Standards.

Presentation Currency:

The financial statements were prepared and presented in Egyptian pound, and all the financial data was presented in the Egyptian pound are rounded to the nearest Egyptian pound except for earnings per share, otherwise is stated in the financial statement or its disclosure.

3-2 Consolidated financial statements

The company has subsidiaries and associate companies, and the company is required to prepare consolidated financial statements in accordance with Egyptian Accounting Standard No.42 "Consolidated Financial Statements" and Article 188 of the executive regulations of the Companies Law No. 159 of 1981.

The company prepares consolidated financial statements for its subsidiaries and can be consulted to obtain a picture of the financial position, business results and cash flows of the group as a whole.

3-3 Use of professional judgment and estimates

Preparing these condensed separate financial statements requires management to make judgments and estimates that affect the values of revenues, expenditures, assets and liabilities included in the separate financial statements and the accompanying disclosures, as well as disclosure of contingent liabilities at the date of the financial statements. The uncertainty surrounding these assumptions and estimates may result in results that require significant adjustments to the carrying value of the affected assets and liabilities in future periods.

Estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

The following are the main judgments and estimates that materially affect the company's separate financial statements:

Judgment

During the process of applying the company's accounting policies, management has taken the following provisions that have a significant impact on the amounts recognized in the separate financial statements, these provisions are presented in the related accounting policies:

- Investments in associates.
- Financial investments at fair value through other comprehensive income.
- Leases.

Estimates and assumptions

The following are the main assumptions regarding the future and other major sources of estimation in case of uncertainty in the history of the financial position, which involves significant risk that causes a material adjustment to the carrying values of assets and liabilities during the next financial year. The company made its assumptions and estimates based on the available criteria when preparing the financial statements. However, the current circumstances and assumptions related to future developments may change due to market changes or the existence of conditions beyond the company's control, and these changes are reflected in the assumptions when they occur.

Estimate of expected credit losses

It's an estimated measurement for credit losses, the present value is calculated for all decline in cash (i.e., the difference between the cash flow of the company according to contract and the cash flow the company expect to collect).

Expected credit losses are discounted at the effective interest rate of the financial asset.

Impairment of non-financial assets

The Company assesses whether there are indicators of impairment in the value of non-financial assets in each reporting period. Non-financial assets are tested for impairment of value when there are

indications that the carrying amount may not be recoverable. When calculating the value in use, management estimates the expected future cash flows from the asset or cash-generating unit and chooses the appropriate discount rate in order to calculate the present value of those cash flows.

Defined Benefit Plan

The defined benefit plan cost and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. This includes determining the discount rate, future salary increases, mortality rates, and employee turnover. Due to the complexities involved in valuation and its long-term nature, the defined benefit obligation is highly sensitive to changes in these assumptions, and all assumptions are reviewed at each financial position date.

The factor most subject to change is the discount rate. When determining the appropriate discount rate, the management takes into consideration the market return on high quality (company / government) bonds. The death rate is based on the death tables available in the country. These mortality tables change only at intervals in response to demographic changes. Future salary increases depend on the country's expected future inflation rates.

Fair value measurement

Fair value is the price that would be obtained to sell an asset or that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability either occurs

- In the primary market for the asset, liability, or
- In the absence of the primary market, in the most beneficial market for the asset or liability

The fair value of the asset or liability is measured using the assumptions that market participants will use when pricing the asset or liability on the assumption that market participants will act in their economic interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits through using the asset in its best and best use or selling it to another participant who will use the asset in its best and best use.

The company uses valuation methods that are considered appropriate according to the circumstances and for which sufficient information is available to measure fair value, while maximizing the use of relevant observable inputs and limiting the use of unobservable inputs.

All assets and liabilities that are measured or disclosed in the financial statements are classified at fair value into categories of the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the entire measurement on the fair value measurement as a whole:

- The first level: it is the quoted prices (unadjusted) in an active market for identical assets or liabilities.
- Second level: evaluation techniques in which the lowest level inputs that are important for the entire measurement are directly or indirectly observable.
- Third level: evaluation techniques in which the lowest level inputs that are important for the entire measurement are unnoticed.

4 The most Important applied accounting policies

The accounting policies mentioned below are applied in a consistent manner during the financial periods presented in these separate financial statements.

4-1 Translating transactions in foreign currencies

The Company holds its accounts in Egyptian pound, and transactions are recognized in foreign currency books based on the prevailing price of foreign currencies and at the end of

each financial period. fair value denominated in a foreign currency using the exchange rates prevailing at the date that the fair value was determined, and items of a non-monetary nature that are measured at historical cost are translated using rate prevailing at date of transaction.

Gains or losses from translation of non-monetary items that are measured at fair value are recognized in a manner consistent with the recognition of gains or losses from the change in the fair value of the item. That is, translation differences related to items for which gains or losses from the change in fair value are recognized in other comprehensive income items or in the statement of profit or loss within other comprehensive income items or in the statement of profit or loss, respectively.

4-2 Fixed assets

Recognition and measurement of Fixed assets are recognized at cost minus the accumulated depreciation and impairment losses. It includes all expenses to bring assets to place and the subsequent costs are added to book value separately – if any- only when there are future economic benefits that can be reliably estimated.

The repair and maintenance are charged at income statement of the period for the year that it belongs to, the capital gain or losses are recognized as difference between net selling return – if any- and the net book value for every asset of these assets

Depreciation is charged to the separate income statement according to the straight-line 0method based on the estimated useful life of each type of fixed assets, so that it reflects the benefit from the economic benefits of the assets, and the company’s management reviews the remaining useful lives of fixed assets periodically to determine whether they are compatible with ages previously estimated useful life, and if there is a significant difference, the assets are depreciated over the estimated remaining period.

	Assets Useful life
Buildings	50 years
Network	4 years
Air conditioners and elevators	10 years
Computer	From 1 to 7 years
Furniture, tools and electrical appliances	From 2 to 4 years
Lease hold Improvements	Useful life or contract term whichever comes first

Fixed assets are disposed when they are disposed of or when no future economic benefits are expected from their use or sale in the future. Any profits or losses that arise when the asset is disposed are recognized in the separate statement of profit or loss in the period in which the asset is disposed.

Land is recognized at its historical cost and is not depreciated.

The company determines, at each financial position date, whether there is an indication that a fixed asset has impaired. When the book value of the asset exceeds its recoverable amount, it is considered that there is impairment of the asset and thus it is reduced to its recoverable value. Impairment loss is recognized in the separate statement of profit or loss.

The loss resulting from impairment is only refunded if there has been a change in the assumptions used to determine the asset's recoverable value since the last loss resulting from impairment was proven, and the refund of the loss resulting from the impairment is limited so

that the book value of the asset does not exceed its recoverable amount or the book value that was to be determined (net after depreciation) unless the impairment loss is recognized with respect to the asset in previous years. And the response to the loss resulting from impairment is recorded in the statement of profit or loss.

4-3 Impairment in fixed assets :-

On an annual basis - or whenever necessary - the company reviews the book values of its tangible assets to determine whether there are evidence or indications of the possibility of impairment in their value, if the impairment losses in its value. If the recoverable amount of an asset cannot be estimated, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In the case of using logical and fixed bases to distribute assets to the cash-generating units, the general assets of the company are also distributed to those units. If this is not possible, the company's general assets are distributed to the smallest company of cash-generating units that the company can determine using logical and consistent bases.

For intangible assets that do not have a definite useful life or are not yet available for use, an annual test for impairment is conducted in their value, or as soon as there is any indication that those assets are subject to impairment.

The recoverable amount of an asset or a cash-generating unit is represented by the "fair value less costs to sell" or "value in use", whichever is greater.

Estimated future cash flows from the use of the asset or cash-generating unit are discounted using a pre-tax discount rate to arrive at the present value of those flows, which expresses their value in use. This rate reflects current market assessments of the time value of money and the risks associated with that asset, which have not been taken into account when estimating the future cash flows generated by it. If the estimated recoverable amount of an asset (or a cash-generating unit) is less than its carrying amount, the carrying amount of that asset (or a cash-generating unit) is reduced to reflect its recoverable amount.

The impairment losses are immediately recognized in the income statement. When, in a later period, the impairment loss recognized in prior periods is derecognized, the carrying amount of the asset (or the cash-generating unit) is increased in line with the new estimated recoverable amount, provided that the revised carrying amount does not exceed the original carrying amount that would have been possible that the asset reaches it if the loss resulting from impairment in its value has not been recognized in previous years. This reverse adjustment of impairment losses is immediately recognized in the income statement.

4-4 Financial Instruments

Financial Assets

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.

Upon initial recognition, the entity shall, measure the financial asset or financial liability at its fair value added or deduct it, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that can be directly attributable to the acquisition or issuance of the financial asset or financial liabilities, with the exception of the due from customers who, if the amounts owed to them do not include a significant financing component.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVTOCI – debt investment; FVTOCI – equity instrument; 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 FVTOCI 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 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 instrument that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI, so this election is made on an investment-by-investment basis.

All financial assets not measured at amortized cost or FVTOCI as described above are measured at FVTPL and 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 FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets

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 derecognition 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 considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the company considers:

- 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).

