

شركة الاسكندرية لتداول الحاويات والبضائع
ALEXANDRIA CONTAINER & CARGO HANDLING CO

شركة مساهمة مصرية (ش.م.م)
خاضعة لأحكام القانون (١٥٩) لسنة ١٩٨١

To: EGX
Dear sir,

With reference to the financial period from 1 January 2026 to 31 March 2026. we are pleased to enclose the following:

- 1- The Auditor's Report issued by Messrs. Saleh, Barsoum & Abdel Aziz (GRANT THORNTON) on the audited financial statements for the financial period from 1 January 2026 to 31 March 2026.
- 2- The Company's financial statements and the accompanying notes thereto as at 31 March 2026, approved by the external auditor, Messrs. Saleh, Barsoum & Abdel Aziz (GRANT THORNTON). We shall provide you with the report of the Central Auditing Organization immediately upon its receipt by the Company.

Yours Faithfully,

محاسب/ احمد محمد حموده
Acct./ Ahmed Mohamed Hamouda

رئيس القطاع المالى
Chief Financial Officer



محاسب / سلمى محمد سعد زغلول
Acct./ Salma Mohamed Saad Zaghlol

مدير علاقات المستثمرين
Investors Relations Manager

السادة / البورصة المصرية

تحية طيبة وبعد ،،،

بالإشارة الى الفترة المالية من ٢٠٢٦/١/١ حتى ٢٠٢٦/٣/٣١

نتشرف بأن نرفق لكم ما يلى:

- ١ - تقرير مراقب الحسابات (مكتب السادة / صالح و برسوم و عبد العزيز (GRANT THORNTON) على القوائم الماليه المدققة عن الفترة المالية من ٢٠٢٦/١/١ حتى ٢٠٢٦/٣/٣١
- ٢- القوائم الماليه للشركه والإيضاحات المتممه لها فى ٢٠٢٦/٣/٣١ معتمده من مراقب الحسابات مكتب الساده / صالح و برسوم و عبدالعزيز (GRANT THORNTON) . وسوف نوافيكم بتقرير مكتب الجهاز المركزى للمحاسبات فور وروده الي الشركه.

وتفضلوا بقبول فائق الاحترام ،،،

*Translation of the auditor's Report
originally issued in Arabic*

REVIEW REPORT ON INTERIM FINANCIAL STATEMENTS

To: The Board of Directors of Alexandria Container and Cargo Handling Company (An Egyptian Joint Stock Company)

Introduction

We have performed a limited review of the accompanying interim financial statements of Alexandria Container and Cargo Handling Company (An Egyptian Joint Stock Company), which comprise the interim statement of financial position as at March 31, 2026, and the related interim statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the three-months period then ended, as well as a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with Egyptian Accounting Standard (EAS) No. 30 – “Interim Financial Statements”. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of the Limited Review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements No. 2410 – “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.”

A limited review consists primarily of making inquiries of persons responsible for financial and accounting matters and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with Egyptian Auditing Standards, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.



Basis for Qualified conclusion

- The Company has applied Egyptian Accounting Standard No. (49) "Leases" to certain contracts as disclosed in Note No. (27) and did not apply it to temporary right-of-use licenses for lands (yards and berths) on the basis that such licenses are renewed mostly on an annual basis. In light of the recent developments, as of January 1, 2025, a reassessment was conducted for the circumstances associated with the renewal of certain temporary right-of-use licenses with the Alexandria Port Authority for lands (yards and berths), where the Company has been operating for years and has built assets thereon, that are depreciated over the years of licenses. This confirms the ability and intention of the parties to renew these agreements annually and automatically throughout the periods of licensed activities, which extends for several coming years.

Accordingly, the requirements of Egyptian Accounting Standard No. (49) should have also been applied to these temporary right-of-use licenses, which as of March 31, 2026 have resulted in not recognizing the net balance of right-of-use assets in the amount of EGP 2 964 million, the balance of lease liabilities of temporary right-of-use licenses in the amount of EGP 3 448 million, the amount of EGP 80 million as the amortization expense of right-of-use assets, as well as the amount of EGP 172 million as debit interest (temporary right-of-use licenses), which would have resulted in a decrease in profits for the accompanying interim financial statements by EGP 92 million, after excluding the impact of the Company's treatment of right of use licenses payments by EGP 159 million from the Statement of Profit or Loss. The retained earnings will also decrease by EGP 391 million.

Qualified conclusion

Based on our limited review, and except for the matter described in the basis for qualified conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 31 March 2026, and its financial performance and its cash flows for the three-months period then ended, in accordance with Egyptian Accounting Standard No. 30 – "Interim Financial Statements".

Emphasis of Matter

Without qualifying our opinion, as disclosed in Note (46) to the accompanying interim financial statements, the Company has changed its financial year to commence on 1 January and end on 31 December of each year, instead of the previous financial year commencing on 1 July and ending on 30 June of each year, in accordance with the approval of the Company's Extraordinary General Assembly held on June 28, 2025 and by the Board of Directors' resolution dated May 25, 2025, amending Article (54) of the Company's Articles of Association concerning the Company's financial year. Accordingly, no limited review or audit report has been issued in respect of the comparative figures presented in the accompanying financial statements for profit or loss, cash flows, changes in equity, and the related notes.

Cairo, May 24, 2026


Kamel Magdy Saleh FCA, &
FESAA (R.A.A. 8510) AUDITORS
FRA Register No. "69"


Translation of interim financial statements
Originally issued in Arabic

ALEXANDRIA CONTAINER AND CARGO HANDLING COMPANY
Egyptian Joint Stock Company
Interim statement of Financial Position
as of March 31, 2026

Amounts expressed in thousands EGP

	Notes	31/3/2026	31/12/2025
Non-current assets			
Property, plant and equipment (net)	3/2 4	1,443,989	1,469,226
Projects under construction	3/3 5	206,610	153,203
Investment property	6	--	--
Intangible assets (net)	3/4 7	44,798	50,070
Right-of-use assets	27/A	39,348	45,605
Investments in associates	3/5 8/A	40,690	40,690
Investments in equity instruments at FVOCI	3/6 8/B	1,406,936	1,144,911
Investments in debt instruments at FV	3/23 9	201,572	202,200
Advance payments for investments	10	733	733
Loans to others (net)	12	--	--
Total non-current assets		3,384,676	3,106,638
Current assets			
Inventories	3/8 13	183,635	172,632
Trade receivables and commercial debtors	3/9 14	685,069	308,258
Accrued revenues and contract assets	15	153,681	49,919
Debtors and other debt balance (net)	3/9 16	75,071	66,836
Due from related parties	3/16 11	1,924	147,736
Investments in debt instruments	3/23 17	1,372,460	1,440,936
Restricted deposits	18	168,122	160,370
Cash and cash equivalents (net)	3/10 18	4,576,349	2,934,295
Total current assets		7,216,311	5,280,982
Total assets		10,600,987	8,387,620
Equity			
Share capital	19	1,489,753	1,489,753
Reserves	3/12 20	1,995,177	1,995,177
Other components of equity	21	896,537	694,095
Retained earnings	22	5,282,343	3,329,966
Total equity		9,663,810	7,508,991
Non-current Liabilities			
Employees' benefit obligations	3/13 23	132,274	132,274
Deferred tax liabilities	25	252,542	192,723
Lease liabilities	27/2	17,945	17,945
Creditors and other payables	26/1	4,610	4,610
Total non-current liabilities		407,371	347,552
Current liabilities			
Trade payables	3/15	102,412	159,576
Advance payments from customers - current liabilities		38,229	25,425
Lease liabilities	27/B	21,452	27,660
Creditors and other credit balance	3/15 26/B	245,031	214,009
Current income tax liabilities		1,770	947
Due to related parties	3/16 11	13,896	3
Provisions	3/14 24	79,332	79,583
Employees' benefit obligations	3/13 23	27,684	23,874
Total current liabilities		529,806	531,077
Total liabilities		937,177	878,629
Total equity and liabilities		10,600,987	8,387,620

The accompanying notes from an integral part of the interim financial statements and to be read therewith

Chief Financial Officer
Accountant/ Ahmed Mohamed Hamouda

Chief Executive Officer
Admiral / Alaa Mohamed Ibrahim



*Translation of interim financial statements
Originally issued in Arabic*

ALEXANDRIA CONTAINER AND CARGO HANDLING COMPANY
Egyptian Joint Stock Company
Interim statement of Profit or loss
For the Three months ended March 31, 2026

