



QALAA FOR FINANCIAL INVESTMENTS (S.A.E.)

LIMITED REVIEW REPORT AND INTERIM
CONDENSED SEPARATE FINANCIAL
STATEMENTS FOR THE THREE MONTHS PERIOD
ENDED 31 MARCH 2026

Content

Limited review report

1

Financial statements

Interim condensed separate statement of financial position

3

Interim condensed separate statement of profit or loss

4

Interim condensed separate statement of comprehensive income

5

Interim condensed separate statement of changes in equity

6

Interim condensed separate statement of cash flows

7

Notes to the interim condensed separate financial statements

Introduction

8

Financial assets and financial liabilities

9

Non-financial assets and liabilities

17

Profit and loss information

18

Related party transactions

20

Losses per share

23

Basis of preparation of the interim condensed separate financial statements

23

Going concern

23

Significant Events

25

Subsequent Events

25

Limited review report

On the interim condensed separate financial statements

To the Board of Directors of Qalaa for Financial Investments S.A.E.

Introduction

We have conducted a limited review for the accompanying interim condensed separate statement of financial position of Qalaa for Financial Investments S.A.E. (the "Company") as of 31 March 2026 and the related interim condensed separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended. Management is responsible for the preparation and fair presentation of these interim condensed separate financial statements in accordance with Egyptian Accounting Standard 30 "Interim financial statements", and our responsibility is to express a conclusion on these interim condensed separate financial statements based on our limited review.

Scope of the limited review

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

Basis for qualified conclusion

Bank confirmations were not received from certain banks in connection with our audit of the separate financial statements of the Company for the year ended 31 December 2025. In the absence of confirmation responses, until the date of this report, we have not been able to satisfy ourselves by alternative procedures regarding the completeness and accuracy of the balances due to these banks of EGP 10.6 billion as at 31 March 2026 (EGP 9 billion as at 31 December 2025) and related disclosures and any other bank balances including unfunded exposures and contingent liabilities that the Company may have had with these banks as at 31 December 2025 and 31 March 2026.

Accordingly, we were unable to determine whether any adjustments might have been necessary in respect of these balances in the interim condensed separate statement of financial position as at 31 March 2026 and, consequently, to the interim condensed separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended, in addition to unfunded exposures, contingent liabilities or other disclosures that may have been required in the interim condensed separate financial statements for the three-month period then ended

Qualified conclusion

Except for the possible adjustments that might have been determined to be necessary had we been able to verify the completeness and accuracy of bank balances, balances due to banks and any unfunded exposures or contingent liabilities, in light of our limited review, nothing has come to our attention that causes us to believe that the accompanying interim condensed separate financial statements are not prepared, in all material respects, in accordance with Egyptian Accounting Standard 30 "Interim financial statements".

Emphasis of matter

Without additional qualification to our conclusion, we draw attention to note (8) to the interim condensed separate financial statements which indicates that the company's current liabilities exceeded its current assets by EGP 10.3 billion as at 31 March 2026 and had accumulated losses of EGP 16 billion as of that date. These events and conditions along with other matters described in note (8) indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.


Hisham Mohamed Hamed
R.A.A. 39411
F.R.A. 422
Cairo
24 September 2026



QALAA FOR FINANCIAL INVESTMENTS (S.A.E.)
INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026



(All amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

Interim condensed separate statement of financial position - As of 31 March 2026

	Note	31 March 2026	31 December 2025
Non-current assets			
Fixed assets	3(b)	1,266	1,688
Investments in subsidiaries and joint ventures	3(a)	7,215,174	7,219,372
Financial assets at fair value through other comprehensive income	2(e)	27,821	20,344
Payments under investments		6,557,828	6,557,828
Loans to subsidiaries	2(a)	1,825,633	2,035,268
Total non-current assets		15,627,722	15,834,500
Current assets			
Loans to subsidiaries	2(a)	811,578	539,913
Other Receivables		179,440	141,956
Due from related parties	5(a)	4,899,265	3,824,950
Cash and bank balances	2(b)	64,841	2,394
Total current assets		5,955,124	4,509,213
Total assets		21,582,846	20,343,713
Equity			
Paid-up capital		21,132,320	21,132,320
Reserves		80,703	74,908
Accumulated losses		(16,027,684)	(14,902,093)
Shareholder's balance		(639,457)	(639,457)
Net Equity		4,545,882	5,665,678
Non-current liabilities			
Deferred tax liabilities		18,846	17,142
Loans	2(c)	743,846	638,148
Total non-current liabilities		762,692	655,290
Current liabilities			
Provisions		312,823	316,869
Other Payables	2(d)	3,858,979	3,370,798
Due to related parties	5(b)	1,551,839	1,335,864
Loans	2(c)	10,550,631	8,999,214
Total current liabilities		16,274,272	14,022,745
Total equity and liabilities		21,582,846	20,343,713

- The accompanying notes on pages 8 to 25 form an integral part of these interim condensed separate financial statements.
- Limited review report attached

Tarek El Gammal
Chief Financial Officer

Hisham El Khazindar
Managing Director

Ahmed Mohamed Hassanien Heikal
Chairman

23 September 2026

QALAA FOR FINANCIAL INVESTMENTS (S.A.E.)
INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026



(All amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

Interim condensed separate statement of profit or loss
For the three months period ended 31 March 2026

	Note	31 March 2026	31 March 2025
Advisory revenue	4(a)	51,740	54,745
General and administrative expenses		(154,749)	(161,115)
Provision no longer required		3,625	-
Impairment no longer required		-	23,959
Other income		11,699	2,502
Operating (loss)		(87,685)	(79,909)
Finance income	4(c)	246,554	225,580
Finance costs	4(c)	(1,284,438)	(580,494)
(Loss) before income tax		(1,125,569)	(434,823)
Income tax	4(d)	(22)	(42)
Net (Loss) for the period		(1,125,591)	(434,865)
(Loss) per share for the period:			
Basic and diluted (loss) per share from losses (EGP/Share)	6	(0.27)	(0.24)

- The accompanying notes on pages 8 to 25 form an integral part of these interim condensed separate financial statements.