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 – Subsequent measurement and gains and losses:

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 at derecognition is recognized in profit or loss.
Equity investments at FVTOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.
Debt investments at FVTOCI	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 derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified to be measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a financial derivative, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition
Financial assets

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

The company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

4-5 Impairment

1) Non-derivative financial assets

Financial instruments and contract assets

The company recognizes loss allowances for ECLs on:

- Financial assets measured at amortized cost.
- Debt investments measured at FVTOCI; and
- Contract assets.

The company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of a default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
- Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company assumes that the credit risk on a financial asset has increased significantly if it is more than 360 days past due.

The company considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as releasing security (if any is held); or
- The financial asset according to the terms of payment and the nature of each sector for individual customers and considering the study of expected credit losses prepared by the company.

The company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

The calculation of expected credit losses excludes the following: -

1. Debt instruments issued by the Egyptian government in the local currency.
2. Current accounts and deposits in the local currency with banks operating in Egypt that are due within one month from the date of the financial position.

Credit-impaired financial assets

At each reporting date, the company assesses whether financial assets carried at amortized cost and debt securities at FVTOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer.

A breach of contract such as a default or being more than 120 days past due; The restructuring of a loan or advance by the company on terms that the company would not consider otherwise; It is probable that the borrower will enter bankruptcy or other financial reorganization; or the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVTOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the company has a policy of writing off the gross carrying amount when the financial asset is two years past due based on historical experience of recoveries of similar assets. For corporate customers, the company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

4-6 Income tax

Income tax is calculated according to the Egyptian laws.

4-6-1 Current tax

Current taxes for the current period and previous periods that have not been paid yet are recognized as a liability, but if the taxes that were actually paid in the current period and previous periods exceed the value due for these periods, then this increase is recognized as an asset. Current tax liabilities (assets) for the current and prior periods are measured at the value expected to be paid to (recovered from) the tax authority, using tax rates (and tax laws) in effect at the end of the financial period.

Current income tax related to recognized items is recognized directly in equity in owner's equity statement and not in the statement of profit or loss.

Management periodically assesses the positions taken in the tax returns in relation to cases in which the applicable tax regulations are subject to interpretation and makes provisions where appropriate.

4-6-2 Deferred tax

Deferred income tax is recognized by following the liabilities method on temporary differences between the recognized value of the asset or liability for tax purposes (tax basis) and its value included in the statement of financial position (accounting basis) at the end of the financial period.

The deferred tax liability is recognized for all temporary differences that are subject to tax, except for the following:

- When the deferred tax liability arises from the first recognition of goodwill and the first recognition of the asset or liability in a process that does not represent a business combination which, at the date of the operation's origination, had no effect on both the accounting profit and the tax profit (tax loss).
- With regard to taxable temporary differences related to investments in subsidiaries and sister companies and stakes in joint ventures, when the parent company, investor, or stake holder is able to control the timing of the reversal of the temporary differences and it is likely that the temporary differences will not be reversed in the foreseeable future.

A deferred tax asset is recognized for all deductible temporary tax differences to the extent that the tax profit is expected to be sufficient to offset the deductible temporary difference, tax deductions and carry forward tax losses, except for the following:

- When the deferred tax asset relates to deductible temporary tax differences that arose from the initial recognition of an asset or liability in a process that does not represent a business combination and at the date of the operation's establishment, it had no effect on both the accounting profit and the tax profit (tax loss).
- For deductible temporary differences related to investments in subsidiaries and sister companies and stakes in joint ventures, they are recognized only to the extent that it is likely that the temporary differences will reflect (i.e. become taxable as deductions) in the foreseeable future and that there will be a future tax profit. Which can be used for these temporary differences' opposite.

At the end of each financial period, the entity reassesses the carrying amount of the deferred tax asset and is reduced to the extent that sufficient expected tax profits are no longer available to benefit from all or part of the deferred tax asset. Unrecognized deferred tax assets are reassessed at the end of each financial period, and deferred tax assets that have not been previously recognized are recognized to the extent that it becomes probable that a future tax profit will allow the value of the deferred tax asset to be absorbed.

Deferred tax is included as income or expense in the statement of profit or loss for the period, except for the tax that results from a transaction or event in the same period or other period directly within equity.

The entity makes a set-off between the deferred tax asset and the deferred tax liability only if the establishment has a legal right to set off a set-off between the current tax asset and the current tax liability, and the deferred tax assets and deferred tax liabilities relate to income taxes imposed by the same tax administration on the same taxable entity.

4-7 End of service benefit

The company manages a defined benefit plan for its employees. This plan is not funded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The re-measurements that include actuarial profits or losses are recognized immediately in the statement of financial position and the counterparty, whether indebted or creditor of the retained earnings, is through other comprehensive income in the period in which they occur. Reclassification of measurements is not made to the statement of profit or loss in subsequent periods.

The cost of past service is recognized as an expense on one of the following dates - whichever comes first:

- When an amendment or reduction to the system occurs. or
- When the entity recognizes the costs of the related restructuring.

The company calculates the net interest expense by applying a discount rate to the defined benefit obligation. The company recognizes changes in the following defined benefit obligation under "cost of sales" and "general and administrative expenses" in the profit or loss statement (as per the functional classification):

- Service costs which include current service cost, past service costs, curtailment gains and losses, non-routine adjustments and compromises.
- Net interest expense

4-8 Social Insurance

The company makes contributions to the national organization for social insurance and is calculated as a percentage of employees' salaries. The company's obligations are limited to these contributions, which are expensed when due.

4-9 Cash and cash equivalents.

Cash and cash equivalents include cash balances in the fund, current accounts with banks, time deposits, treasury bills and investment fund deposits, which do not exceed three months - if any - and the bank balance is considered an overdraft, which will be paid upon request as part of the company's management of funds for the purposes of preparing the separate cash flow statement.

4-10 Share capital.

Issuance of shares

The additional costs directly related to the issuance of new shares are calculated by deducting these net costs from equity after deducting income tax, if any.

Share capital repurchase.

The value paid to purchase equity capital shares recorded in equity must be recognized as a change in the equity value including the purchase expenses. Shares purchased are classified as treasury shares and deducted from total equity.

4-11 Legal reserve

In accordance with the requirements of the Companies Law and the Company's Articles of Association, 5% of the annual net profit is deducted to form a legal reserve. The legal reserve is used to increase the share capital or reduce the company's losses. The deduction of this percentage stops when the reserve balance reaches 50% of the issued capital of the company, and in the event that this reserve falls below the mentioned percentage, the formation of this amount must be set aside.

4-12 Employees' share of profit

In accordance with the articles of association, the company pays a cash share to the employees in the profits in accordance with the rules proposed by the company's board of directors and approved by the general assembly. The employees' share of profits is recognized as a dividend in the statement of changes in equity and as a liability during the financial year in which the company's shareholders approve this distribution.

4-13 Earnings per share

The company displays the basic share of the share of its ordinary shares. The basic share is calculated by dividing the profit or loss related to the shareholders on their contribution to the ordinary shares of the company by the weighted average number of ordinary shares outstanding during the year. Since the distribution of profits is an inherent right of the owners of the

company, no liability is recognized by the employees in the profits whose distribution has not been declared until the date of the financial statements (retained earnings).

4-14 Revenue from contracts with customers

Revenue from contracts with clients is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for such transfer.

The company recognizes revenue from contracts with customers based on a five-step model as set out in EAS (48) and is given below:

Step 1 – Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2 – Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3 – Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4 – Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5 – Recognize revenue when (or as) the entity satisfies a performance obligation.

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

- a) The performance of the Company does not create an asset with an alternative use for the company, and that the company has an enforceable right to payment for performance completed to date.
- b) Company performance creates or improves a customer-controlled asset at the same time as the asset is being constructed or improved.
- c) The customer simultaneously receives and consumes the benefits provided by the entity's performance once the Company has performed.

For performance obligations, if any of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

If the Company fulfils the performance obligation by providing the services that have been promised, this creates an asset based on a contract in exchange for consideration gained from performance. In the event that the consideration received by the customer exceeds the amount of revenue that has been recognized, a contract obligation may arise.

Revenue is measured at the fair value of the consideration received or receivable, after taking into account the contractual terms of payment, and after excluding taxes and fees. The Company

reviews its revenue arrangements against specific criteria to ascertain whether it is acting as principal or agent.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and that revenue and costs, where applicable, can be measured reliably.

4-15 Interest Income

Interest income is recognized according to the accrual principle on the basis of time proportional distribution, taking into consideration the principal outstanding and the effective interest rate applied for the period to the maturity date.

4-16 Expenses

All expenses are recognized, including the cost of sales, general, administrative, marketing and financing expenses, and are included in the separate statement of profit or loss in accordance with the principle of accrual in the fiscal year in which those expenses were realized.

4-17 Borrowing costs

Borrowing costs directly related to the acquisition, construction or production of a qualifying asset that requires an extended period of time to prepare it for use in its intended purposes or for its sale are capitalized as part of the cost of the asset. Other borrowing costs are charged as an expense in the period in which they are recognized in the separate statement of profit or loss using the effective interest rate method. Borrowing costs are the interest and other costs that the company spends on borrowing the money.

4-18 Provisions:-

A provision is recognized when the entity has a present obligation (legal or constructive) as a result of past events and it is probable that the settlement of that obligation will result in an outflow from the group in the form of resources that include economic benefits and that the estimated costs of meeting those obligations are likely to occur and it is possible to estimate the value of the obligation reliably.