Amounts expressed in thousands EGP

	<u>Notes</u>	<u>From 1 January 2026 to 31 March 2026</u>	<u>From 1 January 2025 to 31 March 2025</u>
Revenue from operations	3/18 28	2,146,947	2,076,265
Cost of revenue	3/20 29	(487,215)	(457,841)
Gross profit		1,659,732	1,618,424
Provision no longer required	24	--	19,737
Other income	30	9,347	3,283
General and administrative expenses	3/20 31	(122,704)	(113,115)
Provisions	24	--	(25,409)
Reversal of expected credit losses		849	36
Other expenses	3/20 32	(9)	(8,839)
Operating profit		1,547,215	1,494,117
Finance income	3/19 33	246,148	298,188
Company's share from associate's profits		--	16,061
Finance costs	34	(11,085)	(25,204)
Foreign currency translation differences	3/1	159,227	(6,471)
Net profit for the period before income tax		1,941,505	1,776,691
Income tax expense	3/17	(823)	(8,682)
Deferred tax expense	3/17	(864)	(4,651)
Net profit for the period after income tax		1,939,818	1,763,358
Basic earnings per share (EGP/share)	35	0.58	0.53

The accompanying notes from an integral part of the interim financial statements and to be read therewith

Chief Financial Officer
Accountant/ Ahmed Mohamed Hamouda



Chief Executive Officer
miral / Alaa Mohamed Ibrahi

*Translation of interim financial statements
Originally issued in Arabic*

ALEXANDRIA CONTAINER AND CARGO HANDLING COMPANY

Egyptian Joint Stock Company

Interim statement of other Comprehensive Income

For the Three months ended March 31, 2026

Amounts expressed in thousands EGP

<u>Notes</u>	<u>From 1 January 2026 to 31 March 2026</u>	<u>From 1 January 2025 to 31 March 2025</u>
Net profit for the period	1,939,818	1,763,358
<u>Items that will not be reclassified subsequently to profit or loss</u>		
Change in fair value of investments in other companies	262,025	(7,092)
Deferred income tax related to fair value changes of investments in other companies	(58,955)	(1,596)
Company's share from associates company	--	21,305
<u>Items that will be reclassified subsequently to profit or loss</u>		
Gains on changes in fair value of debt instruments at FVOCI	(628)	2,522
<u>Other comprehensive income for the period</u>	<u>2,142,260</u>	<u>1,778,497</u>

The accompanying notes from an integral part of the interim financial statements and to be read therewith

Chief Financial Officer

Accountant / Ahmed Mohamed Hamouda

Chief Executive Officer

Admiral / Alaa Mohamed Ibrahim



ALEXANDRIA CONTAINER AND CARGO HANDLING COMPANY
Egyptian Joint Stock Company
Statement of Changes in Equity
For the Three months ended March 31, 2026

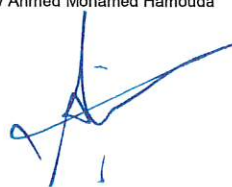
Amounts in thousand EGP

Description	Paid-up Capital	Legal Reserve	Other Reserves	Capital Reserve	Statutory Reserve	Total Reserves	Other Comprehensive Income	Retained Earnings	Total
Balance in 1 / 1 / 2025	1,489,753	783,435	471,322	225,419	515,001	1,995,177	776,565	3,414,600	7,676,095
Accounting adjustments during the period	--	--	--	--	--	--	3,192	1,318	4,510
Comprehensive Income									
Profit of the period ended 31-3-2025	--	--	--	--	--	--	--	1,763,358	1,763,358
Fair value of investments in other companies	--	--	--	--	--	--	(7,092)	--	(7,092)
Deferred tax on the fair value of investments in other companies	--	--	--	--	--	--	(1,596)	--	(1,596)
Revaluation of investments in associates	--	--	--	--	--	--	21,305	--	21,305
Gains/losses from fair value changes of debt instruments (government bonds)	--	--	--	--	--	--	2,522	--	2,522
Total comprehensive income	-	-	-	-	-	-	15,139	1,763,358	1,778,497
Balance in 31 / 3 / 2025	1,489,753	783,435	471,322	225,419	515,001	1,995,177	794,896	5,179,276	9,459,102
Balance in 1 / 1 / 2026	1,489,753	783,435	471,322	225,419	515,001	1,995,177	694,095	3,329,966	7,508,991
Transactions with shareholders									
Dividends	--	--	--	--	--	--	--	--	--
Total transactions with shareholders	--	--	--	--	--	--	--	--	--
Accounting adjustments during the period	--	--	--	--	--	--	--	12,559	12,559
Comprehensive Income									
Profit of the period ended 31-3-2026	--	--	--	--	--	--	--	1,939,818	1,939,818
Fair value of investments in other companies	--	--	--	--	--	--	262,025	--	262,025
Deferred tax on fair value of investments	--	--	--	--	--	--	(58,955)	--	(58,955)
Revaluation of investments in associates	--	--	--	--	--	--	--	--	--
Actuarial gains/losses for employee benefits	--	--	--	--	--	--	--	--	--
Gains/losses from fair value changes of debt instruments (government bonds)	--	--	--	--	--	--	(628)	--	(628)
Total comprehensive income	-	-	-	-	-	-	202,442	1,939,818	2,142,260
Balance in 31 / 3 / 2026	1,489,753	783,435	471,322	225,419	515,001	1,995,177	896,537	5,282,343	9,663,810
Disclosure number	19	20	20	20	20	20	21	22	

The accompanying notes from an integral part of the interim financial statements and to be read therewith

Chief Financial Officer

Accountant/ Ahmed Mohamed Hamouda



Chief Executive Officer

Admiral / Alaa Mohamed Ibrahim




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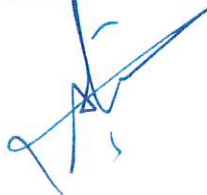
ALEXANDRIA CONTAINER AND CARGO HANDLING COMPANY
Egyptian Joint Stock Company
Interim statement of cash flows
For the Three months ended March 31, 2026

Amounts expressed in thousands EGP

	<u>Notes</u>	<u>From 1 January 2026 to 31 March 2026</u>	<u>From 1 January 2025 to 31 March 2025</u>
<u>Cash flows from operating activities</u>			
Collections from customers		1,949,444	2,276,572
Customers and trade payables		(145,130)	(996,613)
Salaries paid	42/1	(206,644)	(181,364)
Taxes and penalties paid	42/2	(319,811)	(317,183)
Dividends to employees and the board of directors		(2,500)	---
Other proceeds		2,732	3,035
Other payments		(17,216)	(7,739)
<u>Net cash flows from operating activities</u>		<u>1,260,875</u>	<u>776,708</u>
<u>Cash flows from investing activities</u>			
Accrued interest		69,035	233,034
Payments for the purchase of property, plant and equipment's	42/3	(22,774)	(862)
Payments for investments in debt instruments		(387,895)	(254,282)
<u>Net cash flows from investing activities</u>		<u>(341,634)</u>	<u>(22,110)</u>
<u>Cash flows from financing activities</u>			
Dividends payments to shareholders		--	--
<u>Net cash flows used in financing activities</u>		<u>--</u>	<u>--</u>
<u>Net change in cash and cash equivalent</u>		<u>919,241</u>	<u>754,598</u>
Restricted deposits to secure letters of guarantee and letters of credit		(7,752)	32,172
T-Bills (for three months)		579,088	130,913
Foreign currency translation differences		150,897	(6,656)
ECL on cash balances		580	(50)
Cash and cash equivalents at the beging at the period		<u>2,934,295</u>	<u>4,390,476</u>
Cash and cash equivalents at the ending of the period		<u>4,576,349</u>	<u>5,301,453</u>

The accompanying notes are an integral part of financial statements and to be read therewith

Chief Financial Officer
Accountant / Ahmed Mohamed Hamouda



Chief Executive Officer
Admiral / Alaa Mohamed Ibrahim




1. Company Overview:

- Alexandria Container and Cargo Handling Company is an Egyptian joint stock company governed by the provisions of Law No. 159 of 1981 and its executive regulations. The Company was registered in the commercial register on May 9, 1984, under No. 111502 and was listed on the Egyptian Stock Exchange on August 16, 1995. On January 16, 2005, the Vice Chairman of the General Authority for Investment and Free Zones issue Decision No. 460 of 2005, permitting the transformation of Alexandria Container and Cargo Handling Company branch to operate under the free zones system at the Alexandria and Dekheila container terminals, and also managing multipurpose terminals. On June 10, 2020, the Company renewed its licenses for Container vessel loading and unloading activities for fifteen years from June 24, 2020 to June 24, 2035.

- Under the new Investment Law No. 72 of 2017, the Company incorporated external yards that were previously affiliated with headquarters to operate under the free zone system.

- On June 23, 2022, an Extraordinary General Assembly Meeting was held, where it was approved to transfer the Company's legal status from the jurisdiction of Public Business Sector Law No. 203 for the year 1991 and its amendments to operate under Joint Stock Companies Law No. 159 for the year 1981.

