Misr Cement (Qena) Company (SAE)
Cairo - Egypt

Separate interim Financial Statements
For The Period Ended September 30,2025
And Limited Review Report

Contents

KRESTON EGYPT
Tamer Nabarawy & Co.

Limited Review Report

To: The Chairman and member of the board of directors of MISR CEMENT (QENA) COMPANY (S.A.E)
(Egyptian Joint Stock Company)

Introduction:

We have performed a limited review for the accompany separate interim financial statements of MISR CEMENT (QENA) COMPANY (S.A.E) which comprise the separate interim statement of financial position as at September 30,2025 and the related separate interim statements of income Separate interim, other comprehensive income Separate interim, change of equity Separate interim and cash flows Separate interim for the Nine months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and Fair presentation of these separate interim financial statements in accordance with the Egyptian Accounting Standards, our responsibility is to express a conclusion on these separate interim financial statements based on our limited review.

Scope of limited review

We conducted our limited review in accordance with the Egyptian standard on review engagements 2410 "Limited review of separate interim financial statement performed by the independents Auditor of the entity". A limited review of separate interim financial statements consists of making inquiries primarily to people responsible for financial and accounting matters in the company 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 such an audit opinion on this separate interim financial statement.

Conclusion:

Based on our limited review, nothing has come to our attention that causes us to believe that the accompany separate interim financial statements do not present fairly, in all material respect the separate interim financial position of MISR CEMENT (QENA) COMPANY (S.A.E) as at September 30,2025 and its financial performance and its cash flow for the Nine months ended then, in accordance with Egyptian accounting standards.

Cairo, 12 November 2025

Auditor

Tamer Nabarawy
Financial Regulatory Authority
Register Number (389)
Tamer Nabarawy and Co.
KRESTON EGYPT

KRESTON EGYPT
Tamer Nabarawy & Co.
Public Accountants & Consultants

Translation of financial statements
Originally issued in Arabic

Separate interim Statement of Financial Position

	Note	30 September, 2025	31 December, 2024
		EGP	EGP
Non-current assets			
Fixed assets	(5)	411 335 766	388 172 306
Assets right to use	(6-A)	1 379 401	1 943 700
Intangible assets	(7)	620 568	1 048 269
Project under construction	(10)	11 436 809	8 762 506
Investments in subsidiaries	(8)	1 168 435 322	1 168 435 322
Investments in associates	(9)	800 000	800 000
Deferred tax Assets	(19)	10 090 714	10 090 714
Total non-current assets		1 604 098 580	1 579 252 817
Current assets			
Inventory	(11)	860 358 209	619 571 743
Due from related parties	(13-A)	69 508 370	34 950 685
Account receivables	(12)	--	10 453 629
Debtors and other debit balances	(14)	167 815 222	115 758 408
Cash and cash equivalent	(15)	793 998 502	244 521 142
Total current assets		1 891 680 303	1 025 255 607
Total assets		3 495 778 883	2 604 508 424
Equity			
Issued and paid-up capital	(16)	960 000 000	960 000 000
Reserves	(17)	229 509 438	218 721 873
Retained earnings		187 358 787	112 535 283
Net Profit for the period / year		753 629 395	215 751 290
Total Equity		2 130 497 620	1 507 008 446
Non-current liabilities			
financing lease liability – non-current portion	(6-B)	817 875	1 547 971
Deferred tax liabilities	(18)	59 718 207	56 737 977
Facilities – long term	(21)	--	81 460 122
Total non-current liabilities		60 536 082	139 746 070
Current liabilities			
Provisions	(19)	61 293 993	97 679 664
Facilities	(21)	75 497 384	111 500 832
Receivables – advance payments		108 122 485	22 027 718
Suppliers and notes payable	(20)	638 582 309	550 944 704
Due to related parties	(13-B)	--	18 656 982
Creditors and other credit balances	(22)	203 380 443	83 972 788
financing lease liability – current portion	(6-B)	172 932	99 923
Income tax payable		217 695 635	72 871 297
Total current liabilities		1 304 745 181	957 753 908
Total liabilities and equity		3 495 778 883	2 604 508 424

- The accompanying notes are an integrated part of these interim Separate financial statements.
- limited review report attached

Managing Director	Acting Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed

Separate interim Statement of Income

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	Note	Nine months ended 30/9/2025 EGP	Nine months ended 30/9/2024 EGP	Three months ended 30/9/2025 EGP	Three months ended 30/9/2024 EGP
Net Sales		2 835 387 226	1 908 048 040	1 259 927 439	885 381 556
(Less):					
Cost of sales	(23)	(1 766 351 229)	(1 657 189 316)	(715 603 136)	(800 197 846)
Gross profit		1 069 035 997	250 858 724	544 324 303	85 183 710
Selling and marketing expenses	(24)	(29 617 592)	(13 178 909)	(10 493 529)	(4 409 144)
General and administrative expenses	(25)	(90 420 087)	(67 471 723)	(31 582 414)	(26 722 540)
Amortization of intangible assets		(427 701)	(704 587)	(142 566)	(236 460)
Other revenue	(27)	33 127 735	665 138	30 243 325	155 645
Board of directors' salaries, attendance and transportation allowances		(7 741 022)	(4 455 334)	(1 542 052)	(2 009 519)
Total expenses		(95 078 667)	(85 145 415)	(13 517 236)	(33 222 018)
Net Operating profits		973 957 330	165 713 309	530 807 067	51 961 692
Add / (Less):					
Finance expense		(16 104 860)	(53 429 340)	(2 271 475)	(22 193 116)
Amortization of assets right to use		(564 299)	(752 399)	(188 100)	(376 200)
financing lease interest		(177 269)	(170 234)	(55 607)	(63 737)
Expected credit losses		(1 119 965)	(2 047 609)	(890 643)	(1 594 785)
Foreign currency exchange differences		(29 319 990)	6 359 545	(11 306 448)	(1 066 994)
Provision charged		(45 431 252)	(10 000 000)	(39 913 759)	--
Provisions no longer required		39 913 759	--	39 913 759	--
Expected credit losses (reversed)		663 787	--	--	--
Credit interest		14 880 373	1 498 812	9 292 669	537 308
Revenue from investments in associate and subsidiaries companies	(26)	37 607 647	14 589 428	3 000	3 000
Net Profits for the period before Taxes		974 305 261	121 761 512	525 390 463	27 207 168
(Less):					
Income tax		(217 695 636)	(29 397 451)	(119 365 456)	(6 296 459)
Deferred Tax		(2 980 230)	36 894	137 039	188 635
Net Profits for the period After Taxes		753 629 395	92 400 955	406 162 046	21 099 344
Earnings per share (EGP/Share)	(28)	6.48	0.81	3.46	0.11

- The accompanying notes are an integrated part of these interim Separate financial statements.

Managing Director	**Acting Chief Financial Officer**	**Financial Manager**
Hassan Gabry	**Mahmoud Karam**	**Adel Attia Mohamed**

Separate interim Statement of Comprehensive Income

Translation of financial statements
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	Nine months ended		Three months ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	EGP	EGP	EGP	EGP
Net Profits for the period After Taxes	753 629 395	92 400 955	406 162 046	21 099 344
Add / (Less):				
Other comprehensive income	--	--	--	--
Total comprehensive income for the period	753 629 395	92 400 955	406 162 046	21 099 344

- The accompanying notes are an integrated part of these interim Separate financial statements.

