EDITA Food Industries (S.A.E.)
and Its Subsidiaries
Consolidated Financial Statements
Prepared in accordance with IFRS
For the year ended December 31, 2025

EDITA Food Industries (S.A.E.) and its Subsidiaries
Consolidated Financial Statements
For the year ended December 31, 2025

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Saleh, Barsoum & Abdel Aziz
Grant Thornton

Saleh, Barsoum & Abdel Aziz
Nile City South Tower,
6th floor
2005A Cornish El Nil,
Ramlet Boulaq, Cairo, 11221
Egypt

T +20 (0) 2 246 199 09

Independent Auditor's Report

To the Shareholders of Edita Food Industries (S.A.E.)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Edita Food Industries (S.A.E.) (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material aspects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS Accounting Standards"), as issued by International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditor's Report

To the Shareholders of Edita Food Industries (S.A.E.) (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the Group for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that content.

Key Audit matter	***How our audit addressed the key audit matter***
Valuation of intangible assets	
Note 9 to the consolidated financial statements include intangible assets with indefinite useful lives and goodwill amounting to EGP 321.7 million as at December 31, 2025, Intangible assets with indefinite useful lives amounting to EGP 162.9 million represent purchased trademarks and know-how on certain branded products. Under the Group's accounting policies, trademarks and know-how are assessed to have indefinite useful lives as the related licenses are perpetual, irrevocable and exclusive in nature. Goodwill amounting to EGP 158.8 million, recognised on acquisition of some of its subsidiaries These intangible assets and goodwill are subject to an impairment test on an annual basis under the requirements of International Accounting Standard 36 – Impairment of Assets ("IAS 36"). The impairment test is based on management's estimate of the future cash flows to be generated from the related brands and cash generating units ("CGUs").	Our procedures in relation to management's impairment review of these intangible assets and goodwill included: • We obtained the valuation analysis applied by management for computation of recoverable amounts and assessed whether the forecasted figures used therein seem reasonable based on the historical data and future expectations. • We critically assessed and tested the assumptions and methodologies used by management, especially those relating to the discount rate and growth rates with the assistance of our internal valuation experts. To do this: ○ We evaluated these assumptions with reference to those applied to valuations of similar entities. ○ We compared the key assumptions to externally derived data wherever possible, including market expectations of investment return, projected economic growth and interest rates. ○ We applied sensitivities in evaluating management's assessment of the planned growth rate in cash flows.

Key Audit Matters (Continued)

Determination of value-in-use of the above-mentioned intangible assets and goodwill involve use of valuation techniques (i.e. discounted cash flows method) and significant judgements and assumptions. Due to inherent uncertainties involved in estimating future product cash flows and use of significant assumptions and judgements, we have considered this as a key audit matter.	○ We tested the calculations within the valuation model for mathematical accuracy and considered the sensitivity of the calculations by varying the assumptions and applying other values within a reasonably possible range of outcomes. • We assessed the adequacy of the Group's disclosure regarding the valuation methodologies and key assumptions in accordance with IFRS.

Other Matter – Scope of the audit

The consolidated financial statements, on which our opinion is issued, have been prepared for the purpose of the Group meeting its continuing obligations towards its lenders and shareholders. These consolidated financial statements are therefore not the statutory financial statements of the Group as required by laws in the jurisdiction where the Group is registered and regulated. The Group has prepared and published a separate set of consolidated financial statements for the year ended December 31, 2025 in accordance with Egyptian Accounting Standards, and relevant laws and regulations ("EAS consolidated financial statements").

The consolidated financial statements of the Group for year ended December 31, 2024, prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) were audited by another auditor who expressed an unmodified opinion on those statements on April 17, 2025.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS Accounting Standards"), as issued by International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Independent Auditor's Report
To the Shareholders of Edita Food Industries (S.A.E.) (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Saleh, Barsoum & Abdel Aziz
Grant Thornton

Independent Auditor's Report
To the Shareholders of Edita Food Industries (S.A.E.) (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Cairo, July 29th , 2026

Kamel M. Saleh, FCA
F.E.S.A.A. (R.A.A. 8510)
FRA Register No. "69"

Saleh, Barsoum Abdel Aziz & Co.
Accountants
&
Auditors

EDITA Food Industries (S.A.E.) and its subsidiaries
Consolidated Financial Statements
Consolidated statement of financial position
As at December 31, 2025

	Notes	2025 EGP	2024 (Restated) EGP
ASSETS			
Non-current assets			
Property, plant and equipment	7	5,473,026,194	4,491,126,453
Right-of-use assets	8	469,758,484	199,536,464
Intangible assets and goodwill	9	457,686,035	343,070,835
Deferred tax assets	21	90,941,886	99,659,439
Total non-current assets		**6,491,412,599**	**5,133,393,191**
Current assets			
Inventories	11	2,315,050,051	3,034,025,532
Trade and other receivables	13	1,280,278,007	846,997,383
Financial assets at amortised cost – treasury bills	14	3,445,357,884	805,867,012
Cash and cash equivalents	15	716,765,194	518,288,835
Financial Assets measured at fair value through p&L		578,992,890	--
Total current assets		**8,336,444,026**	**5,205,178,762**
TOTAL ASSETS		**14,827,856,625**	**10,338,571,953**
EQUITY AND LIABILITIES			
Equity			
Share capital	16	280,005,462	140,002,731
Legal reserve	17	140,002,729	72,536,289
Cumulative translation reserve		(143,568,018)	(210,241,954)
Transactions with non-controlling interest	18	(32,132,098)	(32,132,098)
Treasury shares	16	(192,608,865)	-
Retained earnings		5,459,163,226	3,973,831,880
Equity attributable to the Owners of the Company		**5,510,862,436**	**3,943,996,848**
Non-controlling interest	18	367,793,335	102,084,427
Total equity		**5,878,655,771**	**4,046,081,275**
Non-current liabilities			
Borrowings and government grants	19	2,904,566,838	2,301,400,165
Employee benefit obligations	20	114,366,146	75,262,582
Deferred tax liabilities	21	460,608,554	402,132,045
Lease liabilities	22	511,267,558	229,107,964
Total non-current liabilities		**3,990,809,096**	**3,007,902,756**
Current liabilities			
Provisions	23	111,646,561	99,601,868
Bank overdraft	24	771,424,343	808,368,965
Trade and other payables	25	2,728,430,277	1,743,974,321
Current portion of borrowings	19	816,456,335	376,582,192
Current income tax liabilities	26	514,276,098	248,382,615
Current portion of lease liabilities	22	16,158,144	7,677,961
Total current liabilities		**4,958,391,758**	**3,284,587,922**
Total liabilities		**8,949,200,854**	**6,292,490,678**
TOTAL EQUITY AND LIABILITIES		**14,827,856,625**	**10,338,571,953**

These consolidated financial statements were approved and authorised for issue by the Board of Directors on March 11, 2026, and were signed on their behalf by:

Eng. Hani Berzi
Chairman

Mr. Sameh Naguib
Deputy Group CEO & CFO

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

Consolidated statement of profit or loss
For the year ended December 31, 2025

	Notes	2025	2024
			Restated
		EGP	EGP
Revenue	37	20,915,072,432	16,146,545,699
Cost of sales	33	(13,829,224,507)	(11,240,232,913)
GROSS PROFIT		**7,085,847,925**	**4,906,312,786**
Distribution cost	33	(2,049,806,740)	(1,662,351,937)
Administrative expenses	33	(1,493,957,620)	(1,086,699,763)
Provision for employee benefit obligations	20	(43,901,598)	(23,800,197)
Provision for slow-moving inventory	11	(31,332,605)	(13,403,634)
Expected Credit Loss		(4,729,625)	-
Other income	27	117,779,113	101,075,941
Other expenses	28	(92,264,051)	(84,715,514)
Finance income	29	575,446,672	168,265,279
Finance cost	30	(602,862,955)	(402,641,247)
Foreign exchange (loss)/gain - net		(9,406,493)	101,045,310
PROFIT BEFORE INCOME TAX		**3,450,812,023**	**2,003,087,024**
Income tax expense	31	(1,008,535,910)	(556,329,772)
NET PROFIT FOR THE YEAR		**2,442,276,113**	**1,446,757,252**
Profit attributable to			
Owners of the Company		**2,496,545,788**	**1,473,757,771**
Non-controlling interest		**(54,269,675)**	**(27,000,519)**
		2,442,276,113	**1,446,757,252**
Earnings per share (expressed in EGP per share)			
Basic and diluted earnings per share	**32**	**2.16**	**1.05**

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

EDITA Food Industries (S.A.E.) and its subsidiaries
Consolidated Financial Statements
Consolidated statement of comprehensive income
For the year ended December 31, 2025

	Note	2025	2024 Restated
		EGP	EGP
Net profit for the year		2,442,276,113	1,446,757,252
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		66,673,936	(102,915,459)
Items that will not be reclassified to profit or loss:			
Remeasurements of employee benefit obligations	20	(3,645,271)	1,822,034
Other comprehensive (loss)/income for the year		**63,028,665**	**(101,093,425)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**2,505,304,778**	**1,345,663,827**
Total comprehensive income attributable to			
Owners of the Company		2,559,574,453	1,318,079,926
Non-controlling interest		(54,269,675)	27,583,901
		2,505,304,778	**1,345,663,827**

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity
For the year ended December 31, 2025

	Equity attributable to the owners of the Company								
	Share capital EGP	Legal reserve EGP	Cumulative translation reserve EGP	Transactions with non-controlling interest EGP	Treasury shares EGP	Retained Earnings EGP	Total EGP	Non-controlling interest EGP	Total equity EGP
As at January 1, 2025 (restated)	**140,002,731**	**72,536,289**	**(210,241,954)**	**(32,132,098)**	**-**	**3,973,831,880**	**3,943,996,848**	**102,084,427**	**4,046,081,275**
Transfer to legal reserve		67,466,440	-	-	-	(67,466,440)	-	-	-
Total comprehensive income for the year:									
Net profit for the year	-	-	-	-	-	2,496,545,788	**2,496,545,788**	(54,269,675)	**2,442,276,113**
Other comprehensive (loss)/income	-	-	66,673,936	-	-	(3,645,271)	**63,028,665**	-	**63,028,665**
Total comprehensive income for the year	**-**	**-**	**66,673,936**	**-**	**-**	**2,492,900,517**	**2,559,574,453**	**(54,269,675)**	**2,505,304,778**
Transactions with shareholders:									
Dividends distributed during the year (Note 16)	-	-	-	-	-	(800,100,000)	**(800,100,000)**	-	**(800,100,000)**
Treasury shares	-	-	-	-	(192,608,865)	-	**(192,608,865)**	-	**(192,608,865)**
Acquisition of subsidiaries	-	-	-	-	-	-	-	319,978,583	**319,978,583**
Capital Increase Through bonus shares	140,002,731	-	-	-	-	(140,002,731)	-	-	-
As at December 31, 2025	**280,005,462**	**140,002,729**	**(143,568,018)**	**(32,132,098)**	**(192,608,865)**	**5,459,163,226**	**5,510,862,436**	**367,793,335**	**5,878,665,771**

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

EDITA Food Industries (S.A.E.) and its subsidiaries
Consolidated Financial Statements

Consolidated statement of changes in equity (continued)
For the year ended December 31, 2025

	Equity attributable to the owners of the Company								
	Share capital EGP	**Legal reserve EGP**	**Cumulative translation reserve EGP**	**Transactions with non-controlling interest EGP**	**Treasury shares EGP**	**Retained earnings EGP**	**Total EGP**	**Non-controlling interest EGP**	**Total equity EGP**
As at January 1, 2024	140,002,731	72,536,289	(50,615,771)	(32,132,098)	-	3,199,422,434	**3,329,213,585**	73,686,956	**3,402,900,541**
Total comprehensive income for the year:									
Net profit for the year - restated (Note 43)	-	-	-	-	-	1,473,757,771	**1,473,657,771**	(27,000,519)	**1,446,657,252**
Other comprehensive (loss)/income	-	-	(157,499,879)	-	-	1,822,034	**(155,677,845)**	54,584,420	**(101,093,425)**
Total comprehensive income for the year	**-**	**-**	**(157,499,879)**	**-**	**-**	**1,475,579,805**	**1,317,979,926**	**27,583,901**	**1,345,563,827**
Transactions with shareholders:									
Dividends distributed during the year (Note 16)	-	-	-	-	-	(700,000,000)	**(700,000,000)**	-	**(700,000,000)**
Restatement to opening balance (Note 43)			(2,126,304)			(1,170,359)	**(3,296,663)**	813,570	**(2,483,093)**
As at December 31, 2024 (Restated)	**140,002,731**	**72,536,289**	**(210,241,954)**	**(32,132,098)**	**-**	**3,973,831,880**	**3,943,996,848**	**102,084,427**	**4,046,081,275**

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

EDITA Food Industries (S.A.E.) and its subsidiaries
Consolidated Financial Statements
Consolidated statement of cash flows
For the year ended December 31, 2025

	Notes	2025	2024 Restated
		EGP	EGP
OPERATING ACTIVITIES			
Profit for the year before income tax		3,450,812,023	2,002,987,024
Adjustments for:			
Depreciation of property, plant and equipment	7	429,500,144	339,762,089
Depreciation of right-of-use assets	8	35,136,214	22,053,035
Amortization of intangible assets	9.3	12,669,115	11,060,520
Provision for slow moving inventory	11	31,332,605	13,403,634
Provision for employee benefit obligations	20	43,901,598	23,800,197
Gain on disposal of property, plant and equipment	27	(5,273,329)	(4,196,751)
Provision no longer required	27	(7,778,729)	(4,081,619)
Government grants	27	(2,359,277)	(3,409,851)
Other provisions	28	43,409,302	46,765,402
Interest income	29	(575,446,672)	(168,265,279)
Interest expense	30	554,787,380	376,398,830
Interest on lease liabilities	30	48,075,574	26,242,417
Foreign exchange gain		8,841,755	(36,896,836)
		4,067,607,703	**2,645,622,812**
Change in working capital			
Inventories		696,975,720	(1,119,014,155)
Trade and other receivables		48,097,214	60,310,775
Trade and other payables		736,357,742	287,842,160
Provisions utilized		(23,679,679)	(48,683,619)
Payments of employee benefit obligations	20	(8,443,305)	(1,859,182)
Cash generated from operations		**5,516,915,395**	**1,824,218,791**
Interest paid		(564,286,847)	(380,897,134)
Income tax paid		(575,275,777)	(588,833,909)
Net cash inflow from operating activities		**4,377,352,771**	**854,487,748**
INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment		(1,020,200,150)	(1,238,601,054)
Payment for purchase of intangible assets	9	(61,564,140)	(228,000)
Proceeds from sale of property, plant and equipment	34	33,352,073	6,096,820
Interest received		438,515,575	137,960,554
Payment for purchase of treasury bills		(8,476,385,549)	(1,955,683,983)
Proceeds from sale of treasury bills		5,909,043,739	1,518,125,049
Payments for purchase of investments in fair value		(578,992,890)	-
Consideration paid for acquisition of new subsidiary - net of cash acquired	10	(385,427,600)	-
Cash and cash equivalent under business combination - ANFI		2,651,493	-
Net cash used in investing activities		**(4,139,007,449)**	**(1,532,330,614)**

FINANCING ACTIVITIES			
Dividends paid to the shareholders	16	(800,100,000)	(700,000,000)
Acquisition of treasury shares	16	(192,608,865)	-
Lease payments	22	(59,269,063)	(39,157,363)
Proceeds from borrowings		1,565,170,723	802,325,677
Repayments of borrowings		(450,007,937)	(193,737,275)
Net cash used in financing activities		**63,184,858**	**(130,568,961)**
Net increase in cash and cash equivalents		301,530,180	(808,411,827)
Cash and cash equivalents, at beginning of the year		(290,080,130)	413,180,334
Effect of movements in exchange rates on cash held		(66,109,199)	105,151,363
Cash and cash equivalents, at end of the year	15	**(54,659,149)**	**(290,080,130)**

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

1. General information

Edita Food Industries S.A.E. (the "Company") was established in July 9, 1996, under the investment Law No. 230 of 1989, which had been replaced by Law No. 8 of 1997, and the Money Market Law No. 95 of 1992, and is registered in the Commercial Register under number 692, Cairo, Egypt.

The registered address of the Company is Edita Group Building, Plot no. 13 - Central Pivot, P.O Box No. 64, ZIP Code No. 12588, El Sheikh Zayed, Cairo, Egypt.