Company Duration: 50 years from June 11, 1984, to June 10, 2035.

Company's Chairman: Ahmed Ibrahim Ali Al-Moutawe

Company Purposes and Main Activities

- Handling and storage of containers and cargo at Alexandria and Dekheila ports, at designated area allocated by the General Authority of Alexandria Port, this includes transportation and storage containers and cargo at designated facilities inside and outside these ports, management and operation of multi-purpose terminals at various ports and other locations and engages in shipping agency services and customs clearance activities.

- The Company is also authorized to engage in real estate investment in all its forms, either independently or through partnerships, and can obtain necessary permits to carry out such activities. It may contract with engineering consultancy firms, construction companies, and other relevant entities involved.

- The company may participate in companies operating in other fields, and it may have an interest in or participate in any way with entities that conduct business similar to its business or that may help it achieve its purpose in the Arab Republic of Egypt or abroad, or merge with them, or buy them or attach them to them. It may also contract with agents or representatives at home or abroad to help it market its business and achieve its purposes.

- To achieve its purposes, the Company is also permitted to establish new companies in collaboration with individuals, public or private whether Egyptian or foreign, in compliance with relevant regulatory framework.

- The Company license for container and cargo handling operations was extended for 15 years from June 24, 2020.

- A license numbered (2) for the year 2020 has been obtained to operate in storage and warehousing activities for the Port of Alexandria for a period of ten years, starting from October 6, 2020, until October 5, 2030. The storage activity has been added to the Company's purpose, commercial register, and tax card.

Company's Auditors:

Central Auditing Organization – Marine Transport Audit Department

Saleh, Barsoum & Abdel Aziz - Grant Thornton

2. Basis of Financial Statement Preparation

2.1 - Accounting Standards and Applicable Laws

- The financial statements are prepared in accordance with Egyptian Accounting Standards and in compliance with relevant local laws and regulations.

- The Company's fiscal year begins on January 1st and ends on December 31st of each year, effective January 1, 2026, in accordance with the resolution of the Extraordinary General Assembly held on June 28, 2025, which included amending certain articles of the Company's Articles of Association regarding the start and end dates of the fiscal year.

- As a result of this amendment, the comparative financial statements have been prepared for a six-month transitional period from July 1, 2025, to December 31, 2025. Accordingly, the comparative figures are not fully comparable with the figures for the current period.

The comparative figures in the profit or loss statement for the period ended March 31, 2025, have also been prepared using the same accounting policies applied.

- The financial statements were approved by the Board of Directors' Resolution No. (25) on May 21, 2026.

Measurement Basis

Financial statements have been prepared on a historical cost basis, except for certain assets and liabilities measured at fair value, including financial assets and liabilities measured at fair value through profit or loss or the financial assets and liabilities measured at fair value through other comprehensive income.

Presentation and Functional Currency

- The financial statements (for both the Free Zone Branch and Head Office) have been prepared and presented in Egyptian Pounds ("EGP"), which is the Company's functional currency.

- Monetary balances in foreign currencies were evaluated as of the date of preparation of the financial statements based on the prevailing spot rates at the financial statement preparation date.

2.2 - Key Accounting Assumptions and Sources of Uncertainty

- The preparation of financial statements in accordance with Egyptian Accounting Standards ("EAS") requires management to exercise judgment and make estimates and assumptions that may affect the application of accounting policies, the reported amounts of assets and liabilities, and the amounts of revenues and expenses.

- These estimates and related assumptions are based on historical experience and other factors deemed reasonable by management under prevailing circumstances and events. The carrying amounts of assets and liabilities are determined based on these estimates; however, actual results may differ from such estimates.

- These estimates and assumptions are reviewed continuously. Any adjustments to accounting estimates are recognized in the period in which they are revised. If such adjustments affect both the current period and future periods, they are allocated to the current period and subsequent periods accordingly.

A. Professional Judgments

Information about critical judgments applied in implementing accounting policies that materially affect the amounts reported in the financial statements as included in the following:

- Provisions for expected claims and contingent liabilities.
- Assessment of impairment losses on assets.
- Useful lives of fixed assets.

B. Key Assumptions and Uncertain Estimates

- Information about assumptions and uncertain estimates as of the financial statement date that could result in material adjustments to the carrying amounts of assets and liabilities in the subsequent financial period is represented in:

- Recognition and measurement of provisions and liabilities: Key assumptions regarding the likelihood and magnitude of resource outflows.
- Measurement of expected credit losses for cash at banks, trade receivables, notes receivable, and other financial assets.

C. Fair Value Measurement

- Several accounting policies and disclosures require the Company to measure the fair value of financial and non-financial assets and liabilities.

- Fair value measurements of assets and liabilities are primarily based on available market data. The inputs used in these valuations are classified according to the following hierarchical levels:

- Level (1): Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level (2): Inputs other than Level (1) prices that are observable for the asset or liability, either directly (e.g., prices) or indirectly (e.g., derived from prices).
- Level (3): Unobservable inputs to assets or liabilities doesn't rely on market price that can be observed (market data is unavailable).
- Transfers between fair value hierarchy levels are recognized at the end of the reporting period in which the change occurs.
- Additional information on assumptions applied in measuring the fair value of financial instruments is disclosed.

3. Significant accounting policies:

The following accounting policies are consistently applied in the preparation of the accompanying financial statements for the financial period presented. Below are the key accounting policies followed:

3/1- Foreign Currency Translation:

- Foreign currency transactions are recorded in the functional currency (Egyptian Pound, EGP) using the spot exchange rate prevailing at the transaction date. At the reporting period-end monetary items in foreign currency are translated using the closing rate, and non-monetary items measured at historical cost in foreign currency are translated using the exchange rate at the transaction date.

- Exchange differences arising from settling monetary items at rates different from those initially recognized in the same period or in previous financial statements are included in the statement of profits or losses (Income statement) in the period they arise.

3/2- Property, plant and equipment and Depreciation:

Recognition and Measurement

- Property, Plant and Equipment are recorded at carrying amount (historical cost less accumulated depreciation and impairment losses) and property, plant and equipment's are recorded at acquisition cost and all costs required to prepare the asset for operation in the proper location and condition for performing operations. The entity has evaluated its property, plant and equipment at historical cost at date of occurrence it includes acquisition cost and all expenses that are paid subsequently to add or dispose of part of it.

- Property, Plant and Equipment are presented in the statement of financial position at historical cost, less accumulated depreciation and accumulated impairment losses. and necessary Costs include acquisition expenses and all directly attributable costs necessary to prepare the asset for its intended use to prepare it for operation in the purpose for which management acquired the asset and in its location.

- If an asset comprises components with differing useful lives, each component is treated as a separate asset.

- Assets under construction whether for operational use, leasing purposes, or administrative functions are recorded at cost (net of impairment losses), including professional fees and all directly attributable costs necessary to prepare the assets for their intended use in their designated locations, with depreciation commencing upon completion using the same methodology applied to other property, plant and equipment.

- For internally constructed assets, the capitalized cost comprises raw materials, direct labor, and all other directly attributable costs required to bring the assets to working condition for their intended purpose in their operational locations and for their created purpose.

Subsequent Expenditures to acquisition

- Replacement costs of assets component are capitalized (after deducting the replaced component's cost) if future economic benefits will flow to the entity from the replacement, provided the replacement cost can be measured with a high degree of reliability. All other expenditures including routine operating costs necessary for maintaining property, plant, and equipment such as repair and maintenance services are recognized as expenses in the statement of profit or loss when incurred.

Depreciation

- Property, Plant and Equipment are depreciated using the straight-line method, charged to the statement of profit or loss, provided the asset is operational and generates economic benefits. Fully depreciated assets still in use are not depreciated further.

Estimated Useful Lives of Major Fixed Asset Classes

Useful lives are determined based on management's expectations of asset utilization

Estimated Useful Lives of Major Property, Plant and Equipment:

Category	Useful Life
Buildings and Constructions	10 - 20 years or until license expiry
Machinery and Equipment	6.7 - 10 years
Vehicles	10 - 20 years
Office Furniture and Fixtures	5 - 10 years
Tools and Equipment	10 years
Leasehold improvement	10 - 15 years or until license expiry

- Depreciation begins once an asset is ready for its intended use.

No restrictions are placed on the Company assets as collateral for loans.

- According to decision no. 81 of 2026 of formation of committee to study useful life and salvage of property, plant and equipment that has specified useful life to apply paragraph 51 of EAS 10 property, plant and equipment, and it did not result in any accounting adjustments.

The estimated useful life of deepening and dredging works for Berth 96 was adjusted to align with the operation license expiring in 2035, setting a 15-year useful life (effective from financial year 2022/2023).