Managing Director	Acting Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed

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Separate interim statement of Change in Equity

30 September, 2024	Issued and Paid up Capital	Reserves	Retained Earnings	Net Profit for the period	Total
	EGP	EGP	EGP	EGP	EGP
Balance at 1 January 2024	960 000 000	214 931 399	97 399 893	75 809 474	1 348 140 766
Transferred to retained earnings	--	--	75 809 474	(75 809 474)	--
Transferred to reserves	--	3 790 474	(3 790 474)	--	--
Dividends Distribution	--	--	(56 885 393)	--	(56 885 393)
Total comprehensive income for the period	--	--	--	92 400 955	92 400 955
Balance on 30 September, 2024	960 000 000	218 721 873	112 533 500	92 400 955	1 383 656 328
30 September, 2025					
Balance at 1 January 2025	960 000 000	218 721 873	112 535 283	215 751 290	1 507 008 446
Transferred to retained earnings	--	--	215 751 290	(215 751 290)	--
Transferred to reserves	--	10 787 565	(10 787 565)	--	--
Dividends Distribution	--	--	(130 140 221)	--	(130 140 221)
Total comprehensive income for the period	--	--	--	753 629 395	753 629 395
Balance on 30 September, 2025	960 000 000	229 509 438	187 358 787	753 629 395	2 130 497 620

- The accompanying notes are an integrated part of these interim Separate financial statements.

Managing Director	Acting Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed

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Separate interim Statement of Cash Flow

	Note	*30 September, 2025* EGP	*30 September, 2024* EGP
Cash Flows from Operating Activities			
Net Profits for the period before taxes		974 305 261	121 761 512
Adjustment to reconcile net profit to cash flow from operating activities			
Depreciation of fixed assets	(5)	30 951 084	27 027 782
Amortization of intangible assets	(7)	427 701	704 587
Revenue from investments		(37 607 647)	(14 589 428)
Expected credit losses		1 119 965	2 047 609
Finance lease interest		177 269	170 234
Amortization of assets right to use	(6)	564 299	752 399
Provision charged		45 431 252	10 000 000
Provisions no longer required		(39 913 759)	--
Foreign currency exchange		29 319 990	(6 359 545)
Debit interest		16 104 860	53 429 340
Credit interest		(14 880 373)	(1 498 812)
Net Operating profits		**1 005 999 902**	**193 445 678**
Change in inventory	(11)	(240 786 466)	238 320 657
Change in related parties	(13)	(53 214 667)	(105 570 749)
Change in debtors and other debit balances	(14)	(53 176 780)	(26 808 990)
Change in account receivables	(12)	10 453 629	--
Change in receivables – advance payments		86 094 769	12 447 602
Change in suppliers	(20)	87 637 605	92 179 256
Change in creditors and other credit balances	(22)	71 390 977	(35 047 688)
Paid from financing lease contracts		(834 356)	(827 321)
Net cash Flows from operating activities		**913 564 613**	**368 138 445**
Income taxes paid		(72 871 298)	(30 412 462)
Provisions used		(41 903 164)	--
		798 790 151	**337 725 983**
Cash flows from investing activities			
(Payments) For purchase fixed assets	(5)	(54 114 544)	(22 970 229)
(Payments) For purchase intangible assets	(7)	--	(57 500)
(Payments) For projects under construction		(2 674 303)	(2 019 626)
Proceeds from investments measured at fair value through profit or loss (FVTPL)		--	15 021 897
Collected credit interest		14 880 373	1 498 812
Collected from dividends distributions		37 607 647	7 625 648
Net cash flows from investing activities		**(4 300 826)**	**(900 998)**
Cash flows from financing activities			
Change in facilities		(117 463 570)	(71 752 372)
Debit interest paid		(16 104 859)	(53 429 340)
Dividends distributions - paid		(82 123 546)	(31 377 386)
Net cash flows (used in) financing activities		**(215 691 975)**	**(156 559 098)**
Net cash and cash equivalents during the period		**578 797 350**	**180 265 887**
Foreign Currency exchange differences		(29 319 990)	6 359 545
Cash and cash equivalent – beginning of the period		244 521 142	40 337 825
Cash And Cash Equivalent – End of the period	(15)	**793 998 502**	**226 963 257**

- The accompanying notes are an Integral part of these interim Separate financial statements.

Managing Director	**Acting Chief Financial Officer**	**Financial Manager**
Hassan Gabry	**Mahmoud Karam**	**Adel Attia Mohamed**

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Notes to the interim Separate Financial Statements

1. **About the Company**

1.1. Company's Background

- MISR CEMENT CO, (QENA) COMPANY (S.A.E) was established under the provisions of Law No, 159 of 1981 and its executive regulations, The company was registered in commercial registry under No, 45832 Qena on May 25, 1997, the initial contract and the statute of the company was published in companies document issue No.2096 in November 1997

1.2. Company's purpose

- Cement production in its different forms and other by products ,the production and trading of other construction materials and construction supplies, So in order to attain its purpose the company may import the necessary equipment ,The company may participate in any ways with other companies in conducting similar activities which may help in achieving its purpose in Egypt or abroad, And it also may merge with previously stated bodies or acquire them in accordance with the provision of laws and its executive regulations.

- MISR CEMENT CO, (QENA) COMPANY (S.A.E) assigned the technical management, operation and maintenance of the factory, as well as business consulting for the operation of the quarry to the Arab Swiss Engineering "ASIC " and during the year 2022, the business was assigned to QENA for management and Maintenance Company.

- MISR CEMENT CO, (QENA)COMPANY (S.A.E) have assigned operation and supply of raw materials, as well as the work of cutting and indexing of limestone quarry to ASEC Company for Mining " ASCOM"
- From JULY 2022, the company has assigned technical support to QENA for management and Maintenance Company.

1.3. The Company's Location

- The head office located in the city of Qeft in Qena Governorate.
- Based on the decision of the Extraordinary General Assembly held on March 30, 2022, the company's head office was changed to be: 22 Anwar Al-Mufti Street - Tiba Project 2000 - Nasr City - Cairo. The entry was made in the commercial register on May 12, 2022.

1.4. The company duration

- The duration of the company is 25 periods starting from the date of the registration in the commercial register
- Based on the decision of the Extraordinary General Assembly held on March 30, 2022, the duration of the company was set to start from May 24, 2022, and end on May 23, 2047, according to the record in the Commercial Register. The entry was made in the commercial register on May 12, 2022.

1.5. Financial year

- The Fiscal Year For begins from 1 January and ends at the end of December of each year.
- The company is registered on both the Cairo and Alex Exchange Market.

1.6. Approval of the financial statements

The financial statements of the Company for the period ended September 30, 2025, were authorized for issuance in accordance with a resolution of the board of directors ------------

2. Basis For financial statement preparation

- The Separate Financial Statements of the Company have been prepared in accordance with the Egyptian accounting standards and the applicable laws and regulations.
- The financial statements have been prepared under the going-concern assumption and on the historical cost basis under the fair market value.
- The financial statements have been prepared and presented in Egyptian pound, which is the Company's functional currency.

Translation of financial statements
Originally issued in Arabic

3. Significant accounting estimates and personal judgments

3.1 The significant accounting estimates and assumptions

The preparation of financial statements according to the Egyptian accounting standards requires that management uses personal judgments and making estimates and assumptions that can affect the application of policies and the values of assets and liabilities also revenues and expenses. The estimates and assumptions are evaluated based on experience and some other factors including the expected future events that fit these circumstances.