The Company provides manufacturing, producing and packing of all food products and producing and packing of readymade food, cakes, pastry, milk, chocolate and other food products with all necessary ingredients and sell the products to Edita for Trading and Distribution, Edita Confectionery Industries, Edita Food Industries Morocco, Edita Frozen Foods Industries S.A.E, subsidiaries.

The Company's shares are listed on the Egyptian Exchange and its global depositary receipts (each representing five ordinary shares) are also listed on the London Stock Exchange.

The main shareholders of the Company are Quantum Investment BV holding 48.75% (2024: 45.07%) of the Company's share capital, Kingsway Fund Frontier Consumer Franchises holding 5.17% (2024: 12.48%) of Company's share capital, RIMCO E G T Investment LLC holding 10.08% (2024: 10.08%) of Company's share capital, in addition to several shareholders holding 36% (2024: 32%) of the Company's share capital.

These consolidated financial statements as at December 31, 2025 comprise the Company and its subsidiaries (hereinafter referred to as the "Group"). The Group's financial year starts on January 1, and ends on December 31, each year.

The Group has prepared a separate set of consolidated financial statements in accordance with the Egyptian Accounting Standards, and applicable laws and regulations for the year ended December 31, 2025, which does not constitute part of these consolidated financial statements.

The details of Company's principal subsidiaries, as at December 31, 2025 are set out below:

Subsidiaries	Place of business/ country of incorporation	Principal activities	Ownership interest held by the Company		Ownership interest held by non-controlling interest	
			2025	2024	2025	2024
Edita for Trading and Distribution	Egypt	a	99.8%	99.8%	0.2%	0.2%
Edita Confectionery Industries	Egypt	b	99.98%	99.98%	0.02%	0.02%
Edita Participation Limited	Cyprus	c	100%	100%	-	-
Edita Food Industries Morocco	Morocco	d	78.36%	78.36%	21.64%	21.64%
Edita Frozen Foods Industries S.A.E.	Egypt	e	100%	100%	-	-
Edita for food Investments	Egypt	f	100%	100%	-	-
Edita International LTD	UAE	g	100%	-	-	-
Edita Investment Holding LTD	UAE	h	100%	-	-	-
Edita TJA	UAE	i	51%	-	49%	-
Ahramat Al Nile For Trading and Food Industries	Iraq	j	49%	-	51%	-

a. Edita for Trading and Distribution

The principal activity of Edita for Trading and Distribution is wholesale and retail trading in consumable goods. Edita for Trading and Distribution also acts as a distributor for local and foreign entities and also indulges in imports and exports in accordance with relevant laws and regulations. Edita for Trading and Distribution buys from Edita Confectionery Industries and Edita Food Industries S.A.E. and distributes to others.

b. Edita Confectionery Industries

The principal activity of Edita Confectionery Industries is to build and operate a factory for production, sales and distribution of Sweets, Toofy, Jelly, Caramel and other nutrition materials. Edita Confectionery Industries sells the products to Edita for Trading and Distribution

c. Edita Participation Limited

The principal activities of Edita Participation Limited are the provision of services and the holding of investments. The Subsidiary acts as a holding company for international investments of the Group i.e. Edita Food Industries Morocco.

d. Edita Food Industries Morocco

The principal activities of Edita Food Industries Morocco are to build and operate a factory for production, sales and distribution of cakes, pastry, wafer and other confectionary products.

e. Edita Frozen Foods Industries S.A.E.:

The principal activities of Edita Frozen Food Industries S.A.E. are to manufacture frozen foods and products. The Company was acquired by the Group during the year ended December 31, 2023 and has manufacturing facility located in 6^{th} of October City, Egypt (refer Note 10 for details).

f. Edita Holding for Investment

The principal activity of Edita Holding for Investment is to participate in the establishment of the companies that issue financial instruments or increase its share capital. Edita Holding for Investment was established as a Stock Authorised Enterprise on December 8, 2022, with authorized and issued share capital of EGP 5,000,000.

g. Edita International LTD

The board of directors of Edita Participation Limited approved the establishment of Edita International LTD in the jurisdiction of Abu Dhabi Global Market. The authorized Capital of the new subsidiary is $ 25 million, the issued capital is $ 10 million. On February 10, 2025, the company has been incorporated and registered under no 24994 in the jurisdiction of Abu Dhabi Global Market.

h. Edita Investment Holding LTD

During the period, the board of directors of Edita International LTD approved the establishment of Edita Investment Holdin LTD in the jurisdiction of Abu Dhabi Global Market. The authorized Capital of the new subsidiary is $ 10 million, and the issued capital is $750 Thousand. The company has been incorporated and registered under no 25132 in the jurisdiction of Abu Dhabi Global Market.

i. Edita TJA

During the period, the board of directors of Edita International LTD approved the establishment of Edita TJA LTD in the jurisdiction of Abu Dhabi Global Market. The authorized Capital of the new subsidiary is $ 20 million, and the issued capital is $7.25 million. The company has been incorporated and registered under no 26060 in the jurisdiction of Abu Dhabi Global Market.

j. Ahramat Al Nile for Trading and Food industries

During the period the company acquired 49% of the shares of Ahramat Al-Nile for Trading and Food Industries in accordance with the terms of the strategic partnership agreement between Edita Food Industries Company and the Iraqi company Tuma Jabr Abbas. The Capital of the Iraqi company amounted to 1 960 700 000 Iraqi dinars.

Financial information

Financial information of the subsidiaries of the Group as at and for the years ended December 31, 2025, and December 31, 2024, before consolidation adjustments, is as follows.

2025	**Assets**	**Liabilities**	**Equity/ (deficit of assets)**	**Revenue**	**Net profit/ (loss)**
	EGP	**EGP**	**EGP**	**EGP**	**EGP**
Edita for Trading and Distribution	2 344 919 351	879 975 854	1 464 943 497	18 417 879 090	399 523 751
Edita Confectionery Industries	431 537 019	115 768 087	315 768 932	523 816 741	57 362 248
Edita Participation Limited	1 378 946 455	2 016 010 771	(637 064 316)	8 418 367	(119 639 742)
Edita Food Industries Morocco	1 018 310 086	849 450 200	168 859 886	571 942 492	(142 544 110)
Edita Frozen Foods Industries S.A.E.	484 982 792	181 756 412	303 226 380	53 963 886	(117 219 926)
Edita Holding for Investment	6 869 576	859 991	6 009 585	--	245 715
Edita International LTD	510 435 616	29 128 399	481 307 217	--	(694 960)
Edita Investment Holding LTD	35 929 633	601 146	35 328 487	--	(871 800)
Edita TJA	683 959 773	22 492 231	661 467 542	5 624 373	(16 699 666)
Ahramat Al Nile For Trading and Food Industries	837 912 144	883 636 675	(45 724 531)	13 555 219	(37 317 759)

2024	**Assets**	**Liabilities**	**Equity/ (deficit of assets)**	**Revenue**	**Net profit/ (loss)**
	EGP	**EGP**	**EGP**	**EGP**	**EGP**
Edita for Trading and Distribution	1,795,856,850	686,326,361	1,109,530,489	14,215,519,562	429,640,427
Edita Confectionery Industries	369,544,699	108,165,465	261,379,234	467,062,727	73,792,657
Edita Participation Limited	494,064,507	1,097,348,288	(603,283,781)	10,258,592	(91,745,418)
Edita Food Industries Morocco	1,089,404,225	791,110,039	298,294,186	475,597,011	(128,822,846)
Edita Frozen Foods Industries S.A.E.	505,530,395	84,803,043	420,727,352	62,333,319	(87,773,082)
Edita Holding for Investment	6,227,140	463,269	5,763,871	--	346,497

2. Basis for preparation

2.1 Statement of compliance with IFRS

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

2.2 Historical cost convention

These consolidated financial statements have been prepared under the historical cost basis, except for the defined benefit obligations that are recognised at the present value of future obligations using the projected credit unit method.

2.3 Going concern basis of accounting

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to recover its financial assets within the credit terms and discharge its liabilities as and when these falls due.

As at December 31, 2025, the Group has retained earnings of EGP 5,459.1 million (2024: EGP 3,973.8 million), total equity of EGP 5,878.6 million (2024: EGP 4,046.81 million) and net current assets of EGP 3,378.05 million (2024: EGP 1,920.6 million). Further, the Group has also recognized net profit of EGP 2,442.3 million for the year ended December 31, 2025 (2024: EGP 1,415.4 million) and has also generated cash flows of EGP 4,377.3 million from operating activities during the year (2024: EGP 854.5 million). The management believes that this positive trend profitability and source of finance will continue in the foreseeable future and has a reasonable expectation that the Group has and will have adequate resources to continue in operational existence for the foreseeable future.

3. New or revised standards and interpretations

3.1 Standards, Interpretations and amendments adopted as at January 1, 2025

Certain accounting pronouncements which have become effective from January 1, 2025, and have therefore been adopted. The application of these amendments do not have impact on the amounts recognized in the Group's consolidated financial statements.

Effective for annual reporting periods beginning on or after January 1, 2025:

- Lack of Exchangeability (Amendments to IAS 21).

3.2 Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Group

As at the date of authorization of this condensed consolidated interim financial information, several new but not yet effective, Standards, Amendments and Interpretations to existing standards have been published by International Accounting Standards Board ("IASB"). These amendments have neither been adopted early by Management of the Group nor are expected to have any significant impact on this condensed consolidated interim financial information in the period of initial application.

Effective for annual reporting periods beginning on or after January 1, 2026:

- Amendments to IFRS 7 and 9: Amendments to the Classification and Measurement of Financial Instruments.
- Amendments to IFRS 7 and 9: Contracts Referencing Nature-dependent Electricity.
- IFRS 18: Presentation and Disclosure in Financial Statements.
- IFRS 19: Subsidiaries without Public Accountability: Disclosures

4. Material accounting policies information

These consolidated financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The material accounting policies applied in the preparation of these consolidated financial statements are set out below and on the following pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position, respectively. Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners.

The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Business combinations

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The acquisition method of accounting is used to account for all business combinations by the Group, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date and is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured with changes in fair value being recognised in consolidated statement of comprehensive income.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the fair value of net identifiable assets acquired and liabilities assumed. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the consolidated statement of profit or loss.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Calculations are performed based on the expected cash flows of the relevant cash generating units and discounting them at an appropriate discount rate, the determination of which requires the exercise of judgement. Impairment losses arising on goodwill, if any, are not reversed.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in these circumstances is measured based on the relative values of the operation disposed of and portion of the cash-generating unit retained.

Foreign currency translation

Functional and presentation currency

These consolidated financial statements are presented in Egyptian Pounds ("EGP"), which is the Group's functional and presentation currency except for Edita Participation Limited, Edita International, Edita Investment Holding, Edita TJA, the functional currencies of which are United States Dollars ("USD") and Edita Food Industries Morocco, and Ahramat Al Nile, the functional currencies of which are Moroccan Dirhams ("MAD") and Iraqi Dina ("IQD"), respectively.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the consolidated statement of profit or loss, they are deferred in equity if they are attributable to part of the net investment in foreign operations.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in the consolidated statement of profit or loss as part of the fair value gain or loss.

Net investment in foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency are disclosed below.

- Assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate as at the reporting date;
- Income and expenses for each consolidated statement of profit or loss and consolidated statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions);
- All resulting exchange differences are recognised in other comprehensive income; and
- Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the financial year in which they are incurred.

Land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts to their residual value over their estimated useful lives, as follows.

Buildings	25 - 50 years
Machinery and equipment	20 years
Vehicles	5 - 8 years
Tools and equipment	3 - 5 years
Furniture and office equipment	4 - 5 years

Residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within “other income/(expenses) in the consolidated statement of profit or loss.

Projects under construction

Projects under construction are stated at cost less realised impairment losses, if any. Cost includes all expenditures associated with the acquisition of the asset and make it usable. When the assets are ready for its intended use, it is transferred from projects under construction to the appropriate category under property, plant and equipment and depreciated in accordance with Group’s policies.

Intangible assets

Trademarks and know-how

Trademarks and know-how have indefinite useful lives as there is no foreseeable limit on the period over which these assets are expected to exist and generate cash flows. The related licenses to these intangible assets are perpetual, irrevocable and exclusive to the territories to which these pertain.

These intangible assets are measured at historical cost less impairment losses, if any. Historical cost includes all expenditures associated with the acquisition of an intangible asset. These assets are tested for impairment annually, or more frequently when there is an indication of impairment.

Computer software

Computer software are measured at historical cost less the accumulated amortisation and the accumulated impairment losses, if any. Historical cost includes all expenditures associated with the acquisition of an intangible asset. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in the consolidated statement of profit or loss as they are incurred.

Amortisation is calculated to allocate the costs of the computer software less their residual values, using straight-line method over their estimated useful lives, and is generally recognised in the consolidated statement of profit or loss. The useful life used in the calculation of amortisation is 4 years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

Leases

Group as a lessee

The Group has entered into various lease contracts having tenure ranging from 3 to 19 years. Lease terms, are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. Assets and liabilities arising from a lease are initially measured on a present value basis. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate.

I. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term as follows:

Land	18 years
Branch premises and warehouses	3 - 19 years
Motor vehicles	4 years

Right-of-use assets are also subject to impairment.

II. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset and is recognised as separate line items in the consolidated statement of financial position.

III. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term in the consolidated statement of profit or loss.

Impairment of non-financial assets

Non-financial assets other than goodwill

Non-financial assets other than goodwill are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use.

Goodwill

Goodwill is not subject to amortisation and are tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ("CGUs").

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the business combination.

The recoverable amount of an asset or CGU is the greater of its value in use, and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in consolidated statement of profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Reversal of impairment loss

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost comprises direct materials, direct labour, other direct costs and an appropriate proportion of variable and fixed overhead expenditures, the latter being allocated on the basis of normal operating capacity but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the costs of completion and estimated costs necessary to make the sale, and the provision for obsolete inventory is created in accordance with the management's assessment.

Financial instruments

Financial assets

Classification

The Group classifies its financial assets to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. The Group reclassifies these financial assets when and only when its business model for managing those assets changes.

The Group's financial assets at amortised cost include trade and most other receivables, treasury bills and cash and cash equivalents. As at reporting date, the Group does not hold any financial assets subsequently measured at fair value.

Recognition and measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in consolidated statement of profit or loss.

Trade receivables are initially recognised at transaction price (unless there is significant financing component) and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. According to the Group business model, the Group subsequently measures debt instruments at amortised cost for assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the consolidated statement of profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses.

Impairment

The Group assesses on a forward-looking basis, the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

Classification

Financial liabilities are classified, at initial recognition, as borrowings or payables. The Group's financial liabilities include lease liabilities, borrowings, bank overdrafts and trade and most other payables.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Payables represent liabilities for goods or services provided to the Group prior to the end of financial year and unpaid. The amounts are unsecured and are usually paid within 45 days of recognition. Payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Recognition, measurement and derecognition

Borrowings are recognised initially at fair value, net of transaction costs incurred. Loans are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit or loss as other income or finance costs.

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the consolidated statement of profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is either a currently enforceable legal right to offset the recognised amounts, there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

4 Material accounting policies information (continued)

Non-financial assets measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are recognised in consolidated statement of profit or loss in the period in which they are incurred.

Government grants

Loans at reduced interest rates

The Group has obtained loan facilities from commercial banks under the Central Bank of Egypt's initiative to support the Egyptian manufacturing Companies.

Under this scheme, the loans are provided to the qualifying companies at reduced interest rates and the payment of reduced interest rates is subject to the conditions, as laid out in the relevant loan agreements. The difference between the prevailing market interest rates and applicable rates is treated as government grant. These government grants are initially recognised at fair value when there is reasonable assurance that it will be received, and the Group will comply with the conditions associated with these grants.

These government grants are deferred and recognised under other income in the consolidated statement of profit or loss on a systematic basis over the period necessary to match them with the interest costs that they are intended to compensate.

Export subsidy

The Government of Egypt operates an export subsidy program managed by the Export Development Fund. The scheme was established under Law No. 155 of 2002 to create incentives for the Egyptian companies to grow exports. The Group operates in qualifying sectors and the subsidy represents a percentage of the export value depending on a set of variables including the percentage of local components, location of the factory, export destination and amongst others. The subsidy on export sales is recognised when there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

4 Material accounting policies information (continued)

The subsidy is recognised under other income in the consolidated statement of profit or loss on a gross basis. Export subsidy is recognised immediately as income, as this is provided by the Government to compensate the Group for export sales already made.