Gains and Losses on Disposal of Fixed Assets

Gains or losses from asset disposal are determined by comparing the net disposal proceeds with the assets' net book value and are included in the statement of profit or loss.

Impairment of Assets

- The Company conducts an annual review (or more frequently if indicators arise) of the carrying amounts of its tangible assets to assess (whether there are indications of impairment). If such indicators exist, the Company estimates the recoverable amount of each asset individually in order to determine the impairment losses in its value. If the recoverable amount of an asset cannot be determined, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

- If a logical and consistent basis is used to allocate assets to cash-generating units, then the company's general assets are also allocated to those units. If this is not possible, the group's general assets are allocated to the smallest group of cash-generating units that the group can identify using a logical and consistent basis.

- Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually or whenever impairment indicators arise.

- The recoverable amount of an asset or CGU is the higher of its fair value, less costs to sell or value in use.

- Future cash flows from the assets or CGU are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the assets. If the recoverable amount is less than the carrying amount, the asset's value is reduced to reflect the recoverable amount.

- Impairment losses are recognized immediately in the statement of profit or loss. And when it's in subsequent period reverse the loss resulted from impairment amount, that recognized in prior years, the net book value of assets will be increased (or of the assets caused the cashflow), that goes with the new recoverable amount, noted that the modified net book value won't exceed the original net book value that the asset can be if not recognized the loss resulted from impairment in prior years. The reversable adjustment of the impairment losses will be recognized instantly in profit or loss statement.

3/3. Projects Under Construction:

- Projects under construction are recognized at cost, less accumulated impairment losses (if applicable). The cost includes all directly attributable expenses necessary to prepare the asset for its intended use and location. Upon completion and readiness for their designated purpose, these projects are reclassified to property, plant, and equipment. Depreciation begins using the same methodology applied to similar Property, Plant and Equipment.

3/4. Intangible Assets and Amortization:

- Intangible assets are measured at cost, which equals the cash price at the initial recognition date. If payment is deferred beyond standard credit terms, the difference between the cash price and total payments is recognized as interest. Intangible assets are presented net of accumulated amortization and impairment losses. Amortization is charged to profit or loss using the straight-line method over the asset's useful life or the license validity and renewal period. Amortization begins when the asset is available for use.

Estimated useful life of major groups of intangible assets:

Category	Useful Life
Intangible assets	3 - 10 years or until license expiry

- According to decision no. 81 of 2026 of formation of committee to study useful life and amortization of intangible assets that has specified useful life to apply paragraph 104 of EAS 23 intangible assets, and It did not result in any accounting adjustments.

3/5. Investments in Associates:

- Investments in associates are recognized for using the equity method.
- The carrying amount of investment in associate is increased or decreased to recognize the company's share of the associate's profits or losses and other comprehensive income items, with adjustments made to ensure consistency of the accounting treatment with the company's accounting policies.
- If the company's share of the associate's losses exceeds its share of the investment calculated using the equity method, including any unsecured long-term receivables owed by the associate, the company does not recognize additional losses unless it has incurred liabilities or made payments on behalf of the associate.
- Unrealized gains and losses arising from transactions between the company and its associates are also excluded to the extent of the company's interest in those associates. In cases where unrealized losses are excluded, the asset involved in the transaction is subjected to an impairment test to confirm that no impairment has occurred.

3/6. Investments in other companies at Fair Value:

- Investments in equity instruments are classified and measured at fair value through other comprehensive income (FVOCI). Subsequent reclassifications to statement of profit or loss occur upon sale of the financial assets.

3/7. Investments in current Debt instruments:

- Marketable securities are measured at fair value and classified as one of the investment portfolios.
- Financial investments (treasury bills) are valued at their acquisition cost, and the difference between the acquisition cost and the redemption value over the period from the acquisition date to the maturity date is recognized using the effective interest method. Income from these investments is recognized on an accrual basis and is shown in the profit or loss statement for the period in which it is earned.
- The company calculates interest income by applying the effective interest method to the amortized cost of a financial asset. In subsequent reporting periods, if the credit risk associated with the financial instrument improves to the point where the asset is no longer considered to have a low credit rating, the company will calculate interest income by applying the effective interest rate to the total carrying amount.

3/8. Inventories:

- The nature of the Company's Inventory comprises spare parts (used in the ordinary course of business and not held for sale), which are necessary for the maintenance of specialized equipment. These spare parts are imported from abroad. Additionally, materials and supplies consist of items required for cleaning operations and similar activities. These items are classified within inventory accounts for control purposes and are measured at cost.

- Inventory is issued using the weighted average method for all inventory items. Since this inventory is not held for sale, obsolete inventory is measured at the lower of cost or net realizable value.

3/9. Trade Receivables, Debtors and Other Debit Balances:

- Trade receivables, Debtors and Other Debit Balances are recognized at their recoverable amounts corresponding to services rendered. These amounts are presented in the statement of financial position net of specifically identified doubtful accounts and estimated uncollectible amounts determined by management when full collection is no longer probable.

3/10. Cash and Cash Equivalents:

- For the purpose of preparing the statement of cash flows Cash and cash equivalents include cash on hand, current bank accounts, term deposits, and treasury bills maturing within three months.

3/11. Statement of Cash Flows :

- The statement of cash flows is prepared using the direct method.

- 3/12. Reserves:

Reserves are constituted in accordance with Law No. 159 of 1981 and its implementing regulations, decrees, and supervisory decisions, subject to approval by the General Assembly for amounts appropriated. The utilization of reserves shall be based on a General Assembly resolution following a proposal by the Board of Directors, and includes the following:

- Legal Reserve

- A mandatory appropriation of 5% of net profits shall be allocated to the legal reserve until such reserve reaches an amount equivalent to 50% of the Company's issued share capital. This appropriation obligation shall be suspended once the reserve reaches the prescribed threshold. However, should the reserve subsequently fall below 50% of the issued share capital, the appropriation requirement shall automatically resume.

- Statutory Reserve

Pursuant to Law No. 159 of 1981, a company may allocate up to 20% of its net profits to form a statutory reserve, as determined by the General Assembly based on the Board of Directors' proposal. However, the Extraordinary General Assembly, in its unanimous meeting dated October 29, 2024, amending Article 55 of the Articles of Association to cancel the requirement to allocate up to 20% of net profits for the statutory reserve.

- Capital Reserve

- The capital reserve is formed from proceeds generated by the disposal or compensation of property, plant, and equipment. It is allocated to restore or replace existing property, plant, and equipment or acquire new ones, as proposed by the Board of Directors and approved by the General Assembly.

3/13. Employee Benefits:

- Employees are entitled to end-of-service benefits based on their length of service, calculated as 2.5 months' salary for each full year of service the employee has had with minimum amount of EGP 250 thousand. An actuarial study has been conducted to measure this obligation.

- The company applies optional employee retirement plan.

- Employees also receive a profit share of not less than 10% of the distributable net profit, in accordance with the Company's bylaws, provided that their share does not exceed their annual total wages.

3/14. Provisions and Contingent Liabilities:

- Provisions are recognized when the company has a present legal or constructive obligation arising from past events, and it is probable that an outflow of economic benefits will be required to settle the obligation. A reliable estimate of the obligation's amount must be possible. Provisions are measured at the present value of expected future cash outflows and reviewed annually for adjustments (when necessary) to present their best estimate.

3/15. Trade Payables, Creditors and Other Credit Balances:

Creditors and other payable balances are initially measured at cost, with liabilities (accruals) being recognized at the amounts expected to be paid in the future for goods and services already received or rendered.

3/16. Related Party Transactions:

- Related parties include The Holding Company for Maritime & Land Transport, major shareholders, Key management persons and companies in which the Company holds ownership interests. Terms and policies for related-party transactions are approved by the Board of Directors. These transactions have been conducted on arm's length terms, consistent with prevailing market conditions, and no guarantees were obtained in connection with them. An allowance for expected credit losses ("ECL") is recognized to cover potential disputes with related parties (if any).

3/17. Tax Policy:

- The Company submits its annual corporate profit tax return with the relevant tax authority within the due dates and pays the corresponding tax amounts due. However, under Egypt's applicable tax system, the final tax liability owed to the tax authority cannot be definitively determined until completion of the official tax inspections process and issuance of the final assessment, whether through internal committees, High committees, or judicial settlement.

- The Company operates in its branches in Alexandria and Dekheila ports under the free zone regime since 2005.

- While the head office remains subject to standard corporate income tax under Law No. 91 of year 2005 governing taxation of legal entities.

Income Tax

- The income tax due on the transactions of the head office is calculated in accordance with Law No. 91 of 2005, its executive regulations, and all subsequent decisions and circulars, following the applicable rules and instructions in the Arab Republic of Egypt. The tax expense is recorded in the statement of profit or loss of the head office, while a provision for potential tax liabilities is recognized after conducting the necessary assessment based on tax claims.

