



QALAA FOR FINANCIAL INVESTMENTS
S.A.E. AND ITS SUBSIDIARIES
LIMITED REVIEW REPORT AND INTERIM
CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS

FOR THE NINE MONTH PERIOD ENDED
30 SEPTEMBER 2025

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Limited review report

On the interim condensed consolidated 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 consolidated statement of financial position of Qalaa for Financial Investments (S.A.E.) (the "Company") and its subsidiaries (together the "Group") as of 30 September 2025 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine-month period then ended. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with the Egyptian Accounting Standard 30 "Interim Financial statements", and our responsibility is limited to expressing a conclusion on these interim condensed consolidated 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 "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 consolidated financial statements.

Basis for qualified conclusion

Bank confirmations were not received from certain banks in connection with our audit of the consolidated financial statements of the Group for the year ended 31 December 2024. In the absence of confirmation responses or satisfactory alternative review procedures, until the date of this report, we have not been able to satisfy ourselves regarding the completeness and accuracy of the balances due to these banks of EGP 22.5 billion as at 30 September 2025 (EGP 22.3 billion as of 31 December 2024) and related disclosures and any other balances including unfunded exposures and contingent liabilities that the Group may have had with these banks as at 31 December 2024 and 30 September 2025.

Accordingly, we were unable to determine whether any adjustments might have been necessary in respect of these balances in the interim condensed consolidated statement of financial position as at 30 September 2025 and, consequently, to the interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine month period then ended, in addition to unfunded exposures, contingent liabilities or other disclosures that may have been required in the interim condensed consolidated financial statements for the nine month period then ended.

Limited review report (continued)

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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 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 consolidated financial statements are not prepared, in all material respects, in accordance with Egyptian Accounting Standard 30 "Interim financial statements".

Emphases of matter

Without additional qualification to our conclusion, we draw attention to the following matters:

- As described in note (12) to the interim condensed consolidated financial statements, the Group's current liabilities exceeded its current assets by EGP 9.66 billion at 30 September 2025 and it had accumulated losses of EGP 26.33 billion as at that date. The Group also incurred a net loss from continuing operations amounting to EGP 4.33 billion for the period ended 30 September 2025. These events and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. The interim condensed consolidated financial statements do not include the adjustments that would be necessary if the Group were unable to continue as a going concern.
- As described in note (11.B), the interim condensed consolidated financial statements sets out the key considerations and critical accounting judgements applied by management in concluding that the Egyptian Refining Company ("ERC") should be consolidated by the Group. Should these considerations and judgements change, the Group may need to deconsolidate ERC.



Hisham Mohamed Hamed
R.A.A. 39411
F.R.A. 422



19 March 2026
Cairo

QALAA FOR FINANCIAL INVESTMENTS S.A.E. AND ITS SUBSIDIARIES



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2025

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

	Note	30 September 2025	31 December 2024
Non-current assets			
Fixed assets	7(a)	144,958,485	163,056,974
Right of use assets	7(b)	2,103,535	2,318,495
Intangible assets		703,639	774,653
Goodwill		205,570	205,570
Biological assets		1,047,580	839,798
Investments in associates and joint ventures	5	6,921,746	6,815,647
Financial assets at fair value through other comprehensive income	6(d)(i)	97,828	98,822
Financial asset at fair value through profit or loss	6(f)	-	948,448
Derivative financial instruments	6(d)(iii)	1,197,873	1,309,428
Trade and other receivables		2,229,434	2,231,143
Deferred tax assets		6,372,605	7,369,062
Total non-current assets		165,838,295	185,968,040
Current assets			
Inventories	7(d)	12,494,967	13,122,928
Biological assets		306,846	230,879
Trade and other receivables		11,254,719	14,669,786
Due from related parties	8(a)	677,997	440,513
Financial assets at fair value through profit or loss	6(f)	1,127,561	84,300
Restricted cash	6(e)	12,258,371	11,215,019
Cash and cash equivalents		4,069,202	2,698,056
		42,189,663	42,461,481
Assets classified as held for sale	4(d)(i)	21,626	22,965
Total current assets		42,211,289	42,484,446
Total assets		208,049,584	228,452,486
Equity			
Paid-up capital		9,100,000	9,100,000
Legal reserve		89,578	89,578
Payment under capital increase	14 (b)	12,032,320	-
Reserves		(40,606)	2,095,794
Accumulated losses		(26,327,830)	(25,031,228)
Net equity attributable to owners of Qalaa for Financial Investments		(5,146,538)	(13,745,856)
Non-controlling interests		70,740,202	80,745,238
Total equity		65,593,664	66,999,382
Non-current liabilities			
Loans and borrowings	6(a)	67,873,408	67,560,064
Lease liabilities		954,352	930,933
Borrowing from financial leasing entities	6(b)	575,030	490,059
Deferred tax liabilities		18,572,095	19,631,187
Trade and other payables		2,333,798	2,324,557
Provisions	7(c)	279,444	276,218
Total non-current liabilities		90,588,127	91,213,018
Current liabilities			
Provisions	7(c)	2,631,884	2,643,692
Trade and other payables		18,174,137	17,381,931
Due to related parties	8(b)	3,389,177	3,396,932
Loans and borrowings	6(a)	23,676,331	43,812,216
Lease liabilities		312,695	293,689
Borrowing from financial leasing entities	6(b)	374,398	372,315
Financial liabilities at fair value through profit or loss	6(g)	2,724,453	2,004,523
Current income tax liabilities		580,024	329,554
		51,863,099	70,234,852
Liabilities directly associated with assets held for sale	4(d)(ii)	4,694	5,234
Total current liabilities		51,867,793	70,240,086
Total liabilities		142,455,920	161,453,104
Total equity and liabilities		208,049,584	228,452,486

The accompanying notes on pages 8 - 48 form an integral part of these interim condensed consolidated financial statements.

Limited review report attached.

Tarek El Gammal
Chief Financial Officer

Hisham Hussein El Khazindar
Managing Director

Ahmed Mohamed Hassanien Heikal
Chairman

Limited review report attached
19 March 2026

QALAA FOR FINANCIAL INVESTMENTS S.A.E.
AND ITS SUBSIDIARIES



INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2025

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

	Note	Nine months ended 30 September		Three months ended 30 September	
		2025	2024	2025	2024
Continuing operations					
Revenue	2(b)	100,593,202	113,299,708	38,300,582	37,551,505
Cost of revenue		(93,901,361)	(101,488,489)	(33,876,521)	(35,056,259)
Gross profit		6,691,841	11,811,219	4,424,061	2,495,246
General and administrative expenses		(3,806,197)	(4,005,468)	(1,251,042)	(924,663)
Selling and marketing expenses		(627,374)	(350,526)	(205,672)	(113,710)
Net impairment of financial assets	3(d)(i)	112,053	210,770	(38,650)	22,812
Other income / (losses)	3(d)(ii)	119,031	(790,191)	224,833	1,200,013
Operating profit		2,489,354	6,875,804	3,153,530	2,679,698
Finance income	3(b)	1,622,930	1,288,521	463,911	269,450
Finance costs	3(b)	(7,532,722)	(8,531,315)	(2,417,290)	(2,717,997)
Share of gains of investments in associates		204,612	146,615	110,962	71,746
(Loss) / profit before income tax		(3,215,826)	(220,375)	1,311,113	302,897
Income tax expense	3(c)	(1,114,146)	(1,331,507)	(241,026)	(114,444)
Net (loss) / profit from continuing operations		(4,329,972)	(1,551,882)	1,070,087	188,453
Profit from discontinued operations	4(b)	-	9,943,606	-	-
Net (loss) / profit for the period		(4,329,972)	8,391,724	1,070,087	188,453
Attributable to:					
Owners of the parent company		(1,203,294)	5,977,116	81,414	114,546
Non-controlling interest		(3,126,678)	2,414,608	988,673	73,907
		(4,329,972)	8,391,724	1,070,087	188,453
(Losses) / Earnings per share for profit from continuing operations attributable to the owners of the parent company:					
Basic per share	9(a)	(0.661)	3.284	0.044	0.063
Diluted per share	9(c)	(0.661)	3.284	0.044	0.063
(losses) / earnings per share for (losses) / profit attributable to the owners of the parent company:					
Basic per share	9(a)	(0.661)	3.284	0.044	0.063
Diluted per share	9(c)	(0.661)	3,284	0.044	0.063

The accompanying notes on pages 8 - 48 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2025

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

	Nine months ended 30 September		Three months ended 30 September	
	2025	2024	2025	2024
Net (loss) / profit for the period	(4,329,972)	8,391,724	1,070,087	188,453
<u>Other comprehensive income</u>				
<u>Items that may be reclassified to profit or loss</u>				
Exchange differences on translation of foreign operations	(9,014,743)	30,970,266	(2,602,133)	1,143,521
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(16,703)	(2,978)	(4,839)	(5,637)
Change in fair value of financial assets at fair value through other comprehensive income	(46,094)	28,235	(45,610)	13,479
Income tax relating to these items	(1,435)	(5,986)	(1,437)	(2,982)
Other comprehensive (loss) / income for the period, net of tax	(9,078,975)	30,989,537	(2,654,019)	1,148,381
Total comprehensive income for the period	(13,408,947)	39,381,261	(1,583,932)	1,336,834
Total comprehensive (loss) / income for the period attributable to:				
Owners of the parent company	(3,575,903)	13,247,613	(304,578)	482,009
Non-controlling interest	(9,833,044)	26,133,648	(1,279,354)	854,825
	(13,408,947)	39,381,261	(1,583,932)	1,336,834
Total comprehensive (loss) / income for the period arises from:				
Continuing operations	(13,408,947)	29,437,655	(1,583,932)	1,336,834
Discontinued operations	-	9,943,606	-	-
	(13,408,947)	39,381,261	(1,583,932)	1,336,834

The accompanying notes on pages 8 - 48 form an integral part of these interim condensed consolidated financial statements.

**QALAA FOR FINANCIAL INVESTMENTS S.A.E.
AND ITS SUBSIDIARIES**



**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2025**

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

	Total equity attributable to owners of Qalaa for Financial Investments S.A.E.					Total	Non-controlling interests	Total equity
	Paid up capital	Legal reserve	Payment under capital increase	Reserves	Accumulated losses			
Balance as at 1 January 2024	9,100,000	89,578	-	5,577,858	(21,874,092)	(7,106,656)	47,051,014	39,944,358
Effect of EAS 13 "revised" adjustment (note 10)	-	-	-	-	(9,409,591)	(9,409,591)	(2,508,893)	(11,918,484)
Balance as at 1 January 2024 after the effect of EAS 13 "revised"	9,100,000	89,578	-	5,577,858	(31,283,683)	(16,516,247)	44,542,121	28,025,874
Total comprehensive income for the period	-	-	-	7,270,497	5,977,116	13,247,613	26,133,648	39,381,261
Dividends distribution	-	-	-	-	(39,526)	(39,526)	-	(39,526)
Shareholders' balance	-	-	-	(1,728,000)	-	(1,728,000)	-	(1,728,000)
Foreign exchange differences of shareholders reserve	-	-	-	(1,480,405)	-	(1,480,405)	-	(1,480,405)
Disposal of subsidiary	-	-	-	(302,171)	(42,290)	(344,461)	(746,755)	(1,091,216)
Transactions with non-controlling interests	-	-	-	(6,763,318)	-	(6,763,318)	6,678,837	(84,481)
Treasury shares through subsidiaries	-	-	-	-	-	-	(40,211)	(40,211)
Balance at 30 September 2024	9,100,000	89,578	-	2,574,461	(25,388,383)	(13,624,344)	76,567,640	62,943,296
Balance as at 1 January 2025	9,100,000	89,578	-	2,095,794	(25,031,228)	(13,745,856)	80,745,238	66,999,382
Total comprehensive income for the period	-	-	-	(2,372,609)	(1,203,294)	(3,575,903)	(9,833,044)	(13,408,947)
Payment under capital increase (note 14 B)	-	-	12,032,320	-	-	12,032,320	-	12,032,320
Dividends distribution	-	-	-	-	(93,308)	(93,308)	(9,358)	(102,666)
Foreign exchange differences of shareholders reserve	-	-	-	252,122	-	252,122	-	252,122
Shareholders' balance	-	-	-	(15,913)	-	(15,913)	-	(15,913)
Transactions with non-controlling interests	-	-	-	-	-	-	(162,634)	(162,634)
Balance at 30 September 2025	9,100,000	89,578	12,032,320	(40,606)	(26,327,830)	(5,146,538)	70,740,202	65,593,664

The accompanying notes on pages 8 - 48 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2025

