Translated from Arabic

Concrete Fashion Group for Commercial and Industrial Investments
(An Egyptian Joint stock company - Under Public Free zone)

Separate Interim Financial Statements
For the Financial Period Ended September 30, 2025
and Independent Auditors' Limited Review Report

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KPMG

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Independent Auditors' Report on Review of Separate Interim Financial Statements

To the board of directors of Concrete Fashion Group for Commercial and Industrial Investments (An Egyptian Joint company – Under Public Free Zone)

Introduction

We have reviewed the accompanying separate interim financial statements of Concrete Fashion Group for Commercial and Industrial Investments (An Egyptian Joint company – Under Public Free Zone) as of September 30, 2025, including:

- Separate statement of financial position as of September 30, 2025.
- Separate statement of profit or loss for the three-month and nine-month periods ended September 30, 2025.
- Separate statement of comprehensive income for the three-month and nine-month periods ended September 30, 2025.
- Separate statement of changes in equity for the nine-month period ended September 30, 2025.
- Separate statement of cash flows for the nine-month period ended September 30, 2025.
- Explanatory notes to the separate interim financial statements.

Management is responsible for the preparation and fair presentation of these separate interim financial statements in accordance with EAS (30). Our responsibility is to express a conclusion on these separate interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Egyptian Standard on Review Engagements No. (2410), "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company 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 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these separate interim financial statements.

Hazem Hassan

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not present fairly, in all material respects, the unconsolidated financial position of Concrete Fashion Group for Commercial and Industrial Investments (An Egyptian Joint company – Under Public Free Zone) as of September 30, 2025 and its unconsolidated financial performance and its unconsolidated cash flows for the nine-month period then ended in accordance with Egyptian Accounting Standards.

Emphasis of matter

Without considering this as a qualification to our conclusion mentioned above, and as indicated in note (31) of the explanatory notes to the separate interim financial statements, the Extraordinary General Assembly of the company held on June 12, 2024, decided to change the company's fiscal yearend to December 31 instead of January 31. Consequently, the separate statements of profit or loss, comprehensive income, changes in equity, and cash flows for the financial period from January 1, 2025, to September 30, 2025, are presented in comparison with the reviewed comparative separate interim financial statements for the financial period from February 1, 2024, to September 30, 2024. Therefore, the corresponding figures are not comparable.

KPMG Hazem Hassan
Public accountants and consultants

Alexandria on December 1st, 2025

KPMG Hazem Hassan

KPMG Hazem Hassan
Public Accountants and consultants

Concrete Fashion Group for commercial and industrial Investments
(An Egyptian Joint stock company - Under Public Free zone)
Separate statement of Financial Position as of

	Note No	September 30, 2025 USD	December 31, 2024 USD
Assets			
Non-Current Assets			
Property, plant & equipment	(14)	1 459 190	1 462 857
Projects under progress	(16)	--	10 291
Investments in subsidiaries	(15)	64 108 769	76 739 716
Total Non-Current Assets		**65 567 959**	**78 212 864**
Current Assets			
Due from related parties	(28-1)	986 499	1 242 187
Debtors and other debit balances	(18)	709 938	224 756
Cash and cash equivalents	(19)	403 911	620 699
Total Current Assets		**2 100 348**	**2 087 642**
Total Assets		**67 668 307**	**80 300 506**
Equity and Liabilities			
Equity			
Issued & paid up capital	(24-2)	32 917 500	32 917 500
Reserves	(25)	--	6 737 403
Retained (losses)		(1 427 221)	(7 807 085)
Total Equity		**31 490 279**	**31 847 818**
Liabilities			
Non-current liabilities			
Borrowings	(20)	1 416 827	2 057 100
Total non-current liabilities		**1 416 827**	**2 057 100**
Current liabilities			
Banks – credit facilities	(21)	1 017 858	1 114 955
Borrowings	(20)	852 159	769 165
Creditors and other credit balances	(22)	595 502	679 780
Due to related parties	(28-2)	32 295 682	43 831 688
Total current liabilities		**34 761 201**	**46 395 588**
Total liabilities		**36 178 028**	**48 452 688**
Total Equity and Liabilities		**67 668 307**	**80 300 506**

- The notes and accounting policies on pages (6) to (46) are an integral part of these separate interim financial statements and to be read together.
- Independent auditors' report on limited review of separate interim financial statements "attached".

Financial Manager	**Vice-Chairman and CEO**	**Chairperson**
Mohamed Mohamed Mohy Eldin	**Dr / Alaa Ahmed Abdel Maksoud Arafa**	**Maria Luisa Cicognani**

M/Cicognani

Concrete Fashion Group for commercial and industrial Investments
(An Egyptian Joint stock company - Under Public Free zone)
Separate statement of profit or loss for the

		Financial Period from		Financial Period from	
	Note No	January 1st 2025 To September 30, 2025 USD	July 1st 2025 To September 30,2025 USD	February 1st 2024 To September 30, 2024 USD	July 1st 2024 To September 30, 2024 USD
Operating revenues					
Technical support services revenue	(6)	687 416	340 818	84 259	29 046
Net revenues from selling investments at FVTPL	(7)	--	--	1 776 682	--
Dividend income from subsidiaries	(8)	957 203	957 203	--	--
Total		**1 644 619**	**1 298 021**	**1 860 941**	**29 046**
Other income	(9)	161 123	45 977	134 349	50 670
Administrative and General expenses	(12)	(1 328 751)	(431 644)	(1 832 624)	(342 357)
Other expenses	(10)	(89 312)	(34 981)	(87 420)	(26 144)
Expected Credit (losses) on the value of financial assets	(11)	(151 061)	(18 113)	(53 223)	(1 941)
Operating profits / (losses)		**236 618**	**859 260**	**22 023**	**(290 726)**
Finance income		2 597	512	160 755	(61 288)
Finance costs		(596 754)	(108 335)	(863 883)	(360 916)
Net finance (costs)	**(13)**	**(594 157)**	**(107 823)**	**(703 128)**	**(422 204)**
Net (losses)/ profits for the period		**(357 539)**	**751 437**	**(681 105)**	**(712 930)**
Basic and diluted (losses)/ earnings per share (USD/Share)	**(27-1)**	**(0.0008)**	**0.0016**	**(0.0014)**	**(0.0015)**

- The notes and accounting policies on pages (6) to (46) are an integral part of these separate interim financial statements and to be read together.

Concrete Fashion Group for commercial and industrial Investments
(An Egyptian Joint stock company - Under Public Free zone)
Separate Statement of Comprehensive Income for the

		Financial Period from		Financial Period from	
	Note No	January 1st 2025 To September 30, 2025 USD	July 1st 2025 To September 30,2025 USD	February 1st 2024 To September 30, 2024 USD	July 1st 2024 To September 30, 2024 USD
Net (losses) / profits for the period		**(357 539)**	**751 437**	**(681 105)**	**(712 930)**
Other comprehensive (loss)/ income items:					
Items that will not be reclassified to profit or loss					
The effect of applying Egyptian accounting standard No.(13)	(32-1)	--	--	(1 748 298)	--
		(357 539)	**751 437**	**(2 429 403)**	**(712 930)**
Transferred to retained (Losses)		--	--	1 748 298	--
Total comprehensive (loss) / income for the period		**(357 539)**	**751 437**	**(681 105)**	**(712 930)**

- The notes and accounting policies on pages (6) to (46) are an integral part of these separate interim financial statements and to be read together.

Concrete Fashion Group for commercial and industrial Investments
(An Egyptian Joint stock company - Under Public Free zone)
Separate statement of Changes in Equity for the financial period ended on September 30, 2025

	Note No.	Issued and Paid up Capital USD	Reserves USD	Retained (Losses) USD	Total USD
Balance as of February 1, 2024		**32 917 500**	**6 737 403**	**(3 944 701)**	**35 710 202**
Comprehensive income items					
Applying the Egyptian Accounting Standard No. (13) "The Effect of Change in Exchange Rates"	(32-1)	--	--	(1 748 298)	(1 748 298)
Net (losses) for the financial period ended on September 30 , 2024		--	--	(681 105)	(681 105)
Total comprehensive (losses)		**--**	**--**	**(2 429 403)**	**(2 429 403)**
Balance as of September 30, 2024		**32 917 500**	**6 737 403**	**(6 374 104)**	**33 280 799**
Balance as of January 1st , 2025		**32 917 500**	**6 737 403**	**(7 807 085)**	**31 847 818**
Shareholder's transactions					
Closing reserves against retained (losses)	(25)	--	(6 737 403)	6 737 403	--
Total shareholder's transactions		--	**(6 737 403)**	**6 737 403**	--
Comprehensive income items					
Net (Losses) for the financial period from January 1, 2025 to September 30, 2025		--	--	(357 539)	(357 539)
Total comprehensive (losses)		--	**--**	**(357 539)**	**(357 539)**
Balance as of September 30, 2025		**32 917 500**	**--**	**(1 427 221)**	**31 490 279**

- The notes and accounting policies on pages (6) to (46) are an integral part of these separate interim financial statements and to be read together.

