AL - Naeem Holding for investments

(S.A.E – free zone)

Consolidated Financial Statements

For the period ended as of September 30, 2025

Limited Review Report

AL - NAEEM Holding for Investments "S.A.E– free zone"
Consolidated Financial Statements for the period ended September 30, 2025

Contents

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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF THE BOARD OF DIRECTORS OF NAEEM HOLDING COMPANY (S.A.E – Free Zone)

Introduction

We have reviewed the accompanying consolidated financial position of **NAEEM HOLDING COMPANY (S.A.E – Free Zone)** as of 30 September 2025 and the related consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine months ended on that date, and summary of the main accounting policies and other explanatory notes, Management is responsible for the preparation and presentation of these consolidated financial statements in accordance with the Egyptian accounting standards, our responsibility is to express a conclusion on these consolidated financial statements based on our review.

Scope of review

Except for the matter described in the Basis for Qualified Conclusion paragraph below, We conducted our review in accordance with the Egyptian Standard on review engagement no, (2410) "Review of interim financial information performed by the independent Auditor of the entity", A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures, A review is substantially less in scope than an audit conducted in accordance with Egyptian standards on auditing, Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit, Consequently; we do not express an audit opinion.

Basis for Qualified Conclusion

1) The Company's management has not prepared a fair value assessment for its investments in Uni Fund International Financial Investments Company and Nile Palm Al Naeem for Real Estate Development (classified as investments measured at fair value through other comprehensive income – Note 6) The Company has fully written down the value of these investments and recognized the decrease in the fair value reserve of financial investments through other comprehensive income as of 30 September 2025, which is not in accordance with the Egyptian Accounting Standards. We were unable to perform alternative limited review procedures to verify the appropriateness of the valuation of these investments. Accordingly, we are unable to determine whether any adjustment to the recognition or disclosure of the impairment of these investments in the consolidated financial statements as of 30 September 2025, might be necessary.

2) The Company has not remeasured its previously held equity interest in the former associate Etihad Capital Company at fair value at the date it obtained control, as required by Egyptian Accounting Standards Furthermore, the Company has not recognized or adjusted the identifiable assets and liabilities of the acquired subsidiary to their fair values as of acquisition date. Consequently, the elements of the consolidated financial statements and the effects have not been appropriately adjusted in accordance with Egyptian Accounting Standards, we were unable to determine the financial effects of these departures on the financial statements as of September 30, 2025

Qualified Conclusion

Except for the adjustments to the consolidated interim financial statements that might have been identified had we obtained the fair value study of the financial investments and the fair value assessment related to the acquisition, as described in the two matters mentioned in the Basis for Qualified Conclusion paragraph above, nothing has come to our attention that causes us to believe that accompanying interim consolidated financial statements are not prepared, in all material respects for the financial position of the company as of 30 September 2025, and its consolidated financial performance and cash flows for the nine months ended in that date in accordance with Egyptian accounting standards.

Cairo: 12 November 2025

Auditor
Amr Wahid Abdel Ghaffar

Baker Tilly Mohamed Hilal &Wahid Abdel Ghaffar.
Accountants and Consultants

AL Naeem Holding for Investments (S.A.E– Free Zone)
Consolidated Statement of Financial Position September 30, 2025

Translation of Financial Statements originally issued in Arabic

(All amounts in US Dollar)

	Note	30/9/2025	31/12/2024
Assets			
Non - current assets			
Fixed assets	(4)	17 164 690	17 497 502
Right of use assets		392 911	14 870
Projects under construction	(5)	45 441	43 337
Investments at fair value through OCI	(6)	76 438 825	71 101 620
Long - term investments	(7)	654 067	483 988
Notes receivables		442 514	381 781
Investments in associates	(8)	1 531 758	3 547 301
Deferred tax assets		20 061	17 424
Goodwill	(10)	33 072 829	54 416 732
Total non - current Assets		**129 763 096**	**147 504 555**
Current assets			
Cash & Cash Equivalents	(11)	3 837 572	5 294 061
Investments at fair value through profit or loss	(12)	6 052 592	6 675 219
Trade receivables	(13)	6 451 903	3 920 574
Work in progress	(14)	6 108 907	7 833 011
Debitors and other debit balances	(15)	5 817 631	6 779 443
Due from related parties		8 557 512	23 129 680
Finished units	(16)	2 554 101	3 486 257
Total current assets		**39 380 218**	**57 118 245**
Total assets		**169 143 314**	**204 622 800**
Owner's Equity			
Issued and paid up capital	(17)	245 290 246	245 290 246
Treasury shares	(19)	(85 466)	(55 164)
Legal reserve		8 506 431	8 506 431
General reserve		19 389 651	19 389 651
General reserve - Treasury stock reserve	(18)	5 824 305	5 824 305
Reserve of Unrealized gain from available for sale investments		18 522 651	6 374 375
Foreign Currency Translation Differences		(68 967 905)	(65 338 358)
Revaluation surplus		4 682 307	4 877 136
Retained losses		(80 382 227)	(77 239 479)
Net (losses) / Profits for The Period / Year		(45 182 529)	822 026
The owner's equity of the holding company		**107 597 464**	**148 451 169**
Non - controlling interest		39 717 719	38 473 989
Total The shareholders' equity and non - controlling interest		**147 315 183**	**186 925 158**
Non - current liabilities			
Long - Term liabilities	(20)	841 234	944 877
Deferred tax liabilities		140 601	130 204
Total non - current liabilities		**981 835**	**1 075 081**
Current liabilities			
Provisions	(21)	236 495	26 279
Bank facilities	(22)	6 334 683	4 410 969
Receivables – credit balances		2 086 488	1 576 000
Creditors and other credit balances	(23)	12 188 630	10 609 313
Total current liabilities		**20 846 296**	**16 622 561**
Total liabilities		**21 828 131**	**17 697 642**
Total equity and liabilities		**169 143 314**	**204 622 800**

-The accompanying notes is an integral part of these consolidated financial statements.
-Limited Review Report " Attached "

CFO	Managing Director	Chairman
Ahmed Mahmoud ElGammal	Youssef Medhat El Far	Hussein Shoboksh
احمد محمود	يوسف الفار	

Naeem Holding for investments (S.A.E– free zone)
Consolidated Income Statement For the period ended September 30, 2025