The value that is recognized as a provision represents the best estimates available for the consideration required to settle the current obligation at the date of the financial statements if the risks and uncertainties surrounding that obligation are taken into consideration.

When a provision is measured using the cash flows estimated to settle the present obligation, the carrying amount of the provision represents the present value of those cash flows. If the cash flows are discounted, the book value of the provision increases in each period to reflect the time value of money resulting from the passage of the period. This increase in the provision is recorded in the financing expenses in the income statement.

4-19 Lease contracts

The Company, as a lessee, recognizes the “right of use” asset and the lease liability at the commencement date of the lease.

At the initial recognition, the right-of-use asset is measured as the amount equal to the initially measured lease liability, adjusted for pre-contract lease payments, initial direct cost and lease incentives, and the discounted value of the estimated costs of decommissioning and removing the asset. In the subsequent measurement, the right-of-use asset is measured at cost less accumulated amortization and accumulated impairment losses. Amortization is calculated on a straight-line basis over the estimated useful life of the right-of-use assets or the lease term - whichever is less.

On initial recognition, Lease liabilities are measured at the present value of the lease payments unpaid on that date and related services fixed over the lease term, and the lease payments must be discounted using the incremental borrowing rate. Generally, the company uses the incremental borrowing rate as the discount rate. The lease liability is then measured at amortized cost using the effective interest rate method.

The right-of-use assets and lease liability will be subsequently re-measured if one of the following events occurs:

- The change in the rental price due to the linkage to the rates or rate that became effective during the period.
- Amendments to the lease agreement.
- Reassess the lease term.

Leases of non-core assets not related to the Company's principal operating activities, which are by nature short-term (less than 12 months including renewal options) and leases of low-value commodities are recognized in the separate statement of profit or loss as incurred.

When the company acts as a lessor, it determines at the inception of the contract whether each lease contract is a financing contract or an operating contract.

In classifying each lease, the Company makes a comprehensive assessment of whether the lease conveys substantially all of the benefits and benefits associated with ownership of the underlying. And if that is the case, then it is a lease and it is an operating contract, and if so.

As part of this assessment, each specific indicator takes into account whether the lease contract is a major part of the economic life of the asset.

The Company recognizes lease payments received under operating leases as revenue on a straight-line basis over the term of the lease.

When initiating or amending any lease agreement containing a lease component, the company allocates consideration in the agreement for each lease element based on the relative independent selling prices of each element.

When the company is the lessor, at the start of the lease, it classifies each lease as either a finance lease or an operating lease. This classification is based on a comprehensive assessment of the extent to which nearly all the risks and benefits associated with ownership of the underlying asset are transferred. If these risks and benefits are materially transferred, the lease is classified as a finance lease; if not, it is classified as an operating lease. As part of this assessment, the company considers additional indicators, such as whether the lease term represents the majority of the asset's economic life.

Lessor:

If the company is an intermediary lessor, it calculates its interests in the master lease and the sublease separately. The sublease is classified based on the "right of use" asset arising from the master lease, not the underlying asset. If the master lease is a short-term lease eligible for the exemptions mentioned above, the company classifies the sublease as an operating lease. If the agreement contains both a lease and a non-lease component, the company applies the requirements of Egyptian Accounting Standard No. (48) for allocating consideration to the contract components. The company also applies the derecognition and impairment requirements for the net investment in the lease as outlined in Egyptian Accounting Standard No. (47). Furthermore, it conducts periodic reviews of the estimated unsecured residual values used in calculating the total investment in the lease. The company recognizes lease payments arising from operating leases as revenue on a straight-line basis for the duration of the lease and includes them under "Other Revenue."

Significant Rules

Egyptian Accounting Standard No. 49 requires a company to assess the lease term as the non-cancellable lease period in line with the lease with the period for which the company has extension options that it is certain to exercise, the periods specified by the company, and the periods for which the company has termination options that It is uncertain that the company will implement it.

4-20 Share based payment.

The fair value of share-based payment transactions settled in the form of equity instruments is recognized as an expense, and as a corresponding increase in equity, during the year to maturity. The amount recognized as an expense is adjusted to reflect the number of grants for which the related service and performance conditions are expected to be met, so that the amount ultimately recognized is based on the number of equity instruments granted that satisfy the relevant service conditions and non-market performance conditions at the maturity date.

4-21 Investments in subsidiaries and associates

The purchase method is used in accounting for the acquisition of these companies. The Cost of acquisition is measured at fair value or the consideration given by the company in the form of assets for purchase and/or equity instruments issued and/or liabilities incurred by the group and/or liabilities assumed on behalf of the acquired company, on the date of exchange, plus any costs directly attributable to the company acquisition. The net assets, including identifiable contingent liabilities acquired, are measured at their value on the date of acquisition, regardless of the existence of any minority interests. The excess of the acquisition cost over the fair value of the group's share in that net Is goodwill. If the acquisition cost is less than the fair value of the net referred to, the difference is recorded directly in the income statement under the heading of other operating income (expenses). Sister companies are accounted for in the group's consolidated financial statements using the equity method. Under this method, investments are recorded at the value of the group's share in net equity, and dividends are recorded in the balance sheet as a reduction in the value of the investment when these dividends are approved and the group has the right to collect them.

E-Finance for Digital and Financial Investments Company (S.A.E)

Notes to the separate financial statements for the financial year ended December 31, 2025

5- Property, plant and equipment

Cost

	<u>L.E.</u>	<u>L.E.</u>	<u>Computers</u>	<u>Lease hold improvements</u>	<u>Furniture, equipments and electrical appliances</u>	<u>Networks</u>	<u>Total</u>
Cost as of January 1, 2025	86 402 332	6 426 824		2 969 022	6 524 981	7 892 357	110 215 516
Additions during the year	-	298 622		-	3 201 034	-	3 499 656
Cost as of December 31, 2025	86 402 332	6 725 446		2 969 022	9 726 015	7 892 357	113 715 172

Accumulated depreciation

Accumulated depreciation as of January 1, 2025	23 849 242	4 138 220		441 417	2 183 330	1 082 929	31 695 138
Depreciation of the year	1 992 031	1 920 030		329 890	1 380 672	1 971 385	7 594 008
Accumulated depreciation as of December 31, 2025	25 841 273	6 058 250		771 307	3 564 002	3 054 314	39 289 146
Net book value as of December 31, 2025	60 561 059	667 196		2 197 715	6 162 013	4 838 043	74 426 026

Depreciation charged under the following items:

<u>Statement</u>	<u>2025</u>	<u>2024</u>
	<u>L.E.</u>	<u>L.E.</u>
Cost of sales (Note 22)	5 601 977	4 409 591
General & administrative expenses (Note 24)	1 992 031	1 992 029
	7 594 008	6 401 620

E-Finance for Digital and Financial Investments Company (S.A.E)

Notes to the separate financial statements for the financial year ended December 31, 2025

5- Property, plant and equipment

	<u>L.E.</u>	<u>L.E.</u>	<u>Computers</u>	<u>Lease hold improvements</u>	<u>Furniture, equipments and electrical appliances</u>	<u>Networks</u>	<u>Total</u>
<u>Cost</u>							
Cost as of January 1, 2024	86 402 332		5 206 203	2 969 022	5 979 339	2 142 015	102 698 911
Additions during the year	-		1 220 621	-	545 642	5 750 342	7 516 605
Cost as of December 31, 2024	86 402 332		6 426 824	2 969 022	6 524 981	7 892 357	110 215 516
<u>Accumulated depreciation</u>							
Accumulated depreciation as of January 1, 2024	21 857 213		1 803 480	111 526	973 872	547 427	25 293 518
Depreciation of the year	1 992 029		2 334 740	329 891	1 209 458	535 502	6 401 620
Accumulated depreciation as of December 31, 2024	23 849 242		4 138 220	441 417	2 183 330	1 082 929	31 695 138
Net book value as of December 31, 2024	62 553 090		2 288 604	2 527 605	4 341 651	6 809 428	78 520 378

6 Right of use

6.1 Right of use assets

<u>Cost</u>	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Beginning Balance of the year	13 668 205	12 188 421
Modification during the year	-	1 479 784
Balance	13 668 205	13 668 205
Amortization		
Beginning amortization of the year	3 189 243	406 280
Amortization of the year	2 745 140	2 782 963
Balance	5 934 383	3 189 243
Net right of use	7 773 822	10 478 962

6.2 Lease liabilities contracts

The following is a statement of the minimum future lease contracts through the lease contract agreement, along with the present value of the net minimum lease contracts.

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Beginning Balance of the year	12 367 783	12 042 427
Additions during the year	-	1 479 784
Interest for the year (Note No. 25)	2 230 552	2 538 602
Lease payment	(4 179 838)	(3 693 030)
Balance at the end of the year	10 418 497	12 367 783
<u>They are divided as follows:</u>		
Contract lease liability – non- current liability	8 014 586	10 453 587
Contract lease liability – current liability	2 403 911	1 914 196
Balance at the end of the year	10 418 497	12 367 783

7 Projects under Constructions

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Oracle ERP System	562 001	562 001
Ending Balance of the year	562 001	562 001

8 Investment in fair value through Profit or Loss

On June 20, 2023 the company's board of directors decided to allocate part of the company's available cash as a maximum portfolios, provides that these portfolios are aligned to three or four major portfolio management companies in the market. Accordingly, the company has already started investing and the following is a statement of these investments:

	December 31, 2025	December 31, 2024
	L.E	L.E
Beginning Balance of the year	973 341 262	463 961 532
Addition	20 000 000	245 313 633
Disposal	(12 237 255)	-
Gain from selling stocks	238 956 272	206 193 052
Gain from revaluation	51 729 497	3 077 675
Dividends	22 803 837	19 617 624
Tax dividends	(1 140 043)	(980 858)
Income Tax (Treasury Bills)	(2 740 541)	-
Credit Interest	65 549 650	49 539 389
Commissions	(5 748 535)	(13 380 785)
Total	<u>1 350 514 144</u>	<u>973 341 262</u>

* The above balance includes cash liquidity amounts under the management of securities portfolio management companies responsible for managing the company's portfolios.