Deferred Taxes

- Deferred tax arises from temporary differences between the financial reporting period in which certain assets and liabilities are recognized and the tax bases under applicable tax laws versus the accounting principles used in preparing the financial statements.

- Deferred tax is recognized as an asset when there is a probable likelihood that it can be utilized to reduce future tax liabilities. The deferred tax asset is reduced by the portion of expected tax benefits that are unlikely to be realized in subsequent years. However, if the expected tax benefit increases, the tax asset is adjusted upward only to the extent of previously recognized reductions.

- At the end of each fiscal year, deferred tax assets and liabilities are recalculated based on business results and management's estimates of expected tax benefits.

3/18. Revenue Recognition:

- The company applies Egyptian Accounting Standard No. (48) and the accounting policies information were provided related to contracts with customers and an explanation of the impact of applying the standard.
- The company recognizes revenues from contracts with customers based on a five-step model as specified in Egyptian Accounting Standard (48) as follows:

Step 1: Identify the contract with the customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the standards that must be met for each contract.

Step 2: Identify the performance obligations in the contract: It is a promise in a contract with a client to transfer a good or service to the client.

Step 3: Determine the transaction price: The transaction price is the amount of compensation that the company expects to receive in return for the transfer of goods or services promised to the customer, excluding amounts collected on behalf of other parties.

Step 4: Allocate the transaction price over the performance obligations in the contract: For a contract that includes more than one performance obligation, the company will allocate the transaction price to each performance obligation in the amount for which the company expects to receive payment for fulfilling each performance obligation.

Step 5: Recognize revenue when (or as) the entity satisfies the performance obligation.

The Company satisfies a performance obligation and recognizes revenue over time if one of the following criteria is met:

- The Company's performance does not create an asset with an alternative use to the Company, and the Company has an enforceable right to payment for performance completed to date.
- The Company creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

For performance obligations satisfied over time, revenue is recognized over the period representing the time in which the performance obligation was satisfied.

When the Company satisfies a performance obligation by delivering promised goods or providing promised services, it creates a contract asset based on the amount of contract consideration obtained from performance. When the amount of contract consideration received from the customer exceeds the amount of revenue recognized, this results in advance payments from the customer (contract liability).

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue and costs can be measured reliably, where appropriate.

- The application of Egyptian Accounting Standard (48) requires management to use the following judgments:
- Satisfaction of performance obligations.
- Determination of transaction prices.
- Transfer of control in contracts with customers.

Additionally, the application of Egyptian Accounting Standard No. (48) led to the following:

- Allocation of the transaction price over the performance obligation in contracts with customers.

The Company has chosen the input method for allocating the transaction price to performance obligations so that revenue is recognized over time. The Company considers that the use of the input method, which requires recognizing revenue based on the Company's efforts in satisfying performance obligations, provides the best reference for revenue actually realized. When applying the input method, the Company estimates the efforts or inputs to satisfy the performance obligation in addition to the cost of satisfying the contractual obligation with customers; these estimates include the time spent on service contracts.

- Other matters to be taken into consideration Variable Consideration

If the promised consideration in a contract includes a variable amount, the Company must estimate the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to the customer. The Company estimates the transaction price for contracts with variable consideration using the expected value or the most likely amount method. The method is applied consistently throughout the contract and for similar types of contracts.

- Significant Financing Component

The Company must adjust the promised contract consideration for the time value of money if the contract includes a significant financing component.

3/19. Interest Income:

- Interest Income is recognized in the income statement using the effective interest rate method on a time-proportionate basis.

3/20. Expenses:

- All expenses, including operating expenses, administrative and general expenses, and other expenses, are recognized in the profit or loss in the financial year in which they are incurred, in accordance with the accrual basis of accounting.

3/21. Dividends:

Dividends are distributed post-approval by the General Assembly for dividends distribution project.

3/22. Earnings Per Share:

The company present basic earning per share for ordinary shares. Basic Earnings Per Share (EPS) is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares during the period.

3/23. Financial Instruments:

Initial Recognition and Measurement

- Initially trade receivables are recognized when created. Financial assets and liabilities are initially recognized when the entity becomes a party to the contractual terms of the instrument.

- Customer balances (without significant financing components) and other financial assets/liabilities are initially measured at fair value. Items not quoted in active markets are measured through profit or loss.

Subsequent Classification and Measurement

Financial Assets

- Initial recognition of a financial asset is classified into Amortized Cost or Fair Value Through Other Comprehensive Income (FVOCI) or Fair Value Through Profit or Loss (FVTPL)

- A financial asset is measured at amortized cost only if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows.

- The asset's contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- All financial assets not classified as amortized cost or FVOCI (as outlined above) are measured at fair value through profit or loss. At initial recognition, the company may irrevocably designate a financial asset as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial Assets – Business Model Assessment

- The business model for holding financial assets is assessed at the portfolio level to reflect how the business is managed and to provide relevant information to management. Key considerations include:
 - Stated Policies and Objectives Whether management's strategy focuses on collecting contractual interest income, maintaining a specific interest rate profile, matching asset/liability durations, or generating cash flows through sale of assets.
 - How performance is measured and reported to management.
 - Risks affecting the business model's performance (and financial assets held within this business model) and how they are mitigated.
 - How business managers are compensated – for example, whether compensation is tied to the fair value of managed assets or contractual cash flows.
 - Frequency, volume, and timing of past asset sales, reasons for sales, and future sales expectations.
 - Transfers of financial assets to third parties that do not meet derecognition criteria are not treated as sales and this agree with the company continuous recognition of assets.
 - Assets held for trading or managed/measured at fair value are classified as fair value through profit or loss (FVTPL).

Subsequent Measurement and Profit/Loss Recognition

Assets by 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 upon derecognition is also recognized in profit or loss.

Assets by Fair value through profit or loss (FVTPL)

- Measured at fair value, net gains/losses (including interest/dividends) recognized in profit or loss.

Classification, Subsequent Measurement, and Profit/Loss Recognition

Financial liabilities are classified as either measured at amortized cost, measured at fair value through profit or loss (FVTPL), financial liability is classified as FVTPL if it is held for trading or derivatives or it is designated as FVTPL at initial recognition, liabilities measured at amortized cost use the effective interest rate (EIR) method, liabilities measured at FVTPL are recognized at fair value, interest expense and foreign exchange (FX) gains/losses are recognized in profit or loss, also gains/losses on derecognition of financial liabilities are also recognized in profit or loss.

Derecognition

Financial Assets

- The entity derecognizes a financial asset when the contractual cash flow rights from the financial asset expire, or when it transfers the financial asset in a transaction that transfers all significant risks and rewards of ownership of the financial asset, or in cases where the entity neither retains nor transfers a significant portion of the risks and rewards of ownership. Additionally, the entity does not retain control over the financial asset.
- The entity enters into transactions in which it transfers assets recognized in its financial position statement but retains either all or a significant portion of the risks and rewards of the financial assets or a portion thereof. If all or a significant portion of the risks and rewards are retained, the transferred assets are not derecognized.

Financial Liabilities

- The entity derecognizes a financial liability when it is released from its contractual obligations, or when the liability is canceled or expires.
- The entity also derecognizes financial liabilities when their terms are modified, and the cash flows of the modified liability are substantially different. In such cases, a new financial liability is recognized based on the modified terms at fair value.
- Upon derecognition of a financial liability, the difference between the derecognized carrying amount and the amount paid (including any transferred non-cash assets or Incurred liabilities) is recognized in profit or loss.

Impairment

Non-Derivative Financial Assets

- The entity recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. The entity measures loss allowances at an amount equal to lifetime expected credit losses, except for balances with banks where credit risk has not increased significantly since initial recognition (i.e., the risk of default occurring over the expected life of the financial instrument), which are measured based on 12-month expected credit losses.
- Loss allowances for customers and contract assets are always measured at an amount equal to lifetime expected credit losses.
- When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the entity considers reasonable and supportable information that is available without undue cost or effort. This includes quantitative and qualitative information based on the entity's historical experience, informed credit assessment, and forward-looking information.
- The entity assumes that the credit risk of a financial asset has increased significantly if it is more than one year past due.
- The entity assumes that a financial asset has become credit-impaired when it is unlikely that the customer will fully meet its credit obligations to the entity without the entity resorting to actions such as enforcing collateral (if any collateral is held); or when the financial asset is more than two years past due.
- Lifetime expected credit losses are the expected credit losses resulting from all possible default events over the expected life of the financial instrument.
- 12-month expected credit losses are the portion of lifetime expected credit losses that result from default events that could occur within 12 months of the reporting date (or a shorter period if the instrument's expected life is less than 12 months).
- The maximum period considered when estimating expected credit losses is the maximum contractual period during which the entity is exposed to credit risk.