Translation of Financial Statements originally issued in Arabic

(All amounts in US Dollar)	Note	For the nine months ended 30/9/2025	For the nine months ended 30/9/2024	For the three months ended 30/9/2025	For the three months ended 30/9/2024
Revenues					
Fees, commissions and investments managing revenues		2 809 023	2 517 800	1 454 511	777 457
Sales and rent revenue of finished units		2 109 986	2 863 561	1 162 871	1 638 239
Coupon revenue		684 900	339 887	382 956	(6 384)
sale of Investments at Fair Value through profits or losses		(438)	(60 752)	(816)	85 347
Unrealized profit / (Loss) from revaluation of investments at fair value through profit or loss		84 920	83 543	(78 643)	82 895
Credit interest		162 716	145 311	36 403	49 978
Foreign currency exchange		(65 417)	2 059 198	(6 961)	11 210
Company's share of profit/ (losses) in associated companies		--	(81 631)	92 648	(60 443)
Capital Gains		--	50 205		(569 043)
Other income		1 152 353	991 245	241 990	991 245
Total Revenues		**6 938 043**	**8 908 367**	**3 284 959**	**3 000 501**
Deduct / Add:					
General and administrative expenses		(3 715 696)	(2 750 887)	(1 942 993)	(813 511)
Imperment in Goodwill	(10)	(43 763 280)	--	--	--
Decrease in investments in associates		--	--	473 327	--
Marketing expenses and management fees		(58 193)	(145 914)	(24 012)	(125)
Finance lease expenses		--	(157 708)	--	(50 786)
Additions of Provisions	(21)	(22 365)	--	(22 365)	--
Debit interests		(2 171 329)	(1 906 309)	(732 812)	(704 869)
Real estate depreciation	(9)	--	(642)	--	34
Right of use amortisation		(155 878)	(4 285)	(153 372)	(1 279)
Fixed assets depreciation	(4)	(514 253)	(466 747)	(189 145)	(153 274)
Expected credit loss		(14 403)	(23 968)	60 011	15 862
Total expenses		**(50 415 397)**	**(5 456 460)**	**(2 531 361)**	**(1 707 948)**
Net Losses / Profits for the period before taxes		**(43 477 354)**	**3 451 907**	**753 598**	**1 292 553**
Deduct:					
Income tax		(458 159)	(642 191)	(234 653)	(395 074)
Deferred income taxes		(3 286)	(25 840)	(1 235)	(21 292)
Net(Losses) / Profits for the period		**(43 938 799)**	**2 783 876**	**517 710**	**876 187**
Represented in:					
Shareholders' equity of the Holding Company		(45 182 529)	1 340 862	(121 013)	499 375
Non- controlling interest		1 243 730	1 443 014	638 723	376 812
		(43 938 799)	**2 783 876**	**517 710**	**876 187**

-The accompanying notes is an integral part of these consolidated financial statements.

CFO	Managing Director	Chairman
Ahmed Mahmoud ElGammal	Youssef Medhat El	Hussein Shobokshy

Naeem Holding for investments (S.A.E– free zone)

Consolidated Statement of Comprehensive Income For the period ended September 30, 2025

Translation of Financial Statements originally issued in Arabic

(All amounts in US Dollar)

	For the nine months ended		For the three months ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
Net (Loss)/Profits for the period	**(43 938 799)**	**2 783 876**	**517 710**	**876 187**
Revaluation of Investments at fair value through OCI	12 148 276	417 940	(10 200 918)	(232 969)
Revaluation Surplus - Assets Depreciation	(194 829)	(195 542)	(65 657)	(195 542)
Foreign Currency Translation Differences	(3 629 547)	(7 489 296)	5 217 182	(4 712 220)
Total comprehensive income	**(35 614 899)**	**(4 483 022)**	**(4 531 683)**	**(4 264 544)**

-The accompanying notes is an integral part of these consolidated financial statements.

CFO	Managing Director	Chairman
Ahmed Mahmoud ElGammal	Youssef Medhat El Far	Hussein Shobokshy

Naeem Holding for investments (S.A.E– free zone)
Consolidated Statement of changes in equity For the period ended September 30, 2025
(All amounts in US Dollar)

Translation of Financial Statements
originally issued in Arabic

	Issued and paid up capital	Legal reserve	General reserve	- General reserve Treasury stock reserve	Treasury shares	Reserve of Unrealized gain from available for sale investments	Revaluation surplus	Consolidated translation exchange	Retained losses	Profit / Losses for the period	Total	Non - controlling interest	Total
Balance as of 1 January 2024	245 290 246	8 506 431	19 389 651	5 824 305	--	4 322 654	5 138 335	(45 641 723)	(67 485 848)	(527 459)	174 816 592	35 899 474	210 716 066
Transferred to retained losses	--	--	--	--	--	--	--	--	(527 459)	527 459	--	--	--
Treasury shares	--	--	--	--	(55 164)	--	--	--	--	--	(55 164)	--	(55 164)
Revaluation surplus	--	--	--	--	--	--	(195 542)	--	195 542	--	--	--	--
The effect of selling financial investments at fair value through OCI	--	--	--	--	--	--	--	--	(7 564 586)	--	(7 564 586)	--	(7 564 586)
Revaluation of financial Investments at fair value through OCI	--	--	--	--	--	417 940	--	--	--	--	417 940	--	417 940
Consolidated translation exchange	--	--	--	--	--	--	--	(7 489 296)	--	--	(7 489 296)	--	(7 489 296)
Net profit for the period	--	--	--	--	--	--	--	--	--	1 340 862	1 340 862	1 443 014	2 783 876
Balance as of 30 September 2024	245 290 246	8 506 431	19 389 651	5 824 305	(55 164)	4 740 594	4 942 793	(53 131 019)	(75 382 351)	1 340 862	161 466 348	37 342 488	198 808 836
Balance as of 1 January 2025	245 290 246	8 506 431	19 389 651	5 824 305	(55 164)	6 374 375	4 877 136	(65 338 358)	(77 239 479)	822 026	148 451 169	38 473 989	186 925 158
Transferred to retained losses	--	--	--	--	--	--	--	--	822 026	(822 026)	--	--	--
Treasury shares	--	--	--	--	(30 302)	--	--	--	--	--	(30 302)	--	(30 302)
Revaluation surplus	--	--	--	--	--	--	(194 829)	--	194 829	--	--	--	--
Adjustments on retained losses	--	--	--	--	--	--	--	--	2 312 904	--	2 312 904	--	2 312 904
The effect of selling financial investments at fair value through OCI	--	--	--	--	--	--	--	--	(6 472 507)	--	(6 472 507)	--	(6 472 507)
Revaluation of financial Investments at fair value through OCI	--	--	--	--	--	12 148 276	--	--	--	--	12 148 276	--	12 148 276
Consolidated translation exchange	--	--	--	--	--	--	--	(3 629 547)	--	--	(3 629 547)	--	(3 629 547)
Net losses for the Period	--	--	--	--	--	--	--	--	--	(45 182 529)	(45 182 529)	1 243 730	(43 938 799)
Balance as of 30 September 2025	245 290 246	8 506 431	19 389 651	5 824 305	(85 466)	18 522 651	4 682 307	(68 967 905)	(80 382 227)	(45 182 529)	107 597 464	39 717 719	147 315 183

-The accompanying notes is an integral part of these consolidated financial statements.

CFO
Ahmed Mahmoud ElGammal

احمد محمود

Managing Director
Youssef Medhat El Far

يوسف الفار

Chairman
Hussein Shobokshy

Naeem Holding for investments (S.A.E– free zone)
Consolidated Statement of cash flows For the period ended September 30, 2025
(All amounts in US Dollar)