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

	30 September 2025	30 September 2024
Cash flows from operating activities		
Loss for the period before income tax	(3,215,826)	(220,375)
Net loss before income tax, adjusted for:		
Depreciation and amortization	10,326,018	9,651,239
Loss on settlement of lease contract	8,508	1,030
Unrealized forex (income) / loss	(2,857,257)	5,371,490
Impairment of due from related parties – net	1,394	(5,092)
Impairment of trade and other receivables – net	(94,662)	(206,569)
Impairment of inventory – net	-	(81,678)
Ineffective portion of cash flow hedge	-	126,735
Share of (profit) of investments in associates	(204,612)	(146,615)
Effect of financial liabilities at fair value through profit or loss	144,299	125,554
Effect of financial assets at fair value through profit or loss	(95,297)	(64,774)
Change in biological assets' fair value	(6,575)	-
Loss on sale of biological assets	104,163	33,658
Gain on sale of fixed assets	(17,148)	25
Provisions – net	34,659	571,439
Gain from restructuring	(473,162)	-
Interest expenses	7,532,722	8,257,151
Interest income	(715,204)	(693,698)
Operating gain before changes in working capital:	10,472,020	22,719,520
Changes in working capital		
Inventories	627,961	(4,403,741)
Trade and other payables	801,447	8,702,838
Trade and other receivables	3,593,250	(5,943,339)
Due from related parties	(238,880)	(1,596,942)
Due to related parties	(7,755)	942,256
Provisions used	(20,747)	(220,633)
Additions financial liabilities at fair value through profit or loss	-	386,356
Income tax paid	(137,584)	(120,385)
Net cash flow generated from operating activities	15,089,712	20,465,930
Cash flows from investing activities		
Payments to purchase of fixed assets, PUC and intangible assets	(6,488,873)	(1,295,690)
Payments to acquire financial assets at fair value through profit or loss	-	(464,615)
Proceeds from sale of fixed assets	51,306	14,185
Biological assets	(399,475)	(350,142)
Proceeds from sale of biological assets	85,899	-
Proceeds from sale of shares	72,165	-
Payment for acquisition of associates	-	(24,950)
Interest received	603,581	693,698
Net cash flow used in investing activities	(6,075,397)	(1,427,514)
Cash flows from financing activities		
Proceeds from loans	950,780	263,866
Proceeds from banks – overdrafts	351,228	295,685
Payments to purchase of treasury shares through subsidiaries	-	(40,211)
Repayments of loans	(8,513,222)	(10,197,285)
Repayments of leases	(205,855)	(190,691)
Dividends paid	(102,666)	(39,526)
Transactions with non-controlling interest	-	(81,382)
Restricted cash	(1,043,352)	(1,463,776)
Interest paid	(927,922)	(1,975,897)
Repayments to financial leasing entities	(467,130)	-
Proceeds from financial leasing entities	319,872	427,857
Proceeds from sale financial assets at fair value through profit or loss	-	1,002,108
Net cash flow used in financing activities	(9,638,267)	(11,999,252)
Net change in cash and cash equivalents during the period	(623,952)	7,039,164
Cash and cash equivalents at beginning of the period	2,698,056	1,975,005
Foreign currency translation differences	1,995,098	2,581,281
Cash and cash equivalents at end of the period	4,069,202	11,595,450

The accompanying notes on pages 8 - 48 form an integral part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2025

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

1. Introduction

Qalaa for Financial Investments "S.A.E." "The Holding Company" 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 Holding Company's term is 25 years as of the date it is entered in the commercial register and can be renewed. The Holding Company is registered in the Egyptian Stock Exchange.

The Holding Company's head office is located at 31 Arkan Plaza, Sheikh Zayed City, 6th of October, Giza, Arab Republic of Egypt.

The purpose of the Group and main activities are described in [note 2](#) on segment information.

The Holding Company is owned by Citadel Capital Partners Ltd. Company (Malta) by 23.49% which is the ultimate controlling party.

The interim condensed consolidated financial statements were authorised to be issued by the Board of Directors 19 March 2026.

2. Segment information

The Group Management Board is identified as the Chief Operating Decision-Maker (CODM) at Group level.

The information below shows the segment information provided to the CODM for the reportable segments for the nine-months period ended 30 September 2025 and also the basis on which revenue is recognized:

2. (a) Description of segments and principal activities

The following summary describes each reportable segment:

Energy sector

Qalaa for Financial Investments Company has invested in energy as one of the core industries within the Group segments. Its integrated investments along the value chain, midstream and downstream including refining, energy distribution, power generation and solid waste management, provide solutions that truly tackle the energy problems that faces today.

Cement sector

Qalaa for Financial Investments Company in the cement sector produce high-quality building materials that meet international environmental standards, while helping build critical national infrastructure in Africa and the Middle East. Qalaa for Financial Investments, through its subsidiary company ASEC Holding, has pursued promising opportunities in regional markets with strong fundamentals.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2025

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

2. Segment information (continued)

2. (a) Description of segments and principal activities (continued)

Transportation and logistics sector

Qalaa for Financial Investments Company investments in the river transport, logistics and port management sector. As fuel subsidies are gradually removed in Egypt and fuel becomes more costly, manufacturers will be seeking for alternative means of transporting goods. Nile logistics has large fleet of fuel-efficient barges, which are more efficient, affordable and environmentally friendly that transfer cargo along the Nile. The capacity of one river barges is equivalent to 20-40 trucks, with only one-quarter of the emissions.

Mining sector

Qalaa for Financial Investments Company investments in the mining sector help in developing nations and add value to their natural resources. All of Group investments in the mining sector focus on research and development, precious metals mining, mining for the cement industry, quarry management and the production of insulation materials products for domestic and export consumption to help countries in Africa and the Middle East to unlock their economic potential.

Agriculture food industries sector

Qalaa for Financial Investments Company investments in agri-foods aim to overcome challenges facing the agricultural and food production sector in Egypt and the region. Qalaa Companies in the agri-foods sector bring trusted household names to market through Dina farms, ICDP (Dina Farms' fresh dairy and juice producer).

Financial services sector

Qalaa for Financial Investments and its subsidiaries within this sector invest in various sectors including energy, cement, transportation and logistics, mining, agriculture food industries, and Packaging and printing. Some of the wholly owned subsidiaries have acquired debts to finance ERC and other operational companies within the Group.

2. (b) Segment revenues

Below is summary of operating revenues by segment. The amounts presented include inter-segment transactions, which are conducted in the normal course of business and priced in a manner similar to third party transactions. The revenue from external parties is measured in the same way as in the interim condensed consolidated statement of profit or loss.

30 September 2025	Segment revenue	Inter-segment revenue	Revenue from external customers	Timing of revenue recognition		
				At a point in time	Over time	Total
Energy sector	87,111,915	-	87,111,915	87,111,915	-	87,111,915
Cement sector	5,698,149	-	5,698,149	5,234,668	463,481	5,698,149
Mining sector	3,026,477	-	3,026,477	3,026,477	-	3,026,477
Agriculture food industries sector	3,166,975	-	3,166,975	3,166,975	-	3,166,975
Transportation and logistics sector	636,584	-	636,584	636,584	-	636,584
Other sectors	953,102	-	953,102	953,102	-	953,102
Total	100,593,202	-	100,593,202	100,129,721	463,481	100,593,202

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2025

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

2. Segment information (continued)

2. (b) Segment revenues (continued)

30 September 2024	Segment revenue	Inter-segment revenue	Revenue from external customers	Timing of revenue recognition		
				At a point in time	Over time	Total
Energy sector	103,235,083	-	103,235,083	103,235,083	-	103,235,083
Cement sector	3,567,578	-	3,567,578	2,302,792	1,264,786	3,567,578
Agriculture food industries sector	2,521,787	-	2,521,787	2,521,787	-	2,521,787
Mining sector	2,285,125	-	2,285,125	2,285,125	-	2,285,125
Transportation and logistics sector	604,902	-	604,902	604,902	-	604,902
Other sectors	1,085,233	-	1,085,233	1,085,233	-	1,085,233
Total	113,299,708	-	113,299,708	112,034,922	1,264,786	113,299,708

Total revenue from customers in Egypt was EGP 97.7 billion (30 September 2024: EGP 112.3 billion) representing 97.1% (30 September 2024: 99%) of the total consolidated revenue. Revenue generated from outside Egypt is substantially derived from the operations in Sudan.

2. (c) Segments assets

Segment assets are measured in the same way as in the interim condensed consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Segment assets	30 September 2025				31 December 2024			
	Current assets	Non-current assets	Investment in associates	Total assets	Current assets	Non-current assets	Investment in associates	Total assets
Energy	32,108,825	141,213,118	4,642,485	177,964,428	35,859,633	155,172,548	4,541,031	195,573,212
Financial services	15,229,654	33,505,860	2,094,847	50,830,361	19,801,128	29,387,065	2,067,531	51,255,724
Cement	9,035,570	5,159,430	248,674	14,443,674	7,355,073	11,117,715	289,525	18,762,313
Mining	1,307,890	3,867,883	-	5,175,773	2,445,299	4,799,410	-	7,244,709
Agriculture food industries	3,835,307	2,564,042	-	6,399,348	1,052,331	2,131,433	-	3,183,764
Transportation and logistics	530,237	1,149,572	-	1,679,809	473,824	998,203	-	1,472,027
Other	1,058,828	222,792	-	1,281,620	975,719	216,337	-	1,192,056
	63,106,311	187,682,697	6,986,006	257,775,013	67,963,007	203,822,711	6,898,087	278,683,805
Eliminations	(20,895,022)	(28,766,148)	(64,260)	(49,725,429)	(25,478,561)	(24,670,318)	(82,440)	(50,231,319)
Total	42,211,289	158,916,549	6,921,746	208,049,584	42,484,446	179,152,393	6,815,647	228,452,486

The total of non-current assets other than financial instruments and deferred tax assets located in Egypt represents 97.1% (2024: 95.8%) of the total consolidated assets of the Group.

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2. Segment information (continued)

2. (d) Segments liabilities

Segment liabilities are measured in the same way as in the interim condensed consolidated financial statements. These liabilities are allocated based on the operations of the segment.

Segment liabilities	30 September 2025			31 December 2024		
	Current liabilities	Non-current liabilities	Total liabilities	Current liabilities	Non-current liabilities	Total liabilities
Energy	15,785,774	74,108,396	89,894,170	23,762,764	74,520,738	98,283,502
Financial services	48,174,275	15,683,336	63,857,611	64,956,190	15,654,160	80,610,350
Cement	7,090,708	19,492,669	26,583,377	6,114,881	20,442,830	26,557,711
Agriculture food industries	7,159,699	839,184	7,998,883	7,135,994	634,620	7,770,614
Mining	4,565,047	706,324	5,271,371	4,386,271	698,398	5,084,669
Transportation and logistics	4,096,637	96,687	4,193,324	4,122,139	159,609	4,281,748
Other	1,787,903	1,094,370	2,882,273	1,762,645	1,084,544	2,847,189
	88,660,043	112,020,966	200,681,009	112,240,884	113,194,899	225,435,783
Elimination	(36,792,250)	(21,432,839)	(58,225,089)	(42,000,798)	(21,981,881)	(63,982,679)
Total	51,867,793	90,588,127	142,455,920	70,240,086	91,213,018	161,453,104

3. Profit and loss information

3(a) Significant items

	30 September 2025	30 September 2024
Gains		
Impairment of trade receivables and other debit balances no longer required ¹	136,871	242,426
Other income ²	268,023	163,335
Impairment of inventory no longer required ³	-	83,802
Provisions no longer required ⁴	207,877	3,767
Expenses		
Net change in financial asset fair value change through profit or loss ⁵	95,296	(339,842)
Management fees ⁶	-	(684,119)
Loss on sale of biological assets	(104,163)	(33,658)
Provisions formed ⁷	(242,595)	(575,206)
Other expenses ⁸	(121,259)	(93,574)
Impairment of trade receivables and other debit balances formed	(42,398)	(35,857)

- 1) Impairment of trade receivables and other debit balances no longer required is mainly related to decrease in ECL as result of collection of receivables in one of the group's subsidiaries.
- 2) Other income includes an amount of EGP 62.5 million related to export subsidies income on 30 September 2025, and an amount of EGP 84 million related to negative goodwill resulting from the acquisition of a company in the transportation and logistics sector. The remaining amount related to income from activities other than the main activities of the Group (30 September 2024: An amount of EGP 122.9 million for export subsidies income).
- 3) Reversal of inventory impairment that is no longer required, relating to the reversal of the inventory provision following an award in favour of one of the Group's subsidiaries on 30 September 2024.

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3. Profit and loss information (continued)

3(a) Significant items (continued)

- 4) Provisions no longer required includes an amount of EGP 187 million related to the reversal of the QNB loan provision following the settlement of the loan.
- 5) Net change in financial assets at fair value through profit or loss includes a loss of EGP 111.5 million related to revaluation of NSPO call option and a gain of EGP 206.8 million related to change in fair value of Allied gold corporation shares (30 September 2024: a loss of EGP 88.5 million related to revaluation of NSPO call option and loss of EGP 48.6 million related to change in fair value of Allied gold corporation shares and gains of EGP 24.9 million related to change in fair value of Raya Holding investments).
- 6) In May 2008, Qalaa for Financial Investments' Extraordinary Shareholder's Meeting approved the management contract between the Company and its parent – Citadel Capital Partners, upon which, Citadel Capital Partners would manage the Company and would be entitled to 10% share of the Company's net profit for the year, payable on a quarterly basis. Additionally, it was disclosed at the time in the Company's listing prospectus on the Egyptian Stock Exchange, published in Al-Shorouk newspaper, issue no. 308, dated 5 December 2009. Subsequently, the Company's General Assembly Meeting held on 25 July 2019 decided the interpretation and application of the management fee calculation to Citadel Capital Partners Ltd. (CCP) which will be based on 10% of the net profit allocated to the owners of the parent company interests from the consolidated profit. The Other losses including the management fee amounted to Nil during the period ending 30 September 2025 (30 September 2024: 684.1 million).
- 7) Provisions formed include an amount of EGP 521.6 million against probable claims from external parties on 30 September 2024.
- 8) Other expenses includes an amount of EGP 112.1 million related to change in financial liabilities at fair value through profit or loss (30 September 2024: an amount of EGP 22.8 related to losses from sale of financial assets at fair value through profit or loss in one of the group subsidiaries, while the remaining amount relates to expenses from activities other than the Group's principal operations.