Measurement of Expected Credit Losses

Expected credit losses are probability-weighted estimates 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 under the contract and the cash flows the entity expects to receive).

Credit-Impaired Financial Assets

- The entity assesses at each reporting date whether there has been a significant increase in credit risk for financial assets measured at amortized cost. A financial asset is considered "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
- Observable data indicating a significant increase in credit risk includes:
 - Significant financial difficulty of the borrower or issuer.
 - A breach of contract, such as default or delinquency beyond the credit period.
 - The likelihood that the counterparty will enter bankruptcy or other financial reorganization.
 - The disappearance of an active market for the financial instrument due to financial difficulties.

Presentation of Expected Credit Losses in the Statement of Financial Position

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

Write-Offs

- The gross carrying amount of a financial asset is written off when the entity has no reasonable expectation of recovering the financial asset as a whole or in part. The entity performs an individual assessment regarding the timing and amounts of write-offs based on whether there is a reasonable expectation of recovery. The entity does not expect to recover a significant portion of the written-off amount. However, written-off financial assets may remain subject to enforcement activities to comply with the entity's procedures for recovering amounts owed.

Fair Value Measurement of Financial Instruments

Financial assets and liabilities measured at fair value in the statement of financial position are classified into three levels of the fair value pyramid. These three levels are determined based on the observability of the inputs used in the measurement, as follows:

- Level 1: Reported (unadjusted) prices in active markets for similar assets or liabilities.
- Level 2: Inputs other than the reported prices in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs that are not observable for the asset or liability.

3/24. Capital Management Objectives and Policies:

- The company manages capital to cover operational demands, shareholder objectives, and investments (including replacement, renewal, and competitiveness enhancement) through self-financing without borrowing. The company conducts studies to explore investments in new projects.

3/25. Accounting Policies

- The accounting policy adopted is separating the financial transactions of the company's free zone branch from the main head office accounts. The head office bears its share of operational, general, and administrative expenses.

3/26. Social Insurance and Pension System for Employees:

- The company contributes to the social insurance system under Law No. 148 of 2019 (Social Insurance and Pensions Law). Contributions are calculated as a percentage of employee salaries, and the company's obligations are limited to this share, which is charged to the profit or loss on an accrual basis.

3/27. Lease Contracts (Lessee):

- At the inception of a contract, the company determines whether the contract is or contains a lease. A contract is or contains a lease if it conveys the right to control the use of a specified asset for a period in exchange for consideration.

- At commencement or upon modification of a contract containing a lease component, the company allocates consideration to each lease and non-lease component based on their stand-alone selling prices. However, for property leases, the company has elected not to separate non-lease components and accounts for lease and non-lease components as a single lease component.

Right-of-Use Assets – Lease Contracts

Initial Recognition:

- The right-of-use asset is initially measured at cost, which includes the initial amount of the lease liability adjusted for lease payments made at or before the commencement date, any initial direct costs incurred and estimated costs of dismantling, removing, or restoring the underlying asset or the site where it is located, *minus* any lease incentives received.

Subsequent Measurement:

- The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the lease term or the date of ownership transfer of the underlying asset to the Company (or when the carrying amount reflects the exercise of a purchase option), in which case depreciation is applied over the underlying asset's useful life, determined consistently with property and plant.

- Additionally, the carrying amount is periodically adjusted for impairment losses (if any) and remeasured in line with corresponding lease liability adjustments.

Lease Liability

- Lease liabilities are initially measured at the present value of unpaid lease payments at the commencement date, including fixed lease payments and related fixed service charges, discounted using either the interest rate implicit in the lease or the company's incremental borrowing rate if the implicit rate cannot be easily determined. Generally, the company applies its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability consist of:

- Fixed payments.
- Variable payments linked to an index or rate, measured initially using the index/rate at the commencement date.
- Amounts expected to be payable under residual value guarantees.
- The exercise price of a purchase option if the company is reasonably certain to exercise it.
- Penalty payments for terminating the lease if the lease term reflects the company's exercise of an early termination option.

The lease payments are measured at amortized cost using the effective interest method. It is remeasured when there are changes in:

- Future lease payments due to changes in an index or rate.
- The company's estimate of amounts payable under residual value guarantees.
- The company's assessment of purchase, extension, or termination options.
- Modifications to fixed lease payments.
- Subsequently, the right-of-use asset and lease liability are remeasured if any of the following events occur:
 - Changes in lease payments due to price or rate adjustments are effective in the current year.
 - Modifications in lease contract.
 - Remeasuring the lease term.
- Leases of non-core assets unrelated to the Company's principal operating activities - including short-term leases (less than 12 months, including renewal options) and low-value asset leases - are expensed in the statement of profit or loss on a straight-line basis over the lease term.

Lease Restrictions (Sale and Leaseback Transactions)

- If an entity (the seller-lessee) transfers an asset to another entity (the buyer-lessor) and subsequently leases that asset back, the entity must determine whether the transfer of the asset should be accounted for as a sale of that asset or not.

If the asset transfer does not qualify as a sale:

- The seller-lessee must continue recognizing the transferred asset while simultaneously recording a financial liability equal to the transfer proceeds received.

Short-Term Leases and Low-Value Asset Leases

- The company has elected not to recognize right-of-use assets or lease liabilities for short-term leases and leases of low-value assets. Lease payments for these are recognized as expenses on a straight-line basis over the lease term.

Key Provisions

- Egyptian Accounting Standard No. (49) requires the company to evaluate the lease term as the non-cancellable lease period in accordance with the lease agreement, with the period in which the company has extension options that it is certain to exercise, the periods specified by the company, and the periods in which the company has termination options that it is not certain to apply.

3/28. Borrowing Costs:

Borrowing costs are recognized in the income statement under financing expenses in the period they are incurred. *Exception:* Borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized and amortized over the asset's estimated useful life.

3/29. Financial Assets at Fair Value through Other Comprehensive Income

A company accounts for financial assets at fair value through other comprehensive income if these assets meet the following conditions:

- They are held within a business model that aims to collect the contractual cash flows associated with the asset and to sell the financial instrument when needed.

- The contractual terms of the financial asset result in cash flows that represent only the principal and interest payments on the outstanding balance.

- Any gain or loss arising from measuring these assets at fair value is recognized in other comprehensive income and is reclassified to profit or loss when the financial asset is derecognized.

3/30. Impairment of Financial Instruments

- The company applies the requirements of Egyptian Accounting Standard No. 47 regarding impairment using the Expected Credit Loss (ECL) model based on forward-looking information. Instruments subject to this model include: loans, credit assets measured at amortized cost, trade receivables, contract assets as per Egyptian Accounting Standard No. 48, loan liabilities, and certain financial guarantee contracts.

- The company considers a wide range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and substantiated future expectations that may affect the collectability of future cash flows.

- As required by the standard, financial assets are divided into three stages:

- Stage 1:

No material deterioration in credit quality—expected credit losses are recognized for the first 12 months.

- Stage 2:

Material deterioration in credit quality—expected credit losses are recognized for the entire credit life of the instrument.

- Stage Three:

Objective evidence of impairment exists — Losses are measured based on the present value of the expected losses.

Expected credit losses are measured using a probability-weighted estimate representing the present value of the losses over the credit life (or 12 months, depending on the stage).

The company does not calculate expected credit losses on treasury bonds, in accordance with Clause No. 9 of Cabinet Resolution No. 4575 of 2023 concerning the exemption of debt instruments, current accounts, and deposits in EGP with banks operating in Egypt.