Translation of Financial Statements originally issued in Arabic

	Note	For The Period Ended 30/9/2025	30/9/2024
Cash flows from operating activities			
Net Losses / Profits for the period before taxes		(43 477 354)	3 451 907
Adjustments as Follow :			
Adjustments on retained losses		7 354 132	--
Fixed assets depreciation	(4)	514 253	466 747
Real estate depreciation		--	642
Depreciation of Right of use assets	(9)	155 878	4 285
Impairment in Goodwill		43 763 280	--
Additions of Provisions		22 365	--
Debit interest		2 171 329	1 906 309
Credit interest		(162 716)	(145 311)
Foreign currency exchange		65 417	(2 059 198)
The company's share in profits (losses) of investments in Associates		--	81 631
Capital gains		--	(50 205)
Unrealized losses on revaluation of Investments at fair value through profit or loss		(84 920)	(83 543)
Expected credit loss		14 403	23 968
Operting loss before change in working capital		**10 336 067**	**3 597 232**
Change In :			
Trade receivable		(2 538 924)	614 960
Debitor and other debit balances		955 964	(514 347)
Customers – credit balances		510 488	(673 911)
Creditors and other credit balances and Long - Term liabilities		1 475 674	(197 191)
Due from related parties		14 572 168	(351 108)
Work in progress		1 724 104	1 548 820
Notes receivable		(60 733)	459 483
Finished units		932 156	1 365 260
Income Tax Paid		(906 285)	(437 360)
Net cash flows provided from operating activities		**27 000 679**	**5 411 838**
Cash flows from investing activities			
(Payments) to purchase fixed assets	(4)	(181 441)	(326 061)
Proceeds from selling fixed assets		--	50 205
(Payments) for Projects under construction		(2 104)	(31 062)
Proceeds from saleReal Estate Investments		--	3 727 324
Change in Investments at fair value through OCI		(5 337 205)	37 501
Change in investments at fair value through profit or loss		707 547	(2 449 362)
Change in Right of use assets		(533 919)	11 376
Change in Goodwill		(22 419 377)	--
Change in Long-term investments		(170 079)	325 641
Change in investments in associates		2 015 543	81 630
Net cash flows provided from / (used in) investing activities		**(25 921 035)**	**1 427 192**
Cash flows from financing activities			
(Payments) to banking facilities		1 923 714	(2 092 158)
Change in Non-Controlling Interests		1 243 730	2 574 515
Debit interest paid		(2 171 329)	(1 906 309)
Proceeds from Credit interest		162 716	145 311
Consolidated translation exchange		(3 629 547)	(7 489 296)
Net cash flows (used in) financing activities		**(2 470 716)**	**(8 767 937)**
Impact of change in exchange rates		(65 417)	2 059 198
Cash and cash equivalents during the period		**(1 456 489)**	**130 291**
Cash and cash equivalents – beginning of the period		**5 294 061**	**2 791 630**
Cash and cash equivalents - end of the period	(11)	**3 837 572**	**2 921 921**

-The accompanying notes is an integral part of these consolidated financial statements.

CFO	Managing Director	Chairman
Ahmed Mahmoud ElGammal	Youssef Medhat El Far	Hussein Shobokshy

احمد محمود

يوسف الفار

النعيم القابضة للإستثمارات
NAEEM HOLDING
(ش.م.م)

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

1- BACKGROUND

Naeem Holding Company for Investments "S.A.E - Free Zone" was incorporated according to the provisions of law 8 of 1997 and its executive regulations and law 95 of 1992 and its special executive regulations related to the capital market, The Company was registered in the commercial registry under number 881-Ismailia on the14 May 2006, The Company's activities are as follows:

1. Participate, either fully or partially, in establishing companies.
2. Factoring.
3. Risk capital.
4. Finance lease.
5. Guarantee and covering public offering.
6. Margin trading and custodian function.

2- The Company has the following investments in subsidiaries as of September 30, 2025:

Company	Activity	Share %
-NAEEM Brokerage Company.	Financial Securities Brokerage	99.96%
-NAEEM Financial Investments Company.	Financial services	99.99%
-NAEEM Mortgage for Real Estate.	Real estate financing	98.4%
-NAEEM Capital Limited Company.	Financial Securities investments	100%
-NAEEM for Real Estate Management Limited Company.	Real Estate Investment Management	100%
-Smart for securities (Etihad Capital for Securities).	Financial Securities	99.96%
-Naeem Masr Investment Fund Company.	Investment Fund	100%
-NAEEM Real Estate Investment Fund company.	Investment Fund	99%
-Mina Mac Fund Company.	Investment Fund	99%
-NAEEM Real Estate Investment Fund (NAEEM for Investment Funds Company previously).	Investment Fund	99%
-Gold Capital for trading Company.	Commodities Trading	98.80%
-Recap for Financial investments (Recap holding previously) *.	Financial services	47.61%
-NAEEM For Financial Consulting.	Financial services	99.92%
-Arab Sweeteners Company.	Manufacturing	99.98%
Etihad Capital ***	financial service	91.83%
AL - Naeem Shares & Bonds	financial service	92.08%

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

* AL - Naeem Holding for Investments (Recap) previously for Financial Investments owns the following ownerships in its Subsidiaries:

Company	Activity	Share %
-SVREICO for Real Estate Investment Company	Real Estate Investments	68.35%
-Naeem For Real Estate Investments	Real Estate Investments	99.98%
-Bedaya For Real Estate Investments (Subsidiary of Naeem for Real Estate Investments)	Real Estate Investments	99%
-Belady For Tourist Development and Hotels (Subsidiary of Naeem for Real Estate Investments)**	Tourism Investments	99%
-Smart Gardens for real estate investment	Real Estate Investments	66%
NAEEM for Consulting Services Company	Consulting services	98%

* On April 1, 2021 and in accordance with the agreement to sell the shares of Naeem Capital Investment Company "S.A.E" - a subsidiary owned 99.99% by of Naeem Holding for Investments, the entire company's one million shares were sold.

** The company was excluded from the consolidation scope for the period ended June 30, 2025, following Al Naim Real Estate Investments Company's disposal of 85% of its equity interest in the company, resulting in a remaining ownership of 14%, pursuant to the agreements executed on April 1, 2025.

*** During the financial period ended September 30, 2025, the Company increased its ownership interest in Etihad Capital to 91.08%, resulting in Etihad Capital's reclassification from an associate company to a subsidiary.

3- BASIS OF CONSOLIDATION

- The financial statements of the Holding Company and its subsidiaries are prepared in accordance with the Egyptian accounting standards and the applicable laws and regulations.
- Similar accounts for assets, liabilities, revenues and expenses of Holding Company and its subsidiaries have been grouped, after excluding the following:
  1. The equity of subsidiary is reduced against the cost of the investment cost of Holding Company in its subsidiary.
  2. Intercompany accounts between Holding Company and subsidiaries:
     - Current accounts between group companies
     - Notes receivables / payables between group companies
  3. Revenues, expenses and dividends paid between Holding Company and subsidiaries during the period.
  4. Unrealized gains on the date of consolidated financial statements that resulted from transactions between Holding Company and subsidiaries which may appear in some assets at the date of consolidated financial statements,

5. Any differences between debit and credit balances through settlements, which arose as a result of operation between Holding Company and subsidiaries which recorded in the books of one of the companies and have not been recorded in the books of other Company.
   Show minority interest in a separate line item in the consolidated financial statements attributed to equity share in subsidiaries.
6. Non-controlling interest are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition in separate item.