Concrete Fashion Group for commercial and industrial Investments
(An Egyptian Joint stock company - Under Public Free zone)
Separate statement of cash flows for the

	Note No.	Financial Period from January 1st, 2025 To September 30, 2025 USD	Financial Period from February 1st, 2024 To September 30, 2024 USD
Cash flows from operating activities			
Net (losses) for the period		(357 539)	(681 105)
Adjustments by the following:			
Property, plant & equipment Depreciation	(14)	140 588	134 620
Capital gain	(9)	(15 759)	--
Revenues from investments in subsidiaries	(8)	(957 203)	--
Interest expense on sale and lease back contracts	(13), (20-3)	179 002	--
Interest expense on loan	(13), (20-3)	39 751	452 392
Debit / (credit) foreign currencies translation differences	(13)	131 707	(131 417)
Debit interest and finance expenses	(13)	246 294	411 491
Credit interest	(13)	(2 597)	(29 338)
		(595 756)	**156 643**
Changes in:-			
Debtors and other debit balances		127 273	1 408
Due from related parties		255 688	(1 450 550)
Creditors and other credit balances		(84 295)	(322 923)
Due to related parties		2 455 253	2 079 412
		2 158 163	**463 990**
Payment of finance interest on loan	(20-3)	(39 751)	(346 822)
Payment of finance interest on sale and lease back contracts	(20-3)	(179 002)	--
Interest expense and bank fees	(13)	(246 294)	(411 491)
Net cash provided from/(used in) operating activities		**1 693 116**	**(294 323)**
Cash flows from investing activities			
Dividends received from subsidiaries		344 748	--
Cash Payments for Acquisition of property, plant and equipment and project under progress	(14),(16)	(126 630)	(3 319)
Collected Credit interest	(13)	2 597	29 338
Collected from property, plant and equipment sale	(9)	15 759	--
Payments for investments in subsidiaries	(15)	(1 500 000)	(150 147)
Net cash (used in) investing activities		**(1 263 526)**	**(124 128)**
Cash flows from financing activities			
Net (payments) for bank-credit facilities	(21)	(97 097)	(152 922)
Payments of borrowings	(20-3)	(420 000)	(1 640 000)
Payments for sale and lease back contracts	(20-3)	(137 279)	--
Net cash (used in) Financing Activities		**(654 376)**	**(1 792 922)**
Net change in cash and cash equivalent during the period		**(224 786)**	**(2 211 373)**
The effect of changes in foreign currency exchange rates on cash and cash equivalents		7 998	(678 740)
Cash and cash equivalents at the beginning of the period	(19)	620 699	3 893 589
Cash and cash equivalents at the end of the period	**(19)**	**403 911**	**1 003 476**

- The notes and accounting policies on pages (6) to (46) are an integral part of these separate interim financial statements and to be read together.

1- Company's Background and activities

1-1 Legal entity

- Concrete Fashion Group for commercial and industrial Investments (An Egyptian Joint stock company - Under Public Free zone) (Al Arafa for Investment and Consultancies) was established as Swiss Garments Company previously, in accordance with provisions of investment incentives and guarantees Law No.8 of 1997, operating under the Free Zone system.
- Company's Duration is 25 years starting from January 16, 2006 to January 15, 2031.
- Company's location: Nasr city free zone, Arab Republic of Egypt.
- The Company's Chairperson is Mrs. Maria Luisa Cicognani
- The Company's vice Chairman and Managing Director is Dr/Alaa Ahmed Abd El Maksoud Arafa.

1-2 Swiss Garments company demerge

- The Board of Directors of Swiss Garments Company (S.A.E.) -Free Zone proposed in its meeting held on the 18th of June 2005 to demerge the Company into two Joint Stock Companies (demerging Company and Demerged Company) operating according to the Free Zone System with the same shareholders and the same participation percentage in the company's issued capital as of the demerge date. , using the book value of the assets and liabilities on the 30th of June 2005 as a basis for the demerge. As the purpose of the demerging company will be specialized in investing in financial instruments and the demerged company will be specialized in manufacturing ready made garments., As the company's Extraordinary General Assembly at its session held on October 14,2005 agreed on the mentioned board of director's proposal, as a final approval on the issuance of the demerge decision was taken by the general Authority for Investment and Free Zone as of November 24,2005.
- The demerging Company's name was changed to Al Arafa for Investment and Consultancies Company, and the Article of Association was amended accordingly on January 11, 2006 and was approved on commercial register under no.17426 on January 16, 2006.

1-3 Merger of both Al Arafa for Investment and Consultancies Company (S. A. E.) with the General Free Zone System (merging company) and Al Arafa for Investment in Garments industry Company (merged company), Al Arafa for Investment in Spinning and Textile Industry Company (merged company), and Al Arafa for Investments in Garments Marketing and Retail Company (merged company)

- The decision of the formed committee was issued by the General Authority for Investment and Free Zone, approved on the first of July 2019 to verify the initial assessment of the assets and liabilities of the following companies for the purpose of merging with Al Arafa for Investment and Consultancies Company (S. A. E.) merging company with both Al Arafa for Investment in Spinning and Textile Industry Company (S. A. E.) "free zone", and Al Arafa for Investment in Garments industry Company (S. A. E.) "free zone" and Al Arafa for Investments in Garments Marketing and Retail Company (S. A. E.) "free zone" (merged companies) using the book values according to the financial statements of the merging company and the merged companies on October 31, 2018. , taken as a basis for the merger , it was agreed to determine the authorized capital of the merging company amounted USD 150 million (one hundred and fifty million USD) and the issued and paid-up capital of the company amounted USD 94 050 000 (ninety four million fifty thousand USD) distributed over 470 250 000 shares (four hundred seventy million two hundred and fifty thousand shares) with a value of USD 20 cents per share. It is represented in the total net equity of the merging company, Al Arafa for Investment and Consultancies Company and the net equity of non-controlling interest of the merged companies according to the report of the committee formed by the General Authority for Investment and Free Zone and according to the decision of the Executive chairman of the General Authority for Investment and Free Zone No. 85 of 2019 regarding licensing the merger of each of the Al Arafa for Investment in Spinning and Textile Industry Company (S. A. E.), and Al Arafa for Investment in Garments industry Company (S. A. E.) and Al Arafa for Investments in Garments Marketing and Retail Company (S. A. E.) (free zone) (merged companies) in Al Arafa for Investment and Consultancies Company (S. A. E.) (merging company) in the public free Zone system in Nasr City, and this was notarized in the company's commercial registry on December 10, 2019.

1-4 Al Arafa For investment and consultancies company demerge

- On November 22, 2023, the extraordinary general assembly of Concrete Fashion Group for commercial and industrial Investments (Al Arafa for Investment and consultancies - Previously) approved the proposal presented by the company's board of directors to demerge the company according to the horizontal merge method based on the book value on the basis of the company's financial statements as of January 31, 2023. This demerge creates two companies, Al-Arfa for Investment and Consultancy (the demerging company), which will reduce its issued capital by decreasing the nominal value of its shares, and will also change its name to "Concrete Fashion Group for Commercial and Industrial Investments S.A.E" while retaining the same purposes. The demerge will also result in the creation of a new company called GTEX for Commercial and Industrial Investments S.A.E (the demerged company).The extraordinary general assembly also approved the demerge report issued by the Economic Performance Sector of the General Authority for Investment and Free Zones, indicating the net owner’s equity of the demerging company and the demerged company at book value on January 31, 2023, which amounted to USD 50 157 720. The net owner’s equity are to be distributed between the demerging company and the demerged company as follows:

  1. The net of owner’s equity of the shareholders of the demerging company on January 31, 2023, amounted USD 32 981 870.

  2. The net of owner’s equity of the shareholders of the demerged company on January 31, 2023, amounted USD 17 175 850.

- The extraordinary general assembly also approved the demerge of the company, including all its material and non- material components, into two companies: Concrete Fashion Group for Commercial and Industrial Investments S.A.E (the demerging company) and GTEX for Commercial and Industrial Investments S.A.E (the demerged company), transferring all assets, liabilities, shareholder’s equity, revenues, and expenses between the two companies based on the financial statements as of January 31, 2023.

- The company's management has taken all the necessary legal and administrative procedures and completed the demerge process and was notarized in the commercial register on December 24, 2023.

1-5 Company’s financial year

- According to the company’s Article of association, the company’s financial period start from the first of February from each year and ends at 31 January from the next year , the extraordinary assembly held on June 12, 2024 decided to amend the company’s financial year to start from 1st of January and end at December 31 of each year

1-6 Company's purpose

Providing financial and management consultancy services, investing in Capitals of other Egyptian and Foreign Companies and participating in restructuring companies and providing them with technical and management support.

1-7 Listing in the stock exchange

The Company has been listed in the Egyptian Stock Exchange.

2- Basis of preparation of the separate interim financial statements

- The attached separate interim financial statements are prepared in accordance with Egyptian accounting standards and relevant Egyptian laws and regulations.
- Egyptian accounting standards require reference to international financial reporting standards for events and transactions for which an Egyptian accounting standard or legal requirements have not been issued explaining how to deal with them.
- The separate interim financial statements for the period ended September 30, 2025 were approved for issuance by the company's board of directors on November 30, 2025.
- Details of the company's material accounting policies have been included in Note No. (32).

2-1 The consolidated financial statements

The company has subsidiaries, and in accordance with Egyptian Accounting Standard No. (42) "Consolidated Financial Statements" and Article 188 of the Executive Regulations of the Companies Law No. 159 of 1981, the company prepares consolidated financial statements for the group. It is therefore necessary to refer to these statements to gain an understanding of the financial position, results of operations, and cash flows of the group.

3- Basis of measurement

- The separate interim financial statements have been prepared according to the historical cost principle, with the exception of financial instruments that are measured at amortized cost or at fair value

- Investments in subsidiaries and associate companies have been presented in the separate interim financial statements on the basis of cost, which represents the company's direct share in the ownership and not on the basis of business results and net assets of the investee companies. The consolidated financial statements provide a more comprehensive understanding of the consolidated financial position, business results and consolidated cash flows of the Company and its subsidiaries (the Group).

4- Functional and presentation currency

The separate interim financial statements are presented in the USD which is the functional currency, and all the financial information included are in USD, unless otherwise indicated in the separate financial statements or in the notes of the financial statement.