QALAA FOR FINANCIAL INVESTMENTS (S.A.E.)
INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026



(All amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

Interim condensed separate statement of comprehensive income
For the three months period ended 31 March 2026

	31 March 2026	31 March 2025
Net (loss) for the period	(1,125,591)	(434,865)
Change in Financial assets at fair value through other comprehensive income	3,857	(1,684)
Unrealized Forex (loss) from financial assets at fair value	3,620	(97)
Income tax relating to these items	(1,682)	379
Total comprehensive (loss) for the period	(1,119,796)	(436,267)

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QALAA FOR FINANCIAL INVESTMENTS (S.A.E.)
INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026



(All amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

Interim condensed separate statement of changes in equity
For the three months period ended 31 March 2026

	Paid up capital	Reserves	Accumulated losses	Shareholder's contribution	Total / (Net) Equity
Balance at 1 January 2025	9,100,000	126,763	(17,571,886)	(639,457)	(8,984,580)
Total comprehensive (loss) for the period	-	(1,402)	(434,865)	-	(436,267)
Balance at 31 March 2025	9,100,000	125,361	(18,006,751)	(639,457)	(9,420,847)
Balance at 1 January 2026	21,132,320	74,908	(14,902,093)	(639,457)	5,665,678
Total comprehensive (loss) for the period	-	5,795	(1,125,591)	-	(1,119,796)
Balance at 31 March 2026	21,132,320	80,703	(16,027,684)	(639,457)	4,545,882

- The accompanying notes on pages 8 to 25 form an integral part of these interim condensed separate financial statements.

QALAA FOR FINANCIAL INVESTMENTS (S.A.E.)
INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026



(All amounts are shown in Thousand Egyptian Pounds unless otherwise stated)

Interim condensed separate statement of cash flows
For the three months period ended 31 March 2026

	Note	31 March 2026	31 March 2025
Cash flows from operating activities			
(Loss) before income tax		(1,125,569)	(434,823)
Adjusted to:			
Fixed assets depreciation	3(b)	422	422
Interest expense	4(c)	258,447	310,605
Interest income	4(c)	(168,652)	(53,150)
Unrealized foreign exchange (loss)		950,140	173,366
Provision no longer required		(3,625)	-
Financial guarantee revaluation	4(c)	(77,902)	-
Other Income		(79)	(73)
Operating (loss) before changes in working capital		(166,818)	(3,653)
Changes in working capital:			
Other debit balances		(56,045)	6,269
Due from related parties		(43,512)	(54,745)
Other credit balances		208,121	(171,482)
Due to related parties		(728)	-
Net cash flows (used in) operating activities		(58,982)	(223,611)
Cash flows from finance activities			
Due from related parties		(23,775)	312,514
Due to related parties		47,185	10,999
Loan payments		(11,502)	(101,120)
Net cash flows generated from finance activities		11,908	222,393
Cash flows from investing activities			
Proceeds from loans to subsidiaries		106,622	27,793
Net cash flows generated from investing activities		106,622	27,793
Net change in cash and cash equivalents		59,548	26,575
Cash and cash equivalents at beginning of the period		2,394	43,913
Effect of exchange rate in cash and cash equivalents		2,899	(47)
Cash and cash equivalents at end of the period	2(b)	64,841	70,441

- The accompanying notes on pages 8 to 25 form an integral part of these interim condensed separate financial statements.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

1. Introduction

Qalaa for Financial Investments "S.A.E." was incorporated in 2004 as an Egyptian joint stock company under Law No. 159 of 1981. It was registered in the commercial register under number 11121, Cairo on 13 April 2004. The Company's term is 25 years as of the date it is entered in the commercial register. The company's head office is located in 31 Arkan Plaza, Sheikh Zayed City, 6th of October, Giza, Arab Republic of Egypt. The company is registered in the Egyptian Stock Exchange.

The purpose of the Company is represented in providing financial and financing consultancy for different companies and preparing and providing feasibility studies in the economical, engineering, technological, marketing, financial, administrative, borrowing contracts arrangements and financing studies for projects and providing the necessary technical support in different fields except legal consultancy, in addition to working as an agent of companies and projects in contracting and negotiations in different fields and steps especially negotiations in the management contracts, participation and technical support. Managing, executing and restructuring of projects.

The Extraordinary General Assembly of the Company decided on 20 October 2013 to approve the Company's conditions of work in accordance with the Capital Market Law and its Executive Regulations as a company engaged in the purpose of establishing companies and participating in increasing the capital of companies in accordance with the provisions of Article 27 of the Capital Market Law and 122 of its executive regulations. The necessary legal procedures have been initiated after completion of all necessary legal procedures to increase the company's capital until the situation is reconciled according to the new capital of the company.

The company's preferred shares are owned by Citadel Capital Partners Ltd. Company, the principal shareholder of the company by 24.51%.

These interim condensed separate financial statements have been authorised by the company's Board of Directors on 23 September 2026, and the Shareholders' General Assembly has the right to modify the interim condensed separate financial statements after being issued.

Users of these interim condensed separate financial statements should read them together with Company's interim condensed consolidated financial statements for 31 March 2026 to obtain full information on financial position, results of operations, cash flow and changes in equity of the Company as a whole.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

2. Financial assets and financial liabilities

2(a) Loans to subsidiaries

Loans to subsidiaries are represented in finance agreements to subsidiaries as follows:

	31 March 2026	31 December 2025
<u>Current</u>		
National Development and Trading Company	788,800	536,459
United foundries company	22,778	3,454
	811,578	539,913
<u>Non-current</u>		
National Development and Trading Company	1,726,227	1,922,297
United Foundries Company	99,406	112,971
	1,825,633	2,035,268
	2,637,211	2,575,181

According to the agreement dated March 31, 2024, signed between the company, National Development and Trading Company, and United Foundries Company, the outstanding debts owed by them was converted from U.S. dollars to Egyptian pounds, effective from March 31, 2024. The parties agree that the repayment period for this debt shall not exceed fifteen years from the date of signing this agreement by both parties and the contracting parties have agreed that from the date of this contract, this debt shall be considered an interest-free loan to support the company's financial growth and business operations expansion plan.