(In the notes all amounts are shown in US Dollar unless otherwise stated)

(4) Fixed assets

	*Buildings	Vehicles	Furniture and office utilities	Office equipment and tools	Total
Cost as of 1/1/2024	**16 636 257**	**633 589**	**5 211 319**	**1 803 924**	**24 285 089**
Additions during the year	1 136 806	125 885	2 127	54 842	**1 319 660**
Disposals during the year	--	(41 309)	--	--	**(41 309)**
Cost as of 31/12/2024	**17 773 063**	**718 165**	**5 213 446**	**1 858 766**	**25 563 440**
Impact of the acquisition of Etihad Capital	--	33 926	--	113 594	**147 520**
Additions during the period	13 980	88 346	15 786	56 844	**174 956**
Cost as of 30/9/2025	**17 787 043**	**840 437**	**5 229 232**	**2 029 204**	**25 885 916**
Accumulated depreciation as of 1/1/2024	**1 526 148**	**348 427**	**3 860 738**	**1 721 004**	**7 456 317**
Depreciation for the year	502 580	30 155	64 343	30 070	**627 148**
Depreciation of disposals for the year	--	(17 527)	--	--	**(17 527)**
Accumulated depreciation as of 31/12/2024	**2 028 728**	**361 055**	**3 925 081**	**1 751 074**	**8 065 938**
Impact of the acquisition of Etihad Capital	--	**29 685**	--	**111 350**	**141 035**
Depreciation for the period	404 215	30 444	34 528	45 066	**514 253**
Accumulated depreciation as of 30/9/2025	**2 432 943**	**421 184**	**3 959 609**	**1 907 490**	**8 721 226**
Net Book Value 30/9/2025	**15 354 100**	**419 253**	**1 269 623**	**121 714**	**17 164 690**
Net Book Value 31/12/2024	**15 744 335**	**357 110**	**1 288 365**	**107 692**	**17 497 502**

* Management has used the revaluation model in accordance with Egyptian Accounting Standard No. (10) Fixed Assets according to the fair value study from an independent financial advisor on December 31, 2023 .

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

5. Projects Under Construction

	1/1/2025	Additions during the period	30/9/2025
Projects Under Construction	43 337	2 104	45 441
	43 337	**2 104**	**45 441**

6. Investments at Fair Value through OCI

	30/9/2025	31/12/2024
Quoted Shares in The Stock Market	18 228 119	45 265 708
Unquoted Shares in The Stock Market	58 210 706	13 709 688
Nile Palm EL Naeem for Real Estate Development *	--	951 915
Uni fund for financial investments	--	11 174 309
	76 438 825	**71 101 620**

* During the financial period ended September 30, 2025, the Company fully impaired its investments in Nile Palm Al-Naeem for Real Estate Development and Uni Fund International for Financial Investments and was recognized within the fair value revaluation reserve of investments through other comprehensive income The total amounting to 12 126 224 USD.

7. Long - Term Investments

	30/9/2025	31/12/2024
Misr Company for Central Clearing and Depository *	562 013	394 545
Guarantee Settlement Fund**	92 054	89 443
	654 067	**483 988**

*The change is due to decrease in the investment in Misr Company for central Clearing and Depository distrbutions of the capital of the company to its members every three years, and transfer ownerships of the equity between members according to par value , and redistribution when add new members.

** The determination of the contribution in settlement gurantee fund is based on average value trade by the company to the value trade of the market due to quarter before.

8. Investments in Associates

	Ownership%	30/9/2025	31/12/2024
AL - Naeem Shares & Bonds	1	--	176 942
Etihad Capital	30.2	--	1 879 537
Smart Back	16	1 531 758	1 490 822
		1 531 758	**3 547 301**

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

9. Real Estate Investments

	30/9/2025	31/12/2024
Beginning balance of the Cost for the Period/ year	--	**3 727 324**
Disposals for the period / year	--	(3 727 324)
Ending balance of the Cost as of the period \ year	--	--
Beginning balance of Accumulated depreciation	--	**(314 769)**
Depreciation for the period \ Year	--	(622)
Ending balance of Accumulated depreciation	--	**(315 391)**
Ending balance	--	--

According to the board of directors decision that had been held on 11 November 2015 which it was decided to cancel the finance lease contract with the International Company for Leasing which was contracted during 2011 related to the finance lease of building F4& B143,that resulted in acquisition of building B143 & F4 by Svreico For Real Estate Investment Company amounted to 2 946 959 EGP with the purpose of maintaining building B14 and building F4 to be offered for leasing according to one or more operating lease contract.

As a result, and according to prograph number (8) standard (34) of Egyptians accounting standards that related to investment properties, Svreico for Real Estate Investment Company recognized building F4 and B143 in the real estate investment.

Referring to the decision of the Minister of Investment No, 110 for the year 2015 to issue the accounting standards, which resulted in a change in Standard No, 34 of the Egyptian Accounting Standards for Real Estate Investment and the derecognition of the fair value method, Accordingly, they were reclassified in Accordance with transitional provisions from the fair value method to the cost method, it was taken into consideration that the useful life of the original 50 years.

10. Goodwill

	30/9/2025	31/12/2024
Goodwill arising from acquisition of:		
Naeem Brokerage in financial securities	40 330 093	40 330 093
Naeem development holding (REACAP for financial investments previously)	10 251 294	10 251 294
Naeem for Financial Investments	3 103 794	3 103 794
Etihad Capital	22 419 377	--
Smart for securities (Etihad Capital for Securities)	731 551	731 551
	76 836 109	**54 416 732**
Deduct: impairment in goodwill	(43 763 280)	--
	33 072 829	**54 416 732**

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

(*) and the impairment in goodwill balance is represented in:

	30/9/2025	31/12/2024
Naeem Brokerage in financial securities	(40 330 093)	--
Naeem development holding (REACAP for financial investments previously)	(1 818 483)	--
Naeem for Financial Investments	(883 153)	--
Smart for securities (Etihad Capital for Securities)	(731 551)	--
	43 763 280	--

11. Cash and Cash Equivalent

	30/9/2025	31/12/2024
US Dollars		
Cash on hand	5 474	3 429
Banks - Current accounts	686 872	514 949
Time deposit	50 000	50 000
	742 346	**568 378**
Other Currencies		
Cash on hand	30 804	17 404
Banks - Current accounts	2 491 695	4 121 662
Time deposits	573 295	587 307
	3 095 794	**4 726 373**
Deduct:		
Expected credit loss	(568)	(690)
	3 837 572	**5 294 061**

12. Investments at Fair Value through Profit or Loss

	30/9/2025	31/12/2024
Quoted shares in the stock market	397 610	646 005
Unquoted shares in the stock market	782 424	679 986
Investment fund units (Treasury shares)	4 872 558	5 349 228
	6 052 592	**6 675 219**

13. Trade Receivables

	30/9/2025	31/12/2024
Trade Receivables	6 656 084	4 117 160
Deduct:		
Expected Credit Loss	(204 181)	(196 586)
	6 451 903	**3 920 574**

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

14. Work in Progress

	30/9/2025	31/12/2024
Marsa Alam Land	--	4 885 685
First phase lands – smart village – buildings and constructions	6 108 907	2 947 326
	6 108 907	**7 833 011**

15. Debtors and Other Debit Balances

	30/9/2025	31/12/2024
Prepaid expenses	370 853	50 443
Employees’ loans and advances	3 444	1 833
Deposit with others	320 378	214 415
Tamweel For Mortgage Company *	645 580	922 249
Advances to suppliers	613 476	226 707
Accrued Revenue	89 038	--
Tax Authority	86 776	57 244
Notes receivables	2 843 739	1 562 078
Other debit balances	855 354	3 749 633
	5 828 638	**6 784 602**
Deduct:		
Expected credit loss	(11 007)	(1 159)
	5 817 631	**6 779 443**

* The company has made a sale and lease back contract for the first and third floor -building B–16 in Smart village that the company owns it with Tamweel for Mortgage.

16. Finished units

	30/9/2025	31/12/2024
First phase Buildings – Smart village*	2 554 101	3 486 257
	2 554 101	**3 486 257**

* This amount represents the covered costs related to the unsold portion of buildings no B109 & B16 at the first phase, as included in the balances of Sverico for Real Estate Investment Company.

17. Issued and paid-up capital

The Company’s authorized capital amounts to USD 600 million and the initial issued and paid-up capital at the date of incorporation amounted to USD 120 million divided over 120 million shares each with a par value of USD 1.