These estimates and assumptions are reviewed yearly and any differences in the accounting estimates are recognized in the year in which these estimates are changed, and if these differences affect the year in which these changes are made and future years, these differences are recorded in the year in which the adjustments are made and the future years. The most significant estimates and assumptions the company uses are as follows:

a. Income tax

The Company is subjected to corporate income tax. The Company estimates the income tax provision by using expert's advice. In case of any difference between any of the final and preliminary results, these differences will affect the income tax and deferred income tax provision in these years.

b. Expected credit loss in value of commercial debtors.

The evaluation of the value of receivables is mage through debt aging. The Company management is studying the credit position and the ability of payments of the customers who their numerous debts are due during the credit limit grated for them and the impairment is recorded with the value of the due amounts on the customers who the Company management sees that their credit position does not allow them to pay their liabilities.

c. Useful lives of fixed assets

The estimated useful life depends on estimation and personal judgment based on the experience of the Company with similar fixed assets taking into consideration the estimated usage of the assets and number of working shifts and technical limitations. Residual values and useful lives of assets are reviewed periodically.

d. Impairment of Inventory

The company's management reduces the obsolete and low turnover of inventory into its net ordinary value based on special reports about its usage and future benefits.

3.2 Significant personal judgments in applying the Company's accounting policies

Applied accounting policies do not require from management the use of personal judgment, which may have a significant impact on the value recognized in the financial statements.

3.3 Fair value measurement

- The fair value of financial instruments is identified according to the market value of the financial instruments or similar financial instruments on the date of the financial statements. The value of the financial assets is identified by their replacement cost, while the value of the financial liabilities is identified by the current prices that can settle these liabilities.
- In case there is no active market to determine the fair value of the financial instruments the fair value is estimated using different valuation methods taking into consideration the prices of recent transactions and using the current fair value of other significantly similar instruments-Deducted cash flow method- or any other evaluation method results in values on which we can depend.
- When using the deducted cash flow method as a method of evaluation the future cash flow is estimated based on the best estimates by management. And the used deduction rate is identified based on the prevailing price in the market in the date of the financial statements of instruments similar in nature and conditions.

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Originally issued in Arabic

4. Significant accounting policies

The accounting policies set out below have been applied consistently to all the years presented in these financial statements.

4.1 Foreign currencies translation

Transactions in foreign currencies are initially recorded using the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated using the exchange rates prevailing at the balance sheet date, all differences are recognized in the statement of income.

Non-monetary items that are measured at historical cost in foreign currencies are translated using the exchange rates prevailing at the date of the initial recognition.

4.2 Fixed assets and their Depreciation

a. The first recognition and initial measurement

Fixed assets are stated at the historical cost deducts of accumulated depreciation and accumulated impairment losses.

b. Subsequent Cost of acquisition

Such cost includes the cost of replacing part of the fixed assets when that cost is incurred, if the recognition criteria are met, Likewise, when major improvements are performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied, all other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

c. Depreciation

Depreciation is determined based on the fixed assets less salvage value as residual value at the end of estimated useful life.

The Salvage value of assets is the net amount currently expected to be obtained as a result of disposal, if it is in the expected condition at the end of its useful life.

The depreciation amount is carried on the income statement according to the straight-line method by the useful life estimated to each kind of fixed assets except land that not depreciated, the depreciation of fixed assets are depreciated according to the following rates:

Assets	Depreciation rate
Buildings, constructions and facilities	5% - 6.6%
Machinery and equipment	5% - 10%
Motor vehicles	20%
Tools	10%
Furniture, fixtures and office equipment	10 - 50%

4.3 Intangible assets

The intangible assets are initially recognized at the cost then they are recognized at the cost less the accumulated amortization and the accumulated impairment.

The intangible assets with a definite life are amortized throughout the assets' economic life. An impairment test is made whenever there is an indicator of the assets' impairment. The amortization year and method of the intangible assets with a definite life are revised at least once at the end of each fiscal year.

4.4 Projects under construction

Projects under construction represent the amounts that are incurred for the purpose of constructing or purchasing fixed assets until they are ready to be used in the operation, upon which it is transferred to fixed assets.

4. Significant accounting policies (followed)

4.5 Investments in subsidiaries and associates

Investments in subsidiaries and associates are recorded at costless losses of their impairment, in subsidiaries are accounted for at cost including transaction cost and in case the investment is impaired, the carrying amount is adjusted by the value of this impairment and is charged to the Income Statement for each investment separately.

4.6 Financial investments at fair value through OCI

Financial investments are recognized at fair value through comprehensive income at cost on the date of acquisition. Investments listed on the stock exchange are evaluated at fair value (market value). As for investments not listed on the stock exchange, they are evaluated at their calculated value - according to the studies conducted in this regard - and the value of the resulting differences is recorded. As a special reserve - the differences in the evaluation of financial investments available for sale within shareholders' equity, and when the investment is sold, its share in the special reserve is added to the income statement.

For financial investments at fair value through comprehensive income that are not active (they have no market value in an active market) and whose fair value cannot be determined with a sufficient degree of confidence, these investments are recorded at their acquisition cost, and in the event of a decrease in the value of these investments (impairment), it is Adjusting the book value to the value of this decline and charging it to the income statement for each investment separately.

4.7 Inventory

The Inventory elements are valued as follows:

- Raw materials, gasoline, diesel, packaging and spare parts: at the lower cost (using the weighted average method) or net realizable value.
- Work in progress: at the lower of the cost of production based on the cost sheets or net realizable value.
- Finished goods: at the lower of the cost of production based on the cost sheets or net realizable value.

Cost of production includes the unit's share of direct materials, direct labor and both direct and indirect overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The amount of any write down of inventories to net realizable value and all losses of inventories shall be recognized in cost of sales in the statement of Income statement in the year the write down or loss occurs, The amount of any reversal of any write down of inventories, arising from an increase in net realizable value, shall be recognized as reduction of cost of sales in the statement of Income statement in the year in which the reversal occurs.

4.8 Revenue

Revenue from sales is recognized at fair value after deducting returns, commercial and quantity discounts. The revenues are recognized at the transfer of risks and returns of goods to the purchaser and at the presence of enough expectation about the flow of economic benefits in the sale transaction and in case of the company didn't hold the right of continuous managerial interference on goods to the purchaser at the receipt of goods, and in case of exporting the risks and returns of sold goods ownerships are identified based on the freight conditions as the revenue usually recognized when the goods are loaded on the truck.

- **Dividends**

Revenue is recognized when the company's right to receive payment is established.

- **Interest income**

Revenue is recognized as interest incurred using the effective interest method.

4.9 Expected Credit Loss

- The company has two types of financial assets that are subject to the expected credit losses model according to this methodology:

a. Customer balances and notes receivables generated from services to customers

b. Contract principles related to the company's contracts with customers

- The company applies the simplified approach to the impairment of financial assets in accordance with the Egyptian Accounting Standard No. (47) Financial Instruments in order to measure expected credit losses, which uses a provision for expected credit losses over the lifetime of all customer balances and contract assets with customers

4. Significant accounting policies (followed)

4.9. Expected Credit Loss(followed):

-To calculate the ECL, we depended on the customer and contract assets with customers' balances as a group based on common credit risk characteristics and the number of days past due. Where the assets of the contract with the customer relate to the work in progress that has not been invoiced and has the same risk characteristics as customer balances for the same types of contracts Accordingly, the company concluded that the expected credit loss rates for customer balances are a reasonable approximation of the expected credit loss rates for the assets of contracts with customers.