The movement in impairment of loans due from subsidiaries, reflected within the asset balance:

	31 March 2026	31 December 2025
Balance at 1 January	-	-
Formed during the period	-	-
Impairment no longer required *	-	(422,583)
Foreign currency exchange loss differences	-	-
Adjustments **	-	422,583
Total	-	-

* The Company recognized an impairment no longer required for 86.2% of the proceeds received from the National Development and Trading Company during the year 2025.

** For financial assets that are credit-impaired on purchase or origination, the lifetime ECL on initial recognition are included in the estimated cash flows used to determine the credit-adjusted effective interest rate. Thus, no loss allowance is recognised on initial recognition. However, an entity should recognise, at each reporting date in the income statement, the amount of the change in lifetime ECL as an impairment gain or loss.

The loan is subsequently measured at amortised cost, Factoring in ECL with interest accrued using the effective interest rate method, considering the unwinding of the difference between the cash paid and fair value on initial recognition.

During the year 2025, the Company reassessed the estimated future cash flows associated with the loan facility granted to National Development and Trading Company based on revised cash flow projections. As a result of this reassessment, the previously recognised loan was derecognised, and a new loan receivable was recognised at the present value of the revised estimated future cash flows.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

2. Financial assets and financial liabilities (continued)

2(b) Cash and bank balances

	31 March 2026	31 December 2025
Bank Current accounts – local currency	40,854	1,776
Cash on hand	23,391	298
Bank Current accounts – foreign currency	596	320
	64,841	2,394

The average effective interest rate on deposits at 31 March 2026 was 13.5% (31 December 2025: 14.5%). Time deposits and current accounts with banks are placed with local banks under the supervision of Central Bank of Egypt.

2(c) Loans

On 1 February 2012 the Company has signed a long-term loan contract with an amount of US \$325 million with Citi Bank Company - syndication manager along with other consortium of banks (represented in Arab African International Bank S.A.E, Arab International Bank, Banque du Caire, Misr Bank S.A.E, and Piraeus Bank) and guaranteed by Overseas Private Investment Corporation for the purpose of expanding the Company's investments and refinancing the outstanding debts as at 31 December 2011 (which represented in the loan granted to the Company on 15 May 2008 with an amount of US \$200 million for a period of five years from a Consortium of banks represented in Arab African International Bank, Suez Canal Bank, Misr bank , Piraeus Bank and Citi Bank London "syndication manager").

Loan was to be paid on nine installments during the contract period begins from the third year to the end of contract on 15 May 2013. The loan balance is US \$172 million (equivalent to EGP 1 billion) as at 31 December 2011 until the date of the new contract).

The loan amount is divided into three classes:

First class: Irrevocable amount of US \$175 million bearing variable interest rate (4.25%+Libor rate) for 5 years begins from the date of the contract and payable on five equal annual instalments.

Second class: Irrevocable amount of US \$125 million bearing variable interest rate (3.9%+Libor rate on the date of withdrawal) for 10 years begins from the date of the contract and payable on nine equal annual instalments with one-year grace period.

Third class: Irrevocable amount of US \$25 million bearing variable interest rate (3.9%+Libor rate on the date of withdrawal) and the Company has the right to use it within nine years begins from the date of the contract and payable on nine equal annual instalments begins from the date of withdrawal with one year grace period.

During the year 2024, Qalaa entered into a group of agreements with the participant's banks to settle the above debt as follows:

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

2. Financial assets and financial liabilities (continued)

2(c) Loans(continued)

Purchased loan QHRI and Citadel Capital Partners Companies:

The Company's ordinary general assembly decided on 30 May 2024 to approve the offer submitted by Qalaa Holding Restructuring Ltd "QHRI" (a company that was established in accordance with the laws of the British Virgin Islands) by the owners of Citadel Capital Partners Ltd. (the "main shareholder" of Qalaa) to purchase the external debt owed by Qalaa to certain banks and Financial institutions participating in the syndicated loan agreement dated 1 February 2012 ("the Syndicated loan") signed between Qalaa and a group of local and international banks and institutions. This purchase was at an amount equivalent to 20% of the remaining principal balance of the lenders' share who accepted the purchase offer in the Syndicated loans payable in USD in an international bank account selected by the accepting lenders. The opportunity to participate in the debt purchase was offered to all Qalaa shareholders via the funding of QHRI against a debt note issued by the latter. The Purchased Senior Debt was concluded effective 30 June 2024 and the participating Qalaa shareholders will henceforth be the beneficial holders of the Purchased Senior Debt. The debt will then be extinguished by Qalaa in the form of a capital increase providing the participating shareholders repayment in the form of shares in Qalaa or cash or a combination thereof. Such agreement serves to reduce Qalaa's debt levels and financing costs.

As of 30 June 2024, an amount of USD 240,752,323 equivalent to EGP 12 billion has been reclassified from bank loans to loan from Qalaa Holding Restructuring Ltd and an amount of USD 60,852,032 was reclassified to Citadel Capital Partners on 30 October 2024.

On 30 October 2024, an assignment of rights agreement was concluded between QHRI Company and Citadel Capital Partners Company (the main shareholder) for an amount of USD 60,852,032.

This amount represents Citadel Capital Partners Company's share of the debt owed by the Company to QHRI Company, which QHRI had acquired from the relevant banks and financial institutions. This is part of the procedures to increase the issued capital of the Company enabling Citadel Capital Partners Company to subscribe to its share (whether in preferred or common shares) using the credit balance. It is stipulated that this assignment shall be non-transferable and may not be disposed of, pledged, traded, or endorsed until payment is made.

Citadel capital partners subscribed in the first phase of the debt purchase subscription with its full share (23.487%) amounting to USD 6,623,334. Furthermore, Citadel capital partners subscribed in the second phase of the debt purchase agreement with an amount of EGP 25,256,730 (equivalent to USD 504,905) bringing the total amount contributed by CCP to USD 7,128,239 which constitutes 25.277%. Accordingly, the main shareholder's assignment was completed with an amount of USD 60,852,032 out of the total USD 240,752,323. In case of the increase of the Company's issued capital was not completed, The Company shall be obligated to pay USD 7,128,239 to Citadel Capital Partners Company, in addition to paying USD 21,576,666 to QHRI Company to enable it to refund the value of the debt bonds to the beneficiaries. Furthermore, QHRI Company and Citadel Capital Partners Company shall agree to waive the remaining debt owed by the Company.