9 Financial investments in subsidiaries and Associate Companies

The financial investments in subsidiaries are represented in the following: -

	<u>Investment Classification</u>	<u>%</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
			<u>L.E</u>	<u>L.E</u>
*Khaless for Digital Payment Services Company (S.A.E.)	Subsidiary	%70	92 867 581	87 836 312
** Smart solution and Operation Technology Company E-Novate (S.A.E)	Subsidiary	%89	354 140 223	339 929 902
*** E-Aswaaq The Technology Company for Ecommerce Operations	Subsidiary	%61	138 758 294	129 822 832
****E-nable for Outsourcing Services (eNable) (S.A.E)	Subsidiary	%99.98	115 241 084	89 176 466
*****Technological Operation for Financial Institution Efinance Company (S.A.E)	Subsidiary	%99.99	1 257 454 851	1 544 157 541
Total investment in subsidiaries			1 958 462 033	2 190 923 053
*****Technological Operation for Tax solutions e tax (S.A.E)	Sister	%35	106 537 669	61 199 659
*****Insurance Services Operation Technology Company (S.A.E)	Sister	%35	139 999 924	104 999 925
*****Al Ahly Momken	Sister	%22	224 098 601	202 098 601
*****Easycash Company	Sister	%12.96	115 508 891	106 300 191
Ecom Africa	Sister	1%	100 000	100 000
Total investment in Associate			586 245 086	474 698 376
Total financial investments in Associate & Subsidiaries			2 544 707 119	2 665 621 429

* The company's contribution value, representing a 70% stake in the issued capital of Khaless for Digital Payments Services (LLC), has been fully paid, covering 100% of the company's share in the issued capital. Khaless was established under commercial registration number 144515 on December 30, 2019.

An additional investment value was added for 580,271 shares at a discounted price, granted to Khaless employees, amounting to EGP 4,723,406.

An additional investment value was added for 474,459 free shares, granted to Khaless employees, amounting to EGP 7,094,279.

On December 30, 2024, an additional investment value was added for 285,547 free shares, granted to Khaless employees, amounting to EGP 5,170,093.

On June 2025, an additional investment value was added in exchange for 406,248 free shares granted to employees of Khaless Company, amounting to EGP 2,667,304. In December 2025, an additional investment value was added in exchange for 369,195 free shares granted to employees of Khaless Company, amounting to EGP 2,363,965.

** The company's contribution value, representing an 89% stake in the issued capital of E-Cards Smart Card Technology (LLC), has been fully paid, covering 100% of the company's share in the issued capital. E-Cards was established under commercial registration number 146132 on January 29, 2020.

An additional investment value was added for 333,024 shares at a discounted price, granted to E-Cards employees, amounting to EGP 2,710,815.

An additional investment value was added for 230,256 free shares, granted to E-Cards employees, amounting to EGP 3,555,153.

On December 30, 2024, an additional investment value was added for 270,429 free shares, granted to E-Novate employees, amounting to EGP 4,555,153.

On June 2025, an additional investment value was added in return for 679,966 free shares granted to E-novate employees, valued at EGP 7,301,256. In December 2025, an additional investment value was added in return for 570,994 free shares granted to E-novate employees, valued at EGP 6,909,064.

*** The company's contribution value, representing a 61% stake in the issued capital of E-Aswaq Electronic Market Technology (LLC), has been fully paid, covering 100% of the company's share in the issued capital. E-Aswaq was established under commercial registration number 150444 on July 1, 2020.

An additional investment value was added for 610,783 shares at a discounted price, granted to E-Aswaq employees, amounting to EGP 4,971,570 million.

An additional investment value was added for 441,997 free shares, granted to E-Aswaq employees, amounting to EGP 6,824,434.

According to the board meeting held on June 15, 2023, the Board of Directors decided to increase the company's issued capital by EGP 140,000,000, with the company's share amounting to EGP 85,400,000.

On December 30, 2024, an additional investment value was added for 285,919 free shares, granted to E-Aswaq employees, amounting to EGP 5,176,828.

On June 2025, an additional investment value was added in exchange for 514,476 free shares granted to E-Aswaq employees, amounting to EGP 5,524,278. In December 2025, an additional investment value was added in exchange for 281,916 free shares granted to E-Aswaq employees, amounting to EGP 3,411,184.

**** The company's contribution value, representing a 99.98% stake in the issued capital of Enable Outsourcing Services (LLC), has been partially paid, covering 25% of the company's share in the issued capital. Enable was established under commercial registration number 159506 on December 29, 2022.

An additional investment value was added for 526,554 shares at a discounted price, granted to Enable employees, amounting to EGP 4,286,149.

An additional investment value was added for 382,090 free shares, granted to Enable employees, amounting to EGP 5,889,471.

According to the board meeting held on March 13, 2023, the Board of Directors decided to complete 50% of the company's share in the issued capital, amounting to EGP 49,999,990.

On December 30, 2024, an additional investment value was added for 221,245 free shares, granted to Enable employees, amounting to EGP 4,005,846.

On June 2025, an additional investment value was added for 25,951 free shares granted to Enable employees, amounting to EGP 278,654. On December 2025, an additional investment value was added for 65,369 free shares granted to Enable employees, amounting to EGP 790,965.

-According to the Ordinary General Assembly meeting held in May 2025, the use of the shareholders' share of profits amounting to 13,500,549 was approved to complete the company's capital, and the procedure for adding it to the capital was completed.

***** The company's contribution value, representing a 99.99% stake in the issued capital of E-Finance for Financial Facility Technology (LLC), has been fully paid, covering 100% of the

company's share in the issued capital. E-Finance was established under commercial registration number 159585 on December 30, 2022.

An additional investment value was added for 11,640,862 shares at a discounted price, granted to E-Finance employees, amounting to EGP 94,756,617 million.

An additional investment value was added for 10,799,938 free shares, granted to E-Finance employees, amounting to EGP 166,751,041.

On December 30, 2024, an additional investment value was added for 11,194,807 free shares, granted to E-Finance employees, amounting to EGP 2,025,692,346.

On June 2025, an additional investment value of EGP 96,655,639 was added in exchange for 9,001,539 free shares granted to E-Finance employees. In December 2025, an additional investment value of EGP 96,641,671 was added in exchange for 7,986,915 free shares granted to E-Finance employees.

***** The company's contribution value, representing a 35% stake in the issued capital of E-Tax for Tax Solutions Technology (LLC), has been fully paid, covering 100% of the company's share in the issued capital. E-Tax was established under commercial registration number 161093 on February 1, 2021.

On March 24, 2024, the General Assembly of E-Tax decided to increase the company's capital using a portion of the retained earnings, leading to an increase in the investment value by EGP 26,199,683 million.

-According to the Ordinary General Assembly meeting held in March 2025, the use of part of the shareholders' share of the profits to complete the company's capital was approved, and the group's share of that increase is an amount of 38,184,241 Egyptian pounds, and the procedure to raise the capital was completed.

***** The company's contribution value, representing a 35% stake in the issued capital of E-Health for Insurance Services Technology (LLC), has been fully paid, covering 100% of the company's share in the issued capital. E-Health was established under commercial registration number 172265 on September 13, 2021.

-According to the Ordinary General Assembly meeting held in March 2025, the completion of the company's capital was approved, and the group's share of that increase is 34,999,999 Egyptian pounds, and the procedure for raising the capital has been completed.

***** The company's contribution value, representing a 22% stake in the issued capital of Al Ahly Momken (LLC), has been fully paid, covering 100% of the company's share in the issued capital. Al Ahly Momken was established under commercial registration number 11648 on July 13, 2004.

***** The company's contribution value, representing a 12.96% stake in the issued capital of Easy Cash (LLC), has been fully paid, covering 100% of the company's share in the issued capital. Easy Cash was established under commercial registration number 37417 on September 1, 2019.

10 Investment in fair value through other comprehensive income

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Opening Balance	1 361 529 554	1 074 419 294
Additions	300 824 148	15 284 623
Revaluation	1 116 150 348	271 925 637
	<u>2 778 504 050</u>	<u>1 361 629 554</u>

The group has classified the investments shown below as financial investments at fair value through other comprehensive income (FVTOCI), given the group's objective to hold them for the long term for strategic purposes. Furthermore, no strategic investments were disposed of during 2025, and there was no reclassification of cumulative gains or losses within equity related to these investments.