3(b) Finance costs – net

	Nine months ended 30 September		Three months ended 30 September	
	2025	2024	2025	2024
Net foreign exchange gain	434,564	594,823	277,096	36,284
Credit interest	715,204	693,698	186,815	233,166
Gain from loan settlements	473,162	-	-	-
Total finance income	1,622,930	1,288,521	463,911	269,450
Interest expenses	(5,585,275)	(7,229,666)	(1,782,277)	(1,851,998)
Lease interest expense	(404,373)	(306,617)	(133,881)	(123,532)
Other interest expense	(1,543,074)	(720,868)	(501,132)	(720,868)
Debt restructure cost	-	(147,429)	-	(17,394)
Ineffective portion of cash flow hedge	-	(126,735)	-	(4,205)
Total finance costs	(7,532,722)	(8,531,315)	(2,417,290)	(2,717,997)
Net	(5,909,792)	(7,242,794)	(1,953,379)	(2,448,547)

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3. Profit and loss information (continued)

3(b) Finance costs – net (continued)

- 1- **Net foreign exchange gain** includes an amount of EGP 208.4 million related to hyperinflation differences from operations in Sudan (30 September 2024: EGP 520.2 million).
- 2- **Credit interest** includes a gain an amount of EGP 124 million resulting from the acceleration of present value interest income following the early receipt of the second instalment of Allied in shares.
- 3- **Gain from loan restructuring** represents the derecognition of the conditional interest liability following the fulfillment of all terms under the loan agreement with the National Development and Trading Company.
- 4- **Interest expense** includes an amount of EGP 180.7 million related to the substantive call option liability related to National Printing Company.
- 5- **Other interest expense** represents the interest calculated on the total debt until the Group fully complies with the restructuring agreements terms. Under these agreements, the bank continues to calculate interest on the full amount at the original loan agreement rate, recorded in a separate account. [note 6\(a\)](#)

3(c) 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.

3(d) Net impairment of financial assets and other gains

(i) Net impairment of financial assets	30 September 2025	30 September 2024
Impairment of bank accounts formed	-	(783)
Impairment of bank accounts no longer required	18,974	-
Impairment of due from related parties formed (Note 8a)	(1,394)	(1,464)
Impairment of due from related parties no longer required	-	6,550
Impairment of trade receivables and other debit balances formed	(42,398)	(35,857)
Impairment of trade receivables and other debit balances no longer required (Note 3a)	136,871	242,426
Others	-	(102)
	112,053	210,770

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3. Profit and loss information (continued)

3(d) Net impairment of financial assets and other gains (Continued)

(ii) Other gains/ (losses)	30 September 2025	30 September 2024
Gain/ (loss) on sale of fixed assets	17,148	(25)
Loss on sale of biological assets (Note 3a)	(104,163)	(33,658)
Impairment of inventory – net	(1,355)	81,678
Impairment of fixed asset -net	-	3,334
Provisions formed (Note 7c)	(242,595)	(575,206)
Provisions no longer required (Note 7c)	207,936	3,767
Net change in financial asset fair value change through profit or loss (Note 3a)	95,296	(339,842)
Other income (Note 3a)	268,023	163,335
Other losses (Note 3a)	(121,259)	(93,574)
	119,031	(790,191)

4. Discontinued operations

4(a) Description

30 September 2024

National Printing S.A.E (Subsidiary of Grandview) (Packaging & printing sector)

As of 27 March 2024, the Group disposed 27.21% of its shares in National Printing, leading to the derecognition of the subsidiary and the retained interest is accounted for as an investment in associate using the equity method.

4(b) Profit from discontinued operations and cash flow information

Discontinued operations after tax are represented in the following:

	Grandview	Total
30 September 2024		
Revenue	1,458,966	1,458,966
Cost of revenue	(1,046,586)	(1,046,586)
General and administrative & selling and marketing expenses	(113,761)	(113,761)
Other income – net	23,876	23,876
Finance cost – net	(12,082)	(12,082)
Operating profit before taxes	310,413	310,413
Income tax	(53,262)	(53,262)
Deferred tax	(7,679)	(7,679)
Profit after income tax of discontinued operation	249,472	249,472
Gain on sale of investment in subsidiary *	9,694,134	9,694,134
Net profit for the period	9,943,606	9,943,606
Income tax	-	-
Profit from discontinued operations, net of tax	9,943,606	9,943,606
Net cash flow generated from operating activities	81,781	81,781
Net cash flow used in investing activities	(60,632)	(60,632)
Net cash flow generated from financing activities	255,643	255,643
Net decrease in cash generated from by the subsidiary	276,792	276,792

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4. Discontinued operations (continued)

4(b) Profit from discontinued operations and cash flow information (continued)

*** Details of the sale that resulted in a loss of control**

	30 September 2024
Total disposal consideration	10,628,142
Carrying amount of net assets sold **	(1,590,388)
Non-controlling interests	746,068
Amount of post completion payment	(424,935)
Remaining shares liability	(9,216)
Gain on sale before income tax and reclassification of foreign currency translation reserve and other equity reserves	9,349,671
Reclassification of foreign currency translation reserve and other equity reserves	344,463
Gain on sale after income tax	9,694,134

** The table below includes the assets and liabilities of Grandview (after eliminations) summarized by each major category:

	30 September 2024
Fixed assets, PUC and investment in properties	1,623,043
Deferred tax assets	15,037
Total non-current assets	1,638,080
Inventories	1,123,181
Financial assets at amortized cost and other debit balances	2,238,747
Cash and cash equivalents	735,467
Total current assets	4,097,395
Total assets	5,735,475
Borrowings	548,524
Deferred tax liabilities	159,535
Total non-current liabilities	708,059
Trade payables and other credit balances	1,576,297
Borrowings	1,698,674
Provisions	162,057
Total current liabilities	3,437,028
Total liabilities	4,145,087
Net assets	1,590,388

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4. Discontinued operations (continued)

4(c) Significant estimates and assumptions

Arbitration based on the Bilateral Investment Treaty

Qalaa and one of its subsidiaries commenced an arbitration in 2021 administered by the Permanent Court of Arbitration in relation to a dispute with a foreign government. Hearings were held in 2024 and were followed by two rounds of post-hearing submissions.

Management has assessed the facts surrounding the claim and has concluded that no contingent asset should be recognised in the interim condensed financial statements. In accordance with EAS 28 Provisions, Contingent Liabilities and Contingent Assets, no contingent asset has been recognised in the financial statements as EAS 28 prohibits the recognition of contingent assets unless the realisation of income is virtually certain which is not currently the case.

In a separate agreement between Qalaa and Financial Holding International Limited (“FHI”), a payment to FHI is required by Qalaa should the claim be resolved in favour of the Group and the cash received exceeds a minimum amount. This obligation meets the definition of a financial liability under EAS 25 Financial Instruments: Presentation and is required to be initially measured at fair value and subsequently at amortised cost. Given that it is difficult to determine the impact of the arbitration on the Company’s current or future profits at such an early stage of the proceedings, management has concluded that the carrying amount of the liability is immaterial at the end of the reporting period.

Management will continually reassess the estimates and assumptions related to the potential recognition of the contingent asset and the measurement of the financial liability due to FHI. These assessments will be conducted in line with the latest developments in the arbitration proceedings.

The contract with the third party indicates higher percentage shares in any proceeds should be paid the higher the amount of the award. Should a payment be required at any future time, this will arise in conjunction with the realisation of a currently unrecognised contingent asset.”

4(d) Assets and liabilities of disposal group classified as held for sale

(i) Assets

	Ledmore Holding Limited	Total
30 September 2025		
Trade receivables and other debit balances	11,717	11,717
Cash and cash equivalents	9,909	9,909
Balance	21,626	21,626
31 December 2024		
Trade receivables and other debit balances	12,442	12,442
Cash and cash equivalents	10,523	10,523
Balance	22,965	22,965

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4. Discontinued operations (continued)

4(d) Assets and liabilities of disposal group classified as held for sale (continued)

(ii) Liabilities

	Mena Home Furnishing Malls Ltd.	Ledmore Holding Limited	Total
30 September 2025			
Trade payables and other credit balances	2,523	2,171	4,694
Balance	2,523	2,171	4,694

	Mena Home Furnishing Malls Ltd.	Ledmore Holding Limited	Total
31 December 2024			
Trade payables and other credit balances	2,680	2,554	5,234
Balance	2,680	2,554	5,234

5. Investments in associates and joint ventures

Carrying amounts of investments in associates and joint ventures

The carrying amount of equity-accounted investments has changed as follows during the period / year as follows:

	30 September 2025	31 December 2024
1 January	6,815,647	4,695,303
Additions	-	24,950
Fair value of retained investment	-	1,888,600
Share of gain of investments in associates in the consolidated statement of profit or loss	204,612	214,097
Share of gain of investments in associates in the consolidated statement of comprehensive income	(16,703)	102,574
Other components of equity	(81,810)	(109,877)
Balance	6,921,746	6,815,647

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6. Financial assets and financial liabilities

6(a) Borrowings

	30 September 2025			31 December 2024		
	Current	Non-current	Total	Current	Non-current	Total
Secured						
Bank loans*	21,625,529	62,208,562	83,834,091	29,530,432	61,986,652	91,517,084
Loans from related parties**	114,899	5,664,846	5,779,745	12,697,108	5,573,412	18,270,520
	21,740,428	67,873,408	89,613,836	42,227,540	67,560,064	109,787,604
Secured and Unsecured						
Short term facilities and bank overdrafts	1,935,903	-	1,935,903	1,584,676	-	1,584,676
	1,935,903	-	1,935,903	1,584,676	-	1,584,676
Total borrowings	23,676,331	67,873,408	91,549,739	43,812,216	67,560,064	111,372,280

Bank loans*:

1- Arab International Bank loan

Loan	30 September 2025				31 December 2024			
	Current	Non-current	Accrued interest	Total	Current	Non-current	Accrued interest	Total
National Company for Refining Consultation								
Loan currency: USD								
Arab International Bank (A)	746,562	5,577,367	-	6,323,929	672,779	5,922,720	-	6,595,499
Other borrowing payables (A)	-	2,152,989	1,258,338	3,411,327	-	2,312,480	571,053	2,883,533
Trimstone Assets Holdings Ltd.								
Loan currency: USD								
Arab International Bank (B)	378,909	1,904,884	-	2,283,793	342,829	2,022,835	-	2,365,664

A) Qalaa and its related companies entered into a debt restructuring agreement with Arab International Bank effective in the third quarter of year 2024. Under this agreement, loans were restructured and will be repaid in installments totaling USD 184 million starting from 2024 till 2033. A variable interest rate with a SOFR base will be applied semi-annually. As of 31 December 2024, Qalaa paid USD 15 Million under the new restructured agreement. The loan balance in National Company For Refining Consultancy includes an amount transferred from Qalaa. Until the Group fully complies with the new payment schedules, 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. 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. The amount of USD 44 million and its associated interest payable are classified as other borrowing payables as per the above detailed schedule.

B) The loan portion on Trimstone (a wholly owned subsidiary) includes an amount transferred from Citadel Capital Partners, Qalaa's main shareholder. On 6 July 2023, Qalaa's ordinary general assembly authorized Qalaa's Board of Directors to transfer a debt owed by Citadel Capital Partners Ltd., Qalaa's main shareholder to one of Qalaa's fully owned subsidiaries. This debt owed to Arab International bank and was transferred in the third quarter with an amount of EGP 1,728 billion. Management has classified the amount due from Citadel Capital Partners as an equity balance rather than a financial asset. Consequently, this balance is going to be netted off from any future management fees amounting to 10% of the consolidated net profit of the Group attributable to the owners of the parent company, and/ or any other distributions in accordance with the company's articles of association.