According to the Financial Regulatory Authority's approval on the Company's board of directors resolution dated 11 June 2025 regarding the proposal to increase the company's authorised capital from EGP 10 billion to EGP 50 billion & issued capital from EGP 9.1 billion to EGP 23.1 billion to settle debts & strengthen working capital, the company resolved to reclassify QRHI & CCP loans balance to payments under capital increase as of 30 June 2025

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

2. Financial assets and financial liabilities (continued)

2(c) Loans(continued)

On July 17, 2025, the Extraordinary General Assembly approved the increase of the authorized capital from EGP 10 billion to EGP 50 billion, and the issued capital (ordinary and preferred shares) from EGP 9.1 billion to EGP 23.1 billion distributable with an increase of EGP 14 billion distributable to 2,800,000,000 shares of which 2,181,940,540 ordinary shares and 618,059,460 preferred shares with a par value of EGP 5 per share. The capital increase subscription was conducted in two phases. A total of 2,406,464,000 shares were subscribed of which 1,798,211,430 ordinary shares and 608,252,570 preferred shares, with a total value of 12,032,320,000 Egyptian pounds

On 5 October 2025, the commercial register of Qalaa has been updated to reflect the increase of the company's authorized capital from EGP 10 billion to EGP 50 billion, and the increase of the issued and paid-up capital from EGP 9,100,000,000 to EGP 21,132,320,000, divided into 4,226,464,000 shares, all being cash shares, comprising 3,216,472,781 ordinary shares and 1,009,991,219 preferred shares.

1. Arab International Bank:

Qalaa and its subsidiaries and related companies entered a debt restructuring agreement with Arab International Bank effective in the third quarter of the year 2024. Under this agreement, loans were restructured and will be repaid in instalments totalling USD 184 million starting from 2024 till 2033. A variable interest rate with a SOFR base will be applied semi-annually. Once the payment schedule is completed under the new terms, USD 44 million along with any accrued interest and excess interest, will be waived by the bank.

On 4 September 2024, Qalaa announced the completion of the debt settlement agreement.

According to the agreement, a wholly owned subsidiary took over Qalaa in its debt and will settle its outstanding loan of USD 44 million, on its behalf. Consequently, the loan amount has been transferred to the subsidiary. The agreement also stipulates that Qalaa guarantee to cover any shortfall in the repayment instalments.

Therefore, the company recorded a financial guarantee at fair value through the profit and loss statements for the subsidiary amounting to USD 34 million, It will be subject to periodic review during the preparation of subsequent financial statements, with the necessary adjustments made accordingly Note (4c).

2. Egyptian Banks:

Qalaa for Financial Investments S.A.E has entered into a debt settlement agreement with Banque Misr, Banque du Caire, Arab African International Bank, and Al Ahli Bank of Kuwait ("the Egyptian Banks"), The terms of this debt settlement resulted in the settlement of the loan against the sale of certain assets contingent on meeting the terms of the agreement. The agreement came into effect in the third quarter of the year 2024 after the condition precedent had been met. As of 31 March 2026, the company did not comply with some of the conditions specified in the agreement. Accordingly, all the loan balance related to the Egyptian banks have been presented as current liabilities.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

2. Financial assets and financial liabilities (continued)

2(c) Loans(continued)

Settlement and waivers	31 March 2026
Total debt before the settlement agreement	9,440,679
Other interest	1,405,400
Foreign currency exchange differences	124,331
Settlement through transfer of shares in Taqa Arabia (A)	(3,347,689)
Settlement through land plot in Tibeena area (B)	(600,000)
Compensation for stock price variations (C)	(477,801)
Compensation for exchange rate and stock price variations paid (C)	(416,085)
Debt expected waiver in case of compliance with whole contract terms (D)	6,128,835

The settlement includes the following:

A. Shares in TAQA Arabia:

In September 2024, Qalaa transferred 239,120,667 shares (17.68%) in TAQA Arabia to the Egyptian banks, and the balance of the loan was not reduced by the value of the shares due to the following reasons:

1. Qalaa has the right to repurchase these shares (call option) during the fifth year after the transfer. The banks retain the right to resell the shares to Qalaa (Put option) during the sixth year. Qalaa did not account for the call or the put option as the shares are considered under the control of Qalaa as illustrated in point 3 below.
2. The agreement imposes restrictions on the local banks on selling the transferred shares for five years till the call option period elapses.
3. Qalaa will maintain voting rights for the transferred shares in TAQA Arabia S.A.E. until the end of the call option period.

As per the agreement, Qalaa transferred the 239,120,667 shares in Taqa Arabia at an agreed price. At the end of the put option period and by the time the shares are settled against the loans, Qalaa is liable to compensate the banks with any differences below the agreed price plus a specific return and the actual share prices at the date of settlement.

B. Land Plot in Tibeena Area:

Qalaa transferred a registered 60,127 sq.m. land plot overlooking the Nile in the Tibeena area in September 2024 owned by a wholly owned subsidiary, valued at EGP 600 million, contingent on obtaining a construction license within six months after meeting the conditions precedent. Until the license is obtained, the bank considers the selling price of the land to be EGP 233.5 million. The company did not record the partial settlement of the loan from selling the Tibeena land as the group has the right to replace the land with another asset within 6 months after the condition precedent is met.

C. Compensations for Exchange Rate and Stock Price Variations:

These include an amount of EGP 598 million which will be paid over five years in equal instalments till 31 December 2028. Of this amount Qalaa paid EGP 120 million during the year ended 31 December 2025, and EGP 30 million subsequent to the period ended 31 March 2026. Additionally, an amount of EGP 296 million was due as exchange rate compensation payable during the years 2024 and 2025. As of 31 December 2025, Qalaa paid EGP 296 million.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

2. Financial assets and financial liabilities (continued)

2(c) Loans(continued)

D. Debt expected waiver in case of compliance with whole contract terms:

As of 31 March 2026, the company is entitled to an expected waiver excluding any differences between the agreed price of TAQA shares and the actual share price at the settlement date amounting to EGP 6.1 billion and any accrued interest conditioned to compliance with the whole agreement terms and conditions. Until the company fully complies with the terms of the agreement, the agreement specifies that the bank will continue to calculate interest on the total amount at the previous interest rate under the original loan agreement in a separate account.