-ECL rates depended on analyses of sales payments over the 36 months before December 31, 2021, and the corresponding historical credit losses incurred during this year.

- The default rate calculated through this approach and used to calculate ECL is the company's historical default rates for each level of number of days past due by the company's customers, which is depended on sales payment analyzes over the 36 months before December 31, 2021, and the corresponding historical credit losses that have been incurred during this year
- In order to determine losses related to customer balances, notes receivable, and contract assets, the minimum allowable loss in case of failure (Loss Given Default) for each balance at risk is 100% due to the lack of any guarantee with the company.
- The amount that the debtor owes to the company at the time of the failure to pay is known as the balance exposed to failure (Exposure at Default), and the clearing is recognized in the statement of financial position between the balance of the debiting customer and the balance of the same crediting customer, the balance exposed to failure is determined as the unpaid balance on the date of the report, including any interest accrued till the date of the report.
- Egyptian Accounting Standard No. (47) Requires that the purpose of estimating ECL is not a worst-case scenario or a best-case scenario estimate. Instead, the ECL estimate should always reflect the probability that credit losses will occur, even if the most likely outcome is no credit losses. Therefore, the company applies macroeconomic scenarios to expected credit losses, where historical loss rates are adjusted to reflect current and future information about macroeconomic factors that affect the ability of customers to settle outstanding debt balances. The company has determined that the gross domestic product and the current account balance as a percentage of the gross domestic product and the annual change in the rate of inflation "average consumer prices" in the Arab Republic of Egypt, which is the country are sale the goods and the services, so these indicators are the most relevant factors and thus adjust the loss rates historical based on expected changes in these factors.

4.10 Provisions

A provision is recognized in the balance sheet when the Company has a present or legal or constructive obligation because of past events, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are reviewed at the date of preparing the financial statements and adjusted when necessary to show their best estimate.

4.11 Taxes

- **Income Tax**

Income tax is calculated on the Company's profit and is calculated according to the relevant laws, regulations, and instructions that are currently being implemented in this regard while using the prevailing income tax at the date of preparing the balance sheet. The tax on income should be reflected in income statement.

- **Deferred taxes**

Deferred tax occurs to reflect the existence of some temporary differences due to the difference in time frames when the current value of assets and liabilities are recognized between the prevailing taxation principles and accounting principles that are adhered to when preparing the financial statement.

The deferred tax is determined according to the prevailing method used to settle the present value of assets and liabilities. It should be taken into account that the deferred tax may be considered an asset of the company if there is a possibility that it may be used to reduce the accrued tax profits of the company for future years, and the amount of the deferred tax considered as an asset of the company is reduced by the amount that may not be off set against future taxes.

4. Significant accounting policies (followed)

4.12 Accounts Receivable, notes receivable, debtors and other debit balances and suppliers' advanced payment

Accounts receivable, other debit balances and suppliers' advanced payments are stated at the original invoice amount net of any (impairment) losses that are expected not to be collected by the company.

4.13 Related party transactions

Transactions with related parties are recorded in the same way as its normal operations according to the conditions stated by the company's management and on the same basis as transactions with others.

4.14 Treasury shares

Treasury shares are initially measured at cost value and are deducted from the equity in balance sheet.

4.15 Legal reserve

According to the Company's articles of association, 5% of the net profits of the year are transferred to the legal reserve until this reserve reaches 50% of the issued capital, when the reserve falls below that limit the company should start deducting it again

4.16 General Reserve

The general reserve is formed from the company's profit in the previous year's according to the general assembly meeting resolution; This reserve is used upon a decision from the general assembly meeting based on the proposal of the board of directors and the interest of company.

4.17 Capital reserve

The capital reserve is formed by the amount of capital gains and the fixed assets endowed to the company.

4.18 Borrowing

Borrowings are initially recognized at the value received of the consideration received. Amounts maturing within a year are classified as current liabilities, unless the Company has the right to postpone the settlement for a year exceeding one year after the balance sheet date, then the loan balance should be classified as long-term liabilities.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate method amortization process.

The amortized cost is calculated considering any discount or premium on purchase and fees or costs that are part of the effective interest rate. The effective interest rate amortization is included in financing costs in the income statement

4.19 Expenses

All expenses including the cost of sales, selling and marketing expenses, general and administrative expenses and other expenses are recognized and charged to the statement of income in the financial year in which these expenses were incurred.

4.20 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale are capitalized as part of the cost of the assets. All other borrowing costs are expenditure in the year.

4. **Significant accounting policies (followed)**

4.20 Borrowing cost (followed):

which they are incurred. The borrowings costs are represented in interest and other finance costs that the company pay to obtain the funds.

4.21 Pension plan for employees

The company pays its share in social security according to social security law No, 79 for the year 1975 and its amendments, and it's included in the salaries and wages account in the income statement on an accrual basis.

4.22 The Contingents Liabilities and Commitments

Contingent liabilities of which the company is part of as well as off-balance sheet commitments which don't represent actual assets or liabilities at the date of balance sheet.

4.23 Dividends

Dividends are recognized as an obligation in the year in which the declarations of distributions are made.

4.24 Cash Flow Statement

The cash flow statement is prepared according to the indirect method.

4.25 Cash and cash equivalent

Cash and cash equivalents include cash on hand and at banks, time deposits accrued within three months and deducting from it time deposits accrued after three months and letter of grantee cover also the current bank accounts (credit balances)

4.26 Earnings per share

The company presented data related to the basic share of its regular shares. Earnings per share is calculated by dividing the company's profits on the number of ordinary shares of the company by the weighted average of the number of shares during the year.

4.27 Capital management

The Board of Director's policy is to always maintain a strong capital base to maintain investor, creditors and market confidence and to sustain future development of the business.

The board of directors aims to make a balance between the highest interest rates available with reasonable terms and conditions to maintain a healthy capital structure.

4.28 Comparative figures

The comparative figures reclassified to comply with current figures.

4.29 Fair value of financial instruments

The financial instruments are represented in the company's financial assets and liabilities and the financial assets include the account receivables, notes receivables and other debt balances and cash on hand and at bank also the financial liabilities include customers' advanced payments, contractors, accounts and notes payable and other credit balances.

According to the basis of evaluation followed in evaluating the company's assets and liabilities which is present in the disclosure footnotes of the financial statements, the fair value of the Separate financial instruments doesn't differ significantly from its book value at the date of the preparation of the financial statements

4. **Significant accounting policies (followed)**

4.30 Financial instruments and risk management related

The company's financial instruments are balances of bank accounts, cash in hand, Receivables & Notes Receivables, Debtors & other debit balances, creditors and other credit balances. The following shows the risks related to the financial instruments and the procedures continued by the company to minimize the effect of such risks:

A. Credit risk

This risk is represented in the disability of clients to pay for their outstanding liabilities. This risk is considered limited as the clients have a solid credit history.

B. Liquidity risk

The liquidity risk is represented by factors that impact on the repayment of amount or all of the company's commitment according to the company's policy the suitable policies are taken to decrease the risk level to the minimum.

C. Interest rate risk

The interest rate risk is represented in the change in value of financial instruments due to the fluctuation of the market interest rates. This risk is considered limited as the company depends on its own resources in financing its financial needs to pay its current obligations and finance the fixed assets.