5- Use of estimates and judgments

- In preparing the separate interim financial statements in accordance with Egyptian Accounting Standards (EAS), management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures, and the disclosure of contingent liabilities. These estimates and assumptions are based on experience and various factors. Actual results may differ from these estimates and the uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

- The estimates and underlying assumptions are reviewed on an ongoing basis. differences in accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

A- Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the separate interim financial statements is included in the following:

- **Revenue recognition**

  Revenue is recognized as detailed in the accounting policies applied whether at a point in time or overtime.

- **Investments in associates and join venturer (If any):**

  Determining whether the Company has significant influence over Companies and investees.

  The management reviews its judgmental assumptions and estimates, including what used in determining the extent to which the Company enjoys absolute or joint control or influential influence over the investee companies whenever a material event or an effective amendment occurs to the terms contained in its contractual agreements.

- **Finance lease contracts (sale and leaseback transactions)**

  If the entity (the seller-lessee) transfers an asset to another entity (the buyer-lessor) and leases the asset back, the entity must determine whether the transfer of the asset qualifies as a sale for accounting purposes.

B- Assumptions and estimation uncertainties

The key assumptions concerning the future, and other key sources of estimation uncertainty at the of separate interim financial statements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period , are discussed below. The Company depends on its assumptions and estimates on parameters available when the separate interim financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- **Provisions and contingent liabilities**

  Management assess events and circumstances that might led to a commitment on the Company's side from performing its normal economic activities, management uses in this primary estimates and assumptions to judge the extend on which the provision's recognition conditions have been met at the financial statement date, and analyze information to assume whether past events lead to current liability against the Company and estimate the future cash outflows and timing to settle this obligation, in addition, selecting the method which enable the management to measure the value of the commitment reliably.

- **Calculation of Expected credit loss**

  The Company assesses the impairment of its financial assets based on the expected credit loss ("ECL") model. Under the ECL model, the Company accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. The Company measures the loss allowance at an amount equal to the lifetime ECL for its financial instruments.

  When measuring ECL, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, considering cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

- **Impairment of non – financial assets**

  Properties classified under property, plant and equipment are assessed for impairment when there is an indication that those assets have suffered an impairment loss. An impairment review is carried out to determine the recoverable amount which considers the fair value of the property under consideration.

  The fair values are compared to the carrying amounts to assess any probable impairment (If any).

- **Useful lives of property, plant and equipment and intangible assets**

  Management reviews the residual values and estimated useful lives of property, plant and equipment and intangible assets at the end of each financial year. Management has determined that the current period's expectations do not differ from previous estimates based on its review.

C- Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinarily transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability will take place either

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its best and best use or selling it to another participant who will use the asset at its best and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities that are measured or disclosed in the separate interim financial statements at fair value are categorized in fair value hierarchy categories. This is described, as follows, based on the lowest level input that is significant to the entire fair value measurement as a whole:

- **Level 1:** Quoted prices (unadjusted) in an active market for identical assets or liabilities.

- **Level 2:** Evaluation techniques in which the lowest level inputs considered significant for the entire measurement are directly or indirectly observable.

- **Level 3:** Assessment techniques in which the lowest level input considered significant for the entire measurement is unobserved.

If the inputs used to measure the fair value of an asset or liability are at different levels in the fair value hierarchy, the entire fair value measurement is classified in the same level in the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The company acknowledges transfers between levels in the fair value hierarchy that occur at the end of the reporting period in which the change occurred.

Further information about assumptions used in measuring fair value is disclosed in the Financial Instruments note.

Concrete Fashion Group for commercial and industrial Investments
(An Egyptian Joint stock company - Under Public Free zone)
Notes to the separate interim financial statements for the financial period ended on September 30, 2025

6- Technical support services revenue

Recognized revenues over a period of time

	Note No.	Financial period from January 1st, 2025 to September 30, 2025 USD	July 1st, 2025 To September 30, 2025 USD	Financial period from February 1st, 2024 To September 30, 2024 USD	July 1st, 2024 To September 30, 2024 USD
Revenue from technical support services for related parties	(28)	687 416	340 818	80 055	27 810
Revenue from technical support services for other companies		--	--	4 204	1 236
		687 416	**340 818**	**84 259**	**29 046**

7- Revenues from selling investments by fair value through profit or loss

Revenue of investment with FVTPL	--	--	3 795 942	--
Deduct:				
Expenses and commissions related to sell transaction	--	--	(23 386)	--
Cost of investing in securities listed in stock exchange	--	--	(1 995 874)	--
	--	**--**	**1 776 682**	--

8- Dividends Income from subsidiaries

Concrete Ready-Made Garments Company	957 203	957 203	--	--
	957 203	**957 203**	**--**	**--**

9- Other Income

Rental income	145 364	45 977	134 349	50 670
Capital gain	15 759	--	--	--
	161 123	**45 977**	**134 349**	**50 670**

10- Other expenses

GAFI expense as a percentage of rent*	72 682	22 989	67 174	25 335
Expense as a percentage of revenue *	16 630	11 992	20 246	809
	89 312	**34 981**	**87 420**	**26 144**

* The amounts due to the general authority for investments and freezones are 50% of rent income and 1% of the company's total revenue.

Concrete Fashion Group for commercial and industrial Investments
(An Egyptian Joint stock company - Under Public Free zone)
Notes to the separate interim financial statements for the financial period ended on September 30, 2025

11- Expected credit losses in the value of financial assets

	Note No.	Financial period from January 1st, 2025 to September 30, 2025 USD	July 1st, 2025 To September 30, 2025 USD	Financial period from February 1st, 2024 To September 30, 2024 USD	July 1st, 2024 To September 30, 2024 USD
Expected credit losses in related parties	(28-1)	149 781	19 361	53 223	1 941
Expected credit losses / (losses reversal) in banks	(19)	1 280	(1 248)	--	--
		151 061	**18 113**	**53 223**	**1 941**

12- Administrative and General expenses

	Note No.	January 1st, 2025 to September 30, 2025	July 1st, 2025 To September 30, 2025	February 1st, 2024 To September 30, 2024	July 1st, 2024 To September 30, 2024
Wages and salaries		132 365	43 711	66 937	23 452
Property, plant and equipment depreciation	(14)	140 588	52 051	134 620	49 721
Board of directors allowance	(28-3)	134 400	48 600	114 400	24 000
Consulting and professional fees		312 787	93 248	698 286	65 493
Subscriptions and service		285 693	98 783	292 743	85 070
Travel and transportation expenses		79 914	15 175	89 016	33 064
Maintenance		98 687	25 876	271 425	307
Insurance		29 965	9 861	28 678	13 154
Others		114 352	44 339	136 519	48 096
		1 328 751	**431 644**	**1 832 624**	**342 357**

13- Net Finance (Cost)

	Note No.	January 1st, 2025 to September 30, 2025	July 1st, 2025 To September 30, 2025	February 1st, 2024 To September 30, 2024	July 1st, 2024 To September 30, 2024
Finance Income					
Interest income		2 597	512	29 338	1 233
Net Foreign currency translation differences		--	--	131 417	(62 521)
Total finance income		**2 597**	**512**	**160 755**	**(61 288)**
Finance costs					
Interest expense on sale and lease back contracts	(20-3)	(179 002)	(57 540)	--	--
Interest expense on loans	(20-3)	(39 751)	(11 021)	(452 392)	(116 222)
Interest expense, Bank commission and expenses		(246 294)	(83 244)	(411 491)	(244 694)
Net Foreign currency translation differences		(131 707)	43 470	--	--
Total finance (costs)		**(596 754)**	**(108 335)**	**(863 883)**	**(360 916)**
Net finance (costs)		**(594 157)**	**(107 823)**	**(703 128)**	**(422 204)**

14- Property, plant and equipment

Cost	Buildings USD	Vehicles and transportation equipment USD	Furniture and office equipment USD	Improvements USD	Total USD
On January 1st , 2025	**1 551 523**	**446 403**	**430 189**	**595 382**	**3 023 497**
Additions during the period	--	--	20 971	115 950	136 921
Disposals during the period	--	(19 558)	--	--	(19 558)
Cost as of September 30, 2025	**1 551 523**	**426 845**	**451 160**	**711 332**	**3 140 860**
Accumulated Depreciation					
On January 1st , 2025	**338 749**	**341 241**	**400 527**	**480 123**	**1 560 640**
Depreciation for the period	23 273	45 322	18 509	53 484	140 588
Accumulated Depreciation of disposal	--	(19 558)	--	--	(19 558)
Accumulated Depreciation as of September 30, 2025	**362 022**	**367 005**	**419 036**	**533 607**	**1 681 670**
Net book value as of September 30, 2025	**1 189 501**	**59 840**	**32 124**	**177 725**	**1 459 190**
Net book value as of December 31, 2024	**1 212 774**	**105 162**	**29 662**	**115 259**	**1 462 857**
Fully Depreciated Assets and still in use as of September 30, 2025	**--**	**143 617**	**346 911**	**11 529**	**502 057**

- Depreciation expenses have been allocated as follows:

	Note No.	30/9/2025 USD	30/9/2024 USD
Administrative and General expenses	(12)	140 588	134 620
		140 588	**134 620**

Continued.: Property, plant and equipment

Cost	Buildings USD	Vehicles USD	Furniture and office equipment USD	Improvements in premises USD	Total USD
On February 1, 2024	**1 551 523**	**446 403**	**426 870**	**595 382**	**3 020 178**
Additions during the period	--	--	3 319	--	3 319
Cost as of September 30, 2024	**1 551 523**	**446 403**	**430 189**	**595 382**	**3 023 497**
Accumulated Depreciation					
On February 1, 2024	**310 304**	**272 312**	**369 561**	**425 548**	**1 377 725**
Depreciation for the period	20 687	50 510	23 731	39 692	134 620
Accumulated Depreciation as of September 30, 2024	**330 991**	**322 822**	**393 292**	**465 240**	**1 512 345**
Net book value as of September 30, 2024	**1 220 532**	**123 581**	**36 897**	**130 142**	**1 511 152**
Net book value as of January 31, 2024	**1 241 219**	**174 091**	**57 309**	**169 834**	**1 642 453**
Fully Depreciated Assets and still in use as of September 30, 2024	**–**	**78 019**	**286 731**	**--**	**364 750**