Investment subsidy

The Government of Morocco operates investment incentive schemes under which, subsidies and concessions are provided to companies establishing and operating industrial units in certain regions of Morocco.

The Group is entitled to subsidies and concessions which are subject to conditions (such as acquisition and installation of industrial unit and operating the same for a specific period of time), as laid out under the relevant schemes. The subsidies are recognised when there is a reasonable assurance that these will be received, and the Group will comply with all attached conditions. These government grants are deferred and recognised under other income in the consolidated statement of profit or loss on a systematic basis over the period necessary to match them with the related costs that they are intended to compensate.

Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises an accrual where contractually obliged or where there is a past practice that has created a constructive obligation.

Employee benefits (continued)

Post-employment obligation

Defined benefit plan

The liability recognised in the consolidated statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in the consolidated statement of profit or loss.

Employee benefits (continued)

***Post-employment obligation* (continued)**

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity and in the consolidated statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

The defined benefit plan defines an amount of benefits to be provided in the form of 15 working days payment for each year they had worked for the Group for employees who reach the age of sixty, according to the following criteria:

- The contribution is to be paid to employees for their working period at the Group only;
- The working period must be not less than ten years; and
- The maximum contribution is 12 months' salary.

For defined contribution plans, the Group pays fixed contributions to social insurance authority on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer and in accordance with labour law. Falling due more than 12 months after the end of the reporting period are discounted to present value.

Provisions

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

4 Material accounting policies information (continued)

Provisions (continued)

Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate to the expenditures required to settle the obligation at the end of the period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

4 Material accounting policies information (continued)

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Obligation is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Treasury shares

When any entity within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's shareholders until the shares are cancelled or reissued. Repurchased shares are classified as treasury shares and are presented in equity. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects is included within equity.

Revenue recognition

The Group recognises revenue from contracts with customers when control of the goods or services is transferred to the customer in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group recognises revenue from contracts with customers based on the five steps model set out as follows:

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 premise in a contract with a customer to transfer a good or services to the customer.

Step 3: Determine the transaction price:

The transaction price is the amount of consideration to which the Group 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 Group will allocate the transaction price to each performance obligation in an amount depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation:

An entity shall consider the terms of the contract, as well as any laws that apply to the contract, when evaluating whether it has an enforceable right to payment for performance completed to date.

4 Material accounting policies information (continued)

Revenue recognition (continued)

For assessing the existence and enforceability of a right to payment and whether an entity's right to payment would entitle the entity to be paid for its performance completed to date. To determine the point in time at which a customer obtains control of a promised asset and the Group satisfies a performance obligation, the Group considers the requirements for control.

In addition, the Group considers indicators of the transfer of control, which include, but are not limited to, the following:

- The Group has a present right to payment for the asset. The customer has legal title to the asset.
- The Group has transferred physical possession of the asset.
- The customer has the significant risks and rewards of ownership of the asset.
- The customer has accepted the asset.

Sales of goods

Sales are recognised as revenue at point in time when control of the products has transferred, being when the products are delivered to the customers, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Sales of goods (continued)

Delivery occurs when the products have been shipped to the specific location, risks of damage and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Volume rebates

The products are often sold with retrospective volume discounts based on aggregate sales over a 3 months' period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, based on actual volume, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term of 90 days, which is consistent with market practice.

Sales returns

The domestic sales in Egypt and Morocco are made with a right of return within a period of 3 months after their expiry. The expiry periods of the products range from 15 days to 12 months. The management estimates the expected sales returns on the basis of actual returns received in the prior years and recognises the same as an adjustment to the revenue recognised for the period. The corresponding adjustment to inventories is not made as the products are written off after their expiry.

4 Material accounting policies information (continued)

Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Parent, excluding any costs of servicing equity other than ordinary shares, by the weight average number of ordinary shares in issue during the year (excluding ordinary shares purchased by the Group and held as treasury shares).

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group does not have any categories of dilutive potential ordinary shares, hence the diluted earnings per share is the same as the basic earnings per share.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer and Board of Directors.

The Board of the Company has appointed a Chief Operating Decision-Maker who assesses the financial performance and position of the Group and makes strategic decisions. This Chief Operating Decision-Maker has been identified as the Chief Executive Officer (refer Note 36 for further details).

Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown in current liabilities.

5. Financial risk management

The Group's activities expose it to a variety of financial risks i.e. market risk (including foreign exchange risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The Group's risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors (the "Board"). Group's Treasury identifies and evaluates financial risks in close co-operation with the Group's operating units.

The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Risk	Exposure arising from	Measurement	Management
Market risk - foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in Egyptian Pounds	Cash flow forecasting, sensitivity analysis	by dealing with local banks which offer official exchange rates and the rest from its exports in US Dollars
Market risk - interest rate	Long-term borrowing at variable rates	Sensitivity analysis	Investment in short treasury bills
Market risk - security prices	No investment in quoted equity securities	Not applicable	Not applicable
Credit risk	Cash and cash equivalents, trade receivables and held-to-maturity investments	Aging analysis, credit ratings	Diversification of bank deposits, credit limits and governmental treasury bills
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

5.1 Market risk

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, United States Dollar (USD), Moroccan Dirhams (MAD), Iraqi Dinar (IQD), and Pound Sterling (Pound). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

5 Financial risk management (continued)

5.1 Market risk (continued)

Foreign exchange risk (continued)

The Group covers part of its imports of raw materials in foreign currency by local banks that the Group deals within official rates and the rest from its exports in USD.

During the year, the following foreign-exchange related amounts were recognised in the consolidated statement of profit or loss and other comprehensive income:

	2025	2024
	EGP	EGP
Amounts recognised in profit or loss		
Foreign exchange gain – net	(9,406,493)	101,045,310
Net (losses)/gains recognised in comprehensive income		
Foreign currency translation reserve - net of tax	66,673,936	(102,915,459)

As at year end, major financial assets/(liabilities) in foreign currencies were as follows:

	2025			2024
	Assets	Liabilities	Net	Net
	EGP	EGP	EGP	EGP
Euros	3,740,194	(159,076,131)	(155,335,937)	73,409,680
United States Dollars (USD)	1,599,765,463	(2,152,941,485)	(553,176,023)	(842,986,857)
Moroccan Dirhams (MAD)	89,936,862	(544,539,977)	(454,603,115)	(183,432,207)
Pound Sterling	--	(25,381)	6,053,624	4,779,750
Iraqi Dinar	580,177	(66,606,086)	(132,391,422)	--

Sensitivity analysis

As shown in the table above, the group is primarily exposed to changes in US/EGP and Euro/EGP exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from Euro and US-dollars denominated financial instruments and the impact on profit got the year components arises from contracts designated financial liabilities.

Euro/EGP

On 31 December 2025, if the Egyptian Pounds had weakened / strengthened by 10% against the Euro with all other variables held constant, post-tax profit for the year would have been EGP (15,533,937) (31 December 2024: EGP 7,340,968) higher / lower, mainly as a result of foreign exchange gains/losses on translation of Euro-denominated financial assets and liabilities.

USD/EGP

On 31 December 2025, if the Egyptian Pounds had weakened / strengthened by 10% against the US Dollars with all other variables held constant, post-tax profit for the year would have been EGP (55,317,602) (31 December 2024: EGP 84 298 686) higher / lower, mainly as a result of foreign exchange gains/losses on translation of US dollar-denominated financial assets and liabilities

MAD/EGP

On 31 December 2025, if the Egyptian Pounds had weakened / strengthened by 10% against the Moroccan Dirham with all other variables held constant, post-tax profit for the year would have been EGP (45,460,311) (31 December 2023: EGP 18 343 221) higher / lower, mainly as a result of foreign exchange gains/losses on translation of Dirham-denominated financial assets and liabilities.

GBP/EGP

On 31 December 2025, if the Egyptian Pounds had weakened / strengthened by 10% against the Sterling Pound with all other variables held constant, post-tax profit for the year would have been EGP (2,538) (31 December 2024: EGP 447 975) higher / lower, mainly as a result of foreign exchange gains/losses on translation of Sterling Pound-denominated financial assets and liabilities.

IQD/EGP

On 31 December 2025, if the Egyptian Pounds had weakened / strengthened by 10% against the Iraqi Dinars with all other variables held constant, post-tax profit for the year would have been EGP (6,602,591) (31 December 2024: EGP nil) higher / lower, mainly as a result of foreign exchange gains/losses on translation of Iraqi Dinars-denominated financial assets and liabilities.

Price risk

The Group has no investments in quoted equity securities, so it is not exposed to the fair value risk due to changes in the prices.

Cash flow and fair value interest rate risk

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by short term treasury bills which are renewed with the applicable interest rate at the time of renewal. Borrowings measured at amortised cost with variable rates do not expose the group to fair value interest rate risk.

On 31 December 2025, if interest rates on Egyptian pound-denominated net interest bearing liabilities had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been EGP 43,236,930 (31 December 2024: EGP 29,952,569) lower/higher interest expense on floating rate borrowings.

The above percentage has been determined based on the average market volatility in exchange rates in the previous12 months. These changes are considered to be reasonably possible based on the observation of current market conditions.

Borrowings at the financial position date with variable interest rate amounted to EGP 3,552,268,699 (31 December 2024: EGP 2,186,887,887)

Overdraft at the balance sheet on 31 December 2025 amounted to EGP 771,424,343 (31 December 2024: EGP 808,368,965).

There is no cash flow interest rate risk on fixed rate borrowings since they carry a fixed rate of interest. Interest rates on these borrowings is close to the market rate of interest and therefore their carrying values approximate the fair value.

The exposure of the Group's borrowings to interest rates changes of the borrowings as at the end of reporting period are disclosed below.

	2025	2024
	EGP	EGP
Variable rate borrowings	3,552,268,699	2,186,887,887

5.2 Credit risk

Risk management

Credit risk is managed on Group basis, except for credit risk relating to trade receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, treasury bills, as well as credit exposures to customers, including outstanding receivables.

Security

For banks and financial institutions, the Group is mainly dealing with the banks with good reputation and subject to rules of the Central Banks of Egypt, Cyprus and Morocco.

For the customers, the Group assesses the credit quality of the customers, taking into account its financial position, and their market reputation, past experience and other factors.

Credit quality

Treasury Bills are issued by the government and are considered with a high credit rating (Egypt B).

No credit limits were exceeded during the reporting year, and management does not expect any losses from non-performance by these counterparties except for trade receivables presented in Note 13.

The maximum exposure to credit risk is the amount of receivables, bank balances and treasury bills.

The Group mainly sells to retail customers which are required to be settled in cash, therefore there is no significant concentration of credit risk.

The Group does not sell more than 10% of the total sales to a single customer.

The Group exposure to expected credit losses was quantified and found to be immaterial. Outstanding trade and notes receivables are current and not impaired.

Trade receivables (Counter parties without external credit rating)

	2025	2024
	EGP	EGP
Trade and notes receivables (including related parties' balances)	332,545,379	310,931,798

Cash at bank and short-term bank deposits

All current accounts and deposits are held at Egyptian banks subject to the supervision of the Central Bank of Egypt except for the Group's banks in Edita Participation Limited, Edita Food Industries Morocco, Edita TJA, Edita International, Edita Investments Holding and Ahramat Al Nile.

The credit ratings for the banks, with which the Group, are as follows:

Bank	Credit rating
Qatar National Bank (QNB)	AA3
Credit Agricole Egypt (CAE)	AA+
Commercial International Bank (CIB)	B
National Bank of Kuwait (NBK)	A+
Arab Bank of Egypt (ABE)	BB
Kuwait Finance House (KFH)	A
Attijariwafa bank	BB+
Banque Misr (BM)	B
Citibank Egypt	BBB+/A-2
National Bank of Egypt (NBE)	B
Banque du Caire (BDC)	B
Standard Chartered Bank	A1
National Bank of Iraq	B3
BNP Paribas – Morocco	A+
Bank of Cyprus	BB+

Impairment of trade receivables and contract assets

The Group applies simplified approach available in IFRS 9 for measuring the expected credit losses which uses a lifetime expected loss allowance for all the trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared link characteristics and the days past due. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before December 31, 2025, or January 1, 2025, respectively, and the corresponding historical credit losses experiences within this period. The historical loss rates are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors. The expected credit loss allowance as at December 31, 2025 and December 31, 2024 was determined as follows:

	Current EGP	Up to 90 days past due EGP	More than 90 days past due EGP	Total EGP
December 31, 2025				
Gross carrying amount	219,032,303	107,968,014	5,545,062	**332,545,379**
Loss allowance and rate	-	-	-	-

	Current EGP	Up to 90 days past due EGP	More than 90 days past due EGP	Total EGP
December 31, 2024				
Gross carrying amount	203,519,018	79,368,272	28,044,508	**310,931,798**
Loss allowance and rate	-	-	-	-

5.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal consolidated statement of financial position ratio targets.

The table below summarizes the maturities of the Group's undiscounted financial liabilities as at December 31, 2025 and December 31, 2024, based on contractual payment dates and current interest rates.

	Less than 6 month EGP	Between 6 month and 1 year EGP	Between 1 and 5 years EGP	More than 5 years EGP
December 31, 2025				
Borrowings	657,786,435	579,770,022	3,261,370,298	543,737,473
Trade and other payables	2,612,229712	-	-	-
Bank overdraft	771,424,342	-	-	-
Lease liabilities	38,973,367	39,109,157	322,094,427	620,351,289
Total	**4,080,413,856**	**618,879,179**	**3,583,464,725**	**1,164,088,761**

	Less than 6 month EGP	Between 6 month and 1 year EGP	Between 1 and 5 years EGP	More than 5 years EGP
December 31, 2024				
Borrowings	297,877,930	359,021,434	2,098,712,098	1,375,193,860
Trade and other payables	1,654,298,359	-	-	-
Bank overdraft	808,368,965	-	-	-
Lease liabilities	22,496,231	22,926,700	232,640,877	186,371,475
Total	**2,783,041,485**	**381,948,134**	**2,331,352,975**	**1,561,565,335**

Financing arrangements

The Group had access to the following undrawn borrowing facilities as at the reporting date.

	2025 EGP	2024 EGP
Expiring within 1 year (bank overdrafts)	2,887,435,362	2,339,424,434
Expiring beyond 1 year (bank loans)	244,902,742	1,889,674,323
Total	**3,132,338,104**	**4,229,098,757**

5.4 Capital management

The Group's objectives when managing capital is to safeguard their ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt represents all loans and borrowings and bank overdraft less cash and cash equivalents. Total capital is calculated as equity, plus net debts.

	2025 EGP	2024 EGP
Total borrowings	3,700,595,014	2,654,947,209
Bank overdraft	771,424,343	808,368,965
Total borrowings and loans	**4,472,019,357**	**3,463,316,174**
Less: cash and bank balances	(716,765,194)	(518,288,835)
Net debt	**3,755,254,163**	**2,945,027,339**
Total equity attributable to the Owners of the Parent	5,510,862,436	3,943,996,848
Total capital	**9,266,116,599**	**6,889,024,187**
Gearing ratio	**41%**	**43%**

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- The debt to equity ratio must be not more than 1:1;
- Debt service ratio shall not fall below 1.2;
- Leverage ratio shall not exceed 1:2;
- Current ratio shall not be less than 1;
- Liabilities to Tangible Net Worth Ratio Not to exceed 1:2
- Net Financial Debt to EBITDA Ratio of not more than 1.8
- Peak service debt coverage ratio shall not be less than 1.4; and
- Net Financial Debt to EBITDA not more than 2.5

The Group might be subject to settlement of its borrowings within 12 months or on demand in case of its failure to comply with these covenants. As at December 31, 2025, the Group was in compliance with the debt covenants and there were no such conditions indicating any difficulties in relation to compliance with the afore-said covenants.

5.5 Fair value estimation

The fair value of financial assets or liabilities with maturities date less than one year is assumed to approximate their carrying value. The fair value of financial liabilities, for disclosure purposes, is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

6. 6 Accounting estimates, assumptions and judgments

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

6.1 Critical accounting estimates and assumptions

Estimates and adjustments are continually being evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

Impairment of goodwill and intangible assets having indefinite useful lives

The Group tests whether goodwill and intangible assets having indefinite useful lives have suffered any impairment at each reporting date. The recoverable amount of a cash generating unit (CGU) is determined based on value in use calculations which require the use of assumptions (Note 9). The changes in those assumptions may cause actual results to vary significantly and cause significant adjustments to the afore-said goodwill and intangible assets within the next financial year.