Given these circumstances, the debt to the Egyptian banks has not been derecognized, as the conditions of the agreement have not yet been completely satisfied.

The total loans balance as of 31 March 2026 as follows:

	31 March 2026	31 December 2025
Current		
Egyptian banks	10,550,631	8,999,214
Balance	10,550,631	8,999,214
Non-Current		
Sunrise service Egypt (LLC) *	743,846	638,148
Balance	743,846	638,148

*On 22 May 2024, the company and one of its fully owned subsidiaries signed an agreement with Olayan to restructure an existing USD 12 million loan by which Qalaa transferred a building to partially settle an existing loan owed by the subsidiary. Olayan assigned its right in the USD 12 million loan to one of his related parties. Qalaa will pay a monthly interest rate for three years in the form of lease payments. The company has a call option to repurchase the building within three years for USD 12 million plus a fixed annual interest rate. Management assessed that this transaction does not qualify as a sale and is recognized as a collateralized borrowing, as the company retains control over the transferred asset.

2(d) Other Payables

	31 March 2026	31 December 2025
Other financial liability**	1,653,093	1,520,944
Accrued expenses	686,341	564,675
Trade and notes payable	636,413	502,260
Former Shareholder's balance*	569,104	491,804
Tax authority	310,134	287,670
Dividends payable	2,894	2,894
Social insurance authority	1,000	551
Total other payables	3,858,979	3,370,798

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

2. Financial assets and financial liabilities (continued)

2(d) Other Payables (continued)

Trade payables are unsecured and are usually paid within 60 days of recognition.
The carrying amounts of other payables balances are the same as their fair values due to their short-term nature.

*Former Shareholder credit balance represents amounts due to shareholders that resulted from prior acquisitions as well as financing certain subsidiaries. Management doesn't have unconditional rights to defer the settlement and expects these balances to be repaid within twelve months from the date of the condensed separate financial statements.

**Other financial liabilities' balance represents the financial guarantee at fair value recorded by the company against both the Arab International Bank loan settlement and Olayan settlement

2(e) Maturities of financial liabilities

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due, due to shortage of funding. Company's exposure to liquidity risk results primarily from the lack of offset between assets of maturities of assets and liabilities.

The management makes cash flow projections on periodic basis, which are discussed during the Board of directors meeting and takes the necessary actions to negotiate with suppliers, follow-up the collection process from related parties to ensure sufficient cash is maintained to discharge the Company's liabilities. The Company's management monitors liquidity requirements to ensure it has sufficient cash and cash equivalents to meet operational needs while maintaining sufficient cash cover to meet the cash outflows to settle the obligations of loans and borrowings to be able to maintain financial terms, guarantees and covenants at all times.

The Company limits liquidity risk by maintaining sufficient facilities and reserves, and by monitoring cash forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturities of the Company's undiscounted financial liabilities at 31 March 2026 and 31 December 2025, based on contractual payment dates and current market interest rates.

	Below 1 year
31 March 2026	
Loans	10,550,631
Other credit balances	3,858,979
Due to related parties	1,551,839
Total	15,961,449
31 December 2025	
Loans	8,999,214
Other credit balances	3,370,798
Due to related parties	1,335,864
Total	13,705,876

**Excluding tax authority, accrued expenses and social insurance authority.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

2. Financial assets and financial liabilities (continued)

2(e) Maturities of financial liabilities (continued)

Fair value estimation

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

The table below shows the financial assets and liabilities at fair value in the separate financial statements at 31 March 2026 within the hierarchy of fair value, based on the input levels that are considered to be 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 Company can have access to at the date of measurement.
- 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 of the asset or the liability.

Recurring fair value measurements At 31 March 2026	Level 1	Level 2	Level 3	Total
Financial assets				
<u>Financial assets at fair value through other comprehensive income</u>				
Equity securities	-	27,821	-	27,821
Total financial assets	-	27,821	-	27,821

The table below shows the financial assets at fair value in the interim condensed separate financial statements at 31 December 2025 within the hierarchy of fair value.

Recurring fair value measurements At 31 December 2025	Level 1	Level 2	Level 3	Total
Financial assets				
<u>Financial assets at fair value through other comprehensive income</u>				
Equity securities	-	20,344	-	20,344
Total financial assets	-	20,344	-	20,344

The Company determines the level, in the case of transfers between levels within the hierarchy of fair value through the revaluation of the classification (based on the lowest input levels that are significant to the fair value measurement as a whole). The Company did not make any transfers between levels 1 and 2 during the period.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

3. Non-financial assets and liabilities

3(a) Investments in subsidiaries and joint ventures

Company Name	Country of operation	Equity Interest 2026	Equity Interest 2025	31 March 2026	31 December 2025
Investment in subsidiaries:					
Citadel Capital for International Investments Ltd.	Egypt	100%	100%	3,809,016	3,809,016
Citadel Capital Holding for Financial Consultancy-Free Zone	Egypt	99.99%	99.99%	1,350,002	1,350,002
National Development and Trading Company ***	Egypt	47.65%	47.65%	1,189,261	1,189,261
ASEC Company for Mining (ASCOM)	Egypt	56.55%	57.29%	321,154	325,352
United Foundries Company ***	Egypt	29.29%	29.29%	391,392	391,392
ASEC Cement Company **	Egypt	1.86%	1.86%	41,913	41,913
ASEC Trading Company	Egypt	99.85%	99.85%	49,999	49,999
International Company for Mining Consultation	Egypt	99.99%	99.99%	62	62
Total Investment in subsidiaries				7,152,799	7,156,997
Investment in Joint Ventures:					
Wathba for Petroleum services*	Egypt	49.90%	49.90%	62,375	62,375
Total Investment in Joint Ventures				62,375	62,375
Total Investment in Subsidiaries and joint ventures				7,215,174	7,219,372

* On 4 September 2022, a new Company was established under the name of "Wathba for Petroleum Services". The Company's total issued and paid-up capital is EGP 125million where Qalaa's share is 49.9% with a total of EGP 62.37 million, as of December 2025, Qalaa has paid its portion of the issued and paid-up capital amounting to EGP 62.37 million.