15- Investments in subsidiaries

Investee company's name	Country	Paid Percentage From Contribution value %	Percentage Contribution In capital %	cost of Investment As of 30/09/2025 USD	Impairment (losses) At the beginning of the year USD	Impairment (losses) at the end of the period USD	Net cost of Investment as of 30/09/2025 USD	Net Cost of Investment as of 31/12/2024 USD
•Concrete for Readymade Garments	Egypt	100%	91.64%	31 771 464	–	—	31 771 464	31 771 464
•Swiss Garments company (note 29)	Egypt	100%	99.20%	18 848 000	–	—	18 848 000	18 848 000
•Egypt Tailoring for Ready made Garments (4)	Egypt	–	–	–	–	—	—	14 131 653
•Swiss Cotton Garments (note 29)	Egypt	100%	99.4%	8 452 000	–	—	8 452 000	8 452 000
•Savini for Readymade Garments (1)	Egypt	25%	49.2%	1 230 000	—	—	1 230 000	1 230 000
•Port Said for Readymade Garments	Egypt	100%	97.52%	1 158 026	—	—	1 158 026	1 157 322
•Euromed for Trading and Marketing	Egypt	100%	97.21%	970 180	(716 051)	(716 051)	254 129	254 129
•Fashion Industry (2)	Egypt	100%	89.8%	2 245 000	—	—	2 245 000	745 000
•Concrete international (3)	U.A. E	100%	100%	150 148	—	—	150 148	150 148
•Concrete Fashion Group for commercial and industrial Investments (SPC) (5)	Sultanate Oman	0%	100%	1	—	—	1	—
•Concrete Fashion (6)	KSA	0%	100%	1	—	—	1	—
				64 824 820	**(716 051)**	**(716 051)**	**64 108 769**	**76 739 716**

(1) The company owns 49.2 % of the capital of Savini for ready-made Garments Company, in addition to 50 % indirect ownership through the subsidiary - Swiss for ready-made Garments Company (Subsidiary).

(2) The company directly owns 89.8% of the capital of fashion industry company, in addition to 10% indirect ownership through the subsidiary – Egypt Tailoring For Ready–Made Garments Company (Subsidiary).

(3) The company established Concrete International Company, headquartered in the Emirate of Dubai on March 10,2023 in UAE.

(4) The company sold its entire share equal to 14 681 965 shares, which equal to 99.4% of the issued capital of Egypt tailoring for readymade garments S.A.E(Subsidiary) to Swiss for readymade garments (S.A.E) (subsidiary) , operating under the private free zone system and this transaction was executed in accordance with the resolution of the Ordinary general assembly held on February 5,2025 as part of the ownership restructuring certain subsidies of Concrete Fashion Group for Commercial and Industrial investments, the share were sold at book value.

(5) The company established Concrete Fashion Group for Commercial and Industrial Investments – Sole Proprietorship LLC, headquartered in Muscat Governorate, Sultanate of Oman. As of September 30, 2025, the company had not commenced any operations. It was incorporated on May 3, 2025, with an issued capital of OMR 20,000, which has not been paid as of the reporting date. (Refer to Note No. 30)

(6) The company established Concrete Fashion – Single Member Limited Liability Company, headquartered in Riyadh, Kingdom of Saudi Arabia, on June 8, 2025, and the issued capital was amended on September 17 to become SAR 25 000. No amounts have been paid toward the capital as of the reporting date, and the company has not commenced any operations to date.

16- Projects under progress

	September 30, 2025 USD	December 31, 2024 USD
Development of administrative building*	--	10 291
	--	**10 291**

* The item represents in partial development and rehabilitation works for the area designed for the company's office within part of the administrative headquarter.

Project under progress movements represented as follows:

	September 30, 2025 USD	December 31, 2024 USD
Balance at the beginning of the period / year	**10 291**	--
Additions	--	10 291
Transferred to property, plant and equipment	(10 291)	--
Balance at the end of the period / year	--	**10 291**

17- Financial Investments at Fair Value through profit or loss

Investee company's name	Paid Percentage from contribution value %	Contribution percentage in capital %	September 30, 2025	December 31, 2024
Ardk for Real estate development and investment company (Al Asher for Real Estate Development and investment previously) *	100%	1%	75 745	75 745
Deduct:				
Impairment losses in investment			(75 745)	(75 745)
			--	--

* The company hasn't engaged in any activities since its inception.

18- Debtors and other debit balances

	Note No.	September 30, 2025 USD	December 31, 2024 USD
Notes receivables		3 584	3 165
Prepaid expenses		76 220	143 610
Accrued revenues		612 445	--
Accrued rent revenue		223	42 784
Letter of guarantee cover	(29)	--	6 173
Deposit with others		5 870	9 633
Other debit balances		11 596	19 391
		709 938	**224 756**

19- Cash and cash equivalents

	September 30, 2025	December 31, 2024
	USD	USD
Bank - Current accounts	212 879	479 947
Cash on hand	192 312	140 752
Cash and cash equivalents	**405 191**	**620 699**
(Deduct):		
Expected credit losses in banks*	(1 280)	--
Total	**403 911**	**620 699**

- The company applied the exception stipulated in the Prime Minister's Resolution No.4575 of 2023, amending certain provisions of the Egyptian Accounting Standards, except for current accounts and deposits in local currency with banks operating in Egypt, where a full month or less maturity from the financial position date is recognized and measured using expected credit losses.

- **Expected credit losses in banks**

	Note No.	September 30, 2025 USD	December 31, 2024 USD
Balance at the beginning of the period / year		--	--
Formed during the period / year	(11)	1 280	--
Balance at the end of the period / year		**1 280**	--

20- Borrowing

	Notes	Balance at September 30,2025			Balance at December 31,2024		
		Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
	No.	USD	USD	USD	USD	USD	USD
Borrowings from banks - HSBC	(20-1)	550 000	--	550 000	560 000	410 000	970 000
Liability on sale and lease back	(20-2)	302 159	1 416 827	1 718 986	209 165	1 647 100	1 856 265
		852 159	**1 416 827**	**2 268 986**	**769 165**	**2 057 100**	**2 826 265**

20-1 Borrowing from Banks - HSBC

HSBC Rescheduled loan of USD1,250,000 effective August 2024 in eight unequal quarterly installments ending in July 2026 at an annual variable interest rate equal to the SOFR secured financing rate plus a margin rate.

20-2 Liability from sale and lease back

The company sold and leased back the administrative building of the company headquarters in the public freezones in Nasr city , under a financial lease agreement signed with corplease leasing Egypt S.A.E ,in accordance with Law No.95 of 1995 and its executive regulation and amendments from August 2024 till February 2030 .

20-3 The following is a movement in borrowing activities the financial periods ended September 30, 2025 and December 31, 2024

Description	Balance at September 30,2025		
	Borrowing from banks USD	Liabilities from sale and lease back USD	Total USD
Balance at the beginning of the period	**970 000**	**1 856 265**	**2 826 265**
Current borrowing	560 000	209 165	769 165
Non. Current borrowing	410 000	1 647 100	2 057 100
Payment of borrowing	(420 000)	(137 279)	(557 279)
Debit interest	39 751	179 002	218 753
Debit interest paid	(39 751)	(179 002)	(218 753)
Balance at the end of the period	**550 000**	**1 718 986**	**2 268 986**
Current liabilities	550 000	302 159	852 159
Non -current liabilities	--	1 416 827	1 416 827
	550 000	**1 718 986**	**2 268 986**

Description	Balance at December 31,2024		
	Borrowing from banks USD	Liabilities from sale and lease back USD	Total USD
Balance at the beginning of the year	**5 601 229**	--	**5 601 229**
Current borrowing	3 551 000	--	3 551 000
Non. Current borrowing	2 050 229	--	2 050 229
Payment of borrowing	(5 881 229)	--	(5 881 229)
Transfer from credit facilities	1 250 000	--	1 250 000
Collected from borrowing	--	1 856 265	1 856 265
Debit interest	439 481	60 776	500 257
Debit interest paid	(439 481)	(60 776)	(500 257)
Balance at the end of the year	**970 000**	**1 856 265**	**2 826 265**
Current liabilities	560 000	209 165	769 165
Non -current liabilities	410 000	1 647 100	2 057 100
	970 000	**1 856 265**	**2 826 265**

21- Banks - Credit facilities

	September 30, 2025 USD	December 31, 2024 USD
CIB	703 114	802 268
HSBC	314 744	312 687
	1 017 858	**1 114 955**

- The credit facilities is represented in withdrawals from short-term unsecured current facilities granted by local banks in USD based on an interest rate linked to the SOFR rate on the amounts withdrawn in USD.

22- Creditors and other credit balances

	September 30, 2025 USD	December 31, 2024 USD
Deposits from others	111 043	105 745
Accrued expenses	401 010	396 865
General Authority for Investment	26 553	32 141
Notes payable	8 913	82 419
Other Credit balances	47 983	62 610
	595 502	**679 780**

23- Financial instruments

Financial risk management

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Currency risk
- Interest rate risk
- Other market price risk

This note presents information about the Company’s exposure to each of the above risks, the Company’s objectives, policies and processes for measuring and managing risk, as well as the Company management of capital. Further quantitative disclosures are included throughout these separate interim financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The Board also identifies and analyzes the risks faced by the Company, sets appropriate risk limits and controls, and monitors risks and adherence to limits.