4. Property, Plant and Equipment (Net)

4/1 Property, Plant and Equipment as of March 31, 2026

(Amounts expressed in EGP thousand)

Description	Buildings & Constructions	Machinery & Equipment	Vehicles	Tools & Equipment	Office Furniture & Fixture	Lease hold Improvement	Total
Cost as of January 1, 2026	214 321	31 594	2 111 824	3 245	116 687	590 449	3 068 120
Transferred from projects under construction	11 085	165	2 354	--	3 482	--	17 086
Disposals during the period	--	(529)	--	--	--	--	(529)
Cost as of March 31, 2026	225 406	31 230	2 114 178	3 245	120 169	590 449	3 084 677
Accumulated Depreciation as of Jan 1, 2026	(113 181)	(21 435)	(1 194 669)	(2 233)	(74 433)	(192 943)	(1 598 894)
Depreciation for the period	(4 022)	(442)	(21 007)	(50)	(4 542)	(12 260)	(42 323)
Accumulated Depreciation of Disposals	--	529	--	--	--	--	529
Accumulated Depreciation as of March 31, 2026	(117 203)	(21 348)	(1 215 676)	(2 283)	(78 975)	(205 203)	(1 640 688)
Net Book Value as of March 31, 2026	108 203	9 882	898 502	962	41 194	385 246	1 443 989

4/2 Property, Plant and Equipment as of December 31, 2025

(Amounts expressed in EGP thousand)

Description	Buildings & Constructions	Machinery & Equipment	Vehicles	Tools & Equipment	Office Furniture & Fixture	Lease hold Improvement	Total
Cost as of July 1, 2025	212 549	31 561	2 076 818	3 032	99 872	590 449	3 014 281
Transferred from projects under construction	1 772	33	35 006	410	17 190	--	54 411
Disposals during the period	--	--	--	(197)	(375)	--	(572)
Cost as of December 31, 2025	214 321	31 594	2 111 824	3 245	116 687	590 449	3 068 120
Accumulated Depreciation as of July 1, 2025	(105 592)	(20 551)	(1 156 495)	(2 346)	(66 842)	(168 429)	(1 520 255)
Depreciation for the period	(7 589)	(884)	(38 174)	(84)	(7 966)	(24 514)	(79 211)
Accumulated Depreciation of Disposals	--	--	--	197	375	--	572
Accumulated Depreciation as of December 31, 2025	(113 181)	(21 435)	(1 194 669)	(2 233)	(74 433)	(192 943)	(1 598 894)
Net Book Value as of December 31, 2025	101 140	10 159	917 155	1 012	42 254	397 506	1 469 226

4/3 The historical cost of Property, Plant and Equipment includes:

Fully depreciated assets that are still in use, amounting to 790 466 thousand EGP.

Speculative assets amount to 28 997 thousand EGP.

Idle assets amounted to 281 553 thousand EGP. (cranes 2012–2013). The company conducted an impairment test on those assets, and based on the results, it was determined that the recoverable value of these assets exceeded their book value as of 31 December 2025. The management is on the opinion that the results of this test is still valid

4/4 Capital Commitments

- The approved investment plan in the FY 2026 budget amounts to EGP 1.271 billion
- The value of approved items for which orders have been issued (contracts/works/supplies) amounts to EGP 9.750 million.
- The value of items still in the tendering process (the date for the technical bid opening has been announced) amounts to EGP 1.087 billion
- The value of items still in the stage of preparing the terms of reference and specifications, or in negotiations to set the date for the technical bid opening, amounts to EGP 102 million.
- The value of items for which a memorandum is currently being prepared for submission to the Supreme Budget Committee for approval amounts to EGP 72 million.
- The value of capital commitments from prior plans that are under implementation and to be completed during the current fiscal year amounts to EGP 275 million.

4/5 Restrictions:

There are no restrictions on the company's ownership of the Property, Plant, and Equipment.

5. Projects Under Construction:

The balance of projects under construction as of March 31, 2026, amounted to 206 610 thousand EGP, detailed as follows:

	Amount expressed in Thousand EGP	
<u>Description</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>
A- Assets Under Construction		
Buildings & Constructions	28 138	16 744
Machinery & Equipment	1 098	1 098
Vehicles & Transportation	61 474	67 481
Tools & Equipment	49	84
Office Furniture & Fixture	8 901	320
Leasehold improvements	699	699
Total Assets Under Construction	100 359	86 426
B- Advances payment for Construction or Acquisition of Property, Plant, and Equipment		
Letters of Credit (for purchasing assets & spare parts)	26 624	655
Advance payments (load-bearing beam for the third rail at El-Dekhella).	79 627	66 122
Total downpayments for constructions	106 251	66 777
Total Projects Under Construction	206 610	153 203

Detailed Movement of Assets Under Construction for the period from December 31, 2025 to March 31, 2026

Description	Amount expressed in Thousand EGP				
	January 1, 2026	Additions During the Period	Disposals	Transferred to Assets	March 31, 2026
Buildings & Constructions	16 744	22 479	--	(11 085)	28 138
Machinery & Equipment	1 098	165	--	(165)	1 098
Vehicles & Transportation	67 481	1 153	(4 806)	(2 354)	61 474
Tools & Equipment	84	(35)	--	--	49
Furniture & Fixture	320	12 063	--	(3 482)	8 901
Leasehold improvements	699	--	--	--	699
Total	86 426	35 825	(4 806)	(17 086)	100 359

- The " Vehicles " item includes the value of strategic spare parts that the Company expects to use in its equipment amounted to EGP 57 519 thousand.
- An amount of EGP 35 thousand was transferred from the Tools & Equipment Store to the Buildings and Constructions Store.

Downpayments for constructions include and acquisition of Property, Plant, and Equipment include:

Letter of credit

- Amount of 507 thousand EGP remaining for the purchase of (2) ZPMC quay cranes at Dekheila Terminal.
- Amount of 35 thousand EGP remaining for the purchase of (3) yard cranes at Dekheila Terminal.
- Amount of EGP 25,940 thousand represents a letter of credit for the purchase of two (2) Kalmar forklifts.
- Amount of EGP 142 thousand represents a letter of credit for the supply of crane wires.

6. Investment property :

- The cost of acquiring land is recorded at historical cost and has been reclassified as long-term real estate investments in the accounts of the head office. This investment consists of a plot of land registered as a joint share in the name of the Holding Company for Maritime and Land Transport, covering an area of 1,419 square meters. The land was purchased from El Wadi Cotton Ginning Company in the Al-Balyana area, Sohag Governorate, as part of a total area of 18,451.57 square meters, on which a school complex affiliated with the Educational Buildings Authority (under the Ministry of Education) is located. The authority holds the right to use the land free of charge for 50 years, from November 2, 2008, to November 1, 2058.
- The ordinary General Assembly approved the company's contribution to purchasing the land on April 27, 2008, considering this contribution an investment property.
- The entire value of the investment property was impaired in previous years due to the lack of current or future expected returns from this investment, rendering it economically unfeasible.
- The details are as follows:

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Real Estate Investment Value	2 413	2 413
Real Estate Investment Impairment (net)	(2 413)	(2 413)
Net Balance	--	--

7. Intangible Assets (Net):

These assets are recorded at cost less accumulated amortization, with amortization calculated using the straight-line method over an estimated useful life ranging between three to ten years.

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Intangible Assets	44 798	50 070

Detailed Movement of Intangible Assets for the period from December 31, 2025 to March 31, 2026:

Amounts expressed in Thousand EGP

Description	Jan 1, 2026	Additions	Amortization	March 31, 2026
Information System TOS	50 070	--	(5 272)	44 798

8. Investments in Companies:

The table below outlines the movement of financial investments in associated companies and the number of shares as of March 31, 2026.

8/A: Investments In Associate (Investment percentage more than 20%):

Amount expressed in Thousand EGP

Opening balance Jan 1, 2026			Change			Ending balance March 31, 2026	
Company Name	Ownership %	Value	No. of Shares	Value	No. of Shares	Value	No of shares
Abu Simbel & Tiba Shipping Agencies	44%	40 690	263 644	--	--	40 690	263 644

- Investment in Abu Simbel and Taiba Shipping Agencies Company (a merged company) based in the Arab Republic of Egypt and the investment is valued using the equity method.

- The Commercial Register was notified on 5/1/2025 of the merger of Amoun and Memphis Shipping Agencies Company (merged company) into Abu Simbel and Taiba Shipping Agencies Company (merged company).

- Equity method has been used to determine the investment value according to financial statements prepared by Abu Simbel and Taiba Shipping Agencies Company (merger company) dated June 30, 2025 noted that it's the last available financial statements in the date of financial statements.

8/B: Investments in other companies at fair value through OCI:

Amount expressed in Thousand EGP

Company Name	Ownership %	No. of shares	Investment currency	Value In USD	Balance as of March 31, 2026	Balance as of December 31, 2025
The Egyptian Group for Multi-Purpose Terminals Company	6.01%	182 735 930	USD	18 274	1 396 833	1 134 808

Alexandria Container and Cargo Handling Company S.A.E.

Notes to Interim Financial Statements

For the Three Months Ended March 31, 2026

Translation of the interim financialstatements originally issued in Arabic

<u>Company Name</u>	<u>Ownership %</u>	<u>No. of shares</u>	<u>Investment currency</u>	<u>Value in USD</u>	<u>Balance as of March 31, 2026</u>	<u>Balance as of December 31, 2025</u>
The Egyptian Company for Garages (Turguman Group)	6.54%	1 365 220	EGP	--	10 103	10 103
Total				18 274	1 406 936	1 144 911

Egyptian Ports Company (formerly Egyptian Multi-Purpose Terminals Group)

- The company previously held a 13% in EMP S.A.E. issued capital, equivalent to 650 thousand shares at a par value of EGP 100 per share at incorporation, an Egyptian joint stock company operating under the free zone system.