6.2 Other accounting estimates

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date. At each reporting date, management assesses that the useful lives represent the expected utility of the assets to the Group. The carrying amounts are analysed in Note 7. The actual results may vary and may cause significant adjustments to the Group's assets within the next financial year.

Write-off/provision for obsolete and expired inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology, expiration dates or other market-driven changes that may reduce future selling prices.

Inventories are stated at the lower of cost and net realisable value. When inventories expire, become old or obsolete, an estimate is made of their net realisable value.

For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, are assessed collectively and a provision percentage is applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices. Inventories that have approached their expiration dates are written off in the consolidated statement of profit or loss for the relevant year (refer Note 11).

Employee benefit retirement obligations

The present value of employees' defined benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost of employees' benefits include the discount rate of future cash outflows and any changes in these assumptions will impact the carrying amount of employees' benefits.

The Group determines the appropriate discount rate of cash flows at the end of each financial year. The discount rate is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefits obligations. The Group considers the discount rate at the end of the financial year on market returns on the government bonds denominated in the currency and the year estimated for the defined benefits obligations (refer Note 20).

Sales returns

The Group, based on past performance, are confident that the quality of products is such that the expiry and dissatisfaction rate will be below 1%. Management has determined that it is highly probable that there will be no reversal of revenue recognised and a significant reversal in the amount of revenue will not occur.

Determining the lease term

Extension and termination options are included in a number of leases across the Group. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise a termination option. Years after termination options are only included in the lease term if the lease is reasonably certain not to be terminated.

Determination of appropriate discount rate in measuring lease liabilities

The Group measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using a reasonable rate deemed by management equal to the Group's incremental borrowing rate. In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

Assessment/reassessment of control

The management makes judgements, as to whether or not the Group controls an investee, at the time of acquisition of the investee and subsequently if facts and circumstances indicate that there are changes to one or more of the three elements of control listed in IFRS 10. Management has reviewed its control assessments in accordance with IFRS 10 and has concluded that there is no change in the classification of any of the Group's subsidiaries held as at December 31, 2025 since prior year.

7. Property, plant and equipment

	Land EGP	Buildings EGP	Machinery and equipment EGP	Vehicles EGP	Tools and equipment EGP	Furniture and office equipment EGP	Projects under construction EGP	Total EGP
As at January 1, 2025								
Cost	149,150,128	1,612,405,296	2,896,811,062	845,402,680	455,376,059	245,271,756	137,786,902	**6,342,203,883**
Accumulated depreciation	-	(377,863,310)	(766,650,726)	(327,258,711)	(248,170,941)	(162,516,721)	-	**(1,882,460,409)**
Restatement amount (Note 34)	-	-	31,382,979	-	-	-	-	**31,382,979**
Net book value	**149,150,128**	**1,234,541,986**	**2,161,543,315**	**518,143,969**	**207,205,118**	**82,755,035**	**137,786,902**	**4,491,126,453**
Year ended December 31, 2025								
Opening net book value	149,150,128	1,234,541,986	2,161,543,315	518,143,969	207,205,118	82,755,035	137,786,902	**4,491,126,453**
Additions	-	11,281,031	40,528,101	76,280,850	74,026,666	27,149,838	815,271,309	**1,044,537,795**
Depreciation charge	-	(69,151,562)	(145,592,940)	(72,470,500)	(112,339,093)	(29,946,049)	-	**(429,500,144)**
Disposals	-	(1,217,673)	(50,636,491)	(10,644,414)	(1,662,912)	(2,391,771)	-	**(66,553,261)**
Accumulated depreciation of disposals	-	585,465	25,851,017	8,440,976	1,432,063	2,164,996	-	**38,474,517**
Transfers from Projects under Construction	-	81,302,298	126,025,717	1,008,772	57,153,856	13,010,716	(312,795,634)	**(34,294,275)**
Acquisition	-	-	211,719,211	7,893,769	7,243,447	28,770	184,391,655	**411,276,852**
Foreign currency translation differences	-	11,122,691	7,988,521	(21,950)	935,137	116,832	(2,182,974)	**17,958,257**
Closing net book value	**149,150,128**	**1,268,464,236**	**2,377,426,451**	**528,631,472**	**233,994,282**	**92,888,367**	**822,471,258**	**5,473,026,194**
As at December 31, 2025								
Cost	149,150,128	1,714,893,643	3,263,819,100	919,919,707	593,072,253	283,186,141	822,471,258	**7,746,512,230**
Accumulated depreciation	-	(446,429,407)	(886,392,649)	(391,288,235)	(359,077,971)	(190,297,774)	-	**(2,273,486,036)**
Net book value	**149,150,128**	**1,268,464,236**	**2,377,426,451**	**528,631,472**	**233,994,282**	**92,888,367**	**822,471,258**	**5,473,026,194**

7 Property, plant and equipment (continued)

	Land EGP	Buildings EGP	Machinery and equipment EGP	Vehicles EGP	Tools and equipment EGP	Furniture and office equipment EGP	Projects under construction EGP	Total EGP
As at January 1, 2024								
Cost	149,150,128	1,275,737,109	2,088,641,134	532,094,911	331,984,032	183,189,823	362,990,712	**4,923,787,849**
Accumulated depreciation	-	(328,722,432)	(644,320,695)	(240,330,665)	(199,442,164)	(139,544,732)	-	**(1,552,360,688)**
Net book value	**149,150,128**	**947,014,677**	**1,444,320,439**	**291,764,246**	**132,541,868**	**43,645,091**	**362,990,712**	**3,371,427,161**
Year ended December 31, 2024								
Opening net book value	149,150,128	947,014,677	1,444,320,439	291,764,246	132,541,868	43,645,091	362,990,712	**3,371,427,161**
Additions	-	-	3,272,706	321,208,559	49,552,112	39,415,026	825,152,651	**1,238,601,054**
Depreciation charge	-	(49,976,957)	(122,484,899)	(94,463,101)	(49,441,623)	(23,395,509)	-	**(339,762,089)**
Disposals	-	(1,243,515)	(191,591)	(7,900,790)	(1,699,928)	(526,613)	-	**(11,562,437)**
Accumulated depreciation of disposals	-	836,079	154,868	7,535,055	712,846	423,520	-	**9,662,368**
Transfers from Projects under Construction	-	219,889,044	704,568,828	-	61,111,922	20,518,446	(1,006,088,240)	**-**
Transfers to intangible assets (Note 9.3)	-	-	-	-	-	-	(44,743,762)	**(44,743,762)**
Restatement amount (Note **43**)	-	-	31,382,979	-	-	-	-	**31,382,979**
Foreign currency translation differences	-	118,022,658	100,519,985	-	14,427,921	2,675,074	475,541	**236,121,179**
Closing net book value	**149,150,128**	**1,234,541,986**	**2,161,543,315**	**518,143,969**	**207,205,118**	**82,755,035**	**137,786,902**	**4,491,126,453**
As at December 31, 2024								
Cost	149,150,128	1,612,405,296	2,896,811,062	845,402,680	455,376,059	245,271,756	137,786,902	**6,342,203,883**
Accumulated depreciation	-	(377,863,310)	(766,650,726)	(327,258,711)	(248,170,941)	(162,516,721)	-	**(1,882,460,409)**
Restatement amount (Note **43**)	-	-	31,382,979	-	-	-	-	**31,382,979**
Net book value	**149,150,128**	**1,234,541,986**	**2,161,543,315**	**518,143,969**	**207,205,118**	**82,755,035**	**137,786,902**	**4,491,126,453**

7 Property, plant and equipment (continued)

Depreciation included in the consolidated statement of profit or loss are as follows:

	2025 EGP	2024 EGP
Charged to cost of sales	283,325,003	215,541,285
Charged to distribution costs	95,259,758	91,569,576
Charged to administrative expenses	50,915,383	32,651,228
	429,500,144	**339,762,089**

The nature of projects under construction is as follows.

	2025 EGP	2024 EGP
Buildings	38,730,181	11,262,853
Machinery and equipment	618,850,274	60,360,487
Tools and equipment	13,620,218	5,386,438
Technical and other installations	151,270,585	60,777,124
	822,471,258	**137,786,902**

8. Right-of-use assets

Right-of-use assets represent lease contracts entered into by the Group. The carrying amounts of the right-of-use assets and the movements during the year are shown below:

	2025				
	Land	Branch premises and warehouses	Motor vehicles	Total	2024 Total
	EGP	EGP	EGP	EGP	EGP
Gross carrying amount					
As at January 1,2025	88,781,414	175,273,137	15,823,743	**279,878,294**	**176,744,371**
Additions during the year	264,174,150	35,618,615	4,573,062	**304,365,827**	**69,518,836**
Acquired through business combination (Note 10)	-	-	-	-	-
Leases terminated during the year	-	-	-	-	-
Foreign currency translation Differences	(2,526,523)	-	3,518,930	**992,407**	**33,615,087**
As at December 31,2025	**350,429,041**	**210,891,752**	**23,915,735**	**585,236,528**	**279,878,294**
Accumulated depreciation					
As at January 1,2025	15,731,507	60,634,994	3,975,329	**80,341,830**	**58,288,795**
Charge for the year	6,220,187	18,656,350	10,259,677	**35,136,214**	**22,053,035**
Leases terminated during the year	-	-	-	-	-
As of December 31,2025	**21,951,694**	**79,291,344**	**14,235,006**	**115,478,044**	**80,341,830**
Net carrying amount as at December 31,2025	**328,477,347**	**131,600,408**	**9,680,729**	**469,758,484**	**199,536,464**

8 Right-of-use assets (continued)

Depreciation included in the consolidated statement of profit or loss are as follows:

	2025	2024
	EGP	EGP
Charged to cost of sales	13,150,230	5,697,341
Charged to distribution costs	20,096,871	14,478,772
Charged to administrative expenses	1,889,113	1,876,922
	35,136,214	**22,053,035**

The corresponding lease liabilities pertaining to these right-of-use assets are presented in Note 22.

9. Intangible assets and goodwill

	2025	2024 (Restated)
	EGP	EGP
Intangible assets with indefinite useful lives (Note 9.1)	162,911,642	162,911,642
Goodwill on acquisition of subsidiaries (Note 9.2)	158,769,416	126,928,384
Intangible assets having finite useful lives - software (Note 9.3)	136,004,977	53,230,809
	457,686,035	**343,070,835**

9.1 Intangible assets with indefinite useful lives

	Trademarks (A)	Know-how (B)	Total
	EGP	EGP	EGP
2025			
Balance as at January 1,	131,480,647	31,430,995	162,911,642
Balance as at December 31,	**131,480,647**	**31,430,995**	**162,911,642**

	Trademarks (A)	Know-how (B)	Total
	EGP	EGP	EGP
2024			
Balance as at January 1,	131,480,647	31,430,995	162,911,642
Balance as at December 31,	**131,480,647**	**31,430,995**	**162,911,642**

A. Trademarks

These represent amounts paid in the previous years for buying rights to the trademarks (Hohos, Twinkies and Tiger Tail) for Egypt, Jordan, Libya, Palestine Algeria, Bahrain, Iraq, Kuwait, Lebanon, Morocco, Oman, Qatar, Kingdom of Saudi Arabia, Syria, Tunisia and United Arab Emirates of USD 18 million, equivalent to EGP 131.48 million (at the date of the agreement). These trademarks do not have a finite useful life.

9 Intangible assets and goodwill (continued)

9.1 Intangible assets with indefinite useful lives (continued)

B. Know-how

On April 16, 2015, the Group signed a "License and Technical Assistance Agreement" with purpose to acquire the license, know-how and technical assistance for some Hostess Brands products in Egypt, Libya, Palestine, Jordan, Algeria, Bahrain, Iraq, Jordan, Lebanon, Kuwait, Morocco, Oman, Qatar, Kingdom of Saudi Arabia, Syria, Tunisia, and the United Arab Emirates. The amount spent in relation to afore-said agreement of USD 4 million, equivalent to EGP 31.43 million (at the date of the agreement), has been recognised as intangible asset. This intangible asset does not have a finite useful life.

Impairment test for indefinite life intangible assets

Irrespective of any indicators of impairment, these intangible assets are tested for impairment at each reporting date in accordance with the requirements of International Accounting Standard 36 'Impairment of Assets' and accounting policy adopted by the Group.

Impairment test for indefinite life intangible assets (continued)

These intangible assets are monitored by the management at the level of cake segment, cash generating unit (CGU) of the Group. The recoverable amount of these intangible assets is determined based on value-in-use calculation, determined using royalty relief method. The calculations apply cash flows projections based on financial budgets approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated terminal growth rate as stated below. This terminal growth rate is consistent with forecasts included in industry reports specific to the industry where the CGU is operating.

Assumptions used by the Group when testing the impairment of these intangible assets as at December 31 are as follows:

	2025	**2024**
Royalty rate	1.5%	1.5%
Average sales growth rate	19.0%	21.6% - 36.1%
Discount rate	21.4%	23.9%
Terminal growth rate	5.0%	5.0%

Management has determined the value assigned to each of the above key assumption as follows:

Assumption	**Approach used**
Royalty rate	This is based on the expected royalty savings as a consequence of having the ownership of the intangible assets. The Group has used income approach to determine the applicable royalty rate. This approach involves evaluating the potential income that can be generated from the use of these intangible assets and using this information to determine an appropriate royalty rate.

9 Intangible assets and goodwill (continued)

Sales growth rate	This takes into account sales price growth (i.e. average annual growth rate over the five-year forecast period, based on current industry trends and including long term inflation forecasts) and sales volume growth (i.e. average annual growth rate over the five-year forecast period, based on past performance and management's expectations of market development).
Discount rates	Reflect specific risks relating to the industry in which it operates.
Terminal growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.

The Group tests the impairment of these intangible assets depending on financial and operational position in the prior years, and its expectation for the market in the future by preparing a business plan using the afore-said assumptions. As at the reporting date, the carrying value of the intangible assets is less than its recoverable amount.

Sensitivity of recoverable amounts

The terminal growth rate in the forecast period has been estimated to be 5%. If all other assumptions kept the same, a reduction of this growth rate by 20% (i.e. to 4%) would give a value in use exceeding the current carrying amount.

The discount rate in the forecast period has been estimated to be 21.4%. If all other assumptions kept the same, an increase in this discount rate by 1% would give a value in use exceeding the current carrying amount.

9.2 Goodwill

During the third quarter of 2025, and in accordance with the terms of the strategic partnership agreement between Edita Food Industries and the Iraqi company Tuma Jabr Abbas, the acquisition of 49% of the shares of Ahramat El Nile for General Trading Company was completed through a capital increase. The Iraqi company's capital reached 1 960 700 000 Iraqi dinars. The Group's management measured the net assets of the investee company at fair value on the date of control which amounted to 666 323 156 EGP at the acquisition date (Note 10).

	31 August 2025
Fair value of net acquired assets and liabilities	666,323,156
Less:	
Consideration paid	(385,427,600)
Non-controlling interest of fair value of assets	(319,978,583)
Goodwill resulting from acquisition of subsidiary	**(39,083,027)**

Below is analysis of goodwill as at 31 December 2025:

	2025	**2024 (Restated)**
	EGP	**EGP**
Edita Food Industries Morocco	108,390,837	115,632,832
Edita Frozen Foods Industries S.A.E.	11,295,552	11,295,552
ANFI (Note 10)	39,083,027	-
As at December 31,	**158,769,416**	**126,928,384**

The goodwill recognised as at December 31, and January 1 is reconciled as follows:

	2025	2024 (Restated)
	EGP	EGP
As at January 1,	126,928,384	82,530,584
Goodwill arising from acquisition of new subsidiary (Note 10)	39,083,027	-
Foreign currency translation differences	(7,241,995)	44,398,000
As at December 31,	**158,769,416**	**126,928,384**

Impairment test for goodwill

Irrespective of any indicators of impairment, goodwill arising on acquisition of subsidiaries is tested for impairment at each reporting date in accordance with the accounting policy adopted by the Group.

The goodwill is monitored by the management at the level of the subsidiary to whom it relates i.e. the concerned cash generating unit (CGU) of the Group. The recoverable amount of the goodwill is determined based on value-in-use calculation which require the use of assumptions. The calculations apply cash flows projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated terminal growth rate as stated below. This terminal growth rate is consistent with forecasts included in industry reports specific to the industry where the CGU is operating.