The Company aims to develop a disciplined and constructive control environment through which all employees understand their roles and obligations.

Both the Audit Committee and Internal Audit Management assist the Company's Board of Directors in its oversight role. Internal Audit Management is responsible for conducting both regular and surprise inspections of control aspects and policies related to risk management, and reports the results of these inspections to the Board of Directors.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. This risk is mainly associated with the Company's banks, time ,deposits, Notes receivables and other receivables.

- The company deals with banks with high credit ratings and banks with high financial solvency.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
The Company ensures that it has sufficient cash on demand to meet expected operational expenses for an appropriate period including the cost of servicing financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to currency risk on its financial assets and financial liabilities denominated in foreign currencies, primarily the Egyptian Pound, the Euro, and the Sterling Pound.

With respect to monetary assets and liabilities denominated in other foreign currencies, the Company ensures that its net exposure to currency risk remains at an acceptable level by purchasing or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Interest rate risk

The Company adopts a policy aimed at ensuring that its exposure to interest rate risk on borrowings is limited to those bearing a variable annual interest rate equal to the secured overnight financing rate (SOFR) plus the bank's profit margin, in accordance with the contractual terms agreed with the banks with which the Company deals. The Company does not enter into interest rate swap transactions.

Other market price risk

Equity price risk arises from available-for-sale equity securities and the management of the Company monitors the mix of equity securities in its investment portfolio based on market indices and the objective valuation of the financial statements related to these shares.

Material investments within the portfolio are managed on an individual basis and all buying and sell decisions are approved by the Company' Board of Directors.
The primary goal of the Company's investment strategy is to maximize investment returns. Management is assisted by external advisors in this regard.

Capital management

The company's policy is to maintain a strong capital base in order to preserve the confidence of investors, creditors, and the market, as well as to meet future developments in the business. The company's board of directors is responsible for monitoring the return on capital, which is defined by the company as the net profit for the period divided by total shareholder equity. The board of directors also monitors the level of dividend payouts to shareholders.

The board of directors seeks to balance between maximizing returns with high levels of borrowing, benefits, and guarantees, while maintaining safe capital base.

There are no changes in the company's capital management strategy during the period, nor is the company subject to any external requirements imposed on its capital.

a. Credit risk exposure

The carrying amount of financial assets represents the maximum exposure to credit risk, which amounted as of the date of the separate interim financial position date as follows:

	Note. No	September 30, 2025 USD	December 31, 2024 USD
Debtors and other debit balances	(18)	633 718	81 146
Due from related parties	(28-1)	1 257 150	1 363 057
Cash and cash equivalents	(19)	212 879	479 947
		2 103 747	**1 924 150**

All financial assets and liabilities are classified and measured at amortized cost, and the fair value of all financial instruments does not differ materially from their book value.

For the purpose of disclosure of financial instruments, non-financial assets of USD 76 220 (December 31, 2024: USD 143 610) are excluded from other debit balances.

b. Liquidity risk

The following are the contractual terms of financial liabilities:

September 30, 2025	Total Carrying amount USD	Expected Cashflow USD	During the year USD	Due date 1-2 years USD	Due date 2-5 years USD
Borrowing from banks (include interest)	550 000	569 673	569 673	--	--
Liabilities from sale and lease back	1 718 986	2 291 184	509 152	509 152	1 272 880
Creditors and other credit balances	595 503	595 503	595 503	--	--
Due to related parties	32 295 682	32 295 682	32 295 682	--	--
Bank credit facilities	1 017 858	1 017 858	1 017 858	--	--
	36 178 029	**36 769 900**	**34 987 868**	**509 152**	**1 272 880**

December 31,2024	Total Carrying amount USD	Expected Cashflow USD	During the year USD	Due date 1-2 years USD	Due date 2-5 years USD
Loans (include interest)	970 000	1 035 631	613 683	421 948	--
Liabilities from sale and lease back	1 856 265	2 605 692	441 796	509 152	1 654 744
Creditors and other credit balances	679 780	679 780	679 780	--	--
Due to related parties	43 831 688	43 831 688	43 831 688	--	--
Bank credit facilities	1 114 955	1 114 955	1 114 955	--	--
	48 452 688	**49 267 746**	**46 681 902**	**931 100**	**1 654 744**

c. Currency risk

Exposure to currency risk

The Company's exposure to foreign currency risk for main currencies was as follows:

September 30, 2025 Description	EGP	Euro	GBP	USD
Cash and cash equivalents	8 575 398	11 466	15 968	214 158
Due from related parties	81 893 508	79 843	9 653	1 818 356
Notes receivable, debtors & other debit balance	30 698 489	--	--	641 598
Total assets in currency	**121 167 395**	**91 309**	**25 621**	**2 674 112**
Due to related parties	(13 869 287)	(1 772 743)	(50)	(2 372 731)
Notes payables, creditors and other credit balances	(10 868 590)	(11 110)	(8 683)	(251 876)
Total liabilities in currency	**(24 737 877)**	**(1 783 853)**	**(8 733)**	**(2 624 607)**
Exposure to Surplus / (deficit)	**96 429 518**	**(1 692 544)**	**16 888**	**49 505**
Equivalent in USD	**2 015 377**	**(1 988 570)**	**22 698**	**49 505**

December 31, 2024 Description	EGP	Euro	GBP	USD
Cash and cash equivalents	5 957 803	18 849	54 729	205 038
Due from related parties	100 622 574	50 977	6 220	2 033 075
Notes receivable, debtors & other debit balance	4 607 274	39 017	--	130 923
Total assets in currency	**111 187 651**	**108 843**	**60 949**	**2 369 036**
Due to related parties	(66 997)	(1 780 777)	--	(1 855 280)
Notes payables, creditors and other credit balances	(3 877 008)	--	(18 316)	(98 962)
Total liabilities in currency	**(3 944 005)**	**(1 780 777)**	**(18 316)**	**(1 954 242)**
Exposure to Surplus / (deficit)	**107 243 646**	**(1 671 934)**	**42 633**	**414 794**
Equivalent in USD	**2 101 975**	**(1 740 650)**	**53 469**	**414 794**

The following is the exchange rates during the period / year:

	Closing rate on separate interim financial statements date		Average exchange rate used	
	30/09/2025	31/12/2024	30/09/2025	31/12/2024
	USD	USD	USD	USD
EGP	0.0209	0.0196	0.0201	0.0225
EURO	1.1749	1.0411	1.1212	1.0807
GBP	1.3440	1.2542	1.3194	1.2793

Assessment of currency exchange difficulty

"On March 3, 2024, the Prime Minister issued Decision No. 636 amending Egyptian Accounting Standard No. (13), effect of changes in foreign currency exchange rates (Egyptian Accounting Standard No. 13, Paragraph 57A), effective from January 1, 2024.

The company applied the amendment in Paragraph 57-A of Egyptian Accounting Standard No. (13) and conducted an Assessment to determine whether there is difficulty in exchanging foreign currencies against the US Dollar.

The company assessed that there is no difficulty in exchanging assets denominated in foreign currency as of September 30, 2025 This assessment was based on the ability to exchange foreign currency-denominated assets at the bank at any time without any difficulty.

The company also assessed that there is no difficulty in exchanging foreign currency-denominated liabilities, to the extent that foreign currency-denominated assets can be used to settle these liabilities. There are no foreign currency-denominated liabilities that would be settled outside the banking system, as a significant portion of the related parties sales are in US Dollar, Euro, and British Pound. Therefore, there is no estimate of difficulty in exchanging these balances, and there is no cash impact from the application of the amended Egyptian Accounting Standard No. (13).

d. Sensitivity Analysis

The 5% increase (decrease) in exchange rates of foreign currencies against the US dollar on June 30 would impact the measurement of financial instruments in foreign currency and affect owner's equity as illustrated below. This analysis assumes the stability of all other variables, especially interest rates, and disregards any potential impact from expected sales and purchases.

September 30, 2025

Description	Effect on profit or loss		Effect on owner's equity	
	Increase	**Decrease**	**Increase**	**Decrease**
EGP	100 769	(100 769)	100 769	(100 769)
Euro	(99 429)	99 429	(99 429)	99 429
GBP	1 135	(1 135)	1 135	(1 135)

December 31, 2024

Description	Effect on profit or loss		Effect on owner's equity	
	Increase	**Decrease**	**Increase**	**Decrease**
EGP	105 099	(105 099)	105 099	(105 099)
Euro	(87 032)	87 032	(87 032)	87 032
GBP	2 673	(2 673)	2 673	(2 673)

e. Interest rate risk

At the date of separate interim financial statements, the interest rate profile of the Company's financial instruments was as follows: -

	Note. No	30/9/2025 USD	31/12/2024 USD
Financial assets			
Financial assets with a variable rate – banks current account	(19)	212 879	479 947
		212 879	**479 947**
Financial liabilities			
Financial liabilities with a variable rate -loan	(20)	2 268 986	2 826 265
Financial liabilities with a variable rate – credit facilities	(21)	1 017 858	1 114 955
		3 286 844	**3 941 220**

f. Sensitivity Analysis

A change in interest rates by 100 basis points would have an impact on the valuation of assets and liabilities with variable interest rates as follows:

September 30, 2025

Description	Effect on owner's equity		Effect on profits or losses	
	Increase	**Decrease**	**Increase**	**Decrease**
Financial liabilities	(32 868)	32 868	(32 868)	32 868
Financial assets	2 129	(2 129)	2 129	(2 129)

December 31, 2024

Description	Effect on owner's equity		Effect on profits or losses	
	Increase	**Decrease**	**Increase**	**Decrease**
Financial liabilities	(39 412)	39 412	(39 412)	39 412
Financial assets	4 800	(4 800)	4 800	(4 800)

24- Capital

24-1 The Authorized Capital

The authorized capital of the company amounted USD 150 million (one hundred and fifty million US dollars), according to the decision of the extraordinary general assembly held on November 22, 2023, the demerge of Al-Arafa Investment and Consulting Company into two companies has been approved, as well as the reduction of the authorized capital of the company to be an amount of 32 917 500 US dollars.