The value of investments lies in the contribution to following companies:

- Egyptian State Technology Services Company ESERVE (SAE):
- Egyptian Company for Electronic Commerce Technology (MTS)
- Egypt Delta Payments Company (SAE).
- International Company for Consulting and Information Systems (ACIS)
- Nclude Financial Technology Innovation Fund (Limited partnership)
- C3 Fund

Valuation techniques and significant unobservable inputs:

The following tables show the valuation techniques used in measuring Level 3 fair values for financial instruments in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value:

Company	Valuation technique	Significant unobservable inputs
Egyptian Company for Electronic Commerce Technology (MTS)	- Discounted Cash flow - Multiples	Terminal growth rate: 4.39% Discount rate: 25.07% P/E multiple: 19.42x
Egypt Delta Payments Company (SAE)	- Discounted Cash flow	Terminal Growth rate: 3.5% Discount rate: 30% P/E multiple: 2.03x
Egyptian State Technology Services Company ESERVE (SAE)	Net assets value.	-
International Company for Consulting and Information Systems (ACIS)	Net assets value.	-
Nclude Financial Technology Innovation Fund (Limited partnership)	Net assets with fair value.	-
C3 Fund	Net assets with fair value.	-

For accounting classifications and fair values

The following table shows the book values and fair values of financial assets and liabilities, including their levels in the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
<u>Financial Investments with fair value through OCI</u>				
31 December 2025	-	-	2 778 504 050	<u>2 778 504 050</u>
31 December 2024	-	-	1 361 529 554	<u>1 361 529 554</u>
<u>Financial Investments with fair Value through P&L</u>				
31 December 2025	1 350 514 144	-	-	<u>1 350 514 144</u>
31 December 2024	973 341 262	-	-	<u>973 341 262</u>

11- Tax

11- Income tax

	<u>2025</u> <u>L.E</u>	<u>2024</u> <u>L.E</u>
Separate tax brackets	23 895 628	25 596 674
Tax dividends profit shares	1 140 042	980 858
Tax dividends income from investments through FVTOCI	15 856 758	10 485 715
Tax dividends income from investments in subsidiaries	147 613 142	101 147 660
Treasury bills tax	3 668 632	10 188 604
Deferred tax (Benefits)	(21 477 459)	(8 046 406)
Current and deferred tax income	<u>170 696 743</u>	<u>140 353 105</u>
Deferred income tax on other comprehensive income	<u>251 768 532</u>	<u>60 596 686</u>

A) Deferred tax assets (liabilities) recognized

11-2 Deferred tax

	December 31, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Fixed assets	-	4 020 708	-	4 026 389
Employee benefit liability	66 982 600	-	43 331 326	-
Tax revaluation FVTPL	-	10 604 634	-	5 405 593
Tax revaluation FVTOCI	-	509 592 977	-	258 459 148
Currency translation	1 518 939	-	-	865 903
	68 501 539	524 218 319	43 331 326	268 757 033
Net deferred tax assets	-	455 716 780	-	225 425 707
Deducts the previously charged deferred tax assets		(225 425 707)		
Deducts taxes charged to the statement of other comprehensive		(251 768 532)		
Deferred taxes for the Year (Benefit)		(21 477 459)		

11-3 Adjustment of the effective tax rate

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Income Tax (Debit) at beginning of the year	17 355 298	(5 394 529)
Formed during the year	23 895 627	25 596 674
Income tax payment for consultation services	59 226	2 625 399
Payment during the year	(25 596 674)	(1 470 008)
Withholding Tax	-	(4 002 238)
	<u>15 713 477</u>	<u>17 355 298</u>

11-4 Adjustment of the effective tax rate

		December 31,		December 31,
		2025		2024
		<i>L.E</i>		<i>L.E</i>
Net Profit of the year before Tax		1 556 965 941		1 190 608 370
Income Tax Based on Tax rate	22.5%	<u>350 317 337</u>	22.5%	<u>267 886 883</u>
Other Adjustments		(62 892 143)		(51 683 645)
Nondeductible expenses		10 690 488		7 374 048
Provisions		7 809 123		7 809 123
Revenue Exempted		(327 402 263)		(239 432 815)
Treasury bills Taxes		3 668 633		10 188 606
Dividends Taxes		164 609 942		112 614 233
Tax Brackets		23 895 626		25 596 672
Current and deferred income tax	10.47%	<u>170 696 743</u>	11.79%	<u>140 353 105</u>

11-5 Tax position

A) Corporate tax

- The company had tax exemption until December 31, 2017, and the company was subject to tax according to the letter of the General Authority for Investment and Free Zones, starting from January 1, 2018.
- The company submits the tax return on the corporate profits tax on the legal dates, and the company pays the tax due based on these returns.
- The tax examination of the company was carried out and the dispute was ended for the years 2005/2007, and the company paid all the tax differences.
- The company's tax examination for the years 2008/2009 and dispute for the years 2008/2015 was ended. The settlement was finalized with a tax of 3,052,209, and payment was made and a tax settlement was issued with no tax.
- The company has tax examined for the years from 2016 until 2020. The result of the examination was appealed and the file is being finalized by the internal committee.
- The company is currently under examination for the years 2021/2022.

B) Payroll tax

- The company's tax inspection and assessment were carried out from the beginning of the activity until 2016, and all dues were paid.
- The company has been tax examined for the years 2017 and 2018 and the differences were paid.
- The company has been tax examined for the years 2019 and 2020 and the differences were paid.
- The company is currently under examination for the years 2021 and 2022.

C) General sales tax and value added tax

- The tax was examined for the company until 2015, and the company was informed of the tax differences of 258 thousand Egyptian pounds, which were fully paid.
- The company's tax examination was carried out for the years from January 1, 2016, until December 31, 2018, and forms are being extracted.
- The company has been tax examined for 1/1/2019 till 30/11/2020 the differences were paid.
- The company is currently under examination for the period 1/12/2020 and 2022.

D) Stamp Tax

- The tax was examined for the company from the beginning of the activity until 2014.
- The company is being tax examined for the years from 2015 until 2020.

E) Withholding taxes

- Withholding taxes are paid on legal dates.
- The company has not received any tax claims to date.

12 Financial investments at amortized cost

According to the determination of the Board of Directors held on December 30, 2024, the proposal submitted by the Human Resources Department regarding the purchase of cars for senior management employees and the managing director instead of a monthly transportation allowance was approved, after presenting the proposal to the Financial Benefits, Compensation, and Rewards Committee.

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Opening balance	427 501	1 031 412
Additions during the year	49 550 000	-
amortization during the year	(7 728 335)	(603 911)
Balance at the end of the year	<u>42 249 166</u>	<u>427 501</u>

And it is divided as follows:

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Prepaid employee benefits – non-current	32 339 167	-
Prepaid employee benefits – current (Note 13)	9 909 999	427 501
Balance at the end of the year	<u>42 249 166</u>	<u>427 501</u>

13 Trade and other receivables

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Clients	476 600	1 739 608
Prepaid expenses	2 197 437	3 494 963
Deposits with others	631 200	631 200
Value added tax (VAT)	11 471 599	14 462 338
Prepaid employee benefits	9 909 999	427 501
Letter of guarantee*	25 439 221	25 439 221
Supplier Advance Payment	-	2 443 872
Accrued Revenue**	74 144 978	20 400 145
Accrued Dividends income	47 370 151	47 340 534
Other receivables	17 824 716	34 024 726
	<u>189 465 901</u>	<u>150 404 108</u>

*Letter of guarantee represent our restricted cash against L.G issued for one of the subsidiaries till finishing the date of the procedures of providing the subsidiaries with bank facilities from the same bank where E-finance holding issued the L.G.

**The accrued revenue represents rent income from subsidiaries E-Novate with an amount of 1 241 519 L.E, Income from dividend board reward from E-Novate related to prior years with an amount of 5 737 641 L.E. It also includes an amount of 67,165,818 Egyptian pounds, which represents management fees for services provided to subsidiaries during the year 2025.

14 Cash and cash Equivalents.

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Banks – Saving Accounts	301 767 142	754 004 615
Banks - time deposits	42 449 627	54 700 327
Investment funds*	88 488 118	18 174 824
Balance of cash and cash equivalents	<u>432 704 887</u>	<u>826 879 766</u>

*This balance consists of time deposits maturing within a period of less than three months.

*Investment Funds

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
PFI Fund, Cashi	51 708 750	-
Beltone U.S. Dollar Fund	36 779 368	-
Themar Fund, QNB	-	8 642 645
Sioula Fund	-	9 375 324
Youm by youm Account - Bank Misr	-	156 855
	<u>88 488 118</u>	<u>18 174 824</u>

For the purposes of preparing the statement of cash flows, cash and cash equivalents is represented in the following:

	December 31, 2025	December 30, 2024
	<u>L.E</u>	<u>L.E</u>
Cash and cash equivalents.	432 704 887	826 879 766
<u>Deduct:</u>		
Restricted against loan for associate	-	(53 000 000)
Mortgaged cash investment fund against letters of guarantee in favor of others	-	(8 642 645)
Cash and cash equivalents for the purpose of preparing the cash flow statement	<u>432 704 887</u>	<u>765 237 121</u>

15 Capital

15.1 The authorized capital

The company's authorized capital has been set at 4 billion Egyptian pounds (four billion Egyptian pounds) after increasing it from 3.5 billion Egyptian pounds to four billion Egyptian pounds, an increase of 500 million Egyptian pounds based on the decisions of the extraordinary general assembly meeting of the company held on 20 December 2020

15-2 Issued and paid-up capital

- The issued capital on the date of the company's establishment amounted to 60 million Egyptian pounds, distributed over 600 thousand shares with a nominal value of 100 Egyptian pounds per share, and registered in the commercial register on August 16, 2005.