On 18 July 2006, the board of directors approved an increase in the issued and paid-up capital from USD 120 million to USD 240 million and increase the shares from 120 million shares to 240 million shares each with a par value of USD 1 and the increase was fully subscribed in.

On 30 March 2008 the general assembly meeting agreed on board of directors’ proposal to declare 1 stock dividend for every 3 shares with total amount of USD 80 million, On 16 July 2008 the capital increase was registered at Misr for Central Clearing, Depository and Registry Company, Accordingly, issued and paid-up capital amounted to USD 320 million divided over 320 million shares each with a par value of USD 1.

- On 11 November 2009 the board of directors decided to redeem 10 660 529 shares from treasury shares at their par value (Note 19), Accordingly the Company issued and paid-up capital amounted to USD 309 339 471.
- On 14 April 2011 extra ordinary general assembly meeting decided to redeem
- 5 017 471 shares of treasury shares with their par value (Note 20) accordingly issued and paid-up capital becomes USD 304 322 000.
- On 21 May 2012, according to the decree of the Extraordinary General Assemble Meeting, 10 432 529 shares of treasury shares have been redeemed with their par value (Note 19), accordingly issued and paid-up capital becomes USD 293 889 471.
- On 6 August 2013, according to the decree of the Extraordinary General Assemble Meeting, 10 000 000 shares of treasury shares have been redeemed with their par value (Note 19), accordingly issued and paid-up capital becomes USD 283 889 471.
- On 16 January 2014 the articles no,6 & 7 of the company's article of association has been changed and the changes were highlighted in the commercial register on that date.
- Pursuant to the decisions of the extraordinary general assembly held on 25 July 2016, which stipulated for reducing the issued and paid-up capital from USD 283 889 471 to USD 198 722 630 by way of reducing the nominal value per share from 1 USD to USD 0.70 while keeping the number of shares as it is, i.e., 283 889 471 shares. The aforesaid decisions further stipulated for transferring the reduced portion of capital, amounting to USD 85 166 841 to the company's reserves (general reserve), and for amending articles nos. (6 and 7) of the company's articles of association.
- On 22 June 2017 the ordinary general assembly meeting agreed on board of directors' proposal to declare 1 stock dividend for every 10 shares outstanding with total amount of USD 19 872 263. On 9 October 2017 the capital increase was registered at Misr for Central Clearing. Depository and Registry, Accordingly, issued and paid-up capital amounted to USD 218 594 893 divided over 312 278 418 shares each with a par value of USD 0.70 and it was modified in the commercial register dated 14 September 2017.
- On 15 April 2018 the ordinary general assembly meeting agreed on board of directors' proposal to declare 1 stock dividend for every 10 shares outstanding with total amount of USD 21 859 489. On 10 October 2018 the capital increase was registered at Misr for Central Clearing. Depository and Registry, Accordingly, issued and paid-up capital amounted to USD 240 454 382 divided over 343 506 260 shares each with a par value of USD 0.70 and it was modified in the commercial register dated 12 September 2018.
- On 28 March 2019 the ordinary general assembly meeting agreed on board of directors' proposal to declare 1 stock dividend for every 10 shares outstanding with total amount of USD 24 045 438. On 9 June 2019 the capital increase was registered at Misr for Central Clearing. Depository and Registry, Accordingly, issued and paid-up capital amounted to USD 264 499 820 divided over 377 856 886 shares each with a par value of USD 0.70 and it was modified in the commercial register dated 28 May 2019.
- On April 7, 2021, based on to the company's general assembly's decision, which included the approval to reduce the issued and paid-in capital from $264 499 820 to be the issued and paid-in capital $245 290 246 And that is by executing the treasury shares mentioned in the company's financial statements for the financial year ending on December 31, 2020, amounting to 27 442 248 shares with a face value for one share of 0.70 US dollars with a total value of 19 209 574 US dollars the articles no, 6 & 7 of the company's article of association has been adjusted and it was modified in the commercial register dated 13 July 2021.

18. General reserve -Treasury stock reserve

- According to the Company's board of directors meeting held on 25 August 2008, the Company decided to purchase 4.9% from Company's shares. The Company had purchased 11 115 493 shares during 2008 and 2009 with amount of USD 7 428 235.
- On 11 November 2009 the board of directors agreed to redeem 10 660 529 shares from treasury shares at par value, The Company completed the appropriate procedures to redeem these shares of an amount of 7 219 991 USD as at 30 March 2010 according to the decision of the extraordinary general assembly meeting held, The difference between the acquisition cost and the par value amounted to USD 3 440 538 is recognized in reserve available for distribution in equity at the balance sheet as of 31 December 2009.
- According to the decree of Company's Extraordinary General Assembly Meeting held on 14 April 2011, 5 017 471 treasury shares and their acquisition cost is amounted to 2 654 357 and their par value is amounted to USD 5 017 471 has been redeemed , and the difference between the share's par value and their acquisition cost has been charged to reserve available for distribution in the equity in the Consolidated balance sheet, as of 31 December 2011 with the addition to the amount of USD 2 363 114, so that, for the reserve available for distribution as of 31 December 2011 amounted to 5 803 652 USD.
- On 21 May 2012, according to the Extraordinary General Assembly Meeting decision, 10 432 529 shares from treasury shares have been redeemed at par value that had acquisition cost amount to USD 5 605 525 with par value amount to USD 10 432 529, The difference between the par value and acquisition cost amount to USD 4 827 004, so that the dividends available to distribution becomes USD 10 630 656 as of 31 December 2012.
- On 6 August 2013, according to the Extraordinary General Assembly Meeting decision, 10 000 000 shares from treasury shares have been redeemed at par value that had acquisition cost amount to USD 2 814 142 with par value amount to USD 10 000 000, The difference between the par value and acquisition cost amount to USD 6 671 109.
- On 13 November 2013, according to the Extraordinary General Assembly Meeting decision, 5 000 000 shares from treasury share have been purchased with the amount of USD 1 608 173 for the purpose of financing rewarding system.
- On 30 September 2020 Treasury stock reserve amounted to USD 7 233 894
- (On 31 December 2019, USD 7 233 894).
- On April 7, 2021 according to the decision of the Extraordinary General Assembly of the company, a number of 27 442 248 shares were executed from treasury stock at their face value which is the cost of acquisition is 20 619 163 $and the nominal value of 19 209 574 $The difference between the face value and the cost of acquiring these shares was included in the treasury stock reserve with equity in the stand-alone statement of financial position on

  December 31, 2020 with 7 233 894 USD bringing the total value of the treasury stock reserve 5 824 305 USD on June 30 2025.

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

19. Treasury stock

- As of September 30, 2025, the value of treasury shares amounted to 85 466 USD representing a total of 566 641 shares, of which 410 000 shares are allocated for the employee and management incentive plan, in accordance with the approval of the Extraordinary General Assembly held on August 25, 2025.The Company obtained the approval of the Financial Regulatory Authority to implement the incentive plan on November 9, 2025.