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6. Financial assets and financial liabilities (continued)

6(a) Borrowings (continued)

2- Local banks loans

Qalaa 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") to settle its debts as follows:

Settlement and waivers	Amount in EGP
Total debt before the settlement agreement	8,278,600
Other interest	980,193
Foreign currency exchange differences	(35,243)
Settlement through transfer of shares in Taqa Arabia (A)	(3,347,689)
Settlement through land plot in Tibeen area (B)	(600,000)
Compensation for exchange rate and stock price variations (C)	(589,107)
Debt expected waiver in case of compliance with whole contract terms (D)	<u>4,686,754</u>

A. Shares in TAQA Arabia: In September 2024, Qalaa transferred 239,120,667 shares (17.68%) in TAQA Arabia to the Egyptian banks. The shares are included as part of the investment in associates (note 5) and the balance of the loan was not reduced by the value of the shares due to the following reasons:

- The group 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. The group 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.
- The agreement imposes restrictions on the local banks on selling the transferred shares for five years till the call option period elapses.
- Qalaa will maintain voting rights for the transferred shares in TAQA Arabia S.A.E. until the end of the call option period. In line with EAS 18 "Investment in Associates," reflecting significant influence through voting rights, Qalaa has equity accounted for its 17.68% interest in the Company and has not derecognized the associated liability. If management's judgments change, this could lead to the derecognition of the investment in TAQA Arabia S.A.E. and the associated liability to pay the strike price. Without these amounts on the balance sheet, the option would be treated as a derivative financial instrument at fair value through profit or loss.
- As per the agreement, Qalaa transferred the 239,120,667 shares of 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 specific return on the actual share prices at the date of settlement.

B. Land Plot in Tibeen Area: Qalaa signed a sale agreement of a registered 60,127 sq.m. plot of land overlooking the Nile in the Tibeen area in September 2024 owned by one of the group's wholly owned subsidiaries, 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.

Due to pending approvals from governmental authorities on completion of the plot of land sale agreement, the group did not derecognize the land against partial settlement of the loan as at September 30, 2025.

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6. Financial assets and financial liabilities (continued)

6(a) Borrowings (continued)

- C. Compensation 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 70 million during the period ended 30 September 2025, and EGP 50 million subsequent to the period. Additionally, an amount of EGP 296 million is due as exchange rate compensation payable during the year 2024 and 2025. As of 30 September 2025, Qalaa paid EGP 296 million.
- D. Debt expected waiver in case of compliance with whole contract terms:** The group is entitled to an expected waiver of EGP 4.68 billion and any accrued interest conditioned to compliance with the whole agreement terms and conditions. Until the Group 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.

The loan balance related to the local banks has not been derecognized, as the conditions required for derecognition under the agreement had not been fully satisfied. As of 30 September 2025, the Company didn't comply with certain conditions specified in the agreement. Accordingly, the related loan balance has been presented as current liabilities.

3- ERC debt restructuring:

As of December 20, 2024, ERC has successfully finalized its Senior and Subordinated debt Restructuring. As part of the agreement ERC paid a total of EGP 1.69 billion (USD 33.3 million) in fees and default interest related to the debt restructuring process.

During the year ended 31 December 2024, ERC made a payment of EGP 11.9 billion (USD 233.6 million) to senior lenders, consisting of EGP 10 billion (USD 197 million) in principal repayment and EGP 1.86 billion (USD 36.6 million) in interest and fees. Furthermore, a total of EGP 2.45 billion (USD 48.1 million) was paid to subordinated lenders as per the restructuring agreement.

On June 30, 2025, ERC succeeded in paying USD 157.1 million to the senior lenders.

Following the completion of this restructuring and the above-mentioned repayment, the net senior debt as of 30 September 2025 stands at EGP 5.4 billion (USD 113.8 million), down from an initial amount of EGP 119.47 billion (USD 2.35 billion), ERC remains on track to settle its senior debt ahead of schedule. The subordinated debt currently stands at EGP 37.8 billion (USD 790.6 million), with an expected repayment completion by 2030.

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6. Financial assets and financial liabilities (continued)

6(a) Borrowings (continued)

Related party loans:**

- 1) On 30 September 2024, FHI discharged the loans owned by National Development and Trade Company and United Company for Foundries.
- 2) In accordance with ERC loan restructuring agreement signed with the senior lenders and approved by the shareholders (**note 6 (a)(3)**), ERC cannot pay any instalments of QPI's loan until the senior loans are fully settled. Accordingly, the QPI shareholder's loan has been reclassified to non-current liabilities.
- 3) On December 20, 2024, the group finalized a debt restructuring deal of USD 20 million, which includes a put option exercise notice of USD 5.5 million over a portion of one of Qalaa's subsidiary's equity. The debt will be repaid in 24 equal monthly instalments at a specified interest rate. Additionally, the lender agreed to waive any principal amount exceeding USD 18 million, provided that the obligations under the Finance Documents are met.
- 4) As of 30 September 2024, an amount USD 240,752,323 has been reclassified from bank loans to loans from related parties as Qalaa shareholders through Qalaa Holding Restructuring Ltd. (QHRI) purchased the external debt owed by Qalaa to certain banks and financial institutions participating in the syndicated loan agreement.

As of 30 September 2025, the amount of USD 240,752,323 has been reclassified to the statement of owners' equity as payment under capital increase.

- 5) On October 30, 2024, an assignment agreement was concluded between QHRI and Citadel Capital Partners Company (CCP), the main shareholder, for USD 60,852,032. This amount represents CCP's share of the debt owed by Qalaa to QHRI. This agreement is part of the procedures to increase Qalaa's issued capital, allowing CCP to subscribe to its shares (whether in preferred or common shares) using the credit balance. The assignment is non-transferable and cannot be disposed of, pledged, traded, or endorsed until payment is made. Subsequent to the period, the capital increase was completed.
- 6) On 22 May 2024, Qalaa 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 rights in a 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. Qalaa 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. In December 2024, an agreement has been signed regarding the remaining debt of Olayan.

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6. Financial assets and financial liabilities (continued)

6(b) Borrowing from financial leasing entities

	30 September 2025	31 December 2024
Borrowing from financial leasing entities (current portion)	374,398	372,315
Borrowing from financial leasing entities (non-current portion)	575,030	490,059
Balance	949,428	862,374

A) One of the Group's subsidiaries signed a financing contract. The contractual value of the contract amounted to EGP 321.9 million is divided into two tranches.

The total value of the first tranche amounted to EGP 208.2 million with interest rate 3% above LIBOR to be paid in quarterly installments until 20 March 2028.

The interest charged to the interim condensed consolidated statement of profit or loss during the period ended 30 September 2025 amounted to EGP 178.8 million.

B) One of the Group's subsidiaries signed a financing contract dated 30 April 2024. The contractual value of the contract amounted to EGP 402.7 million, with an interest rate based on the lending rate announced by the Central Bank of Egypt to be paid on a monthly instalment over two years.

The interest charged to the interim condensed consolidated statement of profit or loss during the period ended 30 September 2025 amounted to EGP 82.6 million.

6(c) Maturities of financial liabilities

The table below summarises the maturities of the Group's financial liabilities at 30 September 2025 and 31 December 2024, based on contractual payment dates.

	Below six months	From six months to one year	From one year to two years	Above two years
31 December 2024				
Borrowings and interest	25,465,032	21,471,886	39,790,194	53,234,211
Trade payables and other credit balances	7,951,334	4,248,462	24,417	20,729
Due to related parties	6,146,239	12,772,857	-	-
Lease Liabilities	92,002	138,000	207,296	1,946,397
Borrowing from financial leasing entities	261,248	268,111	325,888	378,004
Financial liabilities at fair value through profit or loss	-	2,004,523	-	-
Total	39,915,855	40,903,839	40,347,795	55,579,341
30 September 2025				
Borrowings and interest	22,220,385	13,978,267	14,736,182	54,501,499
Trade payables and other credit balances	19,213,083	612,700	-	2,716,968
Due to related parties	3,419,228	-	-	-
Lease Liabilities	100,165	342,926	248,710	1,717,640
Borrowing from financial leasing entities	340,581	242,646	316,495	519,161
Financial liabilities at fair value through profit or loss	-	2,724,453	-	-
Total	45,293,442	17,900,992	15,301,387	59,455,268

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6. Financial assets and financial liabilities (continued)

6(d) Recognised fair value measurements

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of financial instruments that are recognized and measured at fair value in the interim condensed financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under EAS 45 "Fair value measurement". An explanation of each level follows underneath the table.

Recurring fair value measurements are those that the accounting standards require or permit in the consolidated statement of financial position at the end of each reporting period. The level in the fair value hierarchy into which the recurring fair value measurements are categorized are as follows.

Recurring fair value measurements At 30 September 2025					
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
<u>Financial assets at FVOCI</u>					
Unlisted equity instruments		-	18,427	79,401	97,828
<u>Financial assets at FVPL</u>					
Listed equity instruments	6(f)(ii)	1,127,561	-	-	1,127,561
<u>Derivatives</u>					
Written call option agreement (NSPO)	6(f)(iii)	-	-	1,197,873	1,197,873
Total financial assets		1,127,561	18,427	1,277,274	2,423,262
Financial liabilities					
Trading derivatives		-	1,511,491	1,212,962	2,724,453
Total financial liabilities		-	1,511,491	1,212,962	2,724,453

Recurring fair value measurements At 31 December 2024					
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
<u>Financial assets at FVOCI</u>					
Unlisted equity instruments		-	19,422	79,400	98,822
<u>Financial assets at FVPL</u>					
Listed equity instruments	6(f)(ii)	1,032,748	-	-	1,032,748
<u>Derivatives</u>					
Written call option agreement (NSPO)	6(f)(iii)	-	-	1,309,428	1,309,428
Total financial assets		1,032,748	19,422	1,388,828	2,440,998
Financial liabilities					
Financial liabilities at fair value		-	1,571,403	433,120	2,004,523
Total financial liabilities		-	1,571,403	433,120	2,004,523

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6. Financial assets and financial liabilities (continued)

6(d) Recognised fair value measurements (continued)

There were no changes in the valuation technique for level 3 recurring fair value measurements during the period ended 30 September 2025 and 31 December 2024.

Level 1: The fair value of financial instruments traded in active markets (such as trading instruments) is based on quoted market prices (unadjusted) at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and over the counter derivatives.

ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- Unlisted equity investments compose interest in an investment fund. Fair value is measured by reference to published net asset value of the fund.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Aside from traded financial instruments, which are included in level 1, all of the resulting fair value estimates are included in level 2 except for derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

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6. Financial assets and financial liabilities (continued)

6(d) Recognised fair value measurements (continued)

iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended 30 September 2025 and 31 December 2024:

Assets / (liabilities)	Hedging derivatives – interest rate swaps (ERC)	Written call option agreement (CCII)	Unlisted equity instruments (Ostool)	Written call option agreement (NSPO)	Debt instruments	Total
Opening balance at 1 January 2024	129,446	(2,322)	50,847	1,926,709	-	2,104,680
Gains recognised through other comprehensive income	-	-	28,553	-	-	28,553
Recognition of debt instruments	-	-	-	-	(386,356)	(386,356)
Losses recognised through consolidated profit and loss	-	-	-	(617,281)	(46,764)	(664,045)
Hedging derivatives matured	(129,446)	-	-	-	-	(129,446)
Derecognition of the call option	-	2,322	-	-	-	2,322
Closing balance at 31 December 2024	-	-	79,400	1,309,428	(433,120)	955,708
Recognition of debt instruments	-	-	-	-	(742,613)	(742,613)
Losses recognised through consolidated profit and loss	-	-	-	(111,555)	(37,229)	(148,784)
Closing balance at 30 September 2025	-	-	79,400	1,197,873	(1,212,962)	64,311

iv) Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted.

Description	Fair value at		Un-observable inputs *	Range of Inputs		Valuation technique		Inputs used		sensitivity analysis
	30 September 2025	31 December 2024		30 September 2025	31 December 2024	30 September 2025	31 December 2024	30 September 2025	31 December 2024	
Written call option agreement (NSPO)	1,197,873	1,309,428	Probability of default rate	%23.03	22.08%	Option valuation model Monte Carlo	Option valuation model Monte Carlo	Risk free interest rate & volatility	Risk free interest rate & volatility	If an observable input changed by 10% this would result in change in fair value by EGP38.5M.
Unlisted equity instruments (Ostool)	79,400	79,400	Credit default rate	%27.3	27.3%	Discounted Cash flows	Discounted Cash flows	Risk free interest rate & volatility	Risk free interest rate & volatility	If an observable input changed by 10% this would result in change in fair value by EGP 2.5M.

- There were no significant inter-relationships between unobservable inputs that materially affect fair values.
- There were no changes in the valuation technique for level 3 recurring fair value measurements during the period ended 30 September 2025 and 31 December 2024.

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6. Financial assets and financial liabilities (continued)

6(d) Recognised fair value measurements (continued)

v) Valuation processes

The finance department of relevant subsidiary includes a team that performs the valuations on quarterly basis. The finance department places a partial reliance on experts in the valuation of hedging derivatives.

The main level 3 inputs used by the Group are derived and evaluated as follows:

- Discount rates for financial assets and financial liabilities are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk gradings determined by the Group's internal credit risk management.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

vi) Valuation processes for recurring and non-recurring level 3 fair value measurements

Level 3 valuations are reviewed by the Group's financial officer who reports to the Board of Directors. The financial officer considers the appropriateness of the valuation model inputs, as well as the valuation result using various valuation methods and techniques. In selecting the most appropriate valuation model the financial officer performs back testing and considers which model's results have historically aligned most closely to actual market transactions.