The management have assessed the Company as a joint venture due to the following facts:

- A) Qalaa has 49.9% of the ownership interest of "Wathba for Petroleum Services".
- B) Qalaa has 4 out of 8 of the board members of "Wathba for Petroleum Services" with a joint management control and equal voting rights.

**Qalaa's direct investment in ASEC Cement represents 1.8%, the indirect ownership percentage is 49.38%, and therefore the effective ratio is 51.18%.

***As disclosed in notes (2A) and (5F) given the transaction carried out between entities under the common control of Qalaa, with Qalaa acting in its capacity as the parent. As such the resulting difference between the carrying amount of the old loan (net of previously recognised expected credit losses) and the present value of the new loan, it does not reflect a commercial gain or loss but rather a capital contribution by the parent, In accordance with the substance-over-form principle, this difference has been recognised as an increase in the parents investment in the subsidiary.

The loan is subsequently measured at amortized cost, with interest accrued using the effective interest rate method, considering the unwinding of the difference between the cash paid and fair value on initial recognition.

Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

3. Non-financial assets and liabilities (continued)

3(b) Fixed assets

	Buildings	Computers	Furniture, fixture & office equipment	Vehicles	Software	Total
31 December 2025						
Cost	33,742	8,862	23,037	540	24,856	91,037
Accumulated depreciation	(32,055)	(8,862)	(23,037)	(540)	(24,855)	(89,349)
Net carrying value	1,687	-	-	-	1	1,688
Period ended 31 March 2026						
Net book value at the beginning of the period	1,687	-	-	-	1	1,688
Depreciation expense	(422)	-	-	-	-	(422)
Net book value	1,265	-	-	-	1	1,266
31 March 2026						
Cost	33,742	8,862	23,037	540	24,856	91,037
Accumulated depreciation	(32,477)	(8,862)	(23,037)	(540)	(24,855)	(89,771)
Net carrying value	1,265	-	-	-	1	1,266

4. Profit and loss information

4(a) Advisory Revenue

Advisory fee represents advisory services rendered to the subsidiaries and other related parties by virtue of shareholders agreements:

	31 March 2026	31 March 2025
Falcon Agriculture Investments Ltd	30,351	32,084
Citadel Capital Transportation Opportunities II Ltd	13,160	13,911
ASEC for Cement	8,229	8,750
	51,740	54,745

4(b) Significant items

	31 March 2026	31 March 2025
Expenses		
Salaries, wages and other employees' benefits	112,922	123,534

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

4. Profit and loss information (continued)

4(c) Finance costs - net

	31 March 2026	31 March 2025
Credit interest**	168,652	53,314
Net foreign exchange gain	-	172,266
Financial guarantee revaluation ***	77,902	-
Total finance income	246,554	225,580
Interest expenses	(43,866)	(65,140)
Other interest expense*	(214,581)	(245,465)
Financial guarantee revaluation ***	-	(269,889)
Net foreign exchange loss	(1,025,991)	-
Total Finance costs	(1,284,438)	(580,494)
Net	(1,037,884)	(354,914)

*Other interest expenses represent the interest calculated on the total debt amount of the Egyptian banks loan at the previous Interest rate under the original loan agreement. Refer to note 2(c)

**The credit interest represents the accrued interest income according to the signed contracts with related parties as follows:

	31 March 2026	31 March 2025
National Development and Trading Company*	162,892	14,392
Citadel Capital Holding for Financial Investments-Free Zone	-	32,998
United Foundries Company*	5,760	5,760
Other	-	164
	168,652	53,314

4(c) Finance costs - net

* Refer to disclosure loans to subsidiaries (Note 2a)

*** This item includes an unrealised loss arising from the remeasurement of the financial guarantee liability based on the present value calculations of the underlying loans from Arab International Bank and Olayan in accordance with Egyptian accounting standards. It will be subject to periodic review during the preparation of subsequent financial statements, with the necessary adjustments made accordingly, refer to the Arab International Bank under the loan disclosure (2c).

4(d) Income tax

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. There is no material change in the effective tax rate for the period as compared to prior period

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

5. Related party transactions

The Company entered several transactions with companies and entities that are included within the definition of related parties, as stated in EAS 15, "Disclosure of related parties". The related parties comprise the Company's top management of the company, their entities, companies under common control. The management decides the terms and conditions of the transactions and services provided beyond the related parties and any other expenses fairly and depending on contracts and agreements the following are the nature and values of the transactions with the related parties during the period also the accrued balances at the date of condensed separate financial position

5 (a) Due from related parties

Company name	Nature of relationship	Nature and volume of transaction			31 March 2026	31 December 2025
		Advisory fee	Finance	Forex		
Mena Home furnishings Mall	Subsidiary	-	-	36,476	287,629	251,153
Falcon Agriculture Investments Ltd.	Subsidiary	30,352	-	243,018	1,917,597	1,644,227
Golden Crescent Investments Ltd.	Subsidiary	-	-	26,415	208,292	181,877
Citadel Capital Transportation Opportunities Ltd.	Subsidiary	-	-	7,078	33,054	25,976
Logria Holding Ltd.	Investee	-	-	38,106	300,483	262,377
Mena Glass Ltd.	Investee	-	-	23,789	187,587	163,798
Sabina for Integrated Solutions	Subsidiary	-	-	7,616	60,054	52,438
Citadel Capital Financing Corp.	Subsidiary	-	-	45,450	358,398	312,948
Citadel Capital Transportation Opportunities II Ltd.	Subsidiary	13,160	-	120,055	903,901	770,686
Citadel Capital Holding for Financial Investments-Free Zone	Subsidiary	-	(21,884)	450,578	2,917,834	2,489,140
ASEC Company for Mining (ASCOM)	Subsidiary	-	-	(388)	16,284	16,672
United Foundries Company	Subsidiary	-	3,500	(2,147)	554,137	552,784
Citadel Capital for International Investments Ltd.	Subsidiary	-	42,159	649,469	2,176,784	1,485,156
Africa Railways Limited	Subsidiary	-	-	12,499	98,561	86,062
Mena Joint Investment Fund Management S.A	Subsidiary	-	-	16,216	127,871	111,655
Citadel Capital Joint Investment and Management limited Fund	Subsidiary	-	-	3,719	29,325	25,606
Africa JIF Holdco I fund	Subsidiary	-	-	4,917	38,777	33,860
Crondall Holdings Ltd.	Subsidiary	-	-	12,233	96,461	84,228
International Company for Mining Consultation	Subsidiary	-	-	-	140	140
Grandview Investment Corp	Subsidiary	-	-	-	-	-
ASEC Cement	Subsidiary	-	-	-	-	-
Total					10,313,169	8,550,783
Accumulated impairment loss *					(5,413,904)	(4,725,833)
Net					4,899,265	3,824,950