- The issued capital was increased by 60 million Egyptian pounds based on the decision of the company's extraordinary general assembly held on December 20, 2006, so that the company's issued and paid-up capital became 120 million Egyptian pounds.

- The Extraordinary General Assembly held on December 11, 2013 decided to transfer an amount of 55 million Egyptian pounds (fifty-five million Egyptian pounds) from the general reserve to increase the issued and paid-up capital of the company, so that the issued and paid-up capital after the increase would become 175 million Egyptian pounds (one hundred and seventy-five million Egyptian pounds), distributed according to the same percentages of shareholders' ownership, and this was noted in the commercial register on May 20, 2014.

- The Extraordinary General Assembly held on March 24, 2016 decided to transfer an amount of 50 million Egyptian pounds (fifty million Egyptian pounds) from the general reserve to increase the issued and paid-up capital of the company, so that the issued and paid-up capital after the increase would become 225 million Egyptian pounds (two hundred and twenty-five million Egyptian pounds), distributed according to the same percentages of shareholders' ownership, and this was noted in the commercial register on August 1, 2016.

- The Extraordinary General Assembly held on November 20, 2016 decided to increase the issued and paid-up capital of the company in the amount of 22.5 million Egyptian pounds (twenty-two million and five hundred thousand Egyptian pounds), so that the issued capital after the increase becomes 247.5 million Egyptian pounds (two hundred and forty-seven million and five hundred thousand Egyptian pounds), of which 236,250 million Egyptian pounds (two hundred and thirty-six thousand and two hundred and fifty thousand Egyptian pounds) have been paid, with a reduction in the ownership percentages of shareholders after the entry of a new shareholder, the Egyptian Company for Investment Projects, by 9.09%, and this was indicated in the commercial register on December 29, 2016.

- The Extraordinary General Assembly held on March 21, 2018 decided to increase the company's issued capital by 103 million Egyptian pounds (one hundred and three million Egyptian pounds), transferred from reserves and retained earnings, so that the issued capital after the increase becomes 350.5 million Egyptian pounds (three hundred and fifty million and five hundred thousand Egyptian pounds), fully paid and distributed according to the same ownership percentages of shareholders. - The minutes of the Board of Directors meeting held on November 13, 2018 decided to increase the company's issued capital by 149.5 million Egyptian pounds (one hundred and forty-nine million and five hundred thousand Egyptian pounds), so that the issued capital after the increase becomes 500 million Egyptian pounds (five hundred million Egyptian pounds), fully paid and distributed

according to the same percentages of shareholders' ownership, and this was noted in the commercial register on December 19, 2018. - The Extraordinary General Assembly held on December 23, 2019 decided to increase the issued capital by EGP 300 million, so that the issued capital becomes EGP 800 million (eight hundred million Egyptian pounds), fully paid, and was registered in the company's commercial register on December 15, 2019.

- The Extraordinary General Assembly held on December 23, 2019 decided to amend the nominal value of the share to EGP 0.5 (fifty piasters) instead of EGP 100 (one hundred Egyptian pounds), so that the issued capital becomes EGP 800 million (eight hundred million Egyptian pounds), distributed over 1.6 billion shares.

- The Extraordinary General Assembly held on October 13, 2021 decided to increase the capital by EGP 889,888,88 (eighty-eight million, eight hundred and eighty-eight thousand, eight hundred and eighty-nine Egyptian pounds) to become the issued capital of EGP 889,888,888 (eight hundred and eighty-eight million, eight hundred and eighty-eight thousand, eight hundred and eighty-nine Egyptian pounds) distributed over 1,777,777,778 shares. - The Extraordinary General Assembly held on September 15, 2021 decided to approve the authorization of the company's board of directors to take the necessary measures to increase the issued capital by 4%, by issuing 71,111,111 shares with a nominal value of fifty piasters per share, with a total value of EGP 35,555,556 to become the total capital of EGP 924,444,445 Amounting to 1,848,888,889 shares, the increase shall be limited to the reward and incentive system. On January 31, 2022, the company's board of directors met to approve the increase, and the commercial register was registered on March 17, 2022, so that the fund's shares became 3.84% after the increase. The company's authorized capital was set at EGP 4 billion (four billion Egyptian pounds) after increasing it from EGP 3.5 billion to EGP 4 billion, an increase of EGP 500 million based on the decision of the company's extraordinary general assembly held on December 20, 2020.

-The company's ordinary general assembly held on May 13, 2024 decided to approve the use of an amount of EGP 231,111,111 from the reserves shown in the financial statements on 12/31/2023 to increase the issued and paid-up capital from EGP 924,444,445 to EGP 1,155,555,556 an increase of EGP 231,111,111 distributed over 462,222,222 shares with a nominal value of fifty piasters per share distributed to shareholders as free shares at a rate of one share for every four shares, with fractions rounded off in favor of small shareholders. The capital increase was registered in the commercial register on May 27, 2024.

- The Extraordinary General Assembly of the Company, held on April 7, 2025, decided to approve an increase in the issued and paid-up capital by an amount of EGP 557,777,778 distributed over 1,155,555,556 shares with a nominal value of fifty piasters, to be distributed as bonus shares to shareholders at a rate of five shares for every ten shares, so that the issued and paid-up capital becomes EGP 1,733,333,333.5 distributed over 3,466,666,667 shares, and this is to increase the reserves shown in the financial statements on December 31, 2024. The increase in capital was noted in the Commercial Register on May 7, 2025.

16 Other reserves

	December 30, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
General Reserve *	20 000 000	20 000 000
Others reserve **	3 127 829	941 628
Revaluation reserves ***	1 755 264 702	890 248 182
	<u>1 778 392 531</u>	<u>911 189 810</u>

* According to Article (54) of the company's articles of association, an extraordinary reserve is formed based on the proposal of the company's board of directors and approved by the general assembly in March 19,2019 to form 20 million pounds as general reserve.

** The balance of other reserves includes the result of actuarial profits.

*** Other Reserves include Actuarial gain in other comprehensive income.

17 Credit facilities

<u>Bank</u>	Authorized facility limits on December 31, 2025	Used until December 31, 2025	<u>Nature of facility</u>
	<u>L.E or Its equivalents of Foreign Currency</u>	<u>L.E</u>	
Banque Misr	31 000	-	Limit to issuing local letters of guarantee
QNB	1 000 000	-	Current debt limit
	<u>1 031 000</u>	<u>-</u>	

18 Trade and other payables

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Accounts payable	24 884 474	39 769 619
	<u>24 884 474</u>	<u>39 769 619</u>
<u>Other credit balance</u>		
Accrued expenses	39 027 802	46 753 816
Payroll tax	31 357 975	11 478 553
Withholding Tax	3 765 648	3 937 566
Board of directors Rewards	-	1 645 956
Other	577 276	237 596
	<u>74 728 701</u>	<u>64 053 487</u>
	<u>99 613 175</u>	<u>103 823 106</u>

19 Liability of the employee benefits system - (end of service benefits)

Based on the decision of board of directors on March 9, 2010, it has been decided to approve the end of service benefit system for the employees and the managing director, whereby the company’s employees benefit from it upon the end of their service period in the company in accordance with the conditions specified in the regulations approved by the company’s board of directors, provided that the company’s management invests the system’s funds the best possible investment.

19-1 Movement in the present value of the employee (end of service) benefit plan

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Liability at beginning of the year	100 102 102	147 090 583
Interest Cost	19 549 941	28 082 534
Current service cost	102 893 749	38 717 703
Transferred to subsidiaries	(644 882)	2 310 837
Actuarial losses on the liability recognized in other comprehensive income	(2 820 905)	2 607 033
Paid during the period/year	(10 558 131)	(118 706 588)
Liabilities at end of the period/year	<u>208 521 874</u>	<u>100 102 102</u>

19-2 The amounts recognized in the separate statement of profit or loss

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
The interest cost	19 549 941	28 082 534
Current service cost	102 893 749	38 717 703
	<u>122 443 690</u>	<u>66 800 237</u>

19-3 Quantitative sensitivity analysis and its effect on the benefit obligation, as follows

Assumptions

	Sensitivity analysis			
	December 31, 2025		December 31, 2024	
	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
	0.5%	0.5%	0.5%	0.5%
Discount rate	(3 233 661)	3 233 661	(2 111 391)	2 111 391
Current salary rate	3 233 661	(3 233 661)	2 111 391	(2 111 391)
	1%	1%	1%	1%
Death rate	3 729 746	(3 729 746)	1 861 448	(1 861 448)

The above sensitivity analysis has been determined based on a method that captures the effect on the benefit obligation as a result of reasonable changes in the key assumptions that occur at the end of the reporting period. Sensitivity analysis is based on a change in a material assumption, while all other assumptions are held constant. A sensitivity analysis may not be reflective of any actual change in the defined benefit obligation because it is unlikely that changes in the assumptions will occur when separated from each other.