24-2 Issued and paid-up capital

The issued and paid-up capital after the amendment has reached USD 94 050 000 according to the decision of the extraordinary general assembly of the company.

The issued and paid-up capital of the company consists of 470 250 000 nominal shares, at a value of 20 cents per share, and the issued capital is fully paid, which is the sum of the net equity in the merging company, according to the report of the formed committee by the General Authority for Investment and Free Zone in accordance with the decision of the CEO of the General Authority for Investment and Free Zone No. 127 of 2019.

Based on the Extraordinary General Assembly meeting held on November 22, 2023, regarding the Demerge of Al-Arafa Investment and Consulting Company, it has been approved to reduce the company's issued capital to $32 917 500, distributed over 470 250 000 shares at a value of 7 cents per share. The company's issued capital represents the total net equity of the company after deducting $64 370 held as reserves. The authorized, issued and paid-up capital has been notarized in the Commercial Register of the company as of December 24, 2023. The shareholder structure is distributed as follows:

Name	No. of shares share	Nominal value USD	Percentage %
Mrs. / Samaa Abd El Gawad Mohamed Ragab	77 436 541	5 420 558	16.46%
Mrs./ Shereen Ahmed Abd El Maksoud Arafa	66 576 321	4 660 342	14.15%
Mr. / Ashraf Ahmed Abd El Maksoud Arafa	55 949 224	3 916 446	11.89%
Mrs. / Malak Alaa Ahmed Arafa	44 341 111	3 103 878	9.4%
Mrs. / Shams Alaa Ahmed Arafa	44 341 111	3 103 878	9.4%
Other shareholders	181 605 692	12 712 398	38.7%
	470 250 000	**32 917 500**	**100%**

- The main shareholders for the company are the Arafa family.

25- Reserves

	September 30, 2025 USD	December 31,2024 USD
Reserves resulted from demerge	--	6 737 403
	--	**6 737 403**

Legal reserve

According to the requirements of the companies' laws and the articles of association of the group companies, 5% of the annual net profit of the companies is set aside to form the statutory reserve until it reaches 50% of the issued capital of each company. No distribution is made from this reserve, but it can be used to increase capital or reduce losses.

A reserve resulting from the process of demerge transaction

According to the demerge decision the financial statements were prepared on January 31, 2023 for Al-Arafa for Investments and Consultations have been taken as a basis for the demerge and the balance was settled according to the report of the General Investment Authority as follows:

	USD
Setting aside an amount in the reserve account in accordance with the decision of the extraordinary general assembly of the demerging company on November 22, 2023	64 370
Reverse of impairment losses in investments in certain subsidiaries	6 673 033
Reserve resulting from demerge	**6 737 403**
Deduct:	
Offsetting reserves against retained losses*	(6 737 403)
	--

* The Ordinary General Assembly of the company held on May 20,2025 decided to use the reserve to cover the accumulated losses of the company.

26- Tax status

As mentioned in the Company's tax card, the Company and the company's dividends are not subject to tax laws and charges applied in Republic of Egypt (article No. 35 of law No.8 for the period of 1997 which was replaced by Article 41 of Law 72 for the period of 2017).

26-1 Payroll tax

- The payroll tax has been inspected from the beginning of the activity until 2022 and the payment has been made. The tax deducted is paid monthly on legal dates.
- No tax inspection has been conducted for the years from 2023 to date

26-2 Withholding Tax

The company provides the withholding tax to the Central Department of withholding tax under the tax account on the legal dates.

26-3 Stamp tax

The company is obligated to pay tax on advertisements, and there are no taxes due on the company.

26-4 Real estate tax

The company is exempted according to the provisions of the law 72 for the period of 2017.

27- Basic and diluted (losses) / earnings per share

27-1 Basic and diluted (losses) / earnings per share for period according to separate statement of profit or loss

Basic and diluted (losses) / earnings per share were calculated according to Egyptian Accounting Standards as follows:

		Financial period from		Financial period from	
		January 1st, 2025 to September 30, 2025 USD	July 1st, 2025 To September 30, 2025 USD	February 1st, 2024 To September 30, 2024 USD	July 1st, 2024 To September 30, 2024 USD
Net (Loss)/profit for the period	(USD)	(357 539)	751 437	(681 105)	(712 930)
Weighted-average number of outstanding ordinary shares during the period	(share)	470 250 000	470 250 000	470 250 000	470 250 000
(Losses) / earning per share during the period	**(USD/Share)**	**(0.0008)**	**0.0016**	**(0.0014)**	**(0.0015)**

27-2 Basic and diluted (losses) / earnings per share for period to demonstrate the effect of applying Egyptian standard No (13)

		Financial period from		Financial period from	
		January 1st, 2025 to September 30, 2025 USD	July 1st, 2025 To September 30, 2025 USD	February 1st, 2024 To September 30, 2024 USD	July 1st, 2024 To September 30, 2024 USD
Net (Loss)/ profit for the period	(USD)	(357 539)	751 437	(681 105)	(712 930)
Effect of Applying Egyptian accounting standard No. (13)	(USD)	--	--	(1 748 298)	–
Total comprehensive (loss) / income for the period	**(USD)**	**(357 539)**	**751 437**	**(2 429 403)**	**(712 930)**
Weighted-average number of paid ordinary shares during the period	(share)	470 250 000	470 250 000	470 250 000	470 250 000
(Losses) / earnings per share during the period	**(USD/Share)**	**(0.0008)**	**0.0016**	**(0.005)**	**(0.001)**

28- Transactions with related parties

Transactions with related parties represent the company's transactions with company's shareholders and the companies owned by the shareholders whether directly or indirectly and the top management as they have a significant influence and control, the company carries out many transactions with related parties and these transactions have been conducted in accordance with the terms and rules approved by the company's management, The following provides the balances of the most important of these transactions during the period and the resulting balances on the date of the separate interim financial statements:

28-1 Due from related parties

Company's Name	Nature of relationship	Nature of transactions	Value of transaction during the period /year September 30, 2025 USD	Value of transaction during the period /year December 31, 2024 USD	Balance as of September 30, 2025 USD	Balance as of December 31, 2024 USD
• Crystal for Making shirts	Subsidiary	Payments for others	(45 698)	(25 735)	29 905	75 603
• Euromed For Trade and Marketing	Subsidiary	Payments for others	(18 159)	(45 103)	2 280	956
		Technical Support	19 483	21 477		
• Concrete For Ready – Made Garments Company	Subsidiary	Payments for others	(345 672)	121 173	165 926	433 665
		Technical Support	77 933	85 788		
• Port said for Readymade Garments	Subsidiary	Payments for others	197 083	852 833	1 049 916	852 833
• Concrete Fashion Group for commercial and industrial Investments - Oman	Subsidiary	Payments for others	2 505	--	2 505	--
• Concrete Fashion – Saudi Arabia	Subsidiary	Payments for others	6 618	--	6 618	--
					1 257 150	**1 363 057**
• Expected credit losses					(270 651)	(120 870)
					986 499	**1 242 187**

- **Expected credit losses in the value of related parties**

	Note No.	September 30 , 2025 USD	December 31 , 2024 USD
Beginning Balance		120 870	--
Formed during period / year	(11)	149 781	120 870
Ending Balance		**270 651**	**120 870**

28-2 Due to related parties

Company's Name	Nature of relationship	Nature of transactions	Value of transaction during The period /year 30/9/2025 USD	31/12/2024 USD	Balance as of September 30, 2025 USD	Balance as of December 31, 2024 USD
• Swiss For Ready – Made Garments Company	Subsidiary	Sale of investments	(14 131 653)	--	9 906 926	22 081 051
		Payments for others	2 317 528	1 079 292		
		Technical Support	(360 000)	--		
• Egypt Tailoring For Ready – Made Garments Company	Subsidiary	Payments for others	688 819	2 014 755	10 267 503	9 578 684
• Savini For Ready – Made Garments Company	Subsidiary	Payments for others	40	(1 368)	2 380 300	2 380 260
• Fashion Industry	Subsidiary	Payments for others	1 489 926	3 868	2 430 821	940 895
• Swiss Cotton Garments Company	Subsidiary	Payments for others	(348 190)	(3 722 025)	6 373 592	6 901 782
		Technical Support	(180 000)	--		
• G – Tex for investment	Affiliated	Payments for others	(944 944)	1 916 304	921 360	1 916 304
		Technical Support	(50 000)	--		
• Concrete international	Subsidiary	Payments for others	(17 532)	32 712	15 180	32 712
					32 295 682	**43 831 688**

28-3 Top management members allowances

The senior management is represented by the Board of Directors and the main managers of the company, and the salaries and benefits paid to senior management during the financial period amounted:

	Note No.	Financial period from January 1st , 2025 To September 30, 2025 USD	February 1st , 2024 To September 30, 2024 USD
Remuneration and allowances of members of the Board of Directors, attendance of committees, salaries and benefits of executive management	(12)	134 400	114 400
		134 400	**114 400**

28-4 Significant contracts concluded with related parties

The holding company has entered into technical and administrative support contracts with some subsidiaries and sister companies (related parties) to provide various administrative and technical services.