Assumptions used by the Group when testing the impairment of the goodwill as at December 31 are as follows:

	Edita Food Industries Morocco		Edita Frozen Foods Industries S.A.E.	
	2025	2024	2025	2024
Sales growth rate	11.8%	35.9%	66.3%	101.8%
EBITDA margin	10.6%	6.3%	19.3%	2.7%
Terminal growth rate	5.0%	5.0%	5.0%	5.0%
Discount rate	7.6%	10.3%	19.3%	23.9%

Management has determined the value assigned to each of the above key assumption as follows:

Assumption	**Approach used**
Sales growth rate	This takes into account sales price growth (i.e. average annual growth rate over the five-year forecast period, based on current industry trends and including long term inflation forecasts) and sales volume growth (i.e. average annual growth rate over the five-year forecast period, based on past performance and management's expectations of market development).
EBITDA margin	Based on past performance and management's expectations for the future.

9 Intangible assets and goodwill (continued)

9.2 Goodwill (continued)

Impairment test for goodwill (continued)

Assumption	Approach used
Terminal growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
Discount rates	Reflect specific risks relating to the industry in which it operates.

The Group tests the impairment of the goodwill depending on financial, operational, marketing position in the prior years, and its expectation for the market in the future by preparing a business plan using the growth rate and the discount rate prevailing. As at the reporting date, the carrying value of the goodwill is less than its recoverable amount.

Sensitivity of recoverable amounts – Edita Food Industries Morocco

The terminal growth rate in the forecast period has been estimated to be 5%. If all other assumptions kept the same, a reduction of this growth rate by 20% (i.e. to 4%) would give a value in use exceeding the current carrying amount.

The discount rate in the forecast period has been estimated to be 10.3%. If all other assumptions kept the same, an increase in this discount rate by 9.7% (i.e. to 11.3%) would give a value in use exceeding the current carrying amount.

Sensitivity of recoverable amounts – Edita Frozen Foods Industries S.A.E.

The goodwill recognised on acquisition of Edita Frozen Foods Industries S.A.E. is not material to the Group and changes in the assumptions including discount rates and terminal growth rate will not have a material impact on its value in use.

9.3 Intangible assets with finite useful lives - software

	2025 EGP	2024 EGP
Gross carrying amount		
As at January 1,	82,607,159	37,635,390
Transfers from projects under construction (Note 7)	34,294,275	44,743,762
Additions during the year	61,564,140	228,000
Foreign currency translation differences	(21,187)	393,946
As at December 31,	**178,444,387**	**83,001,098**
Accumulated amortization		
As at January 1,	29,770,295	18,709,769
Charge for the year	12,669,115	11,060,520
As at December 31,	**42,439,410**	**29,770,289**
Net carrying amount as at December 31,	**136,004,977**	**53,230,809**

Amortisation included in the consolidated statement of profit or loss are as follows:

	2025	2024
	EGP	EGP
Charged to administrative expenses	12,669,115	11,060,520

10. Business combinations

During the third quarter of 2025, the Group finalized the terms of the strategic partnership agreement between Edita Food Industries LLC and the Iraqi company Tuma Jabr Abbas by establishing Edita TJA LTD and increasing the capital of Nile Pyramids General Trading and Food Company Limited to bring the Group's stake in the two companies to 51% and 49%, respectively, with total investments of US$8 million.

The Group's management has applied the requirements of International Financial reporting standards IFRS(3) "Business Combinations" and has remeasured the net assets of the invested company at fair value on the date of control.

In accordance with IFRS 3, the initial treatment of the business combination was not completed by the end of the financial period, as the group's management is still preparing a study of the distribution of the consideration at the date of the combination on the fair values of the company's net assets in order to measure the identifiable assets and contingent liabilities at the date of acquisition and determine the value of goodwill. During the measurement period, which is the period after the acquisition date, the company will have reasonable time to identify and measure the following on the acquisition date:

A- Identifiable acquired assets, contingent liabilities, and any non-controlling interests in the acquired entity.

B- The consideration transferred to the acquiree or any other value used in measuring goodwill.

C- The acquiree's previously retained ownership interests in the acquiree.

The fair value of the identifiable assets acquired and contingent liabilities arising from the partnership agreement has been determined on a provisional basis, and the provisional fair value at the acquisition date amounted to EGP 666 323 156.

	EGP
Non-current assets	
Property, plant, and equipment	411,276,852
Total non-current assets	**411,276,852**
Current assets	
Inventories	7,430,608
Cash and Cash Equivalents	2,651,493
Trade and other receivables	481,335,084
Total current assets	**491,417,185**
Total assets	**902,694,037**
Current liabilities	
Creditors And Other Credit Balance	(236,370,881)
Total current liabilities	**(236,370,881)**
Total Liabilities	**(236,370,881)**
Fair Value for Net Identifiable Assets	**666,323,156**

Non-Cash Transactions

The impact of non-cash transactions resulting from the establishment of Edita TJA LTD and the capital increase of Ahramat Al Nile General Trading and Food Company Limited, represented by the net assets acquired for both companies on September 1, 2025, has been excluded from the consolidated cash flow statement, as shown in the following table:

	EGP
Property, Plant and Equipment and Projects under constructions	411 276 852
Trade Receivables and Other Debit Balances	481 335 084
Inventory	7 430 608
Creditors And Other Credit Balance	(236 370 881)

11. Inventories

	2025 EGP	2024 EGP
Raw and packaging materials	1,896,404,221	2,643,398,830
Finished goods	239,665,675	231,791,352
Spare parts	120,513,069	95,886,651
Work in process	69,364,317	54,103,304
Consumables	38,853,375	29,165,596
Total	**2,364,800,657**	**3,054,345,733**
Less: provision for slow-moving and obsolete inventory	(49,750,606)	(20,320,201)
Net	**2,315,050,051**	**3,034,025,532**

The movement in provision for obsolete and slow-moving inventory during the year is as follows:

	2025 EGP	2024 EGP
As at January 1,	20,320,201	13,323,146
Provision for the year	31,332,605	13,403,634
Write-offs during the year	(1,902,200)	(6,406,579)
As at December 31,	**49,750,606**	**20,320,201**

The cost of inventories recognised as an expense and included in cost of sales amounted to EGP 11,653,365,153 during the year ended December 31, 2025 (2024: EGP 9,543,387,182) (Note 33)

12. Financial instruments by category

The Group holds the following financial instruments:

	2025 EGP	2024 EGP
Financial assets at amortized cost		
Trade and other receivables (excluding non-financial assets) *	472,496,596	436,312,293
Financial assets at amortized cost – treasury bills	3,445,357,884	805,867,012
Cash and cash equivalents	716,765,194	518,288,835
Total	**4,634,619,674**	**1,760,468,140**

	2025 EGP	2024 EGP
Financial liabilities at amortized cost		
Borrowings	3,700,595,014	2,654,947,209
Trade and other payables (excluding non-financial liabilities) *	2,640,479,616	1,654,298,359
Bank overdraft	771,424,342	808,368,965
Lease liabilities	527,425,702	236,785,925
Total	**7,639,924,674**	**5,354,400,458**

* Trade and other receivables presented above excludes prepaid expenses and advances to suppliers. Trade and other payables presented above excludes taxes payables, advances from customers, social insurances, deferred government grants, and accrued rebates.

A description of the Group's financial statements risk, including risk management objectives and policies is disclosed in Note 5 and details about fair values of these financial assets and liabilities are described in Note 38.

13. Trade and other receivables

	2025 EGP	2024 EGP
Trade receivables	241,698,022	174,509,410
Trade receivables – related parties (Note 35)	89,033,817	136,103,683
Notes receivable	1,813,540	318,705
Trade and notes receivables	332,545,379	310,931,798
Advances to suppliers	746,198,738	343,694,055
Other current assets	92,789,354	84,333,313
Prepaid expenses	61,582,674	66,991,035
Deposits with others	40,447,022	38,382,907
Letters of credit	6,242,646	2,642,542
Letter of Guarantee	375,000	--
Employee loans	97,194	21,733
	1,280,278,007	**846,997,383**

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within 90 days and therefore are all classified as current. Details about the Group's impairment policies and calculation of the expected loss allowance are provided in Notes 4 and 5.

14. Financial assets at amortised cost – treasury bills

	2025 EGP	2024 EGP
Treasury bills		
More than 90 days maturity	727,099,666	639,250,000
Up to 30 days maturity	747,100,000	212,500,000
More than 181 days maturity	2,306,000,000	-
	3,780,199,666	**851,750,000**
Unearned interest	(451,381,083)	(84,997,066)
Amount of Treasury Bills paid	**3,328,818,583**	**766,752,934**
Interest income recognized through profit or loss	116,539,301	39,114,078
	3,445,357,884	**805,867,012**

The average effective interest rate related to Treasury Bills is 27.36% (2024: 27.64%).

The Group has adopted 12-month ECL model, based on management assessment, there is an immaterial impact on the outstanding balance of Treasury Bills due to the following factors:

- They are issued and guaranteed by the Government of Egypt;
- There is no history of default; and
- Incorporating forward-looking information would not result in any significant increase in expected default rate.

15. Cash and cash equivalents

	2025 EGP	2024 EGP
Cash at banks and in hand	716,765,194	308,394,783
Time deposit - Foreign currency	-	159,696,792
Time deposit - local currency	-	50,197,260
Cash and cash equivalents (excluding bank overdrafts)	**716,765,194**	**518,288,835**

For the purpose of preparation of the consolidated statement of cash flows, cash and cash equivalents consist of:

	2025 EGP	2024 EGP
Cash and bank balances	716,765,194	518,288,835
Bank overdraft (Note 24)	(771,424,343)	(808,368,965)
	(54,659,149)	**(290,080,130)**

16. Share capital

The Company's authorised capital determined at EGP 360,000,000 (1,800,000,000 share, with a par value of EGP 0.2 per share).

On April 16, 2025, the extra ordinary general assembly of the company's shareholders was held, and it approved the issued capital increase from EGP 140 002 731 to EGP 280 005 462 with an increase of EGP 140 002 731 against 700 013 656 shares with par value of EGP 0.2 per share. The increase will be financed through the retained earnings as per the financial statements for the period ended 31st of December 2024 distributed as a free share for each original share.

On May 7, 2025, the capital increase had been authorized in the company commercial register

As at December 31, 2025, the issued capital amounted to EGP 280,005,462 with par value EGP 0.2 per share (2024: EGP 140,002,731 with par value EGP 0.2 per share) and is distributed as follows

	2025		
Shareholders	No. of shares	Shares value (EGP)	Percentage of ownership
Quantum Investment BV	682,523,990	136,504,798	%48.75
Kingsway Fund Frontier Consumer Franchises	72,412,940	14,482,588	%5.17
RIMCO E G T Investment LLC	141,127,054	28,225,411	%10.08
Others (public stocks)	503,963,328	100,792,665	%36.00
	1,400,027,312	**280,005,462**	**%100.00**

	2024		
Shareholders	No. of shares	Shares value (EGP)	Percentage of ownership
Quantum Investment BV	315,527,188	63,105,438	45.07%
The Bank of New York Mellon "depository bank for shares traded in London Stock Exchange"	2,557,880	511,576	0.37%
Kingsway Fund Frontier Consumer Franchises	87,376,077	17,475,215	12.48%
RIMCO E G T Investment LLC	70,563,527	14,112,705	10.08%
Others (public stocks)	223,988,984	44,797,797	32.00%
	700,013,656	**140,002,731**	**100.00%**

A. Treasury shares

According to Board of Directors resolution on March 16, 2023, the Group purchased 7,230,584 shares from the stock market and held in treasury for a total consideration of EGP 105,184,979. The consideration paid has been accounted for as a separate reserve in the consolidated statement of changes in equity.

On November 26, 2023, the extra ordinary general assembly meeting approved to write-off the total 23,044,783 treasury shares amounting to EGP 266,012,536. Accordingly, the share capital has been reduced by the par value of the treasury shares and the difference between the par value and the consideration paid to acquire those shares was absorbed in the retained earnings.

Based on the Board of Directors' resolution on July 21, 2025, the Company purchased 11,006,173 shares from the stock market for an amount of EGP 192,608,865. The amount paid was recorded as treasury shares and presented under equity.

B. Dividends

At the Annual General Meeting held on April 6, 2025, the Board of Directors proposed, and the shareholders of the Company approved a cash dividend of EGP 800,100,000 at EGP 1.1429 per share for the year ended December 31, 2024 (at the Annual General Meeting held on March 28, 2024, Board of Directors proposed, and the shareholders approved a cash dividend of EGP 300,000,000 at EGP 0.428 per share for the year ended December 31, 2023. The Board of Directors, in their meeting held on November 6, 2024, declared interim dividends of EGP 400,000,000).

17. Legal reserve

In accordance with Company Law No. 159 of 1981 and the Company's Articles of Association, 5% of annual net profit is transferred to the legal reserve. The Group may stop such transfers when the legal reserve reaches 50% of the share capital. The reserve is not eligible for distribution to the shareholders. The Group made transfers to legal reserve during the year ended December 31, 2025 by EGP 67,466,440 (2024: EGP 0).

18. Non-controlling interest

The table below summarises the components of non-controlling interest present in the consolidated statement of changes in equity.

	2025					
	Share capital EGP	Legal reserve EGP	Asset Revaluation reserve EGP	Accumulated losses EGP	Total EGP	2024 (Restated) EGP
Balance as at January 1,	59,822,499	593,684	91,654,981	(50,800,307)	**101,270,857**	**73,686,956**
Adjustment to opening balance				813,570	**813,570**	**813,570**
Restated Opening balances	**59,822,499**	**593,684**	**91,654,981**	**(49,986,737)**	**102,084,427**	**74,500,526**
Non-controlling share in total comprehensive income						
Loss for the year	-	-	-	(54,269,675)	**(54,269,675)**	**(27,000,519)**
Other comprehensive income	-	-	-	-	**-**	**54,584,420**
Total comprehensive income for the year	**-**	**-**	**-**	**(54,269,675)**	**(54,269,675)**	**27,583,901**
Shareholders' transactions						
Non-controlling share in new subsidiary	319,978,583	-	-	-	**319,978,583**	**-**
As at December 31,	**379,801,082**	**593,684**	**91,654,981**	**(104,256,412)**	**367,793,335**	**102,084,427**

As at December 31, 2025, the Group has two subsidiaries "Edita Food Industries Morocco" and "Ahramat Al Nile Industries" that has a material non-controlling interest. Summarised financial information in relation to financial position and performance of these subsidiaries is disclosed in Note 1. Information in relation to its cash flows is as follows:

	2025 EGP	2024 EGP
Net cash used in operating activities	59,515,455	(25,099,022)
Net cash used in investing activities	(14,787,988)	(8,228,058)
Net cash (used in)/from financing activities	(66,565,172)	(72,655,510)
Net change in cash and cash equivalents	**(21,837,705)**	**(105,982,590)**

A. Transactions with non-controlling interest

On March 6, 2019, the Company signed an official agreement with Confindel LTD for the acquisition of 2,279,287 shares (22.27%) of Edita Confectionary Industries for a total consideration of EGP 55,297,783. The acquisition was completed in June 2019 and as a result, the Company's share in Edita Confectionary Industries was increased from 77.71% to 99.98%. Accordingly, the amount paid, in excess of the carrying amount of the non-controlling interest acquired, has been recognised as a separate reserve in the consolidated statement of changes in equity as follows.

	EGP
Carrying amounts of non-controlling interest acquired	23,165,685
Consideration paid to non-controlling interest	(55,297,783)
	(32,132,098)

19. Borrowings

	2025			2024		
	Short-term portion	Long-term portion	Total	Short-term portion	Long-term portion	Total
	EGP	EGP	EGP	EGP	EGP	EGP
Borrowings	813,869,286	2,886,725,728	**3,700,595,014**	372,890,145	2,282,057,064	**2,654,947,209**
Deferred government grants	2,587,049	17,841,110	**20,428,159**	3,692,047	19,343,101	**23,035,148**
	816,456,335	**2,904,566,838**	**3,721,023,173**	**376,582,192**	**2,301,400,165**	**2,677,982,357**

The break-up of the short-term borrowings is as follows:

	2025 EGP	2024 EGP
Balance due within 1 year	762,886,080	266,408,562
Accrued interest	50,983,206	106,481,583
	813,869,286	**372,890,145**

19.1 Loan obtained from International Finance Corporation ("IFC") by Edita Food Industries S.A.E. and Edita Participation Limited

	2025			2024		
	Short-term portion	Long-term portion	Total	Short-term portion	Long-term portion	Total
	EGP	EGP	EGP	EGP	EGP	EGP
IFC loan	365,521,263	1,651,500,010	**2,017,021,273**	95,604,568	939,323,077	**1,034,927,645**

The break-up of the short-term borrowings is as follows:

	2025	2024
	EGP	EGP
Balance due within 1 year	330,300,000	78,276,923
Accrued interest	35,221,263	17,327,645
	365,521,263	**95,604,568**

On September 30, 2023, Edita Food Industries S.A.E, Edita Participation Limited and Edita for Trading and Distribution "The Co-Borrowers" signed a loan agreement with International Finance Corporation with a total facility limit of USD 45 million to finance the Group's working capital and capital expenditure program in Egypt and Morocco and its expansion plan in Egypt and internationally. According to the loan Agreement, each of the Co-Borrowers shall be jointly and severally liable for obligations of all the Co-Borrowers, if any event of default occurs and is continuing.