19-4 The most important actuarial assumptions used in calculating the liability according to the actuarial expert's study

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
Discount rate	19.53%	23.865%
Gross salary rate	15%	15%

19-5 Demographic Data

	<u>December</u>	<u>December 31,</u>
	<u>31, 2025</u>	<u>2024</u>
Number of employees involved	55	49
average age (year)	42	42.3
Average Monthly Salary (EGP)	194 858	135 577
Average service life (year)	6.42	6.41

20 Revenue:

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Dividend income from equity investments through FVTOCI	158 567 575	104 857 152
Dividend income from financial investments in subsidiaries	1 449 931 738	1 037 676 279
Operational Revenue	86 693 745	13 420 985
	<u>1 695 193 058</u>	<u>1 155 954 416</u>

*Operational Revenue is recognized over the service period, and all revenue is generated in the Arab Republic of Egypt. The following table shows the balance of assets arising from contracts with clients:

	<u>Note</u>	<u>2025</u>	<u>2024</u>
		<u>L.E</u>	<u>L.E</u>
Accrued revenue	(13)	158 567 575	104 857 152
		<u>1 695 193 058</u>	<u>1 155 954 416</u>

21 Cost of sales

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Salaries and Wages	188 671 262	142 000 863
Cost of the employee benefit System	122 443 690	66 800 237
Maintenance cost	1 952 555	2 376 367
Depreciation expense (Note 5)	5 601 977	4 409 591
Technical advice and support	16 081 219	14 230 483
Employee benefits (cars)	7 728 335	603 911
	<u>342 479 038</u>	<u>230 421 452</u>

22 General and Administrative Expenses

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Depreciation of fixed assets (Note 5)	1 992 029	1 992 030
Amortization ROU	2 745 140	2 782 963
Consultation fees	46 843 092	27 749 413
Facility Expenses	1 252 251	942 576
Maintenance Expenses	6 908 361	2 237 646
Cars expenses	2 001 359	1 195 710
Donations	23 956 195	15 225 900
Hospitality	4 169 261	3 507 801
Office decoration& Stationary	1 526 289	1 221 039
Gifts	10 310 752	7 920 277
Social Contribution Expense	1 486 280	1 371 075
Expense of Stocks holding	4 607 606	8 386 022
Human Resources Activities	5 860 170	1 634 015
Subscriptions	3 279 686	1 363 980
Training Provision 1%	(18 942 169)	10 331 603
Other Expenses	4 302 220	4 038 863
	<u>102 298 522</u>	<u>91 900 913</u>

*The allocation for the Employee Training Fund was refunded during the year 2025 in accordance with the amendments to Labor Law No. 14 of 2025.

23 Selling and Marketing Expenses

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Exhibitions	88 155 978	57 346 989
Public Relations	4 145 031	6 572 759
Advertisements	32 320 164	22 552 901
Website	-	165 463
Subscription	88 335	194 466
Photography	5 642 941	860 105
Other Marketing Expenses	5 482 431	2 870 000
	<u>135 834 880</u>	<u>90 562 683</u>

24 Other Expenses

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Attendance, remuneration and allowances for members of the Board of Directors	3 688 500	2 878 500
Other	619 500	299 000
	<u>4 308 000</u>	<u>3 177 500</u>

25 Finance Costs

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Bank interests - expenses	1 546 837	410 876
Lease contract – expenses (Note No. 6-2)	2 230 552	2 538 602
Foreign currencies exchange	2 741 911	-
	<u>6 519 300</u>	<u>22 949 478</u>

26 Finance income

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Income from Investment in cash funds	5 298 567	1 704 487
Income from Investments at Amortized Cost (Note No. 12)	4 640 451	50 943 029
Bank interest on current accounts	62 416 668	148 825 734
Investments through FVTP&L	373 290 719	265 046 955
Loan Interest	46 888 889	11 758 890
Bank interest on deposits	3 431 800	6 690 459
Foreign currencies exchange gain	-	4 110 462
	<u>495 967 094</u>	<u>489 080 016</u>

27 Other Revenues:

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Board Reward	61 560 521	45 541 362
Rents	19 075 333	11 589 205
Other revenue	-	1 961 500
	<u>80 635 854</u>	<u>59 092 067</u>

28 Related parties

Related parties are represented in investee companies, major shareholders, companies controlled by or jointly affected by these parties, board of directors and employees of top management, pricing policies and the duration of these transactions are approved by the company's management and shareholders.

The following is a summary of the related party balances and the transactions that were executed during the year between the company and related parties.

	Relationship	Transaction type	December 31, 2025	December 31, 2024	Balance of December 31, 2025	December 31, 2024
28-1 Due from Related Parties (Short term):						
Smart solution and Operation Technology Company E-Novate	Subsidiary	Payment on behalf	5 893 938	4 448 382	38 860 978	32 967 040
E-nable for Outsourcing Services (eNable)	Subsidiary	collection	(11 801 140)	-	2 437 101	15 588 296
E-finance Technological Operation For Financial Institutions	Subsidiary	Sales and Services	40 650 793	(9 867 715)	27 407 113	425 716
		Payments and Receipts	(13 669 440)			
Technological Operation for Tax solutions e-tax	Associate	collection	(14 668 093)	(15 131)	-	15 270 216
E-Aswaaq The Technology Company for Ecommerce Operations	Subsidiary	Payment on behalf	1 520 675	141 377	1 933 066	412 391
Khales for Digital Payment Services Company	Subsidiary	Payment on behalf	786 257	105 959	893 501	105 959
E-Health (Technological Operation for Health Insurance Services)	Associate	collection	(8 313 468)	(1 198 811)	993 971	9 307 439
Ahly Momken	Associate	collection	(302 500)	302 500	-	302 500
ECL					-	(9 738 266)
					<u>72 525 730</u>	<u>64 641 291</u>
28-2 Due from Related Parties (Short term):						
Technological Operation for Tax solutions e-tax	Associate	Dividend Tax	(7 153 770)	-	6 551 647	-
					<u>6 551 647</u>	<u>-</u>

29 Loans for subsidiaries

Payments under investment are as follows:

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
E-Novate*	29 870 000	58 870 000
E-finance Technological Operation For Financial Institutions**	400 000 000	-
	<u>429 870 000</u>	<u>58 870 000</u>

*According to the decision of the company's board of directors No. 7 for the year 2023, held on August 14, 2023, approval was granted for financing the subsidiaries to implement certain projects at the subsidiaries, which will facilitate the acceleration of the required expansions for the group companies. This will be in the form of a short-term loan with an interest rate equivalent to that offered by Egyptian banks, with a maximum limit of 150 million. Consequently, a contract was signed with E-Card on September 1, 2023, stipulating the provision of a loan to the company amounting to 100 million with a fixed interest rate of 16%, to be paid in quarterly installments over one year.

**According to the Ordinary General Assembly held on March 26, 2025, the Chairman of the Board was authorized to enter into reciprocal contracts during 2025. Accordingly, on December 31, 2025, a short-term loan agreement was concluded for EGP 400 million with one of the subsidiaries (e-Finance for Operating Financial and Digital Facilities) at a variable interest rate equal to the lending rate announced by the Central Bank plus 0.25%, with the loan to be repaid in two equal installments within one year from the date of the contract.

30 Payment to top management:

The top Management includes the board of directors and the managers of the company. The salaries and benefits paid to the top management are the follows during the physical year ended in:

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
*Salaries and Benefits	219 980 586	253 257 493
Board of directors' allowance	3 688 500	2 878 500
other allowance	619 500	299 000
	<u>224 288 586</u>	<u>256 434 993</u>

*Include wages and salaries, equivalent payments, profit distributions, and share-based payments.

31 Objectives and policies of financial instruments risk management

The Company is exposed to the following risks arising from the use of financial instruments:

- A) Credit risk
- B) Market risk
- C) Liquidity risk

This note provides information about the Company's exposure to each of the risks mentioned above, and the Company's objectives, policies and processes in relation to measuring and managing these risks.

The company's board of directors is responsible for developing and supervising a framework for managing the risks that the company is exposed to. The top management of the company is responsible for setting and monitoring risk management policies and submitting reports to the Board of Directors dealing with its activities on a regular basis.

The current framework for managing financial risks in the Company is a combination of formally documented risk management policies in specific areas and undocumented risk management policies used in other areas.

A) Credit risk

They are financial losses that the company incurs in the event that the client or the counterparty fails to fulfill its obligations that are regulated by the financial instrument contract, and then the company is exposed to credit risk mainly from receivables from employees, Treasury bill, investments through OCI, and due from related parties as well as from its financial activities, including balances with Banks.

Other financial assets and cash deposits

With respect to credit risk arising from the company's other financial assets at amortized cost, the entity is exposed to credit risk as a result of default by the counterparty in payment to a maximum equivalent to the carrying value of these assets.

The financial sector manages credit risk arising from bank balances, and the company limits its exposure to credit risk by depositing balances with international banks only or with reputable local banks, and local banks are subject to the supervision of the Central Bank of Egypt, and thus the risk of exposure to credit risk is weak.

The maximum exposure to risk is limited to the balances shown in (Note 14)

Due from related parties

Balances due from related parties are considered to have a minimum credit risk where the maximum exposure is equivalent to the book value of these balances.

Investments

The company limits its exposure to credit risk by preparing detailed investment studies and is reviewed by the board of directors. The company's management does not expect any failure of any of the dealing parties to fulfill its obligations.

B) Market risk

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

Exposure to interest rate risk

Interest rate risk arises from fluctuations in the fair value or future cash flows of a financial instrument as a result of changes in market interest rates. The Company's exposure to risk of changes in market interest rates or not is mainly related to the company's obligations with a variable interest rate and interest-bearing deposits.