20. Long -term liabilities

	30/9/2025	31/12/2024
Notes Payable	99 080	224 076
Lease Contract Liability	742 154	720 801
	841 234	**944 877**

21. Provisions

	30/9/2025	31/12/2024
Beginning balance	**26 279**	**26 279**
Adjustments	187 851	--
Component during the period	22 365	26 279
Ending balance	**236 495**	**26 279**

22. Bank facilities

	30/9/2025	31/12/2024
United bank	827 068	--
United Ahly Bank	2 986 633	2 675 059
Saib Bank	522 139	177 026
Alttijari Wafa Bank	810 161	281 362
Arab African International Bank **	765 335	1 277 522
NBK	417 711	--
Emirates NBD	5 636	--
	6 334 683	**4 410 969**

** The company obtained a secured credit from the Arab African International Bank –Egypt amounting to LE 200 million, ensuring securities and guaranteed by the shares of Recap for Financial Investments Company and Egyptian Gulf Bank, with the aim of financing a securities portfolio investment.

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

23. Credit and Other Creditor Balances

	30/9/2025	31/12/2024
Insurance for others	285 998	189 451
Accrued expenses	875 335	164 530
Central depository custody	14 517	7 687
Social insurance authority	17 169	11 761
Customer Advanced Payments	129 239	
Takaful Contribution	11 512	22 324
Risk guarantee fund	292	62
Tax Authority	616 601	1 027 667
General authority for investment and free zones	--	1 964 590
Nile Palm EL Naeem for Real Estate Development	1 018 271	114 508
Notes payable – short term	144 655	958 985
Lease contract liability	220 166	124 590
Purchasing and selling clearing	375 817	507 853
Advanced Revenue	4 878 373	3 078 326
Maintenance Creditors	2 156 521	1 482 751
Other credit balances	1 444 144	954 228
	12 188 630	**10 609 313**

24. Financial Instruments and Risk Management

The Company's financial instruments are represented in financial assets and liabilities, the financial assets include cash on hand and at banks, account receivables, other debit balances and financial investments, the financial liabilities include bank overdraft, dividends payable and other credit balances.

The significant accounting policies applied for the recognizing of income and expenses are included in note (30) of the notes to the financial statements. a-The foreign currency risk other than US dollar.

a-The foreign currency

The foreign currency risk is the risk that the value of the financial assets and liabilities and their related cash inflows and outflows in foreign currencies other than the US Dollar will fluctuate due to changes in foreign currency exchange rates.

b- Fair Value

According to the followed bases in the evaluation of the financial assets and liabilities of the Company, the fair value of the financial instruments is not materially different from their fair values at the financial statements date.

c- Credit Risk

The company settles its banking liabilities periodically to avoid unexpected financial losses.

d- Liquidity Risk

The company is constantly examining financial situation of liquidity for all items of the statements as well as Taking all necessary precautionary measures to face any expected risks that may arise from the dealings of the company and lead to a problem in liquidity.

e- Risks of Cash Flows related to Interest Rate

Usually, future cash flows of financial instruments is prepared, in order to anticipate any changes that may occur in the future interest rate changes and this may lead to a change in the effective interest rate of the tool without any change in fair value.

25. Contingent Liabilities

The company warrants a letter of guarantee at the amount of AED 1 000 000 or the equivalent amount in US dollars, as issued by the Arab African International Bank to Naeem for Stocks and Bonds Company in favor of the stock exchanges in Dubai and Abu Dhabi, with the aim of guaranteeing the brokerage activity.

26. Goals and Methods of Capital Management

The Company aims to achieve the maximum return on its capital through capital management in accordance with its related investments activities through its operations department that has a sufficient experience to manage company's capital and to achieve the required return.

Capital finance of the group is made through shareholder's equity, and borrowings through financial institutions are very limited.

27. Tax Position of The Companies of Naeem Holding Group for Investments

- **Naeem Holding Company**

- **Income Tax:** The Company was established at the free zone in Ismailia, and was exempted from the income tax in accordance with the Investment Guarantees and Incentives Law No. 8 of the year 1997.
- **Salaries Tax:**
- from 2012 till 2019
- the company has been inspected and the taxes has been paid and the company pays its obligations according to the its legal due dates.

The years from 2020 to 2023

the company has not been inspected and No tax forms were received.

The company is committed to implementing the provisions of Law No. 91 of 2005 and its amendments, and the company has made payments under the tax account.

- **Stamp duty:** The company was exempted from stamp duty tax till 13 May 2011 and starting from 14 May 2011 it is affected by the stamp tax. the company fulfills its tax obligations as per the due dates.

28. Going Concern

On 27 March 2013, according to the Extraordinary General Assembly Meeting decision of Bedoya for Real Estate Investment Company (Subsidiary), it was accepted to freeze the company's activities as of 31 March 2013, and the tax card has been retained by the company.

As per the decision from the board of directors of the Egyptian Financial Supervisory Authority (EFSA) session held on 23 July 2011, Naeem for Real Estate Financing (Subsidiary) has been prevented from performing its operations according to the article no, 42 of the real estate financing law no 148 of 2001 for not completing its issued capital.

29. SIGNIFICANT ACCOUNTING POLICIES

29-1 Basis of preparation

The consolidated financial statements have been prepared under the going concern assumption and on a historical cost basis, except for balance sheet items that have been measured at fair value.

29-2 Subsidiaries companies

Subsidiaries are the companies that under the control of the group, In Which the group has the ability to control their financial and operating policies to obtain benefits from its activities taking into consideration the current and probable voting rights at the date of preparation of consolidated financial statements, When measuring the extent of control, The financial statements of subsidiaries are included in the consolidated financial statements since the date of acquisition till the date losing control of Holding Company on subsidiaries.

29-3 Consolidation elimination transactions

When preparing consolidated financial statements all balances, transactions and unrealized gains and losses between group companies are eliminated.

29-4 Conformity with accounting standards

The financial statements of the Holding Company and its subsidiaries are prepared in accordance with the Egyptian accounting standards and the applicable laws and regulations.

29-5 Foreign currency translation

The Holding Company maintains its accounts in US Dollar as it operates in a free zone, Transactions denominated in foreign currencies are recorded at the prevailing exchange rate at the date of the transaction, Monetary assets and liabilities denominated in foreign currencies other than US Dollar are retranslated using the prevailing exchange rate currencies other than US Dollar at the balance sheet date, all differences are recognized in the consolidated statement of income.

For the subsidiaries that maintains its accounts with a different currencies other than used by the Holding Company (US Dollars), balances of assets and liabilities of the financial statements for these companies are translated using the exchange rates prevailing at the financial position date, equity translated on the basis of historical exchange rates, Revenues and expenses on the bases of average exchange rates during the year, Foreign exchange translation differences recorded in special reserve item "Consolidated Translation differences due to consolidation" in equity consolidated balance sheet.

29-6 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, Corresponding cost for this process and cost to complete, if available, are measured:

- Profit or loss resulted from sale of financial investments are recognized on transaction date based on the difference between the cost and selling price less selling commission and expenses,
- Dividends income is recognized when collected,
- Interest income is recognized on accrual basis,
- Brokerage commissions resulting from purchase and sale of securities for clients are recorded after implementation of buy or selling order and issuing client's invoice,
- Management fees are calculated on a monthly basis based on agreed upon contract of the total customer's investment portfolio and total market value shares of the client according to contract terms,
- Purchase with margin revenue is recognized on accrual basis and according to agreed upon interest rate,
- Custody revenues are recognized on accrual basis based on the agreed upon percentages with the customers,
- Performance revenue are calculated annually on the net profit of the investment portfolio of the client under the terms of the contract.
- **Operating Revenue from the Sale of Real Estates and Lands**

  Revenue is achieved upon the delivery of units to the Company's customers and the transferring of all risks and economic benefits related to the unit.

  Revenue is recognized when there is sufficient certainty that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably.