The level three debt instruments are valued at the net present value of estimated future cash flows.

The Group also considers liquidity, credit and market risk factors, and adjusts the valuation model as deemed necessary.

vii) Assets and liabilities not measured at fair value but for which fair value is disclosed

Fair values analyzed by level in the fair value hierarchy and the carrying value of assets and liabilities not measured at fair value are as follows. There are no differences between the fair value and carrying value of assets and liabilities due to its short maturities and they are all due as of the reporting period.

	30 September 2025		31 December 2024	
	Level 3 fair value	Carrying value	Level 3 fair value	Carrying value
Assets				
Financial assets at amortized cost				
Trade and other receivables	10,410,450	10,410,450	13,843,692	13,843,692
Due from related parties	677,997	677,997	440,513	440,513
Restricted cash	12,258,371	12,258,371	11,215,019	11,215,019
Cash and cash equivalents	4,069,202	4,069,202	2,698,056	2,698,056
Total assets	27,416,020	27,416,020	28,197,280	28,197,280

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6. Financial assets and financial liabilities (continued)

6(d) Recognised fair value measurements (continued)

vii) Assets and liabilities not measured at fair value but for which fair value is disclosed (continued)

	30 September 2025		31 December 2024	
	Level 3 fair value	Carrying value	Level 3 fair value	Carrying value
Liabilities				
Borrowings				
Loans and borrowings	91,549,739	91,549,739	111,372,280	111,372,280
Other financial liabilities				
Borrowings from financial leasing entities	949,428	949,428	862,374	862,374
Trade and other payables	16,847,265	16,847,265	16,193,732	16,193,732
Due to related parties	3,389,177	3,389,177	3,396,932	3,396,932
Total liabilities	112,735,609	112,735,609	131,825,318	131,825,318

The fair values in level 2 and level 3 of the fair value hierarchy were estimated using the discounted cash flows valuation technique. The fair value of floating rate instruments that are not quoted in an active market was estimated to be equal to their carrying amount. The fair value of unquoted fixed interest rate instruments was estimated based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risks and remaining maturities.

Financial assets carried at amortized cost

The fair value of floating rate instruments is normally their carrying amount. The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risks and remaining maturities. Discount rates used depend on the credit risk of the counterparty.

Liabilities carried at amortized cost

Fair values of other liabilities were determined using valuation techniques. The estimated fair value of fixed interest rate instruments with stated maturities were estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risks and remaining maturities. The fair value of liabilities repayable on demand or after a notice period ("demandable liabilities") is estimated as the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

viii) Presentation of financial instruments by measurement category

For the purposes of measurement, Egyptian Accounting Standard no.47 "Financial Instruments" classifies financial assets into the following categories: (a) financial assets at fair value through profit or loss, (b) debt instruments at fair value through other comprehensive income, (c) equity instruments at fair value through other comprehensive income and (d) financial assets at amortized cost. Financial assets at fair value through profit or loss have two sub-categories: (i) Financial assets mandatorily measured at fair value through profit or loss and (ii) assets designated as such upon initial recognition. In addition, finance lease receivables form a separate category.

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6. Financial assets and financial liabilities (continued)

6(e) Restricted cash

This amount represents the debt service and maintenance amounts that one of the Group's subsidiary must cover in separate bank accounts according to the loan agreements between the subsidiary and a group of lenders exclusively for the purpose of settling the financial requirements per the mentioned contracts.

6(f) Financial asset at fair value through profit or loss

(i) Classification of Financial assets at fair value through Profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortized cost or FVOCI
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognize fair value gains and losses through OCI.

Financial assets measured at FVPL include the following:

	30 September 2025			31 December 2024		
	Current	Non-current	Total	Current	Non-current	Total
<i>Listed equity instruments</i>						
Allied Gold Corporation *	1,127,561	-	1,127,561	-	948,448	948,448
Raya Holding for Financial investments	-	-	-	84,300	-	84,300
	1,127,561	-	1,127,561	84,300	948,448	1,032,748

The fair value of EGP 1.12 billion (2024: EGP 948 billion) is being measured based on the quoted prices of the shares in the active stock market.

* On 6 September 2023, The Group's management through "ASEC Company for Mining (ASCOM)" sold its shares in "Ascom Precious Metals (APM) - Ethiopia" to "Allied Gold ET 2 Corp". The transaction amount included the transfer of 11,465,795 shares in "Allied Gold Corporation" (A listed entity in the Canadian Stock Exchange). The market value of these shares on 6 September 2023 was USD 46,224,353 at USD 4.0315 per share. The Group classified the shares as financial assets through profit or loss (FVTPL) as they are acquired primarily for trading (held for trading). ASCOM used 7,500,000 shares as collateral for the facilities provided by St. James Bank [note \(13\) \(f\)](#), while the remaining shares were sold during the year of 2024.

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6. Financial assets and financial liabilities (continued)

6(f) Financial asset at fair value through profit or loss (continued)

(ii) Amounts recognized in profit or loss

Below is the change in fair value on financial asset due to the change in the share price of “Allied Gold Corporation” in the Canadian Stock Exchange for the period ended 30 September 2025:

	30 September 2025	31 December 2024
Balance as of January 1	-	941,297
Transfer from non-current portion*	962,344	-
Disposals	-	(562,873)
Disposals (closing of shares against loan)	-	(567,829)
Foreign currency translation differences	(41,635)	566,212
Impairment **	-	(320,553)
Financial asset fair value change through profit or loss	206,852	(56,254)
	1,127,561	-

The instalments that the buyer can settle as shares, equivalent to the cash value of the instalments, were recognized as financial assets at fair value through profit or loss. The present value of the instalments was calculated using a discount rate of 6% annually, reflecting the prevailing interest rate on similar financial instruments.

* During September 2025, the Group received 1,433,383 shares in Allied Gold Corporation, valued at USD 20,652,082, represents the second installment of the sale transaction of Ascom Precious Metals – Ethiopia. The buyer had the option to settle either in cash in September 2026 or in shares earlier. Accordingly, the shares received were reclassified from non-current assets to current assets.

** During the year ended 31 December 2024, APM formed an impairment by the difference between the loan balance owed to the St. James bank and the pledged shares fair value which is approximately USD 6.6 Million equivalent to EGP 320.5 million.

(iii) Fair value exposure

Information about the methods and assumptions used in determining fair value is provided in [note 6\(d\)](#).

6(g) Financial liabilities at fair value through profit or loss

	30 September 2025	31 December 2024
Opening balance at 1 January	2,004,523	869,867
Additions**	742,613	386,356
Financial liability fair value change through profit or loss	144,299	178,019
Foreign currency translation differences	(166,982)	570,281
	2,724,453	2,004,523

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6. Financial assets and financial liabilities (continued)

6(g) Financial liabilities at fair value through profit or loss (continued)

** During the year ending December 31, 2024, one of the subsidiaries obtained a facility amounting to USD 8 million from a financing entity at a specified interest rate, secured against cash collateral by another subsidiary within the Group. This collateral was transferred during the period ending 30 September 2025. The financing entity has the option to either claim the financed amount, including the specified interest, by January 10, 2026, or release the collateral and receive the financed amount under other repayment terms correlated to future proceeds of a certain litigation cases in the group's favor.

During the period ending 30 June 2025, one of the subsidiaries obtained an additional facility amounting to USD 8 million, and with alternative repayment terms for a total of USD 16 million, in addition to a specified interest rate, until full repayment is made. The collateral was released and replaced with other equity instruments which serve as security for the full facility amount. Furthermore, an additional return is expected under alternative repayment terms linked to future proceeds from certain legal claims in favor of the Group.

During the period ending 30 September 2025, one of the subsidiaries obtained an additional facility amounting to USD 7 million with a specified interest rate. Furthermore, an additional return is expected under alternative repayment terms linked to future proceeds from certain legal claims in favor of the Group.

7. Non-financial assets and liabilities

7(a) Fixed assets

Non-current	Freehold land	Freehold buildings	Furniture, fittings and equipment	Machinery, barges and vehicles	Assets under construction	Total
At 31 December 2024						
Cost	3,807,533	18,304,182	3,501,065	215,783,663	2,642,654	244,039,097
Accumulated depreciation and impairment	(16,774)	(5,514,303)	(1,880,731)	(73,128,407)	(441,908)	(80,982,123)
Net book value at 31 December 2024	3,790,759	12,789,879	1,620,334	142,655,256	2,200,746	163,056,974
Period ended 30 September 2025						
Opening net book amount	3,790,759	12,789,879	1,620,334	142,655,256	2,200,746	163,056,974
Additions	15,307	239,344	127,668	508,280	5,598,274	6,488,873
Disposals	(375)	(21,484)	(8,950)	(19,443)	-	(50,252)
Transfers from assets under construction	-	239,918	684	4,876,586	(5,117,188)	-
Foreign currency translation difference – cost	(178,346)	(1,444,710)	(226,037)	(18,674,192)	(296,002)	(20,819,287)
Effect of hyperinflation – cost	37,177	828,539	84,447	11,020,016	-	11,970,179
Depreciation expense	(1,288)	(599,595)	(174,947)	(9,328,729)	-	(10,104,559)
Accumulated depreciation of disposals	-	2,746	4,474	8,874	-	16,094
Foreign currency translation difference – accumulated depreciation	6,249	680,479	135,040	3,993,073	-	4,814,841
Effect of hyper-inflation – accumulated depreciation	(8,971)	(668,284)	(68,442)	(4,641,736)	-	(5,387,433)
Impairment due to hyperinflationary revaluation	-	-	-	(5,026,945)	-	(5,026,945)
Net book value at 30 September 2025	3,660,512	12,046,832	1,494,271	125,371,040	2,385,830	144,958,485
At 30 September 2025						
Cost	3,681,296	18,145,789	3,478,877	213,494,910	2,827,738	241,628,610
Accumulated depreciation and impairment	(20,784)	(6,098,957)	(1,984,606)	(88,123,870)	(441,908)	(96,670,125)
Net book value at 30 September 2025	3,660,512	12,046,832	1,494,271	125,371,040	2,385,830	144,958,485

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7. Non-financial assets and liabilities (continued)

7(b) Right of use assets

Right of use assets is recognised and classified as part of similar assets. Below is analysis for net book value of right of use assets leased under finance lease arrangements at 30 September 2025:

Non-current	Land	Buildings	Electricity supply contract	Machinery	Vehicles	Total
At 31 December 2024						
Cost	2,144,571	89,608	769,203	181,931	77,219	3,262,532
Accumulated amortization and impairment	(516,594)	(60,397)	(277,674)	(30,021)	(59,351)	(944,037)
Net book amount	1,627,977	29,211	491,529	151,910	17,868	2,318,495
Period ended 30 September 2025						
Opening net book amount	1,627,977	29,211	491,529	151,910	17,868	2,318,495
Additions of the period	-	18,470	-	-	89,367	107,837
Disposals	-	-	-	(19,279)	(4,336)	(23,615)
Foreign currency translation difference – cost	(118,698)	(3,131)	(44,852)	886	(3,342)	(169,137)
Amortization charged during the period	(105,989)	(12,930)	(42,811)	(11,061)	(20,967)	(193,758)
Accumulated amortization of disposals	-	-	-	12,563	2,544	15,107
Foreign currency translation difference – accumulated amortization	32,004	(422)	17,715	(549)	(142)	48,606
Net book value at 30 September 2025	1,435,294	31,198	421,581	134,470	80,992	2,103,535
At 30 September 2025						
Cost	2,025,873	104,947	724,351	163,538	158,908	3,177,617
Accumulated amortization and impairment	(590,579)	(73,749)	(302,770)	(29,068)	(77,916)	(1,074,082)
Net book amount	1,435,294	31,198	421,581	134,470	80,992	2,103,535

7(c) Provisions

	Provision for claims ²	Legal provisions	Other provisions ²	Total
Balance at 31 December 2024 and 1 January 2025	2,680,500	27,637	211,773	2,919,910
Provisions formed	207,533	557	34,505	242,595
Provisions used	(13,665)	(4,250)	(2,832)	(20,747)
Provisions no longer required	(207,877)	(59)	-	(207,936)
Foreign currency translation	(10,586)	(929)	(10,979)	(22,494)
Balance at 30 September 2025	2,655,905	22,956	232,467	2,911,328

	Provision for claims	Legal provisions	Other provisions	Total
Current	2,376,461	22,956	232,467	2,631,884
Non-Current ¹	279,444	-	-	279,444
Balance at 30 September 2025	2,655,905	22,956	232,467	2,911,328

1) The balance related to the social insurance.

2) Significant estimates

Provisions are related to claims expected to be made by third parties in connection with the Group's operations. Provisions are recognized based on management study and in-light of its advisors' opinion and shall be used for its intended purposes. In case of any differences between the actual claims received and the preliminary recorded amounts, such differences will affect the year in which these differences have occurred.