D. Foreign currency risk

The foreign currency risk is the fluctuation of currency exchange rates since that affects the company's open receivables and payables balance in foreign currency also asset and liability evaluation in foreign currency.

5. Fixed assets

September, 30 2025	Land	Buildings & constructions	Machinery & Equipment	Motor Vehicles	Tools	Furniture & Fixtures	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost at 1 January 2025	**7 221 739**	**278 888 786**	**1 039 622 370**	**14 027 244**	**25 456 406**	**25 427 559**	**1 390 644 104**
Additions during the period	--	--	52 156 465	--	581 897	1 376 182	**54 114 544**
Cost at 30 September, 2025	**7 221 739**	**278 888 786**	**1 091 778 835**	**14 027 244**	**26 038 303**	**26 803 741**	**1 444 758 648**
Accumulated depreciation at 1 January 2025	**--**	**218 308 057**	**745 033 806**	**8 680 466**	**13 699 552**	**16 749 917**	**1 002 471 798**
Depreciation for the period	--	4 141 962	20 792 910	1 015 166	2 306 151	2 694 895	**30 951 084**
Accumulated depreciation at 30 September, 2025	**--**	**222 450 019**	**765 826 716**	**9 695 632**	**16 005 703**	**19 444 812**	**1 033 422 882**
Net book value at 31 September, 2025	**7 221 739**	**56 438 767**	**325 952 119**	**4 331 612**	**10 032 600**	**7 358 929**	**411 335 766**

This balance includes the recording of assets that are fully depreciated and still used which is reprehensive in: -

	Buildings & Constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture & Fixtures EGP	Total EGP
Cost of fully depreciated assets and still being used.	167 619 905	585 155 805	6 852 644	7 405 186	12 152 881	**779 186 021**

-The depreciation expense charged this period has been allocated to the statement of interim Income Statement as follows:

Cost of Sales (Note 23)	29 595 740
Selling and marketing expenses (Note 24)	101 346
General and administrative expenses (Note 25)	3 090 948
	32 788 034

Translation of financial statements
Originally issued in Arabic

5. Fixed assets (Followed)

31 December, 2024	Land EGP	Buildings & constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture & Fixtures EGP	Total EGP
Cost at 1 January 2024	7 221 739	276 410 861	1 026 216 224	14 027 244	21 199 310	18 896 040	1 363 971 418
Additions during the year	--	2 477 925	13 406 146	--	4 257 096	6 531 519	26 672 686
Cost at 31 December, 2024	7 221 739	278 888 786	1 039 622 370	14 027 244	25 456 406	25 427 559	1 390 644 104
Accumulated depreciation at 1 January 2024	--	211 111 858	723 132 477	7 245 161	10 939 097	13 864 287	966 292 880
Depreciation for the year		7 196 199	21 901 329	1 435 305	2 760 455	2 885 630	36 178 918
Accumulated depreciation at 31 December, 2024	-	218 308 057	745 033 806	8 680 466	13 699 552	16 749 917	1 002 471 798
Net book value at 31 December, 2024	7 221 739	60 580 729	294 588 564	5 346 778	11 756 854	8 677 642	388 172 306

This balance includes the recording of assets that are fully depreciated and still used which is reprehensive in: -

	Buildings & Constructions EGP	Machinery & Equipment EGP	Motor Vehicles EGP	Tools EGP	Furniture & Fixtures EGP	Total EGP
Cost of fully depreciated assets and still being used.	28 850 414	571 504 475	6 852 244	4 758 967	11 362 975	623 329 075

- The depreciation expense charged this year has been allocated to the statement of interim Income Statement as follows:

Cost of Sales (Note 23)	40 807 683
Selling and marketing expenses (Note 24)	188 002
General and administrative expenses (Note 25)	3 720 175
	44 715 860

Translation of financial statements
Originally issued in Arabic

6. Assets right to use

a. Assets right to use

	30 September, 2025	31 December, 2024
	Motor vehicles	Motor vehicles
	EGP	EGP
Cost as at January 1, 2025	3 762 000	3 762 000
Cost as at 30 September, 2025	**3 762 000**	**3 762 000**
Accumulated Amortization at 1 January, 2025	1 818 300	1 065 900
amortization of the period / year	564 299	752 400
Accumulated Amortization at 30 September 2025	**2 382 599**	**1 818 300**
Net book value as at 30 September 2025	**1 379 401**	**1 943 700**

b. Operating lease liabilities

Lease liabilities - current portion	172 932	99 923
Lease liabilities – non-current portion	817 875	1 547 971
Total	**990 807**	**1 647 894**

7. Intangible assets

	30 September, 2025	31 December, 2024
	EGP	EGP
SAP program	**6 058 611**	**5 182 985**
Additions during the period	--	875 626
Balance at 30 September, 2025	**6 058 611**	**6 058 611**
(less):		
Accumulated amortization at 1 January 2025	**5 010 342**	**(4 055 140)**
amortization during the period / year	427 701	(955 202)
Accumulated amortization on 30 September, 2025	**5 438 043**	**(5 010 342)**
Net book value on 30 September, 2025	**620 568**	**1 048 269**

8. Investments in subsidiaries

	Percentage of Ownership	30 September, 2025	31 December, 2024
		EGP	EGP
Misr Cement Minya	60.36%	1 066 863 275	1 066 863 275
Misr cement Beton (S.A.E)	99.90%	92 071 047	92 071 047
Misr Cement Maintenance	47,505%	9 501 000	9 501 000
		1 168 435 322	**1 168 435 322**

- The balance of the investment in subsidiaries amounts to EGP 1 168 435 322 includes an amount of EGP 9 325 000 commissions and fees related to the loan acquired by the company to finance the acquisition of and Misr Cement Minya and Misr cement Beton concrete stock, this amount was added to the cost of the investment due to the need to finance the acquisition with it, a letter was received by the company from the lending bank that the amount will be repaid along with the loan on 15 payment

8. Investments in subsidiaries(followed):

- In 1 November 2015 a selling contract was signed between QENA CEMENT (S.A.E) and Misr cement-Beton (S.A.E) (ASECO FOR ready mix) to purchase 44 872 676 common stock owned to Misr Cement Minya which represent 46.48% and it represents its full ownership for the company with a price of EGP 20.75 for each stock, to be total share 58 274 508 common stock which represent 60.36% and purchasing 208 998 shares owned in Misr cement-Beton (S.A.E)

- Which present 55% and that represents its full ownership in the company with a price of EGP 334.1 for each share in addition to all the commissions and transfer of ownership expenses the company's shares become 363 698 share which represent 99.90%. In addition to brokerage commissions, transfer of ownership and the transfer fees, and on September 28, 2022, the number of shares of Misr cement – Beton company "ASECO ready mix previously" was increased to 379 998 shares which represent 99,90%.
- There is a commercial pledge valid on all shares owned by the company in the acquired subsidiaries as security for long-term loans.
- Based on the minutes of the Board of Directors meeting held on March 30, 2023, 95 010 shares were purchased with a par value of 100 pounds per share, bringing the total investment to a value of EGP 9 501 000, fully paid, and it was amended in the commercial register on October 17, 2023.