29- Contingent liabilities

- The value of the letters of guarantee issued by banks on behalf of the company and some of its subsidiaries in favor of others as at September 30, 2025 amounted USD 2 431 235 without covered as of December 31, 2024 the value amounted to USD 4 312 949 with covered amount USD 6 173. Note No. (18)

- All shares of Swiss Garments Company and Swiss Cotton Garments Company, which are owned by the company, are pledged in favor of one of the commercial banks dealing with the subsidiaries as collateral for the facilities granted to them. Refer to Note No. (15).

30- Capital Commitments

- The value of capital commitments on September 30, 2025 amounted USD 3 748 682 value of investment at Savini For Ready – Made Garments Company and there are USD 3 690 000 commitment for the period ended December 31, 2024 represented as follows:-
- The remaining investment in Savini Garments Company (with 25% of the investment paid) amounts to USD 3,690,000 (see Note No. 15).
- The company established Concrete Fashion Company, headquartered in Riyadh, Kingdom of Saudi Arabia, on June 8, 2025, and the issued capital was amended on September 17 to become SAR 25 000 (equivalent to USD 6,668). According to the Saudi Investment Law, it is not required to inject the entire capital in one payment; rather, the capital can be injected in operational phases provided that the actual investment is made within the licensed activity. An annual update must be submitted, including the investor’s commitment to inject the capital according to an approved plan within a maximum period of five years. In case of violation of the investment plan or cessation of the activity, the license will be revoked (see Note No. 15).
- The company established Concrete Fashion Group for Commercial and Industrial Investments (LLC), headquartered in Muscat Governorate, Sultanate of Oman. The company did not commence any activities as of September 30, 2025. It was established on May 3, 2025, with an issued capital of 20,000 Omani Riyals (equivalent to USD 52 014), which has not been paid up to date (see Note No. 15).

31- Corresponding figures

The company’s extraordinary general assembly held on June 12, 2024, decided to change the company’s financial year-end to December 31 of each year instead of January 31. Accordingly, the separate statements of profit or loss, comprehensive income, changes in equity, and cash flows have been presented for the financial period from January 1, 2025, to September 30, 2025, are presented in comparison with the reviewed comparative separate interim financial statements for the financial period from February 1, 2024, to September 30, 2024. Consequently, the corresponding figures are not comparable.

32- Material accounting policies

The separate interim financial statements have been prepared by following the same accounting policies that are applied continuously when preparing the company's separate annual financial statements.

32-1 Translation of transactions in foreign currencies

The company interim maintains its accounts in USD. Foreign transactions are translated in the functional currency at the exchange rate prevailing on the transaction dates. On the date of the separate financial statements, assets and liabilities of monetary nature in foreign currencies are translated into USD according to the prevailing exchange rates on that date, and the resulting currency differences are included in the separate profit or loss statement. Assets and liabilities of a non-monetary nature denominated at historical cost in foreign currency are translated using the prevailing exchange rates at the date of the transaction, and the currency differences resulting from transactions during the period and from revaluation at the date of the separate financial statements are included in the separate profit or loss statement.

On an exceptional basis, the Egyptian Cabinet agreed to deal with the exceptional economic decision related to moving the exchange rate by setting an additional option for Paragraph No. (28) of the amended Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates," which requires recognition of currency differences within The statement of profits or losses for the period in which these differences arise so that the standard allows the recognition of debit and credit currency differences on the translation of assets and liabilities of monetary nature in foreign currencies existing at the end of the fiscal period within the items of other comprehensive income in accordance with Paragraph No. (9) of the appendix to the standard amendment, and also Paragraph No. (10) of the amendment made it possible to include the amount of currency differences resulting from the retranslation of monetary items, which were presented in the items of other comprehensive income in accordance with Paragraph No. (9) of this appendix, in the profit or loss carried forward at the end of the financial period for applying the special treatment, which is contained in this appendix.

The company's management decided during the comparative period to apply Accounting Treatment No. (2), whereby foreign currency differences charged to the statement of comprehensive income amounted to a loss of zero USD as of September 30, 2025, compared to a loss of USD 1,748,298 as of September 30, 2024 – see Note (23-C).

32-2 Property, plant and equipment and depreciation

a. Initial recognition and measurement

Items of property, plant and equipment are recognized at cost less accumulated depreciation and accumulated impairment losses.
If the substantive components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
Profit and losses resulted from disposal of fixed assets are recognized within separate profits or losses statement.

b. Subsequent acquisition costs

The costs subsequent to acquisition are capitalized on the assets only if it is probable that it will generate and increase the future economic benefits of the assets. As all the other expenses are recognized in the separate profits or losses statement as an expense when incurred, maintenance and repair costs are also charged to the profit or loss statement for the fiscal period in which they occurred.

c. Depreciation

Depreciation of fixed assets applicable to be depreciated - which is the cost of an asset deducting its scrap value – is according to the straight-line method and this is over the estimated useful life of each type of fixed asset and the depreciation is charged to the profit or loss statement. Land is not depreciated – if any.

The residual value, useful life, and method of depreciation of assets are reviewed on the date of the financial statements, taking into account that the effect of any changes in those estimates is accounted for on a future basis.

The book value of an item of fixed assets is excluded from the books upon its disposal or in the event that no future economic benefits are expected from its use. The profits or losses resulting from the disposal of an item of fixed assets are included in the separate statement of profits or losses, and are determined on the basis of the difference between the net disposal proceeds and the book value of the item.

The following are the estimated useful lives for each type of fixed assets.

The following are the estimated useful lives

Fixed assets	**Useful life (Year)**
* Buildings	50
* Travel & Transportation Vehicles	5
* Office furniture and equipment	2-16.66
* Leasehold improvements	10

d. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the profit or loss under item (other operating revenues/expenses.)

32-3 Lease contracts

1) Determining whether the arrangement contains a lease contract or not

At inception of a contract, the Company assesses whether a contract is, or contains, a lease.

Initially or when evaluating any arrangement that contains a contract lease, the Company separates the payments and the other considerations which are required by the arrangement of the lease and those of other elements based on their relative fair values. If the Company concludes with a finance lease that it is not possible to separate the payments in a reliable manner, then the asset and the liability are recognized at an amount equal to the fair value of the underlying asset; Then the liability is reduced when the payments is fulfilled, and the finance cost calculated on the obligation is recognized using the Company's additional borrowing rate.

2) Leased assets

Lease contracts for property, plant and equipment that are transferred in a large degree to the Company, all of the risks and rewards associated with the property are classified as finance leases. Leased assets are initially measured at an amount equal to the fair value of the fair value and the present value of the minimum lease payments, whichever is less. After initial recognition, the assets are accounted for according to the accounting policy applied to that asset.

Assets held under other contracts leases are classified as operating contracts leases and are not recognized in the Company's statement of financial position.

3) Lessor books

When the Company acts as a lessor, it determines at the inception of the lease whether each lease is or not a lease or operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease has been transferred substantially all the risk and reward incidental to ownership of the underlying asset.

If so, the lease is an indirect lease; If not, it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is in place for the principal part of the economic age of the asset.

Where the Company is an intermediate lessor, it accounts for its share of the main lease and sublease separately. It assesses the classification of a sublease with reference to the right-of-use asset arising from the main lease, not with reference to the underlying asset. If the lease is a short-term lease for which the Company applies the above exemption, then the sublease is classified as an operating lease. If the arrangement contains lease and non-lease components.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

Financial Lease contracts (sale and lease-back)

If the entity (the lessee) transfers the asset to another entity (the lessor) and re-leases this asset, the entity must determine whether the transfer of the asset is accounted for as a sale of this asset or not.

In the case of transferring the asset is not a sale:

The lessee must continue recognizing the transferred asset and must recognize a financial liability equal to the transfer proceeds.

Assessing Whether the Asset Transfer Constitutes a Sale:

The entity must apply the requirements for determining when a performance obligation is satisfied under Egyptian Accounting Standard (EAS) 48 to evaluate whether the asset transfer should be accounted for as a sale of that asset

32-4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the company's independent financial statements using the cost method, so that investments in subsidiaries are recorded at acquisition cost, minus impairment in value. Impairment is estimated for each investment separately and is recorded in the profit or loss statement. Subsidiaries are companies controlled by the company when the investor achieves all of the following:

- Power over the investee.
- Exposure or right to variable returns through its participation in the investee.
- The ability to use its power over the investee to affect the amount of returns it obtains from it.

The Company shall reassess control over the investee if facts and circumstances indicate that there are changes to one or more of the three elements of control mentioned above.

32-5 Financial Instruments:

Financial assets

Recognition and initial measurement

Other current assets are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

a- Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting year following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect future cash flows and selling financial asset.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of (principal and interest on the principal amount outstanding).

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not previously designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of (principal and interest on the principal amount outstanding).

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets- Business Model Assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
How the performance of the portfolio is evaluated and reported to the Company's management; and
The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
The frequency, volume and timing of sales of financial assets in prior years, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed (if any) and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular year of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows.
- Terms that may adjust the contractual coupon rate, including variable-rate features.
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual per amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets classified at FVTPL	Financial assets at FVTPL are measured at fair value. Changes in the fair value, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

32-6 Impairment

a. Financial assets

1) Non-derivative financial assets

Financial instruments and contract assets

The company recognizes loss allowances for ECLs for:

- Financial assets measured at amortized cost.
- Debt investments measured at FVOCI; and
- Contract assets.

The company measures loss allowances at an amount equal to the ECLs over the life of the financial asset, except for the following, which are measured at an amount equal to ECLs for 12 months:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
- Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime of the ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as releasing security (if any is held); or
- The financial asset according to the terms of payment and the nature of each sector for individual customers and considering the study of expected credit losses prepared by the company.