As at December 31, 2025, the Group had withdrawn the total facility limit (2024: USD 20 million).

The Group is obligated to make payments in 13 equal semi-annual instalments with first instalment due on October 2025 and the last on October 2031.

The interest rate on the loan is the interest rate of SOFR based on 180 days plus 3.3%.

The fair value is approximately equal to the carrying amount since the loan is bearing variable interest rate that approximate the market prevailing rates.

19.2 Loans obtained by Edita Food Industries S.A.E.

	2025			2024		
	Short-term portion	Long-term portion	Total	Short-term portion	Long-term portion	Total
	EGP	EGP	EGP	EGP	EGP	EGP
Seventh loan	19,200,000	2,600,759	**21,800,759**	19,200,000	21,338,276	**40,538,276**
Eighth loan	20,619,428	33,177,912	**53,797,340**	17,192,510	56,985,002	**74,177,512**
Ninth loan	17,679,906	29,905,498	**47,585,404**	17,662,815	47,611,025	**65,273,840**
Tenth loan	13,538,533	11,604,279	**25,142,812**	13,538,533	20,383,146	**33,921,679**
Eleventh loan	2,124,369	3,807,113	**5,931,482**	15,780,557	190,000,000	**205,780,557**
Twelfth loan	50,392,222	152,000,000	**202,392,222**	14,481,628	40,349,640	**54,831,268**
Thirteenth loan	42,702,702	159,600,433	**202,303,135**	735,974	28,798,991	**29,534,965**
Fourteenth loan	114,630,348	630,466,911	**745,097,259**	67,542,597	564,526,686	**632,069,283**
Total	**280,887,508**	**1,023,162,905**	**1,304,050,413**	**166,134,614**	**969,992,766**	**1,136,127,380**

The sixth loan is the IFC loan which is separately disclosed in Note 19.1.

The break-up of the short-term borrowings is as follows:

	2025	2024
	EGP	EGP
Balance due within 1 year	265,471,880	81,043,739
Accrued interest	15,415,628	85,090,875
	280,887,508	**166,134,614**

19.2 Loans obtained by Edita Food Industries S.A.E. (continued)

Type	Guarantees	Currency	Tenure	Interest rate
Seventh loan	Cross corporate guarantee Edita for Trading and Distribution	EGP	7 years with first installment in November 2023	8%
Eighth loan	Cross corporate guarantee Edita for Trading and Distribution	EGP	7 years with first installment in July 2023	8 %
Ninth loan	Cross corporate guarantee Edita for Trading and Distribution	EGP	7 years with first installment in September 2023	8 %
Tenth loan	None	EGP	7 years with first installment in June 2022	8 %
Eleventh loan	Cross corporate guarantee Edita for Trade and Distribution	EGP	7 years with first installment in March 2026	0.5% above mid corridor rate of the Central Bank of Egypt
Twelfth loan	Cross corporate guarantee Edita for Trade and Distribution	EGP/USD	5 years with first installment in July 2023	1% above corridor rate of the Central Bank of Egypt and average 3% above USD SOFR rate 3 months
Thirteenth loan	Cross corporate guarantee Edita for Trade and Distribution	EGP	7 years with first instalment in May 2026	0.5% above mid corridor rate of the Central Bank of Egypt
Fourteenth loan	Cross corporate guarantee Edita for Trade and Distribution	EGP	8 years with first instalment in June 2026	0.45% above mid corridor rate of the Central Bank of Egypt

The fair values of the loans, as at December 31, are determined as follows:

	Fair values at reporting date		Carrying amounts	
	2025	**2024**	**2025**	**2024**
	EGP	**EGP**	**EGP**	**EGP**
Seventh loan	25,521,849	36,863,514	21,800,759	40,538,276
Eighth loan	47,131,653	53,990,368	53,797,340	74,177,512
Ninth loan	39,602,301	47,526,368	47,585,404	65,273,840
Tenth loan	18,595,119	26,632,273	25,142,812	33,921,679

The fair values of the remaining loans approximately equal to their carrying amounts since the loans bear variable interest rates that approximate the prevailing market rates.

19.3 Loans obtained by Edita for Trading and Distribution

	2025			2024		
	Short-term portion	**Long-term portion**	**Total**	**Short-term portion**	**Long-term portion**	**Total**
	EGP	**EGP**	**EGP**	**EGP**	**EGP**	**EGP**
First loan	-	-	-	17,906,704	-	17,906,704
Second loan	52,250,000	156,750,000	209,000,000	2,837,465	209,000,000	211,837,465
	52,250,000	**156,750,000**	**209,000,000**	**20,744,169**	**209,000,000**	**229,744,169**

The break-up of the short-term borrowings is as follows:

	2025	**2024**
	EGP	**EGP**
Balance due within 1 year	52,250,000	16,681,106
Accrued interest	-	4,063,063
	52,250,000	**20,744,169**

Type	**Guarantees**	**Currency**	**Tenure**	**Interest rate**
Second loan	Cross corporate guarantee from Edita Food Industries S.A.E.	EGP	5 years with first installment in June 2026	0.5% above mid corridor rate of Central Bank of Egypt

The fair values of the loans approximately equal to their carrying amount since the loans bear variable interest rates that approximate the prevailing market rates.

19.4 Loan obtained by Edita Food Industries Morocco

	December 31,2025			December 31,2024		
	Short-term portion EGP	Long-term portion EGP	Total EGP	Short-term portion EGP	Long-term portion EGP	Total EGP
First loan	115,210,515	55,312,813	**170,523,328**	90,406,794	163,741,221	**254,148,015**

The break-up of the short-term borrowings is as follows:

	2025 EGP	2024 EGP
Balance due within 1 year	114,864,200	90,406,794
Accrued interest	346,315	-
	115,210,515	**90,406,794**

Type	Guarantees	Currency	Tenure	Interest rate
First loan	Assets Pledge	MAD	7 years over 20 quarterly Instalments starting Aug 22	6%

The fair value of the loan approximately equals to its carrying amount since the loan bears 6% interest rate that approximates the prevailing market rates.

19.5 Deferred government grants

The Group obtained a loan facility of EGP 441 million from commercial banks under the Central Bank of Egypt's initiative to support the Egyptian manufacturing companies. According to the initiative, the loan was obtained at interest rate of 8% that is lower than the prevailing market rate of similar loans by average 2% and recognised in the consolidated statement of profit or loss over the years necessary to match them with the costs that they are intended to compensate. The deferred government grants are recognised according to the following schedule:

	2025 EGP	2024 EGP
Long term portion	17,841,110	19,343,101
Short-term portion	2,587,049	3,692,047
	20,428,159	**23,035,148**

	2025 EGP	2024 EGP
Edita Food Industries S.A.E. (A)	1,016,994	3,376,270
Edita Food Industries Morocco (B)	19,411,165	19,658,878
	20,428,159	**23,035,148**

A. Edita Food Industries S.A.E.

	2025			2024		
	Short-term portion EGP	**Long-term portion EGP**	**Total EGP**	**Short-term portion EGP**	**Long-term portion EGP**	**Total EGP**
Seventh loan	605,991	-	605,991	1,416,963	876,957	2,293,920
Ninth loan	255,709	-	255,709	340,451	307,003	647,454
Tenth loan	155,294	-	155,294	424,270	10,626	434,896
Total	**1,016,994**	**-**	**1,016,994**	**2,181,684**	**1,194,586**	**3,376,270**

B. Edita Food Industries Morocco

	2025			2024		
	Short-term portion EGP	**Long-term portion EGP**	**Total EGP**	**Short-term portion EGP**	**Long-term portion EGP**	**Total EGP**
Investment subsidy	1,570,055	17,841,110	19,411,165	1,510,363	18,148,515	19,658,878

19.6 Interest rate benchmark reform

A fundamental reform of major interest rate benchmark is being undertaken globally, including the replacement of some interbank offer rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). As at December 31, 2025, the Group does not have any IBOR exposure, indexed to USD LIBOR (2024:no IBOR exposure).

20. Employee benefit obligations

Employees of the Group are entitled to benefits upon their retirement based on a defined benefit plan. The entitlement is based on the length of service i.e. minimum 10 years and final remuneration package of the employee upon retirement (refer Note 4). The plan is fully funded by the Group and no separately administered fund has been established in this regard. The defined benefit obligation is calculated using the projected credit unit method and takes into consideration the principal actuarial assumptions as disclosed below.

	2025	**2024**
Discount rate	19.89%	20.3%
Average salary increase rate	11.0%	20.0%
Turnover rate	13.0%	10.3%
Life table (years)	49-52	49-52

The amounts recognised as liability in the consolidated statement of financial position and movement thereof is as follows:

	2025	**2024**
	EGP	**EGP**
Balance as at January 1,	75,262,582	55,143,601
Provision for employees' benefit obligations	43,901,598	23,800,197
Actuarial (gain)/loss on measurement of defined benefit liability	3,645,271	(1,822,034)
Payments during the year	(8,443,305)	(1,859,182)
Balance as at December 31,	**114,366,146**	**75,262,582**

The break-up of provision for the year is as follows:

	2025	**2024**
	EGP	**EGP**
Current service cost	28,933,376	12,633,618
Interest expenses	14,968,222	11,166,579
	43,901,598	**23,800,197**

Sensitivity in Defined Benefit Obligations

	Change in assumption	**Increase in assumption**		**Decrease in assumption**	
Discount rate	1.0%	Decrease by	8.0%	Increase by	8.0%
Salary increase	0.5%	Increase by	5.0%	Decrease by	5.0%
Mortality age	1.0%	Increase by	9.0%	Decrease by	9.0%

The above sensitivity analyses are based on a change in discount rate while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liabilities recognised in the consolidated statement of financial position.

21. Deferred tax balances

Deferred tax represents tax expenses on the temporary differences arising between the tax basis of assets and their carrying amounts in the consolidated financial statements:

	2025							2024
	Property, plant and equipment	Acquiring Edita for Trading and Distribution	Frozen Foods assets revaluation	Other provisions	Carry forward tax losses	Unrealized foreign exchange loss	Total	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Deferred tax assets								
As at January 1,	-	-	-	76,548,882	40,372,542	(17,203,347)	**99,718,077**	75,882,029
Acquired through business combination (Note 10)	-	-	-	-	-	-	-	-
Foreign currency translation differences	-	-	-	-	1,513,350	-	**1,513,350**	20,889,931
Charged to consolidated statement of profit or loss	-	-	-	(28,711,750)	8,167,893	10,254,316	**(10,289,541)**	2,887,479
As at December 31,	**-**	**-**	**-**	**47,837,132**	**50,053,785**	**(6,949,031)**	**90,941,886**	**99,659,439**
Deferred tax liabilities								
As at January 1,	(357,954,049)	(1,652,397)	(42,525,599)	-	-	-	**(402,132,045)**	(316,014,912)
Assumed through business combination (Note 10)	-	-	-	-	-	-	-	-
Charged to consolidated statement of profit or loss	(59,888,455)	240,424	1,171,522	-	-	-	**(58,476,509)**	(86,117,133)
As at December 31,	**(417,842,504)**	**(1,411,973)**	**(41,354,077)**	**-**	**-**	**-**	**(460,608,554)**	(402,132,045)
Deferred tax liabilities – net	**(417,842,504)**	**(1,411,973)**	**(41,354,077)**	**47,837,132**	**50,053,785**	**(6,949,031)**	**(369,666,668)**	**(302,472,606)**
As at January 1,	(357,954,049)	(1,652,397)	(42,525,599)	76,548,882	40,372,542	(17,203,347)	**(302,413,968)**	(240,132,883)
Acquired through business combination (Note 10)	-	-	-	-	-	-	-	-
Foreign currency translation differences	-	-	-	-	1,513,350	-	**1,513,350**	20,889,931
Charged to consolidated statement of profit or loss	(59,888,455)	240,424	1,171,522	(28,711,750)	8,167,893	10,254,316	**(68,766,050)**	(83,229,654)
As at December 31,	**(417,842,504)**	**(1,411,973)**	**(41,354,077)**	**47,837,132**	**50,053,785**	**(6,949,031)**	**(369,666,668)**	**(302,472,606)**

22. Lease liabilities

Lease liabilities are presented in the consolidated statement of financial position as follows:

	2025				2024
	Land	Branch premises and warehouses	Motor vehicles	Total	Total
	EGP	EGP	EGP	EGP	EGP
As at January 1,	91,938,913	136,627,181	8,219,831	**236,785,925**	141,437,125
Additions during the year	264,174,150	35,618,613	4,573,062	**304,365,825**	69,518,836
Assumed through business combination (Note 10)	-	-	-	-	-
Leases terminated during the year	-	-	-	-	-
Interest on lease liabilities (Note 30)	12,622,696	34,469,906	982,972	**48,075,574**	26,242,417
Payments during the year	(20,611,575)	(36,851,871)	(2,766,817)	**(60,230,263)**	(39,157,363)
Foreign currency translation Differences	2,530,629	-	(4,101,988)	**(1,571,359)**	38,744,910
As at December 31,	**350,654,813**	**169,863,829**	**6,907,060**	**527,425,702**	**236,785,925**
Non-current liabilities	340,818,481	165,095,463	5,353,614	**511,267,558**	229,107,964
Current liabilities	9,836,332	4,768,366	1,553,446	**16,158,144**	7,677,961
Lease liabilities	**350,654,813**	**169,863,829**	**6,907,060**	**527,425,702**	**236,785,925**

Commitments in relation to leases payable and present value of lease liabilities are as follows:

	December 31,2025				2024
	Land	Branch premises and warehouses	Motor vehicles	Total	Total
	EGP	EGP	EGP	EGP	EGP
Commitments in relation to leases					
Within one year	31,127,087	42,077,612	4,877,825	**78,082,524**	45,422,931
One to five years	131,883,174	186,250,318	3,960,935	**322,094,427**	232,640,877
Later than five years	454,498,106	165,853,183	-	**620,351,289**	186,371,475
Minimum lease payments	**617,508,367**	**394,181,113**	**8,838,760**	**1,020,528,240**	**464,435,283**
Present value of lease Liabilities					
Within one year	7,513,993	4,919,350	3,724,801	**16,158,144**	7,677,961
One to five years	43,306,609	53,812,413	3,182,259	**100,301,281**	63,815,562
Later than five years	299,834,211	111,132,066	-	**410,966,277**	165,292,402
Present value of minimum lease payments	**350,654,813**	**169,863,829**	**6,907,060**	**527,425,702**	**236,785,925**

The corresponding right-of-use assets pertaining to these lease liabilities are presented in Note 8.

23. Provisions

	2025 EGP	2024 EGP
As at January 1,	99,601,868	105,601,704
Provisions formed during the year (Note 28)	43,409,302	46,765,402
Assumed through business combination (Notes 10)	-	-
Provisions utilized during the year	(23,679,679)	(48,683,619)
Provision no longer required (Note 27)	(7,778,729)	(4,081,619)
Foreign currency translation differences	93,799	-
As at December 31,	**111,646,561**	**99,601,868**

Provisions relate to claims expected to be made by authorities and third parties in connection with the Group's operations and obligations. The provisions are re-assessed and reviewed by management at each reporting date and the amount provided is adjusted based on latest development, discussions and agreements with third parties.

24. Bank overdraft

Bank overdraft amounted to EGP 771.42 million (2024: EGP 808.37 million) is an integral part of the Group's cash management to finance its working capital. The average interest rate for bank overdraft was 20.42% during the year ended December 31, 2025 (2024: 24.99%).