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

5. Related party transactions (continued)

5 (a) Due from related parties (continued)

*The accumulated impairment loss of due from related parties is as follows:

	Balance as at 1 January 2026	Formed	Write off	Foreign exchange differences	Balance as at 31 March 2026
Logria Holding Ltd.	262,377	-	-	38,106	300,483
Citadel Capital Financing Corp.	312,948	-	-	45,450	358,398
Golden Crescent Investments Ltd.	181,877	-	-	26,415	208,292
Sabina for Integrated Solutions Citadel Capital Transportation Opportunities Ltd.	52,438	-	-	7,616	60,054
Mena Glass Ltd.	25,976	-	-	7,078	33,054
Africa Raliways Limited	163,798	-	-	23,789	187,587
Africa Raliways Limited	86,062	-	-	12,499	98,561
Crondall Holdings Ltd.	84,228	-	-	12,233	96,461
Citadel Capital Holding for Financial Investments-Free Zone	2,441,656	-	-	354,605	2,796,261
Citadel Capital for International Investments Ltd.	863,320	-	-	123,804	987,124
Mena Home Furnishings Mall	251,153	-	-	36,476	287,629
Balance	4,725,833	-	-	688,071	5,413,904

5(b) Due to related parties

	Nature of relationship	Nature and volume of transaction			31 March 2026	31 December 2025
		Advisory fee	Finance	Forex		
Grandview Investment Corp	Subsidiary	-	27,859	(7,380)	39,041	18,562
ASEC Cement Company	Subsidiary	728	665	(471)	29,279	28,357
ASEC Trading Company	Subsidiary	-	(1,079)	26,560	304,288	278,807
Citadel Capital for International Investments Ltd.	Subsidiary	-	-	71,307	562,294	490,987
Ahmed Heikal	Chairman	-	-	36	962	926
FHI*	Shareholder	-	19,740	78,010	615,975	518,225
Total					1,551,839	1,335,864

*On March 31, 2024, Qalaa for Financial Investment S.A.E executed a settlement agreement with Financial Holdings International Ltd (FHI) that resolves most of the company and its subsidiaries' obligations to FHI and transfers FHI's ownership in some of Qalaa's subsidiaries. It is worth noting that FHI has interests in several of the company's subsidiaries and is also a creditor to Qalaa and some of its subsidiaries. Under the agreement, FHI transferred its shares in several of Qalaa's subsidiaries to a Qalaa wholly owned subsidiaries including:

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

5. Related party transactions (continued)

5(b) Due to related parties (continued)

The National Company for Development and Trading (which owns the ASEC Group operating in the cement sector and related industries) and United Foundries Company.

This transfer resulted in Qalaa's direct and indirect ownership in these two companies reaching approximately 100%. Additionally, FHI transferred its stake in Citadel Capital Transportation Opportunities Ltd (CCTO), which owns the National Ports Company. FHI also settled most of the company's and its subsidiaries' previous obligations and return all related guarantees. FHI discharged the debts owed from National Company for Development and Trade and United Foundries company.

In exchange, approximately \$13.2 million will be paid to FHI, with \$4.2 million already paid and the remaining \$9 million was supposed to be settled by September 30, 2024, but it has not been settled yet. Resulting in the balance becoming interest-bearing. Under this agreement, the company has transferred its indirect ownership (27.21%) in the National Printing Company to FHI, with the company retaining the right to repurchase this stake within two years.

5(c) Key Management Compensation

Key management personnel received total benefits during the period with an amount of EGP 35 million in 31 March 2026 represented in salaries and other benefits (31 March 2025: EGP 34.4 million)

5 (d) Terms and conditions

Transactions relating to Advisory fees during the period based on the Contracts in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates.

The loans to related parties are repayable between 1 to 15 years from the reporting date.

Outstanding balances are secured and are repayable in cash.

5(e) Impairment of loans to related parties and due from related parties

Impairment of loans to related parties and due from related parties is estimated by monitoring ageing of balances. The Company's management examines the credit position and ability of related parties to make payments for their past due debts. Impairment is recognised for amounts due from related parties whose credit position, as believed by the management, does not allow them to pay their dues. The amount of the loss is measured as the difference between the carrying amount of the asset and the present value of future cash flows discounted at the original effective interest rate of the financial asset, and the carrying amount is reduced directly to the related parties balance by making a provision for impairment of related parties' balance.

5(F) Loans to related parties

The change in the terms of the loan is accounted for as an extinguishment of the original loan and the recognition of a new loan at fair value. As a result of the non-market interest rate (nil) inherent in the loan, there will be a difference between the cash paid and fair value on initial recognition. This difference should be accounted for in accordance with the substance of transaction. However, the loan receivable should be classified at amortized cost, following a modification that results in derecognition of the original financial asset. The financial asset would be recognized as originated credit-impaired financial asset.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

6. Losses per share

Basic (Losses) per share is calculated by dividing the (Losses) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	31 March 2026	31 March 2025
Net (loss) for the period	(1,125,591)	(434,865)
Weighted average number of shares including preferred shares with the same distribution rights as ordinary shares	4,226,464	1,820,000
(Losses) per share (EGP)	(0.27)	(0.24)

Diluted (losses) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have any categories of dilutive potential ordinary shares on 31 March 2026 and 31 March 2025, hence the diluted (Losses) per share is the same as the basic (Losses) per share.