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7. Non-financial assets and liabilities (continued)

7(d) Inventory

The Group's inventory balance decreased during the nine months period in 2025 from EGP 13.1 billion to EGP 12.4 billion due to an increase in work in process, finished goods, and spare parts inventory balances related to NDT (subsidiary of the Group) by EGP 946 million. The increase was offset by a decrease in the raw materials and work in process for ERC (subsidiary of the Group) by EGP 1.2 billion.

8. Related party transactions

The Group entered into 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 Group's board of directors, their entities, companies under common control, and/ or joint management and control, and their partners and employees of senior management. The partners of joint arrangement and non-controlling interest are considered by the Group as related parties. The tables below show the nature and values of transactions with related parties during the period, and the balances due at the date of the interim condensed consolidated financial statements.

8(a) Due from related parties

Name of the Company	Nature of relationship	Nature of transactions		Balances	
		Foreign currency translation Differences	Finance	30 September 2025	31 December 2024
Golden Crescent Finco Ltd.	Investee *	(87,031)	191	1,405,599	1,492,439
Emerald Financial Services Ltd.	Investee *	(74,450)	18	1,202,329	1,276,761
Nile Valley Petroleum Ltd.	Investee *	(62,980)	-	1,031,813	1,094,793
Benu one Ltd.	Investee *	(31,076)	-	501,871	532,947
Citadel Capital Partners	Parent	-	243,217	530,854	287,637
Logria Holding Ltd,	Investee *	(18,086)	-	286,577	304,663
Rotation Ventures	Investee *	(16,135)	-	260,585	276,720
Golden Crescent Investment Ltd.	Investee *	(11,310)	-	182,653	193,963
Mena Glass Ltd	Associate	(10,186)	-	164,496	174,682
Visionaire	Investee *	(3,891)	-	62,830	66,721
Sphinx International Management Egyptian Company for International Publication	Investee *	(136)	1,148	47,714	46,702
ECARU	Investee *	-	-	41,896	41,896
Adena	Associate	8,227	(13,840)	25,724	31,337
Nahda Company – Sudan	Shareholder	(2,223)	-	35,906	38,129
El Kateb for Marketing & Distribution	Investee *	(1,911)	-	30,872	32,783
Others	Associate	-	-	598	598
		(4,044)	-	68,583	72,627
Total				5,880,900	5,965,398
Less: Accumulated impairment loss**				(5,202,903)	(5,524,885)
				677,997	440,513

* The Group holds less than 20% shareholding in these investments. These investments do not meet the definition of related parties as per the Egyptian Accounting Standards (EAS 15 "Related Party Disclosures"). However, the Group's management has classified these investments as related parties for disclosure purposes only.

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8. Related party transactions (continued)

8.(a) Due from related parties (continued)

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

	Balance as of 1 January 2025	Foreign currency translation differences	Formed	Balance as of 30 September 2025
Golden Crescent Finco Ltd.	1,492,439	(86,840)	-	1,405,599
Emerald Financial Services Ltd.	1,276,761	(74,221)	(211)	1,202,329
Nile Valley Petroleum Ltd.	1,094,793	(64,188)	-	1,030,605
Benu One Ltd	532,947	(31,076)	-	501,871
Logria Holding Ltd.	304,663	(17,617)	(469)	286,577
Rotation Ventures	276,720	(16,135)	-	260,585
Golden Crescent Investment Ltd.	193,963	(11,310)	-	182,653
Mena Glass	174,682	(10,186)	-	164,496
Visionaire	66,721	(3,891)	-	62,830
Nahda	32,783	(1,911)	-	30,872
Sphinx International Management Egyptian Company for International Publication	5,651	636	(513)	5,774
	406	-	-	406
Citadel Capital Partners	1,248	321	(201)	1,368
El Kateb for Marketing & Distribution	60	-	-	60
Others	71,048	(4,170)	-	66,878
	5,524,885	(320,588)	(1,394)	5,202,903

8(b) Due to related parties

Name of the company	Nature of relationship	Nature of transactions		Balances	
		Foreign currency translation differences	Finance	30 September 2025	31 December 2024
Mena Glass Ltd.	Associate	(61,927)	(4)	1,156,070	1,218,001
National Printing	Investee	2,943	27,146	81,525	51,436
Others		(2,405)	1,072	17,031	18,364
				1,254,626	1,287,801
Due to shareholders					
International Finance Corporation	Shareholder in subsidiary	(81,254)	80,454	1,343,563	1,344,363
Financial Holding International	Shareholder in subsidiaries	(30,356)	53,629	510,878	487,605
El-Rashed	Shareholder in subsidiary	(9,231)	-	149,078	158,309
Omran	Shareholder in subsidiary	15,401	-	78,303	62,902
Ahmed Heikal	Chairman	(16)	-	928	944
Others		(3,207)	-	51,801	55,008
				2,134,551	2,109,131
				3,389,177	3,396,932

8(c) Key management compensation

Key management includes Directors (executive and non-executive), members of the Executive Committee, the Company Secretary and the Head of Internal Audit. The Group paid EGP 284.9 million as salaries and benefits to senior management personnel during the period ended 30 September 2025 (30 September 2024: EGP 223.7 million). This amount includes social insurance contribution.

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8. Related party transactions (continued)

8(d) Terms and conditions

Transactions relating to dividends, calls on partly paid ordinary shares and subscriptions for new ordinary shares were on the same terms and conditions that applied to other shareholders.

The loans to related parties are repayable between 1 to 10 years from the reporting date. The average interest rate on the loans to related parties during the period was 7.5% (31 December 2024: 7.5%). Outstanding balances are secured and are repayable in cash.

9. (loss) / earnings per share

9(a) Basic (loss) / earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the period after excluding ordinary shares held in treasury.

	30 September 2025	30 September 2024
From continuing operations attributable to the ordinary equity holders of the company	(0.661)	(2.075)
From discontinued operation	-	5.359
Total basic (losses)/ earnings per share attributable to the ordinary equity holders of the company	(0.661)	3.284

9(b) Reconciliations of (losses) / earnings used in calculating earnings per share

	30 September 2025	30 September 2024
<u>Basic earnings per share</u>		
Loss from continuing operations as presented in the interim condensed consolidated statement of profit or loss	(4,329,972)	(1,551,882)
(Less): Loss/(profit) from continuing operations attributable to non-controlling interests	3,126,678	(2,224,161)
Loss from continuing operations attributable to the ordinary equity holders	(1,203,294)	(3,776,043)
Profit from discontinued operation	-	9,753,159
(Loss) / profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share	(1,203,294)	5,977,116

The weighted average number of shares during the period was 1,820,000.

9(c) 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 on 30 September 2025 and 30 September 2024, hence the diluted earnings per share is the same as the basic earnings per share.

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10. Basis of preparation of the interim condensed consolidated financial statements

Compliance with EAS

The interim condensed consolidated financial statements for the financial period ended 30 September 2025 have been prepared in accordance with the requirements of Egyptian Accounting Standard (30) "Interim Financial Statements".

These interim condensed consolidated financial statements don't contain all the information required in preparing the full annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024.

The accounting policies adopted in the preparation of this interim condensed consolidated financial information are consistent with those of the previous financial year and corresponding interim reporting period, except for the estimation of income tax (note 3(c)) and the adoption of new and amended standards as set out below.

Summary of material modifications of the Egyptian Accounting Standards

A) The Group has applied Paragraph "57A" of Egyptian Accounting Standard No. 13 issued on 3 March 2024, due to foreign currencies lack of exchangeability to meet its obligations in foreign currencies from Egyptian banks. Therefore, the Group has decided to use the first exchange rate at which the Group can obtain foreign currencies. Below is the real-time exchange rate used by the Group subsidiaries:

Foreign currency	EGP observable price used
United states dollar (USD)	49.5
Euro	53.85

The following table represents the book value of monetary assets and monetary liabilities affected on 1 January 2024 and their effect:

Description	Foreign currency	Balance in foreign currency	Effect on accumulated losses (EGP)	Effect on non-controlling interests (EGP)	Total effect on equity (EGP)
Monetary assets	USD	11,856	149,955	79,044	228,999
Monetary liabilities	USD	(628,170)	(9,069,416)	(2,587,937)	(11,657,353)
Monetary assets	Euro	1.6	86	-	86
Monetary liabilities	Euro	(24,813)	(490,216)	-	(490,216)
Net			(9,409,591)	(2,508,893)	(11,918,484)

The management did not recognize the related deferred tax assets in respect of the unrealized foreign losses due to doubt of recoverability.

B) The Prime Minister issued Decision No. (3527) and (3528) of 2024 on 23 October 2024, adding a new standard in the Egyptian Accounting Standards EAS 51 "Hyperinflation". The new standard was published in the Official Gazette on 23 October 2024. The Egyptian economy is not yet considered to be a hyperinflationary economy

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11. Critical judgments in applying the Group's accounting policies

In general, applying the Group accounting policies does not require judgments other than the below and apart from those involving estimates that have significant effects on the amounts recognized in the interim condensed consolidated financial statements.

(a) Hyperinflationary Economies

The Group exercises significant judgement in determining the onset of hyperinflation in countries in which it operates and whether the functional currency of its subsidiaries, associates is a currency of a hyperinflationary economy.

Various characteristics of the economic environment of Sudan are taken into account. These characteristics include, but are not limited to, whether:

- the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency;
- prices are quoted in a relatively stable foreign currency;
- sales or purchase prices take expected losses of purchasing power during a short credit period into account;
- interest rates, wages, and prices are linked to a price index;
- and the cumulative inflation rate over three years is approaching, or exceeding, 100%.

Following management's assessment, the Group's subsidiary in Sudan, Al-Takamol for Cement has been accounted for as entities operating in hyperinflationary economies.

(b) Consolidation of Orient Investment Properties Ltd and its subsidiary Egyptian Refining Company – (S.A.E) ("ERC")

The Group currently holds 31.51% in Orient Investment Properties Ltd, which is the majority shareholder of ARC. ARC has a shareholding of 66.6% in ERC. Through the various shareholding structures, the Group holds an effective 13% shareholding in ERC and consolidates the ERC entity. ERC represents the most substantial portion of Orient and ARC's operations.

ERC was set up for the purpose of constructing and operating a refinery project and aims to provide benefits for its stakeholders such as debt and equity financiers in addition to cost savings to Egyptian General Petroleum Corporation (EGPC). The Group was involved with the setup and design of ERC.

In August 2019, ERC started its pre-completion operations which resulted in supplying EGPC with LPG, reformate, JET fuel, diesel, and fuel oil products.

The full operation phase started at the beginning of the year 2020. As of 30 September 2025, ERC is in full compliance with both financial and non-financial covenants under the restructured debt agreements.

According to the clauses in ERC Deed of Shareholders Support, the Group shall prior to the project completion and for two years thereafter, have control over ERC's decision-making, management and operations. Contractually with these clauses, the Group has the full ability to direct the relevant activities of ERC until two years post to the project completion terms have been met. The Group will need to reassess control if the Deed of Shareholders Support clauses no longer apply as this may result in control being lost by the Group at this date.

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11. Critical judgments in applying the Group's accounting policies (continued)

(b) Consolidation of Orient Investment Properties Ltd and its subsidiary Egyptian Refining Company – (S.A.E) ("ERC") (continued)

Whilst Egyptian General Petroleum Corporation (EGPC - a significant shareholder in ERC) and ERC have entered into several contractual arrangements, which will be effective during the operational phase, these have been assessed and do not provide Egyptian General Petroleum Corporation (EGPC) with the control to direct the relevant activities of ERC. The Deed of Shareholders Support would override any such clauses in other contractual arrangements including any shareholder agreements of ARC or Orient Investment Properties if such clauses are contrary to the Group having control.

The Group is exposed to variable returns with the involvement with ERC. Variable returns consist of equity returns, fees for service contracts, guarantee fees incurred by the Group on behalf of ERC and exposure to reputational risk.

Management is of the view that the Group has control over ERC by virtue of shareholders agreements, exposure, or rights, to variable returns from its involvement with ERC; and can use its control over ERC to affect the amount of the Group's variable returns. Management considers that the relevant activities that most significantly affect variable returns will not be derived during the construction phase of the project but rather during the operational phase.

Furthermore, management has applied judgment in determining if the Group controls Orient and ARC. It should be noted that ERC represents the most significant variable returns of both Orient and ARC. As such, whatever conclusion is reached for ERC would be considered appropriate for Orient and ARC.

In determining the appropriate accounting treatment for ERC, Orient and ARC management applied significant judgment. If management's judgments were to change, this would result in the deconsolidation of ARC and its subsidiary ERC. ERC currently has consolidated assets and liabilities impacting the interim condensed consolidated financial position amounting to approximately EGP 170.1 billion and EGP 87.7 billion respectively as of 30 September 2025 and with a consolidated Loss of EGP 3.9 billion for the nine months period. The primary assets and liabilities making up these totals are represented in the fixed assets amounted to EGP 132.9 billion, trade receivables amounted to 3.9 billion, trade and other payables amounted to EGP 5.4 billion and loans liabilities amounted to EGP 58.4 billion.