9. Investments in associates

	Percentage of Ownership	30 September, 2025 EGP	31 December, 2024 EGP
South of Upper Egypt Company for sacks Manufacturing	20%	800 000	800 000
		800 000	**800 000**

10. Projects under construction

	30 September, 2025 EGP	31 December, 2024 EGP
Programs	8 546 718	8 546 718
Building maintenance	2 865 940	191 637
Others	24 151	24 151
	11 436 809	**8 762 506**

11. Inventory

	30 September, 2025 EGP	31 December, 2024 EGP
Raw materials and packing	144 043 338	110 517 278
Coal and diesel	285 140 478	62 081 441
Spare parts	277 685 576	319 133 023
Work in progress	116 292 147	93 632 349
Finished goods	37 196 670	34 207 652
	860 358 209	**619 571 743**

12. Account Receivables

	30 September, 2025 EGP	31 December, 2024 EGP
Account Receivables	--	10 885 605
(deduct):		
Expected credit losses	--	(431 976)
	--	**10 453 629**

13. Transactions with related parties

During the year the company and the related parties had a transaction between them based on the general assembly meeting and the most important transaction balances were as follows:

	Nature of the relation	Type	30 September, 2025
Misr Insurance	Shareholder	Insurance installments	28 456 753
South of upper Egypt company (main supplier)	Associate company	Supplying bags	116 708 493
Misr Cement Beton	Subsidiary company	Cement sales	95 329 783
Misr Cement Beton	Subsidiary company	Other services	713 000
Misr cement minya	Subsidiary company	Spare parts	497 847
Misr cement minya	Subsidiary company	Other services	(127 553 000)
Misr cement minya	Subsidiary company	Rents	794 481
Qena for Management and Maintenance Company (L.L.C)	Subsidiary company	Services	920 000
Qena for Management and Maintenance Company (L.L.C)	Subsidiary company	Other services	125 264 533

A) Due from related parties

	30 September, 2025	31 December, 2024
	EGP	EGP
Misr cement Beton (S.A.E)	23 314 774	23 667 118
Misr Cement Minya	35 745 233	12 328 604
Qena for Management and Maintenance Company (L.L.C)	12 526 685	--
	71 586 692	**35 995 722**
(Less):		
Expected credit loss	(2 078 322)	(1 045 037)
	69 508 370	**34 950 685**

B) Due to related parties

	30 September, 2025	31 December, 2024
	EGP	EGP
Qena for Management and Maintenance Company (L.L.C)	--	18 656 982
	--	**18 656 982**

14. Debtors and other debit balances

	30 September, 2025	31 December, 2024
	EGP	EGP
Tax authority–value add tax	68 691 077	39 975 710
Deposits with others	13 610 885	13 608 635
Prepaid expenses	29 762 015	4 791 396
With-holding taxes	7 546 409	14 970 384
Cash cover letter of guarantee (Note No.30)	4 864 500	4 864 500
Letter of Credits	1 828 190	16 582 580
Advance payments	19 135 857	15 378 964
Accrued revenue	12 960 550	--
Employees borrowings	1 733 315	994 251
Accrued interest	2 899 966	165 185
Other debit balances	6 524 080	6 313 556
	169 556 844	**117 645 161**
(less):		
Expected credit loss	(1 741 622)	(1 886 753)
	167 815 222	**115 758 408**

15. Cash and cash equivalent

	30 September, 2025	31 December, 2024
	EGP	EGP
Current accounts - Local currency	141 357 370	31 161 865
Current accounts - foreign currency *	6 688 724	151 980 384
Time deposits - maturing for three months	645 211 226	61 378 893
Cash on hand	741 182	--
	793 998 502	244 521 142

* The current accounts – foreign currency included blocked amounts USD 31 800 covered letter of credit and Amount USD 33 881 covered the exportation.

16. Issued and Paid-Up Capital

- The Company's authorized capital amounts to EGP 600 000 000,while the issued capital amounted to EGP 300 000 000 distributed over 30 000 000 shares of par value EGP 10 each, based on the decision of the extraordinary general assembly held on 22nd of march 2009 the capital was deducted by an amount of EGP 1 220 000 for 122 000 treasury shares, and it was registered in the commercial register in on 5th of July 2009, thus the paid up capital became EGP 298 780 000 distributed over 29 878 000 shares of par value EGP 10 per share
- According to a Board member meeting No (186) held on September12, 2017 and authorized by GAFI on September 25, 2017, which decided to increase the capital with the amount EGP 301 220 000 divided to 30 122 000 shares at EGP 10 per share, and the issuing capital became EGP 600 000 000 as registered in the commercial register on 31 January 2018 No. 4955.
- based on the decision of the extraordinary general assembly held on 28 of March 2018 distribute free stocks about stock for five stocks holders from the retained earnings and the number of shares become 72 000 000 instead of 60 000 000 shares and the paid capital become 720 000 000 Egyptian pounds instead of 600 000 000 Egyptian pound as registered in the commercial register on 29 May 2018 No. 23904.
- Based on an extra ordinary general assembly on September 25,2023, it was decided to increase the Capital through free shares amounted EGP 960 000 000 and it was register in the commercial registry on October 3,2023.
- The company's issued capital will be EGP 1 500 000 000, and the company's issued and paid-up capital will be EGP 960 000 000, distributed among the shareholders as follows:

	No. of shares	Par Value	Capital Issuing	Paid up capital	Percentage
		EGP	EGP	EGP	%
NCB Capital Company (NBE)	19 711 013	10	197 110 130	197 110 130	%20.53
Egyptian Federation for Construction and Building Contractors	14 409 599	10	144 095 990	144 095 990	%15.01
Egyptian Company for investment projects	9 668 127	10	96 681 270	96 681 270	%10.07
Egyptian Kuwaiti investment company	9 485 607	10	94 856 070	94 856 070	%9.88
National Investment Bank	9 194 131	10	91 941 310	91 941 310	%9.58
Egypt Company for Life Insurance	8 998 451	10	89 984 510	89 984 510	%9.37
QNB for finance services	6 428 685	10	64 286 850	64 286 850	%6.70
Individuals and IPO	18 104 387	10	181 043 870	181 043 870	%18.86
	96 000 000		960 000 000	960 000 000	%100

17. Reserves

	Legal reserve	General reserve	Capital reserve	Total
	EGP	EGP	EGP	EGP
Balance at beginning of period	200 572 069	10 216 984	7 932 820	218 721 873
Charged during the period	10 787 565	--	--	10 787 565
Balance as of 30 September, 2025	211 359 634	10 216 984	7 932 820	229 509 438

18. Deferred Tax Assets / (Liabilities)

	Tax Assets		Tax Liabilities	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	EGP	EGP	EGP	EGP
Balance at the beginning of the period / year	10 090 714	10 090 714	56 737 977	56 995 405
Assets (liabilities) deferred tax movements	--	--	2 980 230	(257 428)
Balance at the ending of the period / year	**10 090 714**	**10 090 714**	**59 718 207**	**56 737 977**

19. Provisions

	Balance as of 1/1/2025	Provisions no longer required	Used during the period	Provision charged	Balance as of 30/9/2025
	EGP	EGP	EGP	EGP	EGP
Tax provision	4 496 731	--	--	--	**4 496 731**
Provision for current claims and litigations according to legal opinion	1 269 174	--	--	--	**1 269 174**
Provision for claims	91 913 759	(39 913 759)	(41 903 164)	45 431 252	55 528 088
	97 679 664	**(39 913 759)**	**(41 903 164)**	**45 431 252**	**61 293 993**

- sThe provision for claims represents what has been created to meet any claims expected to be made by an external party. The company did not disclose information about the provisions due to management's belief that doing so would be expected to strongly affect the results of the negotiations with the external party. The management reviews these allocations annually and also adjusts the provision value according to the latest developments, discussions and agreements with the external party.