7. Basis of preparation of the interim condensed separate financial statements

Compliance with EAS

The interim condensed separate financial statements for the financial period ended 31 March 2026 have been prepared in accordance with the requirements of the Egyptian Accounting Standard (30) "Interim Financial Statements".

These interim condensed separate financial statements don't contain all the information required in preparing the full annual financial statements and should be read in conjunction with the Company's annual separate financial statements as of 31 December 2025.

The accounting policies adopted in the preparation of these interim condensed separate financial statements are consistent with those of the previous financial year and corresponding interim reporting period. except for the estimation of income tax (see note 4(d)) and the adoption of new and amended standards as set out below.

8. Going concern

As of 31 March 2026, the Company's current liabilities exceeded its current assets by EGP 10.3 billion (31 December 2025: EGP 9.5 billion), and the Company had accumulated losses of EGP 16 billion as of 31 March 2026 (31 December 2025: EGP 14.9 billion). These financial conditions, together with the matters described below, indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern:

- Dependence on the Company's future expected dividends in meeting the future loan instalments and liability repayments, which might be heavily impacted by any changes in the planned cashflows, especially from the Energy and cement sectors.
- The Company, defaulted on some of the obligations related to local banks. The full balance amounting to EGP 10.6 billion had been reclassified as current liabilities in the financial statements. As of 31 March 2026, the Company has paid the total amount of EGP 446 million related to the compensation for exchange rate and stock price variations. Management is at advanced stage of discussion with the lender to regularize the defaulted instalments and the pending conditions and the management is confident that the proposed repayment plan will more likely to be accepted. If the Company is unable to obtain deferral, complete settlement arrangements or otherwise remedy these matters, its liquidity position could be adversely impacted.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

8. Going concern (continued)

As of 31 March 2026, the Company's operations were primarily financed through borrowings and bank facilities totalling EGP 11.3 billion, of which EGP 744 million are classified as non-current and the remaining EGP 10.6 billion are classified as current due to default in certain banks agreements. The Company held cash and cash equivalents amounting to EGP 64.8 million.

Assessment of cash flow forecasts produced by management

The assessment of the going concern basis for the preparation of the financial statements of the Company relies heavily on achieving the forecasted future cash flows over the going concern assessment period and to successfully defer the defaulted debt instalments and remedy any breaches of loan conditions. Although the Company has a robust budgeting and forecasting process, there is an inherent uncertainty in the assumptions used in this process.

The management team has developed a robust and comprehensive five-year cash flow forecast for the next 5 years, which is subject to ongoing review and refinement to ensure it reflects the latest business developments and market conditions.

Key areas in determining the Company is a going concern

The key considerations in respect of assessing going concern and in reaching the conclusion are set out below:

Operational Activity

- Management continues to maintain a more relaxed cash flow impact from operating expenses either through deferring payments or cost cutting policies.

Liquidity Position

The Company has experienced significant liquidity issues and to address the liquidity issues, management has undertaken the following actions.

Loans from financial institutions, with a balance of EGP 11.3 billion outstanding as at 31 March 2026 represented as follows:

- A balance of EGP 10.6 billion due to Egyptian banks, Refer to Note 2(C)
- An amount of EGP 744million due to Sunrise Service Egypt, Refer to Note 2(C)

Other initiatives

Management continues to maintain a more relaxed cash flow impact from operating expenses either through deferring payments or cost cutting policies.

Based on the above operational and liquidity factors as well as the other initiatives, the company management is of the view that the company expects to continue to realize its assets and discharge its liabilities in the normal course of business and be able to continue to operate as a going concern.

Therefore, the separate financial statements of the company for the period ended 31 March 2026 have been prepared on a going concern basis.

**Notes to the interim condensed separate financial statements
For the three months ended 31 March 2026**

(All amounts in the notes are shown in Thousand Egyptian Pounds unless otherwise stated)

9. Significant events

- A) During early 2026, an intense armed conflict erupted in Iran and spread to several other Middle Eastern countries, resulting in heightened regional instability. These events are expected to have significant economic implications for the global economy and the Middle East region. Management continues to closely monitor the situation and is currently assessing the extent of the impact of these events on the Group's business activities and financial performance.
- B) The monetary policy committee of the central bank of Egypt reduced interest rates by 100 points on 12 February 2026.

10. Subsequent events

- A) On 8 July 2026, Qalaa reached an agreement with South Valley Cement Company to settle the 2024 arbitration ruling in Favor of ASEC Engineering, with a net amount of EGP 33 million. Under the agreement, South Valley Cement Company will transfer certain shareholdings in Group related entities to a wholly owned subsidiary of Qalaa for a total consideration of USD 7.5 million and EGP 25 million. After deducting the arbitration amount, the remaining balance will be settled in installments ending in 2028, with Qalaa providing a guarantee for its subsidiary's obligations.
- B) The Employee Stock Option Plan (ESOP), which was approved by the Company's Extraordinary General Assembly on 18 January 2023 and approved by the FRA on 5 September 2023, came into effect after the reporting period. The Remuneration, Benefits and Nominations Committee granted shares to the employees, managers, and executive board of directors, representing 5% of the Company's issued shares, to eligible employees, managers and executive members of the Board of Directors. The shares are granted free of charge and are subject to a three-year lock-up and vesting period. No shares have been issued or transferred to beneficiaries up to the date of the reporting date.
- C) On 10 September 2026, the Board of Directors approved the purchase of an additional indirect stake in the Egyptian Refining Company "ERC", increasing the Company's effective indirect ownership from 13% to 27.1%. The transaction is expected to be finalized by December 2026, subject to the fulfilment of the agreed terms and conditions. The Board also approved a cash capital increase for existing shareholders at par value, increasing the Company's paid-up capital from approximately EGP 21.1 billion to EGP 25 billion. The proceeds are intended to finance the purchase of ERCs' shares, settle outstanding obligations, and activate the call option right to repurchase Taqa Arabia shares by buying 5% of the total shares.