(c) Functional currencies of different entities within the Group

Different entities within the Group have different functional currencies, based on the underlying primary economic environment in which the entities operate. Determining the functional depends on the currency which an entity generates and expends cash. The functional currency is the currency which is:

- Mainly influences prices for goods and services,
- Official for the country that mainly determine the prices according to competitive forces and regulations.
- Influences labor, material and other costs of providing goods and services.

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11. Critical judgments in applying the Group's accounting policies (continued)

(c) Functional currencies of different entities within the Group (continued)

In some instances, it is not clear from the above what the functional currency should be, and consideration would be given to the currency financing is obtained and currency receipt of cash is retained. Management have exercised judgement in assessing the functional currency of some of the entities.

Specifically, in determination of the functional currency of the Egyptian Refining Company (ERC), the Group based its judgement on the fact that the company operates in a market where the price the goods and services are determined is based on global commodity markets. As such, the USD mainly influences prices of goods and services in ERC as well as a large proportion of labour, material and other costs. Moreover, the US Dollar is the currency in which ERC's business risks and exposures are managed, financing is obtained and cash from operating activities are retained. On this basis, management determined the functional currency for ERC to be USD.

(d) Assessing whether the arrangement with EGPC is or contains a lease

ERC and EGPC signed a series of agreements where EGPC agreed that ERC would undertake a project to construct, operate, maintain and own at Mostorod a hydro-cracking complex to produce high value petroleum products and EGPC would off-take all the end products produced from the complex except for coke and Sulphur.

In line with the requirements of Egyptian Accounting Standard 49, the Group has assessed whether the arrangement with EGPC is or contains a lease over the hydro-cracking complex. In making the assessment the Group considered the contractual provisions of the contracts and whether those provisions convey to EGPC the right to control the use of the hydro-cracking complex for consideration over the period of the contract.

Egyptian Accounting Standard "49" states that the arrangement is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The contractual provisions of the contracts between EGPC and ERC do not convey to EGPC the right to control the use of the hydro-cracking complex over the duration of the off-take agreement. Furthermore, ERC controls the operations and maintenance of the hydro-cracking complex over the duration of the contract and decides on how the output would be by determining the appropriate product mix.

Although EGPC obtains substantially all the economic benefit from the hydro-cracking complex, the product is purchased at market price, this indicator alone is not sufficient in isolation to conclude EGPC controls the use of the complex. To control the use of the complex, EGPC is required to have not only the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use (a 'benefits' element) but also the ability to direct the use of that asset (a 'power' element), i.e. EGPC must have decision-making rights over the use of the asset that gives it the ability to influence the economic benefits derived from the use of the asset throughout the period of use.

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11. Critical judgments in applying the Group's accounting policies (continued)

(d) Assessing whether the arrangement with EGPC is or contains a lease (continued)

Management has judged that given the contractual provisions of the contracts do not convey EGPC with rights to control the use of the asset, the arrangement does not contain a lease, and as such the arrangement is accounted for under Egyptian Accounting Standard 48 (revenue from contracts with customers) as a contract to provide product to EGPC. If it were judged that the contract should be accounted for as a lease, this may result in no recognition of fixed assets by ERC but possible a finance lease receivable.

(e) Control over Dar Elsherouk company

The Group has determined that they do not control Dar Elsherouk Company even though the Group owns 58.5% of the issued capital of this entity. It is not a controlled entity because the Group is not able to use its power over the entity to affect those returns as result of the contractual agreement signed between the Group and other shareholders that gives the other shareholders the right to control as the chairman and the majority of board members hired by the other shareholder.

(f) Significant influence over National Printing Company S.A.E

On 27 March 2024, Qalaa transferred to FHI its indirectly owned shares (27.21%) in National Printing Company S.A.E. (a subsidiary of Grandview), with Qalaa retaining a call option to purchase back this stake within two years. Qalaa previously consolidated National Printing Company S.A.E. because it had power over its parent, Grandview, due to the appointment of the directors and the power provided by the participation agreement. Despite the transaction on 27 March 2024 resulting in the loss of control of Grandview together with the legal ownership of the National Printing Company S.A.E. shares, the Group Management has determined that Qalaa retains present access to ownership returns in National Printing Company S.A.E. during the call option period in accordance with the principles outlined in EAS 18 "Investment in associates" and also significant influence over "National Printing S.A.E. "the Company" through the ability to exercise the option at any time. If the option is exercised, Qalaa has the right to a voting right exceeding 20% and the option price is reduced by any dividends paid by the Company which grants Qalaa economic access to the profits generated even before the option is exercised.

Based on the facts as set out above, Qalaa has equity accounted for the 27.21% interest in the Company and recognised a gross liability to pay the call option strike price. If management's judgments were to change, this would result in the derecognition of the investment in associate (National Printing Company S.A.E.) and also the gross liability to pay the strike price. Absent these gross amounts on the face of the balance sheet the option would be treated as a derivative financial instrument at fair value through profit or loss.

Management will continue to reassess this judgement at each reporting date, considering any changes in circumstances that may affect Qalaa's ability to exercise the call option over the Company (note 5).

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12. Going concern

As at 30 September 2025, the Group's current liabilities EGP 51.9 billion (31 December 2024: EGP 70.2 billion) exceeded the current assets of EGP 42.2 billion (31 December 2024: EGP 42.5 billion) by EGP 9.7 billion (31 December 2024: EGP 27.7 billion).

The Group is dependent on and is currently financed by borrowings and bank facilities amounting to EGP 91.5 billion as at 30 September 2025 and has cash and cash equivalents of EGP 16.3 billion (including restricted cash which will be used to serve the debt), out of an overall liability of EGP 142.4 billion in the Consolidated Statement of Financial Position.

During the current period the Group incurred losses of approximately EGP 4.3 billion and net inflows from operating activities of EGP 15.1 billion. As a result, the Group's accumulated losses have increased to approximately EGP 26.3 billion as at 30 September 2025 (31 December 2024: EGP 25 billion). If the Group continues to generate losses which will impact the operating cash flows to meet working capital requirements, including to service the finance cost and debt repayment, the Group's liquidity may be impacted.

Key matters resulting in a material uncertainty are as follows:

- Sensitivity of the Group's projected cashflows to certain main factors (eg. Oil prices, feedstock costs etc..) and other geopolitical factors which creates a doubt on how management would be able to meet its working capital requirements in case of fluctuations in these factors with the current macro economics changes due to the geopolitical situations and the Middle east conflicts, etc..
- Dependence of Qalaa and fully owned subsidiaries on future expected dividends in their future liability repayments which might be heavily impacted by any changes in the planned cashflows.

The financial conditions highlighted above, together with the matters described below, indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern:

1. Banking facilities and covenants:

As of 30 September 2025, the Group has breached certain financial covenants on borrowings outlined below. If the Group is unable to remedy breaches of financial or non-financial covenants or the defaulted loans, it will be adversely impacted.

Management is currently in negotiation with the lenders to reschedule the loan and seek waivers, but negotiations are still in process.

- One of the subsidiaries – Glassrock for insulation a subsidiary of ASEC Company for Mining, breached the loan related to one of the banks. The full loan balance of EGP 1.9 billion has been classified as current liability due to this breach. Management is currently in negotiation with the lender to reschedule the loan and the cash flows for the next 12 months assume that the payment of this balance will not be recalled in full in the next 12 months.
- Qalaa for Financial Investments, the parent company, defaulted in some of the obligations related to local banks. The full amount has been reclassified as current liabilities. As of 30 September 2025, the Company has paid the total defaulted amount of EGP 416 million related to the compensation for exchange rate and stock price variations, and the bank is in the process of assessing the situation.

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12. Going concern (continued)

2. Cash flow projections and business performance

Although the previously defaulted ERC loans were successfully restructured during the year ended 31 December 2024, the new repayment terms require significant repayments of USD 559.5 million during 2025 and 2026. Management expects to be able to fulfil the new accelerated repayment schedule from ERC's forecast operational cash flows.

As of 30 September 2025, ERC has repaid USD 157.1 million to the senior lenders, followed by a further payment of USD 417 million on 20 December 2025, bringing the outstanding senior debt balance down to USD 63 million which will be paid in March 2026. Thereafter, ERC is expected to start distributing dividends to shareholders. Such dividends are intended to be used by Qalaa and fully owned subsidiaries to settle their outstanding loans.

The cashflow projections related to ERC are impacted by the cash flows generated from the business performance which is sensitive to the movement in oil price. If the oil price decreased by 10%, this will lead to a decline of the cashflow by almost USD 60 million, which might impact the dividends to be distributed to Qalaa.

The Group's total borrowings include a significant portion denominated in USD pose challenges in settling these foreign currency denominated obligations. However, the Egyptian economy showed signs of improvement in 2025, with the EGP appreciating against the USD and interest rates trending downward. These developments have strengthened the Group's financial position and helped ease the burden of foreign currency debt.

Assessment of cash flow forecasts

Management has prepared detailed cash flow forecasts and business plans for each key subsidiary that support the Group's ability to meet its obligations as they fall due, which is subject to ongoing review and refinement to ensure it reflects the latest business developments and market conditions. These forecasts are based on assumptions regarding operational performance, market conditions, and oil prices. Management has also performed sensitivity analysis on key assumptions and concluded that the Group is expected to remain within its available resources and meet its debt obligations under reasonably possible scenarios. The projected cash flow remains sensitive to even 10% change in the average sales price, cost increases or capacity utilization, particularly in the energy sector.

The ability of the Group to continue as a going concern is dependent on the successful execution of its business plans and the realization of forecasted cash flows. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Management considered the following factors and plans when determining if the Group will continue as a going concern in the next twelve months:

Operational activities

- ERC is a strategic national project with a 4.7 million tons capacity of refined products per year, including 2.3 million tons of Euro V diesel, representing more than 30%-40% of Egypt's current imports and 600,000 tons of jet fuel. ERC has been working at full capacity since the beginning of 2020 and has long-term non-cancellable supply contracts with the Egyptian General Petroleum Corporation to supply various products for 25 years.

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12. Going concern (continued)

In early January 2022, ERC benefited from the increase in oil prices driven by global concerns about oil and gas supplies, further exacerbated by the Russian-Ukrainian conflict. However, starting in 2023, ERC's refining margins dropped, partially reflecting a normalization of oil prices following the significant spike in 2022. Despite the decline in refining margins, ERC's USD-denominated revenue expanded year-on-year.

During the first quarter of 2026, oil prices spiked following a regional conflict in the middle east. This increase will enhance ERC's operating profit, EBITDA, and cash flows from operations.

ERC recorded operating profit of EGP 620 million, EBITDA of EGP 10 billion, and cash inflows from operations of EGP 14.7 billion for the period ended 30 September 2025. Additionally, in July 2023 ERC underwent a planned 17-day production shutdown for the implementation of an overhaul and debottlenecking, which increased production capacity to the tune of 10%. Furthermore, a planned 32-day shutdown took place from mid-April to mid-May 2025, aimed at enhancing operational efficiency. The downtime allowed for essential maintenance and process optimization, which are expected to contribute to improved performance in the upcoming periods.

For purposes of the cash flow forecast, it is expected that the cash inflows from ERC will continue to improve the generated positive cash inflows. The cash flow forecast is sensitive to changes in supply and demand of oil as well as prices thereof.

- NDT Sudan, Al-Takamol's revenue significantly increased to EGP 2.04 billion for the nine months ended 30 September 2025, compared to EGP 1.02 billion for the period ended 30 September 2024, which had been impacted by the conflict in Sudan. This increase was primarily due to the increase in dispatch levels and prices.

Starting the second quarter of 2024, Al-Takamol Cement experienced a robust recovery, reversing the trend of top-line contraction observed in periods. This recovery was largely driven by higher selling prices from May 24, 2024, and increased dispatch levels. The strategic adjustments and market conditions contributed to a notable increase in revenue, showcasing the company's resilience and adaptability in a challenging environment.

- ASCOM and its subsidiaries' revenue increased from EGP 2.3 billion in the nine months ended 30 September 2024 to EGP 3 billion in the nine months ended 30 September 2025, mostly driven by the impact of the EGP devaluation on the USD denominated businesses such as ACCM and GlassRock. Management will continue to work towards expanding its exports and pushing ahead with its sales channel diversification strategy by directing its business development efforts towards new export regions. This strategy will act as a hedge against foreign exchange risk and will allow ASCOM to benefit from the local market's greater working capital dynamics, improved cash flow and healthy margins. The company is also planning to install additional production lines to expand its production capacity and meet its planned growth targets, with two ball milling lines became operational in March and August 2025, which will enhance the future positive operating cash flows of the company.

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12. Going concern (continued)

- Falcon - Dina Farms Holding Company recorded revenue of EGP 3.1 billion in the nine months ended 30 September 2025 compared to EGP 2.5 billion in the nine months ended 30 September 2024. The top-line expansion was driven by improved operations at Dina Farms, as well as ICDP's revenue benefiting from higher selling prices and new product launches, resulting in positive cash flow from operations of EGP 523.4 million in the nine months ended in September 2025. The Company is forecasting an increase in the positive operating cash flows in the coming two years, reflecting its strong market position and strategic initiatives.
- Citadel Capital Transportation Opportunities Ltd. experienced a 5.3% increase in revenue compared to the previous year. This growth in top-line performance was driven by significant improvements in the company's storage and stevedoring services. Revenue from coal storage rose due to both an increase in storage prices and volume. Additionally, revenue from stevedoring services grew substantially, fueled by a strong rise in the volume of coal and pet coke handled.