25. Trade and other payables

	2025 EGP	2024 EGP
Trade payables	1,544,394,772	975,892,451
Accrued expenses	480,442,722	290,189,791
Payable against factoring of receivables from Dislog S.A.	66,099,937	93,430,431
Other credit balances	138,548,825	72,930,962
Contract liabilities – advances from customers (Note 37)	200,323,726	73,901,134
Contract liabilities - sales returns (Note 37)	92,410,678	62,559,145
Taxes payable	111,668,140	71,930,461
Deposits from others	15,086,196	-
Dividends payable	945,747	38,167,533
Notes payable	36,696,843	25,353,804
Contract liabilities – accrued rebates (Note 37)	37,280,266	21,873,108
Social insurance	4,532,425	17,745,501
	2,728,430,277	**1,743,974,321**

Trade payables are unsecured and are usually paid within an average of 45 days of recognition

26. Current income tax liabilities

	2025 EGP	2024 EGP
As at January 1,	248,382,615	387,712,322
Income tax for the year (Note 31)	939,769,860	473,100,118
Income tax paid during the year	(247,978,246)	(387,958,520)
Corporate income tax - advance payments	(279,651,787)	(170,721,766)
Adjustment in relation to investment in Treasury Bills	(99,755,716)	(24,652,785)
Withholding tax receivable	(27,089,786)	(21,724,236)
Accrued interest - advance payments (Note 29)	(19,400,842)	(8,429,387)
Other adjustments	-	1,056,869
Balance at	**514,276,098**	**248,382,615**

27. Other income

	2025 EGP	2024 EGP
Solidarity contribution refund*	-	45,786,852
Government grants - export subsidies	68,674,633	23,000,000
Gain from disposal of property, plant and equipment (Note 34)	5,273,329	4,196,751
Provisions no longer required (Note 23)	7,778,729	4,081,619
Government grants - reduced interest loans	2,359,277	3,409,851
Others	33,693,145	20,600,868
	117,779,113	**101,075,941**

* During the year ended December 31, 2025, refund of solidarity contribution amounts, already paid by the Group in relation to prior years, has been received pursuant to relief provided by the concerned authorities in Egypt by allowing Edita for Trading and Distribution (a subsidiary) for changing its basis of calculation from net sales to gross profit.

28. Other expenses

	2025 EGP	2024 EGP
Provisions formed during the year (Note 23)	43,409,302	46,765,402
Solidarity contribution	48,854,749	37,950,112
	92,264,051	**84,715,514**

29. Finance income

	2025 EGP	2024 EGP
Interest income	556,045,830	159,835,892
Interest income – corporate tax advance payment (Note 26)	19,400,842	8,429,387
	575,446,672	**168,265,279**

30. Finance cost

	2025 EGP	2024 EGP
Interest expense	554,787,381	376,398,830
Interest on lease liabilities (Note 22)	48,075,574	26,242,417
	602,862,955	**402,641,247**

31. Income tax expense

	2025 EGP	2024 EGP
Profit after tax for the year	**2,442,276,113**	**1,415,374,273**
Tax expense for the year		
- Current tax (Note 26)	939,769,860	473,100,118
- Deferred tax (Note 21)	68,766,050	83,229,654
	1,008,535,910	**556,329,772**
Profit before tax	**3,450,812,023**	**1,971,704,045**
Tax calculated based on applicable tax rates (i.e. 22.5%)	776,432,705	443,633,410
Effect of reduced tax rates on investments in treasury bills	(99,755,716)	(24,652,785)
Tax effect of non-deductible expenses	263,092,871	54,119,493
Temporary differences		
- Impact of different accounting and tax depreciation rates	58,476,509	86,117,133
- Other differences	10,289,541	(2,887,479)
Total tax expense	**1,008,535,910**	**556,329,772**
Effective tax rate	**29%**	**28%**

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

32. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

	2025	2024
Profit attributable to owners of the Parent (EGP)	2,496,545,789	1,473,657,771
Weighted average number of ordinary shares in issue		
Ordinary shares	1,400,027,312	1,400,027,312
Treasury shares	(11,006,173)	-
Weighted average number of ordinary shares	1,153,908,135	1,400,027,312
Basic earnings per share (EGP)	**2.16**	**1.05**

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group does not have any categories of dilutive potential ordinary shares. Hence, the diluted earnings per share is equivalent to the basic earnings per share.

33. Expenses by nature

	2025 EGP	2024 EGP
Cost of sales	13,829,224,507	11,240,232,913
Distribution cost	2,049,806,740	1,662,351,937
Administrative expenses	1,493,957,620	1,086,699,763
Total	**17,372,988,867**	**13,989,284,613**
Materials consumed (Note 11)	11,653,365,153	9,543,387,182
Salaries and wages	2,236,151,218	1,642,645,819
Advertising and marketing	874,315,782	757,654,823
Depreciation and amortization	477,675,475	372,875,644
Employee benefits	385,438,109	230,583,726
Gas, water and electricity	157,487,184	211,948,181
Licensing fees and charges	217,136,579	160,740,833
Vehicle expense	196,650,170	152,593,773
Maintenance	172,574,484	152,077,391
Logistics services	201,222,982	132,359,528
Transportation expenses	167,849,045	121,673,170
Group's share in social insurance	162,305,172	118,605,334
Consumables	126,028,391	116,355,740
Legal and professional expenses	72,083,446	75,891,917
Cleaning expenses	33,428,103	28,667,116
Travelling expenses	29,976,628	24,508,501
Miscellaneous and other expenses	209,300,946	146,715,935
	17,372,988,867	13,989,284,613

34. Cash flow information

A. Non-cash investing and finance activities

- Transfer to property, plant and equipment from projects under construction. (Note 7).
- Purchase of property, plant, and equipment on credit.
- Dividends declared not yet settled.
- Increase of issued and paid up capital resulting from the extra ordinary general assembly declaration of shareholders' dividends distribution in the form of one free share for every original share
- Transfers from retained earnings to legal reserve.
- The effect of non-cash transactions resulting from the establishment of Edita TJA Ltd. and the acquisition of Ahramat Al Nile for Trading and Food Industries LLC — which consist of the net assets acquired for both companies as of 1 September 2025 — has been excluded from the consolidated statement of cash flows, as disclosed in Note (10)

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

	2025 EGP	2024 EGP
Proceeds from disposal of property, plant and equipment	33,352,073	6,096,820
Net book value	(28,078,744)	(1,900,069)
Gain on disposal of property, plant and equipment (Note 27)	**5,273,329**	**4,196,751**

B. Changes in liabilities arising from financing activities

	2025 EGP	2024 EGP
Cash and cash equivalents	(54,659,149)	(290,080,130)
Borrowing	(3,700,595,014)	(2,654,947,209)
Lease liabilities	(527,425,702)	(236,785,925)
Total	**(4,282,679,865)**	**(3,181,813,264)**

	Cash and cash equivalent EGP	Borrowings EGP	Lease Liabilities EGP	Total EGP
As at January 1, 2025	(290,080,130)	(2,654,947,209)	(236,785,925)	(3,181,813,264)
Lease payments	-	-	59,269,063	59,269,063
Proceeds from borrowings	-	(1,565,170,723)	-	(1,565,170,723)
Repayments of borrowings	-	450,007,937	-	450,007,937
Cash flows	235,420,981	-	-	235,420,981
New leases	-	-	(304,365,825)	(304,365,825)
Interest expense	-	(554,787,380)	-	(554,787,380)
Interest repayment	-	564,286,847	-	564,286,847
Government grant	-	2,359,277	-	2,359,277
Foreign exchange adjustment	-	57,656,237	(45,543,015)	12,113,222
As at December 31, 2025	**(54,659,149)**	**(3,700,595,014)**	**(527,425,702)**	**(4,282,679,865)**

35. Related parties

The Group entered into several transactions with companies and entities that are included within the definition of related parties, as stated in IAS 24 - Related Party Disclosures. The related parties comprise the Group' Board of Directors, their entities, companies under common control and employees of senior management. The non-controlling interest are considered by the Group as related parties. The management decides the terms and conditions of transactions and services provided from/to related parties, as well as other expenses.

Below is the statement that shows the nature and values of transaction with related parties during the year, and the balances due at reporting date.

	2025	2024
	EGP	EGP
Due from a related party – Other related party		
La Marocaine De Distribution De Logistiqus (Note 13)	89,033,817	136,103,683

The nature of transactions with La Marocaine De Distribution De Logistiqus during the years ended December 31, 2025 and December 31, 2024 are represented as follows:

	2025	2024
	EGP	EGP
Sale of finished goods	571,942,492	472,783,452

35 Related parties (continued)

The Group did not recognise any allowance for the expected credit losses as at December 31, 2025 (2024: EGP Nil) for the balance due from a related party as a result of the low credit risk and no history of default.

Key management compensation

During the year ended December 31, 2025, the Group paid an amount of EGP 454,250,349 as benefits to the Board Members and key management personnel (2024: EGP 287,066,976).

	2025			2024		
	Non-executive / independent board members	**Key management personnel**	**Total**	**Non-executive / independent board members**	**Key management personnel**	**Total**
	EGP	**EGP**	**EGP**	**EGP**	**EGP**	**EGP**
Short term benefits						
Salaries and compensation	8,750,000	440,230,666	**448,980,666**	8,437,500	276,045,511	**284,483,011**
Allowances	-	4,628,920	**4,628,920**	-	2,253,173	**2,253,173**
Other benefits	-	640,763	**640,763**	-	330,792	**330,792**
Total	**8,750,000**	**445,500,349**	**454,250,349**	**8,437,500**	**278,629,476**	**287,066,976**

36. Segment reporting

The Group operates across six segments in the snack food market offering ten distinct brands:

Segment	Brand	Product
Cake	Tiger tail, Twinkies, Todo and Hohos	Traditional rolled filled and layered cake as well as brownies and packaged donut
Croissants	Molto , Forni	Sweet and savoury croissants and strudels, frozen croissant and puff pastries
Rusks	Bake Rolz, Bake Stix	Baked wheat salty snack
Wafer	Freska	Filled wafers
Candy	Mimix	Hard, soft and jelly candy and lollipops
Biscuits	Oniro	Coated and Uncoated Lava Chocolate and Lava Vanilla and Teabix

36 Segment reporting (continued)

Segment	Revenue 2025 EGP '000	Revenue 2024 EGP '000	Gross profit/(loss) 2025 EGP '000	Gross profit/(loss) 2024 EGP '000	Operating profit/(loss) 2025 EGP '000	Operating profit/(loss) 2024 EGP '000
Cake	10,851,031	8,272,208	3,973,263	2,744,246	2,235,862	1,679,577
Croissants	5,888,615	4,657,379	1,968,494	1,313,027	938,738	115,933
Rusks	1,086,385	726,815	324,916	175,231	127,753	100,156
Wafer	2,017,968	1,734,775	627,141	514,886	296,004	281,058
Candy	557,939	484,822	151,075	142,593	29,242	58,445
Biscuits	343,399	195,896	74,551	35,886	(12,104)	(10,637)
Others	169,735	74,651	(33,593)	(19,556)	(73,411)	(67,271)
Total	**20,915,072**	**16,146,546**	**7,085,847**	**4,906,313**	**3,542,084**	**2,157,261**

Operating profit is reconciled to net profit as follows:

	2025 EGP '000	2024 EGP '000
Operating profit	3,542,084	2,157,261
Provision for employee benefit obligations	(43,902)	(23,800)
Provision for slow-moving inventory	(31,333)	(13,404)
Other income	117,779	101,076
Other expenses	(96,994)	(84,716)
Finance income	575,447	168,265
Finance cost	(602,863)	(402,641)
Foreign exchange gain – net	(9,406)	101,045
Income tax expense	(1,008,536)	(556,329)
Net profit	**2,442,276**	**1,446,757**

The figures disclosed in the segment note are rounded off to the nearest thousand EGP.

The segment information disclosed in the table above represents the segment information provided to the Chief Operating Decision Maker of the Group.

Management has determined the operating segments based on the information reviewed by the Chief Operating Decision Makers of the Group for the purpose of allocating and assessing resources.

The Chief Operating Decision Makers consider the business from products perspective. Although Rusks, Wafer, Candy and Biscuits do not meet the quantitative threshold required by IFRS 8 for reportable segments, management has concluded that these segments should be reported as it is closely monitored by The Chief Operating Decision Makers as it is expected to materially contribute to the Group revenue in the future.

The Chief Operating Decision Makers assesses the performance of the operating segments based on their operating profit.

All of the segments' sales are made to external customers.

The Group does not sell more than 10% of the total sales to a single customer.

Finance income and finance cost are not allocated to segments, as this type of activity is driven by the central treasury function which manage the cash position at the Group level.

Geographical segments

As at December 31, The Group assets and liabilities are geographically located as follows:

	Non-current assets		**Current assets**		**Total assets**	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
	EGP '000	**EGP '000**	**EGP '000**	**EGP '000**	**EGP '000**	**EGP '000**
Egypt	3,657,251	4,158,687	6,755,090	4,596,416	10,412,341	8,755,103
Morocco	683,615	729,574	291,274	359,830	974,889	1,089,404
Iraq	709,221	-	122,134	-	831,355	-
UAE	690,094	-	540,231	-	1,230,325	-
Cyprus	751,232	245,132	627,715	248,933	1,378,947	494,065
Total	**6,491,413**	**5,133,393**	**8,336,444**	**5,205,179**	**14,827,857**	**10,338,572**

	Non-current liabilities		**Current liabilities**		**Total liabilities**	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
	EGP '000	**EGP '000**	**EGP '000**	**EGP '000**	**EGP '000**	**EGP '000**
Egypt	1,870,955	1,793,953	3,326,981	2,610,080	5,197,936	4,404,033
Morocco	124,765	274,627	681,188	516,483	805,953	791,110
Iraq	343,589	-	533,490	-	877,079	-
UAE	-	-	52,222	-	52,222	-
Cyprus	1,651,500	939,323	364,511	158,025	2,016,011	1,097,348
Total	**3,990,809**	**3,007,903**	**4,958,392**	**3,284,588**	**8,949,201**	**6,292,491**

Geographical location-wise disaggregation of revenue of the Group are as follows:

	2025	**2024**
	EGP '000	**EGP '000**
Egypt	18,448,348	14,552,795
Palestine	358,738	376,067
Libya	170,639	352,769
Jordan	354,716	331,227
Iraq	666,677	285,697
Other Middle Eastern Countries	915,954	247,991
Total	**20,915,072**	**16,146,546**

37. Revenue from contracts with customers

	2025 EGP	2024 EGP
Sales, gross	21,449,419,068	16,752,445,203
Trade discounts	(334,749,827)	(332,903,397)
Sales returns	(199,596,809)	(272,996,107)
Sales, net	**20,915,072,432**	**16,146,545,699**

A. Contract liabilities

	2025 EGP	2024 EGP
Advances from customers (Note 25)	200,323,726	73,901,134
Sales returns (Note 25)	92,410,678	62,559,145
Accrued rebates (Note 25)	37,280,266	21,873,108
Total contract liabilities	**330,014,670**	**158,333,387**

The increase in contract liabilities was mainly due to the increase in advance payments made by the export customers during the year.

The movement in advances from customers during the year is as follows:

	2025 EGP	2024 EGP
As at January 1,	73,901,134	19,944,826
Contract liabilities recognized for sale of goods	(73,901,134)	(19,944,826)
Contract liabilities arisen during the year	200,323,726	73,901,134
As a December 31,	**200,323,726**	**73,901,134**

B. Disaggregation of revenue from contracts with costumers

The Group derives revenue from the transfer of goods at a point in time. The Group disaggregate revenue by products line and by geographical location as disclosed in Note 36 (segment reporting).

38. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to settle 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 pay the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, the most advantageous market for the asset or the liability.

The Group should be able to have access to the principal market or the most advantageous market. In the absence of principal market, the Group does not need to conduct a thorough search of possible markets to determine the principal or the most advantageous market. However, the Group takes into consideration all information reasonably available.

All assets and liabilities for which fair value is measured or disclosed in these consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Inputs of quoted prices (unadjusted) in active markets for identical assets or liabilities which the Group can have access to at the date of measurement.

Level 2 - Inputs other than quoted prices included within level I that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs of the asset or the liability.

The following methods and assumptions were used to estimate the fair values:

- Cash and bank balances, trade receivables, other financial assets, due from related parties and trade and other payables approximate their carrying amounts, largely due to the short-term maturities of these instruments.
- The fair value of the fixed interest-bearing loans at the reporting date has been calculated by discounting the future cash outflows (level 3 fair value measurement) using the prevailing market rate of interest ranging from 28.75% to 21.5% at the reporting date (2024: 28.7% to 28.75%). The fair value of loans is disclosed in Note 19.
- For variable interest-bearing loans, fair value is approximately equal to the carrying amount since the loans bear variable interest rate that approximate the market prevailing rates.

39. Commitments and contingent liabilities

Capital commitments

The Group has capital commitments of EGP 861M as at December 31, 2025 (2024: EGP 367,367,942) in respect of capital expenditures.