20. Suppliers and notes payable

	30 September, 2025	31 December, 2024
	EGP	EGP
Suppliers	638 582 309	295 573 709
Notes payables	--	255 370 995
	638 582 309	**550 944 704**

21. Facilities

- The company has facilities in 30 September, 2025 amounted EGP 5 653 283 from the National Bank of Egypt to finance the purchase of raw materials and production tools within limited amount to EGP 200 000 000.
- The company has long term facilities on 30 September, 2025 amounted EGP -- from the National Bank of Egypt to finance the purchase of raw materials and production tools within limited amount to EGP 200 000 000 during 2023 provided that the full amount of financing is paid at the end of the financing year in one installment.

22. Creditors and other credit balances

	30 September, 2025	31 December, 2024
	EGP	EGP
Tax authority	8 509 126	5 402 178
Value added tax on Cement	77 201 541	28 290 161
Production development fees	4 142 174	3 104 179
Retentions	12 625 645	13 078 670
Syndicate Stamps	6 915 534	6 961 202
Employees services association	396 610	240 272
Social insurance authority	1 368 235	1 238 522
Accrued Interest Receivable	8 899	8 899
Accrued expenses	49 050 535	2 643 917
Credit – Dividends	7 481 352	882 900
Solidarity contribution of medical insurance accrual	28 963 695	7 164 516
Other credit balances	6 717 097	13 718 850
	203 380 443	**83 972 788**

23. Cost of Sales

	Nine months ended		Three months ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	EGP	EGP	EGP	EGP
Depreciation	29 595 740	32 284 254	12 179 295	11 982 124
Governmental fees and technical management fees	61 139 382	55 345 877	23 578 571	19 933 703
Packing materials	239 274 755	227 321 281	83 513 983	96 666 327
Electricity and power	1 087 990 997	1 075 703 025	443 863 815	546 935 294
Indirect cost *	348 350 355	266 534 879	152 467 472	124 680 398
	1 766 351 229	**1 657 189 316**	**715 603 136**	**800 197 846**

24. Selling and marketing expenses

	Nine months ended		Three months ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	EGP	EGP	EGP	EGP
Salaries and wages	12 804 261	10 069 458	4 068 440	3 317 155
Depreciation	101 346	140 278	26 367	46 787
Stamps	30 030	78 903	--	19 512
Advertising and publicity	14 305 567	--	4 877 482	--
Traveling and Transportation expenses	177 920	218 300	59 825	79 664
Others expenses	2 198 468	2 671 970	1 461 415	946 026
	29 617 592	**13 178 909**	**10 493 529**	**4 409 144**

25. General and administrative expenses

	Nine months ended		Three months ended	
	30/9/2025 EGP	30/9/2024 EGP	30/9/2025 EGP	30/9/2024 EGP
Depreciation	3 090 948	3 218 933	1 015 824	1 711 619
Salaries and wages	41 926 665	35 713 944	14 396 634	14 989 461
Donations	6 992 465	4 667 272	1 679 078	2 018 779
Insurance Expenses	672 173	262 470	165 035	189 968
Public relations and advertisement expenses	316 864	416 144	84 754	29 983
Other services expenses	2 123 059	2 836 785	494 965	1 130 822
Training, researches and consulting expenses	3 369 840	2 446 992	2 524 676	1 405 314
Medical and pension funds	1 159 739	2 264 542	356 927	605 171
Transportation and travelling expenses	1 526 660	1 830 293	353 152	826 195
Material and supplies	2 717 799	1 131 815	1 906 111	362 889
Housing Rent and Transportation	132 599	188 500	70 981	72 500
Solidarity contribution of medical insurance	7 419 374	4 937 606	3 264 546	2 249 052
Other expenses	18 971 902	7 556 427	5 269 731	1 130 787
	90 420 087	**67 471 723**	**31 582 414**	**26 722 540**

26. Revenue from investments in associate and subsidiaries companies

	Nine months ended		Three months ended	
	30/9/2025 EGP	*30/9/2024* EGP	*30/9/2025* EGP	*30/9/2024* EGP
Qena Cement – dividends	30 534 552	7 575 627	--	--
Upper Egypt – dividends	7 067 095	7 010 801	--	--
Beton - Attendance Allowance	6 000	3 000	3 000	3 000
	37 607 647	**14 589 428**	**3 000**	**3 000**

27. Other Revenues

	Nine months ended		Three months ended	
	30/9/2025 EGP	*30/9/2024* EGP	*30/9/2025* EGP	*30/9/2024* EGP
Rent	--	--	--	(28 315 127)
Revenue from Transport, shipping, handling	86 731 411	43 283 571	38 819 527	42 140 312
Revenue from spare parts	--	1 143 259	--	710 762
Metal sales revenue	4 313 853	--	1 173 479	--
Miscellaneous revenue	31 111 000	441 496	29 665 000	441 496
	122 156 264	**44 868 326**	**69 658 006**	**14 977 443**
(Less):				
Minning activities cost	(2 561 246)	--	(683 264)	--
Transport, shipping and handling cost	(86 467 283)	(43 411 028)	(38 731 417)	(14 821 798)
spare parts cost	--	(792 160)	--	--
	33 127 735	**665 138**	**30 243 325**	**155 645**

28. Earnings per share (EGP / Share)

	30 September, 2025	30 September, 2024
Net profits for the period	753 629 395	92 400 955
Employees profit share	(71 594 793)	(8 778 091)
Board of directors' bonus	(59 635 313)	(5 500 282)
Remaining profits	**622 399 289**	**78 122 582**
Number of shares	96 000 000	96 000 000
Earnings per share	**6.48**	**0.81**

	EGP	EGP
Expected average number of shares: = 96 000 000 ×9/9	96 000 000	96 000 000

29. Tax Situation

a) Corporate taxes

An Introduction

The company was established in accordance with Law No. 159 of 1981. The General Authority for Investment and Free Zones approved the company's entitlement to the tax exemptions granted under the Investment Guarantees and Incentives Law No. 8 of 1997 for its activity related to cement manufacturing only, for a period of ten years starting from January 1, 2003, and ending on December 31, 2012, following the commencement of production on April 6, 2002.

The financial year ended December 31, 2013, is the first year subject to corporate income tax.

1. Years from beginning of the activity to 2004

All tax disputes for this period have been settled, and the related tax dues have been paid.

2. Years from 2005/2007

- The company was audited for this period, and all disputes were resolved and amounts due were settled.
- The tax authority objected to the Tax Appeal Committee's decision regarding the use of provisions in 2007 amounting to EGP 11,661,503, claiming that the amount represented funds transferred abroad subject to Article (56) of Law No. 91 of 2005 and should therefore be taxed at 20%, totaling EGP 2,915,376. The authority filed a lawsuit before Qena Primary Court.
- The court appointed an expert, and the company submitted a legal memorandum and discussed the matter with the expert. The expert's report concluded that the tax authority had no right to apply Article (56) to the use of the litigation provision.
- On September 24, 2014, the primary court ruled in favor of the company, upholding the Tax Appeal Committee's decision. The State Representative appealed the judgment, and the case is currently under review by the Administrative High Court in Cairo after being rejected by the Qena Administrative Court.

3. Years from 2008/2019

The company's tax audits for this period have been completed and all disputes resolved.