  Revenue shall be measured at the fair value of the due or the received consideration. Any trade discounts, volume rebates, sales taxes or charges shall be deducted and revenue is measured net of these items.

- **Interest Revenue**

  Interest revenue is recognized by using the effective yield method. Interest revenue is recorded in the Profit or Loss statement under the financing income.

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

29-7 Property and plant

Property and plant are stated at historical cost net of accumulated depreciation and accumulated impairment losses, Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met, Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied, All other repair and maintenance costs are recognized in consolidated statement of income as incurred.

Depreciation of an asset begins when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is computed using the straight line method according to the estimated useful life of the asset as follows:

	Years
Buildings	20
Furniture and office utilities	10 – 16
Office equipment and tools	3 – 8
Vehicles	3 – 5

Fixed assets are derecognized upon disposal or when no future economic benefits are expected from its use or disposal, any gain or loss arising on derecognizing of the asset is included in the consolidated statement of income when the asset is derecognized.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year-end.

The Company assesses at each balance sheet date whether there is an indication that fixed assets may be impaired, Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, Impairment losses are recognized in the statement of income.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized, The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years, Such reversal is recognized in the consolidated statement of income.

The accounting policy has been changed for the subsequent measurement of fixed assets for the land and buildings item according to the revaluation model in accordance with paragraph No. (31) of Egyptian Accounting Standard No. (10) amended in 2023, provided that the item of fixed assets whose fair value can be measured in a reliable way is recorded, which is the phrase For the revaluation amount on the revaluation date of December 31, 2023, less any subsequent accumulated depreciation and any subsequent accumulated impairment losses.

The valuation was made using the market value method as determined by the Financial Supervision Authority's certified appraisers.

The company records the revaluation surplus in the statement of other comprehensive income, and the company conducts revaluation regularly when there is a difference in the book value that is of relative importance.

The cumulative effect of the revaluation surplus during the current period was recognized in this comprehensive income and the Company applied the revaluation model election for the first time on December 31, 2023.

29-8 Investments

Investments at fair value through profit or loss

Investments at fair value through profit or loss are financial assets classified as either held for trading acquired for the purpose of selling in the near term or financial assets designated upon initial recognition at fair value through profit or loss.

Investments at fair value through profit or loss are initially recognized at fair value inclusive direct attributable expenses.

Investments at fair value through profit or loss are carried in the consolidated balance sheet at fair value with gains or losses recognized in the consolidated statement of income.

A gain or loss arising from sale of an investment at fair value through profit or loss shall be recognized in the consolidated statement of income.

Available for sale investments

Available for sale investments are those non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held to maturity investments or investments at fair value through profit or loss.

Available for sale investments are initially recognized at fair value inclusive directly attributable expenses.

After initial measurement, available for sale investments are measured at fair value with unrealized gains or losses recognized in the other comprehensive income until the investment is derecognized, at which time the cumulative gain or loss recorded in the other comprehensive is recognized in the consolidated statement of income, or determined to be impaired, at which time the cumulative loss recorded in equity is recognized in the statement of income,

If the fair value of an equity instrument cannot be reliably measured, the investment is carried at cost.

Equity investments: where there is evidence of impairment, the cumulative loss is removed from the other comprehensive income and recognized in the consolidated of income, Impairment losses on equity investments are not reversed through the statement of income; increases in the fair value after impairment are recognized directly in equity.

Investments in associates

Investments in associates are investments in entities which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture, Significant influence is presumed to exist when the Company holds, directly or indirectly through subsidiaries 20 percent or more of the voting power of the investee, unless it can be clearly demonstrated that this is not the case.

Investments in associates are accounted for in the consolidated financial statements at cost inclusive acquisition cost and in case the investment is impaired, the carrying amount is adjusted by the value of this impairment and is charged to the consolidated statement of income for each investment separately, Impairment loss shall not be reversed.

29-9 Non-Current assets held for sale

Non-Current assets held for sale is the non-current assets that is expected to recover its book value basically from sale agreement not from the use of those assets those assets are measured by the lower of the book value or the fair value after deducting the sales cost.

Non-Current assets held for sale in case of impairment, the carrying amount to be adjusted by the value of this impairment and are charged to the consolidated of income Impairment losses to be reversed in the period when occurred, and to the extent to the amount of book value that previously reduced unless the impairment loss was recognized in the previous years.

29-10 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made, Provisions are reviewed at the financial position date and adjusted to reflect the current best estimate, Where the effect of the time value of money is material, the amount of a provision should be the present value of the expected expenditures required to settle the obligation, Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

29-11 Legal reserve

According to the Company's articles of association, 5% of the net profits of the year is transferred to the legal reserve until this reserve reaches 50% of the issued capital, the reserve is used upon a decision from the general assembly meeting based on the proposal of the board of directors.

29-12 Income taxes

Income tax is calculated in accordance with the Egyptian tax law.

Current income tax

Current income tax assets and liabilities for the current and prior year are measured at the amount expected to be recovered from or paid to the tax authority.

Deferred income tax

Deferred income tax is recognized using the liability method on temporary differences between the amount attributed to an asset or liability for tax purposes (tax base) and it carrying amount in the balance sheet (accounting base) using the applicable tax rate.

Deferred tax asset is recognized when it is probable that the asset can be utilized to reduce future taxable profits and the asset is reduced by the portion that will not create future benefit.

Current and deferred tax shall be recognized as income or an expense and included in the statement of income for the year.

29-13 Expenses

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

29-14 Treasury shares

Treasury shares are recognized at cost and deducted from equity at the consolidated sheet, taking into consideration for the company not to hold these stocks less than three months but not to exceed one year holding year, The company is authorized to sell the stocks during the year in case that their fair value exceeds their cost after general authority for financial supervisory approval, The company's board of directors should disclose in the extraordinary general assembly meeting the reasons for the company holding these stocks for more than six months to agree on the action to be taken towards them.

29-15 Employees rewarding system

Securities held for employees rewarding system are measured by reference to the fair value (market price) at the date of establishing the system and allocation and are revaluated to the fair value (market price) at each reporting date, together with a corresponding revaluation differences in equity at the balance sheet.

29-16 Related party transactions

Related parties represent associate companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties, pricing policies and terms of these transactions are approved by the boards of directors.

29-17 Accounting estimates

The preparation of financial statements in accordance with Egyptian Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses during the financial years, Actual results could differ from these estimates.

29-18 Impairment

Impairment of financial assets

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired, A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Impairment of non-financial assets

The Company assesses at each consolidated balance sheet date whether there is an indication that an asset may be impaired, Where the carrying amount of an asset or cash-generating units (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, Impairment losses are recognized in the consolidated statement of income.

A previously recognized impairment loss is only reversed if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized, The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years, Such reversal is recognized in the consolidated statement of income.

29-19 Statement of cash flows

The statement of cash flows is prepared using the indirect method.

29-20 Cash and cash equivalent

For the purpose of preparing the cash flow statement, the cash and cash equivalent comprise cash on hand, current accounts with banks and time deposits maturing within three months.

29-21 Projects under construction

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

29-22 Work in progress

Properties acquired, constructed or in the course of construction for future sale are classified as work in process at their cost.

Work in process is subsequently carried at the lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost to complete development and selling activities.

29-23 Long term Investments

Long term investments are represented in the company's share in Misr for Central Clearing Depository Registry (MCDR), the long-term investments should be recorded at the acquisition cost less any permanent impairment in its value for each investment separately.