The company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.
Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

It is a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer.
- A breach of contract such as a default or being more than 120 days past due and the restructuring of a loan or advance by the company on terms that the Company would not consider otherwise. It is probable that the borrower will enter bankruptcy or other financial reorganization; or the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset entirety or a portion of it. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is two periods past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of Non-financial assets

At each reporting date, the company reviews the carrying amounts of its non-financial assets and intangible asset to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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

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

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any other asset the CGU.

An impairment loss for other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized in the previous years.

32-7 Capital

i. Common shares

Incremental costs directly attributable to the issuance of common stock and underwriting options are recognized as a deduction from shareholders' equity.

ii. Repurchase and re-issuance of capital share

When issued capital shares are repurchased, the amount of consideration paid against repurchase, including directly attributable costs, is recognized and it will be classified as treasury bills, presenting the treasury bills as a deduction from total equity.

When the treasury shares are sold or reissued, the amount proceed is recognized as an increase in shareholders' equity and the surplus or deficit resulting from the transaction within the reserves.

iii. Dividends

Dividends are recognized as a liability in the period in which they are declared and approved by the company's general assembly.

32-8 Provisions

The provision is recognized when the company has a current obligation (legal or constructive) as a result of past events and it is likely that the settlement of that obligation will result in an outflow from the company in the form of resources that include economic benefits. The estimated costs to meet these obligations are likely to occur and it is possible to estimate the value of the obligation in a reliable manner. The value recognized as a provision represents the best available estimate of the consideration required to settle the present obligation at the date of the independent financial statements, if the risks and uncertainties surrounding that obligation are taken into account. When a provision is measured using the cash flows estimated to settle the present obligation, the carrying amount of the provision represents the present value of those flows. If the cash flows are discounted, the book value of the provision increases in each period to reflect the time value of money resulting from the period's lapse. This increase in the provision is recognized within the financing expenses in the separate profit or loss statement.

32-9 Revenue

Revenue from contract with customer

Revenue is recognized at the fair value of the consideration received or due to the company, after excluding any discounts.

Revenue from contracts with customers is recognized by the group based on five steps module as EAS 48:

- **Step 1:** Determine the contract (contracts) with customer: A contract is defined as an agreement between two or more parties that meets the rights and obligations based on specified standards which must be met for each contract.
- **Step 2:** Determine the performance obligations in contract: Performance obligations is a consideration when the goods and services are delivered.
- **Step 3**: Determine the transaction price: Transaction price is the compensation amount that the Group expects to recognize to receive for the transfer of goods or services to customer, except for the collected amounts on behalf of other parties.
- **Step 4:** Allocation of the transaction price of the performance obligations in the contract: If the service concession arrangement contains more than one performance obligation, the Group will allocate the transaction price on each performance obligation by an amount that specifies an amount against the contract in which the Group expects to receive in exchange for each performance obligation satisfaction.
- **Step 5:** Revenue recognition when the entity satisfies its performance obligations.

The Company satisfy the performance obligation and recognize revenue over time, if one of the following criteria is met:

a) Company performance does not arise any asset that has an alternative use of the Company and the company has an enforceable right to pay for completed performance until the date.
b) The Company arise or improves a customer-controlled asset when the asset is arise or improved.
c) The customer receives and consumes the benefits of Company performance at the same time as soon as the company has performed.

For performance obligations, if one of the above conditions is met, revenue is recognized in the period in which the Company satisfies performance obligation.

When the Company satisfies performance obligation by providing the services promised, it creates an asset based on payment for the contract performance obtained, when the amount of the contract received from customer exceeds the amount of the revenue recognized, resulting advance payments from the customer (contractual obligation)

Revenue is recognized to the extent that is potential for the flow of economic benefits to the Company, revenue and costs can be measured reliably, where appropriate.

The application of Egyptian Accounting standard (48) requires management to exercise the following judgements:

- **Satisfaction of performance obligation:**
  The Company should assess all contracts with customers to determine whether performance obligations are satisfied over a period of time or at a point in time in order to determine the appropriate method for revenue recognition. The Company estimated that, and based on the agreement with customers, the company does not arise asset has alternative use to the Company and usually has an enforceable right to pay it for completed performance to the date.

- In these circumstances, the Company recognizes revenue over a period of time, and if that is not the case, revenue is recognized at a point in time for the sale of goods, and revenue is usually recognized at a point in time.

- **Determine the transaction price:**
- The Company has to determine the price of the transaction in its agreement with customers, using this judgement, the Company estimates the impact of any variable contract price on the contract due to discount, fines, any significant financing component in the contract, or any non-cash contract.

- **Control transfer in contracts with customers**
- If the Company determines the performance obligations satisfaction at a point of time, revenue is recognized when control of related contract' assets are transferred to the customer.

Revenue recognition

a) Services revenue
Service revenue is recognized when the service is rendered to customers. No revenue is recognized if there is uncertainty for the consideration or its associated costs.

b) Dividends
Dividend income is recognized in the separate profit or loss statement on the date of establishing the company's right to receive the dividends.

c) Gain on sale of investments.
Gain on sale of financial investments is recognized when ownership transfers to the buyer, based on the difference between the sale price and its carrying amount at the date of the sale.

d) Rental income
Rental income is recognized on a straight-line basis over the lease term.

e) Management fees and technical support services
Management fees and technical support services are recognized over a period of time according to contracts concluded with subsidiaries and sister companies according to the accrual principle in the separate profit or loss statement, to the extent that the company is considered to have performed the services in accordance to the contracts. Revenue, total flow of economic benefit entering the company, and the rate of completion of transactions can be measured accurately.

f) Interest income
Credit interest is recognized in the separate profit or loss statement based on the accrual basis on a time proportion basis, taking into consideration principle amount outstanding and the effective interest rate applied for the period until the maturity date.

32-10 Expenses

i. Cost of borrowing

Loans are recognized first at fair value less the cost of obtaining loans and later at amortized cost. The separate profit or loss statement is charged with the difference between the proceeds less the cost of obtaining the loan and the value that will be met over the loan period using the effective interest rate method. Loans are classified as short-term unless the company has unconditional rights to postpone the settlement of obligations at least 12 months after the date of the independent financial statements. Borrowing costs include currency differences arising from foreign currency borrowing to the extent that these differences are an adjustment to the interest cost. Those profits or losses that are considered an adjustment to interest cost include interest rate differences between the cost of borrowing in the functional currency and borrowing in the foreign currency.

A specific borrowing may be invested temporarily until it is spent on assets eligible for capitalization. In such a case, the income earned from the temporary investment of that borrowing is deducted from the borrowing costs within the borrowing costs eligible for capitalization. All other borrowing costs are recognized in the separate statement of profit or loss in the period in which they are incurred.

Social insurance contribution and Pension Plan

The company contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law. Under this law, the employees and the employer contribute into the system on a fixed percentage of salaries basis. The company's liability is confined to the amount of its contribution. Contributions are charged to the income statement according to the accrual basis.

32-11 Basic and diluted (Losses) / earnings per share

Basic and diluted (losses) / earnings per share is calculated by dividing the profit or loss relating to shareholders by their common shares in the company by the weighted average to the number of shares outstanding during the period.

32-12 Legal reserve

In accordance with the requirements of companies' law and the company's bylaws, 5% of the net profit is set aside to form a legal reserve not available for distribution of individuals. The transfer to legal reserve ceases once the reserve reaches 50% of the issued share capital, if the reserve falls below the defined percentage, then the company is required to continue setting aside more reserves.

32-13 Employees' share in profit

According to its bylaws the company pays a minimum percentage of 10% from cash dividends as employees share in profit on condition not to exceed total annual employee's salaries. Employees' share in profit is recognized as dividends within changes in equity statement and as a liability during the financial period whereas the company's shareholders approved these dividends. Since the distributions of profits is an inherent right of the company's shareholders, the obligation towards the employees is not recognized in the profits whose distribution is announced until the date of the independent interim financial statements.

32-14 Statement of cash flows

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

33- New Editions and Amendments to Egyptian Accounting Standards starting from January 1st , 2025.

On 3 March 2024, another decision was issued by the Prime Minister No. (636) of 2024 amending some other provisions of the Egyptian accounting standards.

On October 23, 2024, the Prime Minister issued Decision No. 3527 of 2024, which introduces and adds the new Egyptian Accounting Standard No. (51) titled "Financial Statements in Hyperinflationary Economies."and the following is a summary of the most important of those amendments:

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
Egyptian Accounting Standard No. (50) "Insurance Contracts".	1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the Company provides appropriate information that truthfully reflects those contracts. This information provides users of financial statements with the basis for assessing the impact of insurance contracts on the Company's financial position, financial performance, and cash flows. 2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". 3-Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 4-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows: - Egyptian Accounting Standard No. (10) "Fixed Assets ". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment property ".	The management assessed the new amendments and conducted that there would be no expected impact in the financial statements.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting **on or after July 1, 2024**, and at amended until 1st of January 2025 and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the Company should disclose that fact.

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
Accounting Interpretation No. (2) "Carbon Reduction Certificates"	Carbon Credits Certificates: Are financial instruments subject to trading that represent units for reducing greenhouse gas emissions. Each unit represents one ton of equivalent carbon dioxide emissions and are issued in favor of the reduction project developer (owner/non-owner), after approval and verification in accordance with internationally recognized standards and methodologies for reducing carbon emissions, carried out by verification and certification bodies, whether local or international, registered in the list prepared by the Financial Regulatory Authority “FRA” for this purpose. Companies can use Carbon Credits Certificates to meet voluntary emissions reduction targets to achieve carbon trading or other targets, which are traded on the Voluntary Carbon Market “VCM”.	The management assessed the new amendments and conducted . That there would be no expected impact on the financial statements.	The application starts on or after the first of January 2025, early adaptation is allowed.