The general form of the interest rate of the company's financial instruments appears at the date of the financial statements as follows:

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
<u>Floating interest rate financial instruments</u>		
Cash and Cash Equivalent	432 704 887	826 879 766
Subsidiaries loans	(400 000 000)	-
	<u>32 704 887</u>	<u>826 879 766</u>

	December 31, 2025	December 31, 2024
	<u>L.E</u>	<u>L.E</u>
<u>Fixed interest rate financial instruments</u>		
Subsidiaries loans	29 870 000	58 870 000
	<u>29 870 000</u>	<u>58 870 000</u>

Exposure to foreign exchange rate risk

The following table shows the impact of a possible acceptable change in the exchange rates of the US dollar and the euro. In light of maintaining of all other variable's constant, and the impact that occurred on the company's profits before taxation is due to changes in the value of assets and cash liabilities. Changes in the exchange rates of all other foreign currencies are not material.

	Exchange rate	December 31, 2025	December 31, 2024
<u>Foreign Currencies</u>		<u>Net Assets</u>	<u>Net Assets</u>
US Dollar	47.66	81 267 878	838 570
KSA	12.70	167 551	167 898

C) Liquidity risk

The company's management monitors the company's cash flows, financing and liquidity requirements of the company. The company's goal is to achieve a balance between continuity of financing and flexibility by obtaining loans from banks. The company manages liquidity risk by maintaining adequate reserves and by obtaining borrowing facilities, whereby the company maintains credit limits of 400 million Egyptian pounds by continuously monitoring expected and actual cash flows and matching the maturity of assets and financial liabilities.

The company has sufficient cash to pay the expected operating expenses, including the financial liabilities expenses.

The table below summarizes the maturity dates of the Company's financial obligations based on contractual undiscounted payments.

On December 31, 2025	Net Book Value	Undiscounted cash flows	Less than year	From 2 to 5 years	More than 5 years
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Suppliers and other credit balances	99 613 174	99 613 174	99 613 174	-	-
Lease contracts	10 418 497	14 177 207	4 748 901	9 428 306	-
Employees benefits	208 521 874	208 521 874	-	-	208 521 874
Other liabilities	15 713 477	15 713 477	15 713 477	-	-
Total	334 267 022	338 025 732	120 075 552	9 428 306	208 521 874
On December 31, 2025	Net Book Value	Undiscounted cash flows	Less than year	From 2 to 5 years	More than 5 years
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Suppliers and other credit balances	103 823 106	103 823 106	103 823 106	-	-
Lease Contracts	17 690 286	17 690 286	4 129 479	13 560 807	-
Employees benefits	100 102 102	100 102 102	-	-	100 102 102
Due to related parties	17 355 298	17 355 298	17 355 298	-	-
Total	238 970 792	238 970 792	125 307 883	13 560 807	100 102 102

32 Capital Management

For the purpose of managing the company's capital, it includes the capital, the issued capital and all other equity reserves of the company's shareholders.

The company manages its capital structure and adjusts it considering changes in business conditions as well as to meet future developments of the activity. No changes were made in the objectives, policies or processes during the year, and the Company is not subject to any external requirements imposed on its capital.

	December 31, 2025	December 31, 2024
	<u>LE</u>	<u>LE</u>
Total liability	796 535 450	459 073 996
Less		
Cash & Equivalent	(432 704 887)	(826 879 766)
Net Liability	363 830 563	(367 805 770)
Total Equity	7 116 817 397	5 731 774 755
Percentage of net liabilities to total equity	5.11%	(%6.41)

33 Share Based Payment

The extraordinary general assembly of the company, held on September 23, 2019, approved the addition of a new section to the parent company's articles of association, related to rewarding and motivating employees and managers.

- On September 15, 2021, the Extraordinary General Assembly decided to approve the reward and incentive system for the company's employees, by promising to sell shares at affordable prices and granting free shares, at a rate of 4% of the issued capital, and these shares are provided by increasing the capital from the retained earnings. The nominal value of the share is distributed as follows: -

1) 1% of the shares allocated to the system under the promise to sell at concessional prices (40% of the average share price for a period of three months).

2) 3% of the shares allocated to the system are granted free of charge to the beneficiaries. The beneficiary of the system is required not to be less than the period he spent in the service of the company for a full year before the ownership of the shares was transferred to him, and to have obtained an estimate of no less than 90% on his annual performance evaluation reports prepared by the company's competent department. It is permissible, by a decision of the supervision committee, to include additional criteria or excluding one of the two conditions in the article, after obtaining the approval of the Financial Regulatory Authority and provided that no beneficiary votes on a decision related to it, and the company is committed to including it in its annual disclosure. The period of this system is five years starting from the approval of the system by the General Authority for Financial Supervision.

On January 16, 2022, the system for motivating and rewarding employees was approved by the Financial Regulatory Authority, and on January 25, the General Authority for Investment and Free Zones approved the system for motivating and rewarding employees. On January 21, 2022, the company's board of directors convened to approve an increase in the company's capital by 4% related to the employee motivation and reward system.

On the date of September 8, 2022, the company's board of directors approved the decisions of the Reward and Incentive Committee regarding activating the reward and incentive system by 1% of the company's shares, provided that 25% of the shares allocated to the system are activated, with the promise to sell at affordable prices on the date of September 29, 2022, and a chairman was delegated The Board of Directors to complete the remaining percentage later according to the financial performance of the company, and the percentage of 25% is

4 108 893 shares, with an estimated value of 14.4 Egyptian pounds per share, with a total value of 57 113 613 Egyptian pounds (after deducting the nominal value of the shares), and according to the system, the shares were sold For employees at a reduced value of 5.76 Egyptian pounds per share, so that the value that the company will bear on behalf of the company's employees and its subsidiaries is a total amount of 33 034 268 Egyptian pounds, distributed as follows:

The number of 934 492 shares, valued at 7 606 765 Egyptian pounds, pertaining to the employees of the parent company and its sister companies, were charged to the profit or loss statement, and the number of 3 174 401 shares, valued at 25 839 624 Egyptian pounds, pertaining to the employees of the subsidiaries, which were recorded as additional investments in each company with respect to it.

During the first half of 2023, the restrictions on selling the first 100% of shares were lifted, and consequently, the tax was accrued and charged to the profit and loss statement for the financial period ending March 31, 2023, in the amount of EGP 11,245,730.

On February 5, 2024, a portion of the remaining first tranche of bonus shares, amounting to 218,293 shares (two hundred ninety-three thousand two hundred eighteen shares only), was issued at a value of EGP 15.94 per share. The cost charged to the profit and loss statement was EGP 4,527,286 (after deducting the par value of the share).

On December 30, 2024, the third tranche of free shares was activated, amounting to 16,236,149 million shares (only sixteen million, two hundred thirty-six thousand, one hundred forty-nine shares) at a price of 18.11 EGP per share.

The cost charged to the profit or loss statement amounted to 72,029,031 EGP (after deducting the nominal value of the share), allocated to 3,978,202 shares for the parent company's employees.

An amount of 221,941,480 EGP (after deducting the nominal value of the share) was allocated to 12,257,947 shares for the employees of the subsidiary companies.

On May 31, 2025, the fourth tranche of free shares was activated, amounting to 13,250,883 shares at a value of 10.74 pounds per share after deducting the nominal value of the share. 2,780,545 shares were allocated to the employees of the parent company and 10,470,338 shares to the employees of the subsidiary companies.

34 Basic Earnings per share

Basic earnings per share is calculated by dividing the net profit distributable to common shareholders by the weighted average number of outstanding shares during the year.

	<u>2025</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Net profit for the year	1 386 269 198	1 050 255 265
Share of employees and Board members proposed/actual (EGP)	(214 145 372)	(171 620 754)
Net profit distributable to common shareholder	1 172 123 826	878 634 511
Average number of shares outstanding during the year for basic earnings (share)	3 466 666 667	2 265 787 063
Basic earnings per share for the year (EGP/share)	0.34	0.39

35 Capital Commitment

It mainly consists of the value of the unpaid portion of the company's contribution to the capital of the companies invested in as of December 31, 2025, and December 31, 2024, and is detailed as follows:

	Share	<u>December 31,</u> <u>2025</u> <u>L.E</u>	<u>December 31,</u> <u>2024</u> <u>L.E</u>
Technology operation for tax solutions company (E-Tax)	%35	33 462 254	105 000 000
Nclude Financial Technology Innovation	%9	191 111 357	332 863 200
C3 Fund	%13.8	82 500 000	-
E-nable for Outsourcing Services (eNable)	%99.99	-	25 000 000
Technology Operation for Health Insurance Services (E-health)	35%	-	35 000 000
		<u>307 073 611</u>	<u>497 863 200</u>

36 Reclassification of Comparative Figures

Certain comparative figures have been reclassified to align with the current presentation of the financial statements.

	<u>Before</u> <u>Adjustment</u> <u>L.E</u>	<u>Adjustment</u> <u>L.E</u>	<u>After</u> <u>Adjustment</u> <u>L.E</u>
General and Administrative Expenses	(83 514 891)	(8 386 022)	(91 900 913)
Finance Costs	(24 716 286)	21 766 808	2 949 478
Finance Income	502 460 802	(13 380 786)	489 080 016