Contingent liabilities

The banks have issued letters of credit, internal document collections and letters of guarantee in favor of the Company amounting to EGP 468,006,597 which guarantee the Company for the goods imported (2024: EGP 256,555,307).

The banks have issued letter of credit in favor of Edita for Trading and Distribution amounting to EGP 2,700,000 which guarantee the Company for the goods imported (2024: EGP 2,725,000).

The banks have issued letter of credit in favor of Edita Confectionery Industries amounting to EGP 444,903 which guarantee the Company for the goods imported (2024: EGP Nil).

The banks have issued letters of guarantee in favor of Edita Food Industries Morocco amounting to EGP 10,045,200 (equivalent to MAD 2 million) which guarantee the Company for the goods imported (2024: EGP 10,045,200).

These contingent liabilities are not expected to result in material losses for the Group in the foreseen future and not consider it probable that there will be an outflow of economic resources with regard to these contingent liabilities.

40. Tax position

Due to the nature of tax assessment process in jurisdictions where the Group is operating, the final outcome of any assessment by the tax authorities might not be realistically estimated. Therefore, additional liabilities are contingent upon the tax inspection and assessment by the tax authorities. Below is a summary of the tax status of the Group as at reporting date.

A. Edita Food Industries S.A.E.

Corporate tax

The Company exempted from tax for a period of 10 years ended December 31, 2007, in accordance with Law No. 230 of 1989 and Law No. 59 of 1979 related to New Urban Communities. The exemption period was determined to start from January 1, 1998. The Company submits its tax on its legal period.

The tax inspection was performed for the period from the Company's inception till 2016, and all taxes due were paid.

For the years from 2017 to 2019, the Company has filed the tax returns in its legal periods and has paid the tax liability. However, the tax inspection is in process by the relevant tax authorities.

For the years from 2020 to 2024, the Company has filed tax returns according to Law No. 91 of 2005 in its legal periods and has paid the tax liability. Further the Company has not been inspected by the relevant tax authorities yet for this period. However, based on the additional claim received from the relevant tax authorities as a result of past inspections, the Group has created additional provision to meet any additional claims that might arise from tax inspection for the years from 2017 onwards. Tax return for 2025 will be submitted within the deadlines allowed under the relevant tax laws.

Payroll tax

The payroll tax inspection was performed and settled till the end of December 31, 2022.

For the years 2023 and 2025, the Company has submitted quarterly tax forms and payroll reconciliations on time to the relevant tax authorities. However, the Company has not been inspected by the relevant tax authorities yet for this period.

VAT and Sales tax

The sales tax inspection was performed and settled till the end of December 31, 2023.

For the years from 2024 to 2025, the Company has submitted monthly tax returns on time to the relevant tax authorities. However, the Company has not been inspected by the relevant tax authorities yet for this period.

Stamp duty tax

The stamp duty tax inspection was performed and settled till the end of December 31, 2022.

The Company has not been inspected by the relevant tax authorities for the years from 2023 to 2025.

B. Edita for Trading and Distribution Company

Corporate tax

Edita for Trading and Distribution Company is subject to the corporate income tax according to Tax Law No. 91 of 2005, as amended.

The tax inspection was performed for the period from the Company's inception till 2019, and all taxes due were paid.

The tax inspection was performed for the period from the 2020 to 2022. However, the final settlement of tax due is pending before the relevant tax authorities.

For the years 2023 & 2024 Edita for Trading and Distribution Company has filed tax returns according to Law No. 91 of 2005 in its legal periods and has paid the tax liability. Further, the subsidiary has not been inspected by the relevant tax authorities yet for this period. Tax return for 2025 will be submitted within the deadlines allowed under the relevant tax laws.

Payroll tax

The tax inspection was performed until December 31, 2022, and the tax resulting from the tax inspection and assessment were settled and paid to the relevant tax authorities.

For the years 2023 till 2025, Edita for Trading and Distribution Company has submitted quarterly tax forms and payroll reconciliations on time to the relevant tax authorities. However, the subsidiary has not been inspected by the tax authorities yet for this period.

VAT and Sales tax

The tax inspection was performed until December 31, 2020, and the tax resulting from the tax inspection and assessment were settled and paid to the relevant tax authorities.

For the years from 2021 to 2025, Edita for Trading and Distribution Company submitted its monthly sales VAT return on due date.

Stamp tax

The tax inspection was performed for the periods from inception till the end of December 31, 2023, and the tax resulting from the tax inspection and assessment were settled and paid to the relevant tax authorities.

For the years from 2024 to 2025, Edita for Trading and Distribution Company paid all tax dues.

C. Edita Confectionary Industries Company

Corporate tax

Edita Confectionary Industries Company is subject to the corporate income tax according to Tax Law No. 91 of 2005, as amended.

The tax inspection was performed for the period up to 2019, and all taxes due were paid.

The tax inspection was performed for the period from the 2020 to 2022. However, the final settlement of tax due is pending before the relevant tax authorities.

40 Tax position (continued)

Edita Confectionary Industries Company has not been inspected for the years 2023 to 2024 and has submitted/will submit its tax returns to relevant tax authorities on due dates.

Payroll tax

The tax inspection was performed until December 31, 2022, and the tax resulting from the tax inspection and assessment were settled and paid to the relevant tax authorities.

For the years from 2023 to 2025, Edita Confectionery Industries has submitted quarterly tax forms and payroll reconciliations on time to the relevant tax authorities. However, the subsidiary has not been inspected by the tax authorities yet for this period.

VAT and Sales Tax

The tax inspection was performed until December 31, 2022, and the tax resulting from the tax inspection and assessment were settled and paid to the relevant tax authorities.

For the years from 2023 to 2025, Edita Confectionery Industries submitted its monthly sales VAT return on due date.

Stamp Tax

The stamp duty tax inspection was performed and settled till the end of December 31, 2022.

Edita Confectionery Industries has not been inspected by the relevant tax authorities for the years from 2023 to 2025.

D. Edita Frozen Foods Industries S.A.E.

Corporate tax

Edita Frozen Foods Industries S.A.E. is subject to the corporate income tax according to Tax Law No. 91 of 2005, as amended.

Edita Frozen Foods Industries S.A.E. has not been inspected for the years from 2015 to 2024 and has submitted its tax returns to relevant tax authorities on due dates. Tax return for 2025 will be submitted within the deadlines allowed under the relevant tax laws.

Payroll tax

The tax inspection was performed for the years from 2015 to 2021 and the tax resulting from the tax inspection and assessment were settled and paid to the relevant tax authorities.

Edita Frozen Foods Industries S.A.E. has not been inspected by the relevant tax authorities for the years from 2022 to 2025.

VAT and Sales tax

The tax inspection was performed for the period from the 2015 to 2022. However, the final settlement of tax due is pending before the relevant tax authorities.

Edita Frozen Foods Industries S.A.E. has not been inspected by the relevant tax authorities for the years 2023 to 2025.

40 Tax position (continued)

D. Edita Frozen Foods Industries S.A.E. (continued)

Stamp tax

The tax inspection was performed for the years from 2015 to 2022 and the tax resulting from the tax inspection and assessment were settled and paid to the relevant tax authorities.

Edita Frozen Foods Industries S.A.E. has not been inspected by the relevant tax authorities for the years 2023 to 2025.

E. Edita Food Industries Morocco

Corporate tax

Edita Foods Industries Morocco is subject to the corporate income tax according to Moroccan tax laws.

The tax inspection was performed for the periods up to 2023, and all taxes due were paid.

The company has not been inspected for the year 2024 and has submitted/will submit its tax returns to relevant tax authorities on due dates under the relevant tax laws.

Payroll tax

The tax inspection was performed for the years from 2020 to 2023 and the tax resulting from the tax inspection and assessment were settled and paid to the relevant tax authorities.

Edita Foods Industries Morocco has not been inspected by the relevant tax authorities for the years 2024 & 2025.

VAT and Sales tax

The tax inspection was performed for the years from 2019 to 2023 and the tax resulting from the tax inspection and assessment were settled and paid to the relevant tax authorities.

Edita Foods Industries Morocco has not been inspected by the relevant tax authorities for the years 2024 & 2025.

41. Significant events during the period:

- On January 16, 2025, Edita Food Industries LLC signed a strategic partnership agreement with the Iraqi company Tama Jabr Abbas. This strategic partnership includes the acquisition by its subsidiaries of 49% of the shares of Tama Jabr Abbas, to be carried out in the form of a capital increase. During the third quarter of 2025, the group finalized the terms of the strategic partnership agreement between Edita Food Industries S.A.L. and the Iraqi company Tama Jabr Abbas through the establishment of Edita TJA L.T.D. and a capital increase for Ahramat Al-Nile General Trading and Food Company Limited, bringing the group's stake in the two companies to 51% and 49%, respectively, with a total investment of US$8 million.
- The board of directors of Edita Participation Limited approved the establishment of Edita International LTD in the jurisdiction of Abu Dhabi Global Market. The authorized Capital of the new subsidiary is $ 25 million, and the issued capital is $ 10 million, the company has been incorporated and registered under no 24994 in the jurisdiction of Abu Dhabi Global Market on February 10, 2025.

- During the period, the board of directors of Edita International LTD approved the establishment of Edita Investment Holdin LTD in the jurisdiction of Abu Dhabi Global Market. The authorized Capital of the new subsidiary is $ 10 million, and the issued capital is $ 750 Thousand. The company has been incorporated and registered under no 25132 in the jurisdiction of Abu Dhabi Global Market.
- During the period, the board of directors of Edita International LTD approved the establishment of Edita TJA LTD in the jurisdiction of Abu Dhabi Global Market. The authorized Capital of the new subsidiary is $ 20 million, and the issued capital is $ 7.25 Million. The company has been incorporated and registered under no 26060 in the jurisdiction of Abu Dhabi Global Market.
- On April 6, 2025, the ordinary general assembly of the company's shareholders was held, and it approved the financial statements for the year ended December 31, 2024 and approved the dividends distribution to shareholders of EGP 800.1 million to be distributed in the form of cash coupons amounted to EGP 1.1429 per share and employees' dividend distribution of EGP 88.9 million.
- On April 16, 2025, the extra ordinary general assembly of the company's shareholders was held, and it approved the issued capital increase from EGP 140 002 731 to EGP 280 005 462 with an increase of EGP 140 002 731 against 700 013 656 shares with par value of EGP 0.2 per share. The increase will be financed through the retained earnings as per the financial statements for the period ended 31st of December 2023 that was previously approved by the ordinary general assembly of the company's shareholders that was held on 28th of March 2024 and the financial report issued by GAFI's economic performance department no. 2930/2024 dated 6th of November 2024. The capital increase was completed and registered in the commercial register on May 7,2025.
- On July 21, 2025, the Company's Board of Directors resolved to purchase 14 000 273 shares, not exceeding 1% of the Company's outstanding shares, as treasury shares through the open market for a period of one month. The purchase was funded from the Company's own resources at the prevailing market price during trading sessions. 11 006 173 shares from the stock market for an amount of EGP 192 608 865. The amount paid was recorded as treasury shares and presented under equity.
- The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Thursday, April 17, 2025, to cut the overnight deposit and lending yield and the price of the main operation of the Central Bank by 225 basis points, to reach 25%, 26% and 25.25%, respectively. The credit and discount rate was also cut by 225 basis points to reach rate 25.5% in addition the bank has liberalized the exchange rate to allow the rate to be determined according to market conditions.
- The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Thursday, May 22, 2025, to cut the overnight deposit and lending yield and the price of the main operation of the Central Bank by 100 basis points, to reach 24%, 25% and 24.50%, respectively. The credit and discount rate was also cut by 100 basis points to reach rate 24.5% in addition the bank has liberalized the exchange rate to allow the rate to be determined according to market conditions.
- The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Thursday, August 28, 2025, to cut the overnight deposit and lending rates and the main operation rate of the Central Bank by 200 basis points, bringing them to 22%, 23%, and 22.50%, respectively. The credit and discount rate was also reduced by 200 basis points to reach 22.50%.

- On September 22, 2025, the Extraordinary General Assembly decided to approve the cancellation of the Global Depositary Receipts (GDRs) program from the London Stock Exchange, and to remove the company from the list of companies authorized to issue Global Depositary Receipts on the Egyptian Stock Exchange, the Global Depositary Receipts (GDRs) program was cancelled during November 2025.
- The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Thursday, October 2, 2025, to cut the overnight deposit and lending rates and the main operation rate of the Central Bank by 100 basis points, to reach 21.00%, 22.00%, and 21.50%, respectively. The credit and discount rate was also cut by 100 basis points to reach 21.50%.
- The company signed an asset purchase agreement with a regional company operating in the food sector to acquire production equipment for a total amount of EGP 320,000,000. These additional production lines are expected to increase Edita's production capacity by approximately 15% in its core segments, namely cakes and croissants.
- On 10 November 2025 the Board of Directors of Edita Food Industries approved to submit the proposal of merging Edita Frozen Food Industries into Edita Food Industries to the Extraordinary General Assembly for approval, The Extraordinary General Assembly has not been held yet.
- The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Thursday, December 25, 2025, to cut the overnight deposit and lending rates and the main operation rate of the Central Bank by 100 basis points, to reach 20.00%, 21.00%, and 20.50%, respectively. The credit and discount rate was also cut by 100 basis points to reach 20.50%.

42. Subsequent events

- On The Monetary Policy Committee of the Central Bank of Egypt decided, in its meeting on Thursday, February 12, 2026, to cut the overnight deposit and lending rates and the main operation rate of the Central Bank by 100 basis points, to reach 19.00%, 20.00%, and 19.50%, respectively. The credit and discount rate was also cut by 100 basis points to reach 19.50%.
- On April 19, 2026, the ordinary general assembly of the company's shareholders was held, and it approved the financial statements for the year ended December 31, 2025 and approved the dividends distribution to shareholders of EGP 1.2 Billion to be distributed in the form of cash coupons amounted to EGP 0.8639 per share and employees' dividend distribution of EGP 177.1 million.
- Also, On April 19, 2026, the ordinary general assembly of the company's shareholders approved an amount of EGP 138 902 114 to be appropriated from the retained earnings for the year ended December 31, 2025 and allocated to a capital increase account, to be distributed to shareholders in the form of bonus shares at a ratio of half a free share for each share held. Execution of the General Assembly's resolution regarding the bonus distribution is subject to obtaining the FRA non-objection to the publication of the disclosure report prepared in accordance with Article 48 of the Listing Rules, as well as the issuance of a resolution by the Extra ordinary General Assembly approving the capital increase by the value of the bonus distribution and amending Articles 6 and 7 of the Company's Articles of Association.
- The Company signed an agreement to obtain a 7 year medium-term loan amounting to EGP 600 million from the Arab Bank, at an interest rate of 0.5% above the official lending rate, to be repaid in equal semi-annual installments, each installment amounting to EGP 60 million, with the first installment due in October 2028. The loan will be used to finance new production lines to enhance production capacity.

- The company signed an agreement to obtain a 7 year medium-term loan amounting to EGP 320 million from the National Bank of Kuwait – Egypt, at an interest rate of 0.5% above the official lending rate, to be repaid in equal semi-annual installments, each installment amounting to EGP 32 million, with the first installment due in October 2028. The loan will be used to finance new production lines to enhance production capacity.
- The Company signed an agreement to obtain a 7 year medium-term loan amounting to EGP 180 million from the National Bank of Kuwait – Egypt, at an interest rate of 0.5% above the official lending rate, to be repaid in equal semi-annual installments, each installment amounting to EGP 18 million, with the first installment due in November 2028. The loan will be used to finance new production lines to enhance production capacity.

43. Comparative figures

	Before adjustments as previously reported December 31, 2024	Adjustments/ Reclassification	Adjusted as restated December 31, 2024
Impact on statement of financial position	EGP	EGP	EGP
Property, plant and equipment *	4,459,743,474	31,382,979	4,491,126,453
Intangible assets and goodwill	345,553,928	(2,483,093)	343,070,835
Cumulative translation reserve	(208,115,650)	(2,126,304)	(210,241,954)
Retained earnings	3,943,619,260	1,170,359	3,973,831,880
Non-controlling interests	101,270,857	813,570	102,084,427
Impact on statement of profit or loss			
Foreign exchange (loss)/gain – net *	69,662,331	31,382,979	101,045,310

* During the Fiscal year ended 31 December 2024 the Group has not account for Property, plant and equipment Costs that qualifies for recognition under IAS 16 as assets. These costs are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. As such, comparative information has been corrected to reflect the correct capitalization of the asset.