4. Years from 2020/2024

- In accordance with Article (41) of the Unified Tax Procedures Law No. 206 of 2020 and Article (49) of its Executive Regulations, the Large Taxpayer Center decided to conduct an electronic tax audit for these years.
- All required documentation and data have been submitted electronically, and the audit is currently in progress.
- The company has submitted its tax returns within the statutory deadlines.

29. Tax Situation (Followed):

b) Salary tax

1. Years from beginning of the activity to 2022

The authority examined those years and ended the dispute over that period.

3. Year 2023 / 2024

-The company withholds the tax from the employees and exports it to the tax authority at the legal dates.
-The Tax authority didn't inspect the company's documents for that period.

c) Value added tax (Sales Tax)

1. Years from beginning of the activity to 2007

The audits for these years have been completed, and all differences have been settled.

2. Years from 2008/2010

-The company was audited for these years, and Form (15 VAT) was issued with an assessed difference of EGP 1,147,876.

-The company appealed, and the High Grievance Committee reduced the amount to EGP 549,697, which the company paid provisionally to stop the penalties.

-The dispute was referred to court, and the Administrative Court ruled in favor of the company, clearing it of VAT differences for the period from January 1, 2008, to March 5, 2009. The company is awaiting the enforceable copy of the judgment to finalize settlement with the authority.

3. Years from 2011/2020

-The audits for this period have been completed, and all disputes have been resolved.

4. Year 2024

-The company submits its VAT returns on time.

-The tax authority has requested to audit this year; all supporting documents have been uploaded to the system, and the audit is still in progress.

d) Development of the country's financial resources fees

1. Years from 5 May 2008 to2023

-The tax authority reviewed the company's books and records up to 2021, and no differences were found.

-For 2022, a difference of EGP 28 was assessed, in addition to delay penalties amounting to EGP 262,057 due to late monthly payments. The company paid 35% of the amount and submitted a request for waiver of the remaining balance.

-For 2023, delay penalties of EGP 2,035,528 were assessed, of which EGP 500,000 has been paid.

2. Year 2024

- The company calculates and remits the fee on time, and the audit of its books and records is ongoing with the relevant authority.

29. Tax Situation (Followed):

e) Property tax

Introduction:

- Law No. 196 of 2008 was issued, imposing a tax on built properties, which was then amended by Law No. 103 of 2012 and further by Law No. 117 of 2014.
- The law was applied starting from July 1, 2013, with valuation effective until December 2021, according to Law No. 4 of 2019 amending Law No. 196 of 2008.
- The company relied on the authority's assessments to calculate its tax obligations for the years 2022–2024 in the absence of new valuation notifications.
- The company submitted its real estate tax returns in accordance with Law No. 196 of 2008 and its amendments.
- On August 30, 2022, the Cabinet issued a decision stipulating that the Ministry of Finance shall bear the real estate tax due on properties used in certain activities for a period of three years starting January 1, 2022. The cement industry was listed under item No. 12 of the covered sectors.
- The Real Estate Tax Authority issued Circular No. 5 of 2022 on September 6, 2022, detailing the procedures for implementing the Cabinet decision.
- The company has submitted a formal request with all required documents in accordance with the circular but has not yet received official approval.

30. Contingent liabilities

The name of bank issued letter of grantee	Letter of grantee amount EGP	Covered amount EGP	Uncovered amount EGP
National bank of Egypt	4 864 500	4 864 500	--

31. Changes in Egyptian accounting standards

Dated March 3, 2024 issued by the Prime Minister's Decision no. (32) for 2024 to amend some provisions of the Egyptian Accounting Standards and below is summary of the most important amendments.

The Standards that were Reissued	Summary of the major amendments	Impact on the financial statements	Date of application
Amended Egyptian Accounting Standard No. 34 "Investments Property"	The fair value model application mechanism has been modified, adding that the profit or loss arising from a change in the fair value of investment property must be recognized in the list of profits or losses for the period in which the change arises or through the other comprehensive income list once in the age of the asset or investment, taking into account paragraphs (35a) and (35b) of the standard.	Not applicable to the company	The amendments to add the fair value model option to the financial periods commencing on or after 1 January 2024, allowing for early retroactive application, with the cumulative effect of applying the fair value model being demonstrated initially by adding it to the retained earnings balance at the beginning of the financial period in which the company first applied the model.
Egyptian Accounting Standard No. (17) amended 2024 "Separate Financial Statements"	Egyptian Accounting Standard No. (17) "Financial Statements" was reissued in 2024, where the option to use the equity method as described in Egyptian Accounting Standard No. (18) has been added "Investments in Associate Companies" when accounting for investments in subsidiaries, associate companies and joint control companies.	Applies to the company	The amendments shall apply to financial periods commencing on or after January 1, 2024, and early application is allowed retroactively, with proof of the cumulative impact of the application of the equity method by adding it to the retained earnings balance at the beginning of the financial period in which the company first applied the model.
Egyptian Accounting Standard No. (13) amended 2024 "Effects of Changes in Foreign Exchange Rates"	This standard was reissued in 2024, adding how to determine the intraday rate when it is difficult to exchange between two currencies and the conditions that must be met in the intraday exchange rate on the measurement date. An application guidelines appendix has been added, which includes guidelines for assessing whether a currency is exchangeable for another currency, and guidelines for applying the required treatments in case of non-exchangeability.	Management is currently assessing the potential impact on the financial statements of the application of amendments to the standard.	The adjustments for determining the intraday exchange rate when the exchange between two currencies is difficult shall be applied to the financial periods starting on or after January 1, 2024, and early application is allowed, and if the entity makes early application, this must be disclosed. Upon application, the entity may not modify the comparative information, instead: When an entity reports foreign currency transactions in its currency of dealing, any effect of the initial application is recognized as an adjustment to the opening of the retained earnings balance on the date of initial application. When an entity uses an offer currency other than its own dealing currency or translates the results and financial position to a foreign currency, any effect of the initial application is recognized as an adjustment to the cumulative balance of foreign currency exchange– accumulated on the equity side – on the date of initial application.

- On October 23, 2024, Prime Ministerial Decree No. (3527) of 2024 was issued to amend certain provisions of the Egyptian Accounting Standards, and to issue Egyptian Accounting Standard No. 51 (Financial Statements in Hyperinflationary Economies). This standard shall be applied to the financial statements of the entity starting from the beginning of the financial period in which the economy is classified as hyperinflationary, and shall be activated pursuant to a decision issued by the Prime Minister.

Translation of financial statements
Originally issued in Arabic

32. Important Events

- On March 6, 2024, the Monetary Policy Committee of the Central Bank of Egypt decided to raise the overnight deposit and lending rates, and the main operation rate of the central bank by 600 basis points to 27.25%, 28.25%, and 27.75% respectively. The discount and credit rates were also raised by 600 basis points to 27.75%. The central bank also decided to allow the exchange rate to be determined according to market mechanisms. Consequently, the exchange rates of the Egyptian pound against the dollar and some other currencies declined.

- The impact of the current uncertain economic environment is an estimation, and the management will continue to assess the current situation and its associated impact regularly and it should also be considered that the assumptions used regarding economic expectations are subject to a high degree of uncertainty and, therefore, the actual outcome may differ significantly from the expected information. The company has considered the potential effects of the current economic fluctuations, which represent the best assessment by the management based on available information. However, markets remain volatile, and the recorded amounts remain sensitive to market fluctuations.

Managing Director	Acting Chief Financial Officer	Financial Manager
Hassan Gabry	Mahmoud Karam	Adel Attia Mohamed