However, the inland container depot revenue was negatively impacted by the turbulence in the Red Sea during the first half of 2024. This disruption forced various shipping lines to switch to alternative routes that bypassed the Red Sea, leading to a decrease in the volume of twenty-foot equivalents handled by the company. Despite this setback, volumes began to recover in the second half of 2024, indicating a positive trend moving forward.

Based on the above, management is confident that the Group will continue to generate cash inflows to meet the operational and certain of the liquidity demands on the Group.

Liquidity position

During the past periods, some of the Group's key subsidiaries experienced significant liquidity issues and to address the liquidity issues, management has undertaken the following actions:

1. Egyptian Refinery Company:

Debt Default and Covenant Compliance: ERC had been in default with senior lenders since 31 December 2020, and its subordinated debt became due on 20 June 2023. Despite the subordinated loans becoming due, they were not defaulted because they can only be repaid after the senior debt is fully repaid. In terms of debt covenants, from 30 September 2023 until the date of the debt restructuring, ERC remained in compliance with all financial covenants, having become current on its debt service obligations. The only exception during this period was non-compliance with a non-financial covenant related to the project completion status and completion date.

Debt Restructuring: As of December 20, 2024, ERC has successfully restructured its Senior and Subordinated debt and is in full compliance with both financial and non-financial covenants under the restructured debt agreements. As part of the agreement ERC paid a total of USD 33.3 million in fees and default interest. In addition, ERC made a payment of USD 233.6 million to senior lenders and a total of USD 48.1 million were paid to subordinated lenders as per the restructuring agreement. As of 30 September 2025, the net senior debt stands at USD 113.8 million, down from an initial amount of USD 2.35 billion, which is expected to be fully repaid by ahead of schedule early 2026 and the subordinated debt stands at USD 790.6 million, with an expected repayment completion by 2030.

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12. Going concern (continued)

1. Egyptian Refinery Company: (continued)

Outstanding Loan: ERC has outstanding loans as of 30 September 2025 amounting to EGP 58.3 billion. The senior debt, including interest, stood at EGP 20.5 billion as of 30 September 2025, and the remaining outstanding loans include subordinated loans amounting to EGP 37.8 billion.

During the year ended 31 December 2024, ERC succeeded in paying USD 441 million to the senior lenders as scheduled debt repayment, repayments of interest, and cash sweep. This was a result of the cash generated from operations. As of 30 September 2025, ERC paid USD 157.1 million to the senior lenders and USD 417 million on December 20, 2025, bringing the senior debt balance down to USD 63 million which will be paid in March 2026.

This progress in debt reduction positions ERC to begin distributing dividends to shareholders, with the first anticipated dividend payout expected in 2026.

ERC remains committed to its financial strategy, which aims to enhance sustainable growth and achieve long-term financial stability. The company continues to work on improving its financial and operational performance, delivering added value to shareholders through prudent investments and effective resource management. Additionally, ERC seeks to strike an ideal balance between growth and dividend distribution, ensuring it provides attractive returns to shareholders while strengthening its ability to continue expanding and developing its business in the future.

2. Qalaa and its fully owned subsidiaries:

- On 30 June 2024, Qalaa closed an agreement with Financial Holdings International Ltd (FHI), a shareholder in several affiliates of Qalaa, and a creditor to Qalaa and some of its affiliates. The agreement settled most of the liabilities owed by Qalaa and certain of its affiliates to FHI and transferred the shareholding of FHI in several Qalaa affiliates to Qalaa. FHI has discharged the shareholder loan owed by Qalaa's subsidiaries, which positively impacted the financials. This action alleviates the burden of interest rates and foreign exchange, as the debts were denominated in USD.
- On 30 May 2024, Qalaa's general assembly approved the offer submitted by Qalaa Holding Restructuring Ltd., to purchase the external debt owed by Qalaa to certain banks and financial institutions participating in the syndicated loan agreement. The Purchased Senior Debt was concluded effective on 30 September 2024 with a total of USD 240.7 million. Subsequent to the period, The debt extinguished by Qalaa in the form of a capital increase. The conversion of debt amounting to USD 240.7 million (equivalent to EGP 12.1 billion) into equity has significantly strengthened QH's financial position. This transaction reduced the debt burden, and mitigated future interest and functional currency volatility given the debt was USD-denominated. For more details refer to [note 14\(b\)](#).
- On 8 May 2024, the Group signed a debt settlement agreement in relation to debt held in Qalaa amounting to EGP 4.5 billion with Banque Misr, Banque du Caire, Arab African International Bank, and Al Ahli Bank of Kuwait. The terms of this debt settlement states the settlement of the loan against the sale of certain assets contingent on meeting the terms of the agreement. Due to pending approvals from governmental authorities on completion of the plot of land sale agreement, the group did not derecognize the land against partial settlement of the loan as at September 30, 2025. The group did not fulfill conditions specified in the agreement, and accordingly the group presented the loan balances amounted to 8.9 billion as current liabilities.

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12. Going concern (continued)

2. Qalaa and its fully owned subsidiaries: (continued)

- On 8 May 2024, Qalaa signed an agreement with the Arab International Bank for the settlement and restructuring of the debts owed by Qalaa and related parties over a period extending to 2033. The agreement came into effect in the third quarter of 2024 after the condition precedent had been met. This strategic move is expected to significantly improve the Group's liquidity position and strengthen its relationships with financial institutions

3. National Company for Development and Trading (Cement):

During the year ended 31 December 2023, the Group settled the outstanding loan due from National Company for Development and Trading to Arab International Bank, MID Bank, and Industrial Development Bank with a total of EGP 1.4 billion. During the first quarter of 2024, the Group has restructured the remaining debt due to Qatari National Bank with a total of EGP 559 million. The Company has been diligent in meeting its payment obligations on time. These strategic restructurings and settlements have not only alleviated the debt burden but also positively impacted on the company's cash flow, providing it with the necessary breathing space to focus on growth and operational efficiency. This improved liquidity position has enhanced the Group's financial health and supports its long-term strategic objectives. As of 30 September 2025, NDT fully Settled the remaining outstanding debt due to Qatar National Bank.

4. ASCOM (Mining Sector):

During the third quarter of 2023, APM Investment Holdings Limited (APM), a wholly owned subsidiary of ASCOM, sold its 35% stake in Kurmuk Gold Project to Canadian Company Allied Gold Corp. The consideration from the transaction includes the receipt of 11.5 million shares in Allied Gold in favor of APM, at a total value of USD 34.6 million, as well as the payment of USD 65.6 million by Allied Corp to APM. The payment is to be completed in three installments starting September 2024 and ending on 30 September 2027. This resulted in additional funds to settle obligations.

As of 30 September 2025, and 31 December 2024, Glassrock defaulted on two installments, resulting in a breach of its restructuring agreement. Consequently, its total debt was reclassified as current liabilities.

Based on the above, management succeeded concluded the debt negotiations and restructuring for ERC, Qalaa and its wholly owned subsidiaries, reducing breaches and defaults to EGP 10.8 billion by 30 September 2025.

Other initiatives

- Management will continue to focus on the strategic positioning of the ERC and other investments and prioritize their growth.
- The Group will continue driving growth by making small incremental investments in its subsidiaries, expanding cash flows, thereby reducing debt-to-cash flow ratios. Management is confident this strategy will continue to deliver.
- Qalaa's portfolio companies are currently studying several new medium-sized, export-oriented, predominantly green, and of high local value-added investments.

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12. Going concern (continued)

Other initiatives: (continued)

Based on the above operational and liquidity factors as well as the other initiatives, the Group management is of the view that the Group 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, consolidated financial statements of the Group for the nine months ended 30 September 2025 have been prepared on a going-concern basis.

13. Significant events

A) Following the intense armed conflict erupted in Sudan in April 2023, Al-Takamol Cement experienced operational disruptions and a contraction in revenues. Starting the second quarter of 2024, Al-Takamol Cement recorded a strong recovery, driven by higher dispatch volumes and increased selling prices implemented in May 2024.

On March 21, 2025, the Sudanese Armed Forces (SAF) succeeded in regaining control over the capital, Khartoum, and the surrounding areas. This significant military achievement allowed Al-Takamol Cement to improve on dispatches and increase dispatch levels and selling prices leading to higher revenues.

It is worth noting that the staff and assets of Qalaa's Sudan affiliate, Al-Takamol Cement, are safe and continue to operate at normal capacity. Qalaa and till date, continues to closely monitor the ongoing developments in the country and no further impact have been noticed.

B) On 30 June 2024, Qalaa announced the closing of an agreement with Financial Holdings International Ltd (FHI), a shareholder in several affiliates of Qalaa, and a creditor to Qalaa and some of its affiliates.

The share purchase and debt assignment agreement settled most of the liabilities owed by Qalaa and certain of its affiliates to FHI and transferred the shareholding of FHI in several Qalaa affiliates to Qalaa.

Pursuant to the agreement, FHI transferred its shares in some of Qalaa's affiliates to Qalaa including its shares in National Development and Trade Company S.A.E and United Company for Foundries SAE, bringing Qalaa's ownership in these two companies to approximately 100%; as well as FHI's shares in Citadel Capital Transportations Opportunities Ltd (CCTO), Qalaa's logistics arm. FHI also discharged most of Qalaa Group's liabilities and obligations and returned all associated collaterals and guarantees. Moreover, it assigned to subsidiaries of Qalaa the debts of National Development and Trade Company and United Company for Foundries.

This settlement serves to reduce the Group's debt levels and financing costs.

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13. Significant events (continued)

On 27 March 2024, Qalaa transferred to FHI its indirectly owned shares (27.21%) in National Printing Company S.A.E. (a subsidiary of Grandview), with Qalaa retaining a call option to purchase back this stake within two years.

Furthermore, the two companies signed an agreement giving Qalaa the right, but not the obligation, to buy FHI's stake in ASCOM Mining Company, exercisable between the end of September 2024 and the end of December 2025, with such purchase to be implemented in accordance with the applicable Egyptian Capital Market Law requirements.

- C) 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 September 2024 and the participating Qalaa shareholders will henceforth be the beneficial holders of the Purchased Senior Debt. The debt then extinguished by Qalaa in the form of a capital increase. Such agreement serves to reduce Qalaa's debt levels and financing costs. Refer to [note 14 \(b\)](#) for more details.

On 3 June 2025, Qalaa obtained the technical inspection report from the Economic Performance Sector of the General Authority for Investment and Free Zones, which examined the creditors' balances of the shareholders and approved that the total creditors' balance due to shareholders amounts to USD 240,752,323. The balance is distributed as USD 60,852,032 to CCP and USD 179,900,291 to QHRI, which had been used to increase the issued capital. Refer to [note 14 \(b\)](#)

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. Refer to [note 14 \(b\)](#).

- D) On 23 June 2025, ASCOM's board of directors unanimously approved the proposal to acquire 90% of Ostool Transport Company S.A.E. "Ostool" shares, a subsidiary of Raya Holding for Financial Investments S.A.E. This strategic acquisition will be executed through one of ASCOM's subsidiaries at a total purchase price of EGP 641 million. The board also unanimously agreed to proceed with an Independent Financial Advisor to evaluate the transaction.

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13. Significant events (continued)

- E) Throughout 2025, the Monetary Policy Committee of the Central Bank of Egypt implemented a series of interest rate reductions:

Between 17 April 2025 and 2 October 2025, Egypt's monetary policy saw a cumulative reduction of 625 basis points across key rates. On 17 April, the interest rate, lending rate, credit rate, and discount rate were each reduced by 225 basis points. This was followed by a 100-point cut on 25 May 2025 and 200 – point cut on 28 August 2025.

- F) On September 13, 2023, APM Investment Holding BVI (the company) acquired 11,465,795 shares in Allied Gold corporation. In November 2023, APM pledged 7,500,000 of these shares as collateral for a loan from St. James Bank and Trust Company, with repayment due in May 2025.

During 31 December 2024, APM attempted to settle the loan balance of USD 11.7 million but was met with the lender's refusal to return the pledged shares, claiming them as loan repayment without legal justification. Following unsuccessful negotiations, APM appointed an international law firm to recover the shares.

As a result of the lender's unlawful retention of the pledged shares, APM recorded an impairment loss. This loss is calculated as the difference between the loan balance and the fair value of the pledged shares, amounting to approximately USD 6.6 million (equivalent to EGP 320.5 million).

14. Subsequent events

- A) The monetary policy committee of the central bank of Egypt reduced interest rates by 100 points on 2 October 2025 and, 100 points on 28 December 2025 and 100 points on 12 February 2026.
- B) 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-in 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.
- C) As of December 20, 2025, ERC paid USD 417 million equivalent to EGP 19.8 billion bringing down the senior debt to USD 63 million equivalent to EGP 2.9 billion.
- D) 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.