29-24 Finished Units

Revenue from finished units is recorded at fair value for the amount received or due by the net after deducting any commercial discounts, quantities, sales tax or any other fees.

29-25 Real estate investment

Investment property is property (land or a building—or part of a building—or both) held (by the owner or by the lessee under a finance lease) to earn rentals or

for capital appreciation or both.

Investment property is measured initially at cost including transaction costs. The investments property are measured after initial recognition at fair value and the gains or losses arising from change in fair value are recognized in the statement of income.

29-26 Fair Value Measurement

The fair value represents the price which would be received by the company in return for selling an asset or transferring a liability under an orderly transaction between market participants on the date of measurement.

Fair value measurement is based on the assumption that the asset sale or liability transfer transaction will take place in the principal market of the asset or liability or the most advantageous market for the asset or liability.

The fair value of the asset or liability is measured by means of the assumptions likely to be used by the market participants upon pricing the asset or liability, assuming that the market participants will work on achieving their economic interests.

Fair value measurement for the non-financial asset or liability takes into account the market participant's ability to generate economic benefits by making the most acceptable use of the asset or by selling the asset to another market partner capable of using the asset in its utmost capacity.

As for the current assets in an active market, the fair value is determined by referring to the declared market purchase prices.

Fair value of the interest-bearing items is estimated based on the discounted cash flows, by using the interest rates applicable to identical items having the same conditions and risk properties.

As for unlisted assets, their fair value is determined by referring to the market value of identical assets or based on the expected discounted cash flows.

The company uses valuation techniques appropriate for the surrounding circumstances, in respect of which adequate data is available for the purpose of fair value measurement. Consequently, the company maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

All assets and liabilities the fair value of which is measured or disclosed in the financial statements are classified into three main levels in terms of fair value measurement, as follows:

- First level: by using unadjusted quoted prices of identical assets or liabilities in active markets.
- Second level: by using inputs other than the quoted prices mentioned in the first level, which are observable for the asset or liability whether directly (i.e., prices) or indirectly (i.e., price-derived inputs).
- Third level: by using valuation techniques which include inputs for the asset or liability none based on observable market data.

As for the assets and liabilities frequently recognized in the financial statements, the company determines whether the three levels of fair value hierarchy were alternatively used or not, by way of revaluating the foregoing classification at the end of the reporting year.

For fair value disclosure purposes, the company has specified some categories for assets and liabilities based on their nature, properties and relevant risks, as well as their levels of classification in the fair value hierarchy indicated above.

29-27 Lease contract

This Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract 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.

An entity shall determine the lease term as the non-cancellable period of a lease, together with both:

A. periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and

B. periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The lessor

Whether a lease is a finance lease or a finance lease depends on the substance of the transaction rather than the form of the contract. Examples of situations that individually or in combination would normally lead to a lease being classified as a finance lease are:

1. the lease transfers ownership of the underlying asset to the lessee by the end of the lease term;
2. the lessee has the option to purchase the underlying asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception date, that the option will be exercised;
3. the lease term is for the major part of the economic life of the underlying asset even if title is not transferred;
4. at the inception date, the present value of the lease payments amounts to at least substantially all of the fair value of the underlying asset; and
5. the underlying asset is of such a specialized nature that only the lessee can use it without major modifications.

Initial recognition and subsequent measurement

Initial measurement

The lessor shall use the interest rate implicit in the lease to measure the net investment in the lease. In the case of a sublease, if the interest rate implicit in the sublease cannot be readily determined, an intermediate lessor may use the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease) to measure the net investment in the sublease.

Initial direct costs, other than those incurred by manufacturer or dealer lessors, are included in the initial measurement of the net investment in the lease and reduce the amount of income recognized over the lease term.

The interest rate implicit in the lease is defined in such a way that the initial direct costs are included automatically in the net investment in the lease; there is no need to add them separately.

Initial measurement of the lease payments included in the net investment in the lease:

At the commencement date, the lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date:

1. Fixed payments (including in-substance fixed payments less any lease incentives payable;
2. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
3. any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee;
4. the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and:
5. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Finance leases

A lessor shall recognize lease payments from finance leases as income on either a straight-line basis or another systematic basis. The lessor shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

The standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

Initial measurement of the right-of-use asset

At the commencement date, a lessee shall measure the right-of-use asset at cost.

The cost of the right-of-use asset shall comprise:

a) the amount of the initial measurement of the lease liability
b) any lease payments made at or before the commencement date, less any lease incentives received;
c) any initial direct costs incurred by the lessee; and
d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Subsequent measurement of the right-of-use asset

Cost model

To apply a cost model, a lessee shall measure the right-of-use asset at cost:

a) Less any accumulated depreciation and any accumulated impairment losses; and
b) adjusted for any re-measurement of the lease liability lessee shall apply the depreciation requirements in IAS 16 Property, Plant and equipment in depreciating the right-of-use asset,

If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

Initial measurement of the lease liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date.

The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

(In The Notes all Amounts are shown in US Dollar unless otherwise stated)

Subsequent measurement of the lease liability

After the commencement date, a lessee shall measure the lease liability by:

1. increasing the carrying amount to reflect interest on the lease liability;
2. reducing the carrying amount to reflect the lease payments made; and
3. re-measuring the carrying amount to reflect any reassessment or lease modifications specified, or to reflect revised in-substance fixed lease payments

30. important Events

- On February 1, 2024, the Monetary Policy Committee of the Central Bank of Egypt decided to raise the overnight deposit and lending rates, and the rate of the central bank's main operation, by 200 basis points to 21.25%, 22.25%, and 21.75%, respectively. The credit and discount rates were also raised by 200 basis points to 21.75%.
- 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 rate of the central bank's main operation, by 600 basis points to 27.25%, 28.25%, and 27.75%, respectively. The credit and discount rates were also raised by 600 basis points to 27.75%.
- On March 6, 2024, the Central Bank of Egypt (CBE) issued a decision to liberalize the exchange rate of foreign currencies against the Egyptian pound, which resulted in a significant increase in the exchange rate of foreign currencies against the local currency (the Egyptian pound). On April 17, 2025, the Monetary Policy Committee of the Central Bank of Egypt (CBE) decided to reduce the overnight deposit and lending rates and the rate of the Central Bank's main operation by 225 basis points to 25%, 26%, and 25.50%, respectively. The credit and discount rates were also reduced by 225 basis points to 25.50%.
- On May 22, 2025, the Monetary Policy Committee of the Central Bank of Egypt (CBE) decided to reduce the overnight deposit and lending rates and the rate of the Central Bank's main operation by 100 basis points to 24%, 25%, and 24.50%, respectively. The credit and discount rates were also reduced by 100 basis points to 24.50%.
- On August 28, 2025, the Monetary Policy Committee of the Central Bank of Egypt (CBE) decided to reduce the overnight deposit and lending rates and the rate of the Central Bank's main operation by 200 basis points to 22%, 23%, and 22.50%, respectively. The credit and discount rates were also reduced by 200 basis points to 24.50%.

31. Subsequent Events

On October 2, 2025, the Monetary Policy Committee of the Central Bank of Egypt (CBE) decided to reduce the overnight deposit and lending rates and the rate of the Central Bank's main operation by 100 basis points to 21%, 22%, and 21.50%, respectively. The credit and discount rates were also reduced by 100 basis points to 21.50%.

CFO	Managing Director	Chairman
Ahmed Mahmoud ElGammal	Youssef Medhat El Far	Hussein Ali Shobokshy