- The Board of Directors of EMP decided to increase the company's capital from EGP 500 million to EGP 2.2 billion to contribute 2,860,000 shares with a par value of EGP 100/share.

- EMP decided to increase its capital by Board of Directors Resolution No. (7) dated 26/2/2022 and by an Extraordinary General Assembly, and the company's management has expressed its unwillingness to contribute to this increase, and therefore the percentage of contribution was reduced from 13% to 6.01% upon completion of increasing the issued capital.

- The functional currency of EMP was switched from EGP to USD upon transitioning to free zone operations.

- EMP's management refunded the amount of EGP 292,500 thousand in December 2023, which was included in the amount paid from the capital increase account of the Egyptian Group for Multipurpose Stations, which was included in the amounts paid from the investments account.

- EMP signed a long-term syndicated financing contract on September 17, 2020 for a period of 14.5 years to finance part of the investment cost of its project - the construction of the multi-purpose station - as a guarantee to meet the obligations of this financing, all shareholders have pledged that their obligations in this financing will be within the limits of their share of capital.

- On September 8, 2024, the capital of the Egyptian Ports Company was increased to USD 304.49 thousand, and Alexandria Container & Cargo Handling Company did not contribute to this increase, which led to the reduction of the investment ratio from 13% to 6.01%.

- With reference to the Company's General Assembly held on December 25, 2025, a resolution was issued approving the change of the Company's trade name from "The Egyptian Group for Multipurpose Stations" to "Misr Ports Company".

Fair Value Study:**The investment was evaluated this year at fair value as follows:**

A fair value study was prepared by an Independent financial advisor registered with the Financial Regulatory Authority (FRA), and used the multiples method to value the investment to reach the fair value as follows:

- 1- The study relied on the use of the market approach using the multiples method, and the Egyptian Group of Multipurpose Stations Company was valued using the B/BV multiple obtained from companies equivalent to the company under study, taking into account the difference in listed companies similar in size, profitability and liquidity - a discount range of 5% and 10% was applied to the B/BV multiple to cover sector risk and other risks associated with the company specifically. Using a B/BV multiple of 1.0x and applying a conservative discount range of between 5% and 10%, the Company's average equity value was US\$421.4 million.
- 2- The fair value of The Egyptian Ports Company as of 31 December 2024 (the valuation date), in accordance with the adopted valuation methodologies, amounted to USD 400,169 thousand, distributed over 3 billion shares. Accordingly, the average fair value per share amounted to USD 0.14.
- 3- The independent financial advisor has indicated that since he has not been provided with a future plan for the assessed company and has not been provided with an approved plan for 2025, the valuation has been based on the financial statements of the assessed company as of 2024.

- 4- In light of the fair value study mentioned above, the Company's Board of Directors issued Resolution No. (4) on March 1, 2026, approving the commencement of procedures to divest from the investment in Egyptian Maritime Ports Company. The Board also authorized the Managing Director to sign a Memorandum of Understanding with the Holding Company for Maritime and Land Transport regarding the sale of the Company's stake in the Company's capital, subject to obtaining the approval of the Ordinary General Assembly and fulfilling all legal and regulatory requirements. This includes submitting the fair value study prepared by an independent financial advisor and reviewed by the company's auditor, in accordance with the Financial Regulatory Authority's Board of Directors Resolution No. 11 of 2014 and the Egyptian Exchange's listing and delisting rules.

The Ordinary General Assembly convened on Thursday, 16/04/2026, approved the sale of the company's entire stake in the issued share capital of Misr Marine Ports Company (S.A.E.), amounting to (182,735,927) shares, representing (6.01%), Holding Company for Maritime and Land Transport. This transaction is considered a related-party transaction, provided that the share price shall not be less than the value determined by a fair value study prepared by an independent financial advisor. Payment shall be made in US dollars or Egyptian pounds in accordance with the exchange rate announced by the Central Bank of Egypt on the transaction execution date, Noting that the execution of the transaction through share swap in accordance with the previously disclosed Memorandum of Understanding has been abandoned.

The Egyptian Company for Garages (Turguman Group)

- An amount of EGP 733 thousand was paid as part of the capital increase and recorded under "Payments on Account of Investment Increases" in accordance with Board of Directors Resolution No. 180 dated November 21, 2021, pending final approval of the capital increase by the Egyptian Company for Garages.

- The fair value of the Egyptian company for Garages (Turguman group) measured using the multiples method, the study relied on the use of the market approach using the multiples method, valued using the P/BV multiple obtained from companies equivalent to the company under study, taking into account the difference in listed companies similar in size, and it's the most used approach to evaluate the companies in case there is no future plan for the company and the small size of the company's activities, since the similar companies can't be fully compared. Adjustments to multipliers may be applied to address those differences. Comparative companies work in the same areas as the company under evaluation and it is necessary to consider companies with basic similarity of investment characteristics such as markets, products, growth and other salient factors.

- The fair value of the investment in The Egyptian Company for Garages (Turgeman Group) in December 31, 2024 (valuation date), according to the followed and mentioned basis, amounting to EGP 154 091 thousand distributed in 20.9 million shares, so the average fair value of share is EGP 7.4.

- The independent financial advisor stated that no approval has been granted for a future plan of the company, nor for the approved plan for 2025. Accordingly, the valuation was based on the company's 2024 financial statements, which are the most recent available for the company under study.

8/C: Investments in other companies:

Company Name	Ownership %	Opening balance		Change Amount	No. of Shares	Revaluation Amount	No of shares	Ending balance	
		Investment	Changes					Amount	March 31, 2026
The Egyptian Company for Maritime Navigation	2%	21,548	(21,548)	-	200,000	-	-	-	200,000

The Egyptian Company for Maritime Transport:

The provision formed during the year 2014/2015 for The Egyptian Company for Maritime Transport was reduced by EGP 7 214 thousand, and the remaining investment value of EGP 2 500 thousand was written off as extraordinary losses, as the company is under liquidation.

9. Investments in Debt Instruments at Fair Value:

The Company holds treasury bonds in Egyptian pound classified as financial assets measured at fair value through other comprehensive income, the business model for financial assets is to hold them for the collection of contractual cash flows and for sale.

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Paid amount	199 718	199 718
Change in fair value of debt instruments	1 854	2 482
Investment Value	201 572	202 200

10. Advance Payments for Investments:

These represent payments made in advance for investments in other companies at fair value through OCI:

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Egyptian Company for Garages (Turguman Group)	733	733

11. Related party transactions:

Related parties are represented by companies over which the Company's shareholders exercise significant influence, and the Company enters into certain transactions with some related parties.

Below is a summary of the most significant transactions entered into during the period ended 31/03/2026 between the Company and its related parties:

Amount expressed in Thousand EGP

Description	Relationship Type	Contribution %	Transaction Type	Transaction Volume	March 31, 2026	December 31, 2025
Alexandria Port	Shareholder	7.63%	ROU of Land and Building and related cleaning services and low 800 and financing lease	209 410	1 924	147 736
Total Due from Related Parties					1 924	147 736
Holding Company for Maritime & Land Transport	Shareholder	35.37%	Accrued consultants' fees	--	--	(3)
Alexandria Port	Shareholder	7.63%	ROU of Land and Building and related cleaning services and low 800 and financing lease	--	(13 896)	--
Total Due to Related Parties					(13 896)	(3)

Amounts Paid to the Chairman and board members	March 31, 2026	March 31, 2025
Salary of / Chairman according to General Assembly minutes	380	75
Salary of / CEO according to BOD minutes	373	198
Allowances of / board members according to General Assembly minutes	2 577	1 211
Top management salaries	2 759	3 163

12. Loans to Other Entities (Net):

Includes an interest-free loan to the Egyptian Navigation Company with USD 517 thousand equivalent to EGP 2 million and 26,697 thousand with expected credit losses applied for this loan and were previously recognized in the profit or loss statement in prior years.

Amount expressed in Thousand EGP

Description	31 March 2026	31 December 2025
Loan to Egyptian Navigation Co.	30 228	26 697
Expected Credit Loss (Loans)	(30 228)	(26 697)
Net Balance		

Movement of Expected Credit Losses for Lending to Other Entities

Amount expressed in Thousand EGP

Description	Balance as of Jan 1, 2026	Change	Balance as of March 31, 2026
Expected Credit Losses for Loans to Other Entities	26 697	3 531	30 228

13. Inventory

Inventory as of March 31, 2026

Amount expressed in Thousand EGP

Inventory Type	31 March 2026	31 December 2025
Spare Parts	142 351	135 743
Idle spare parts	4 726	4 759
Fuel / Oils / Grease	11 788	8 714
Waste	6 009	5 528
Materials & supplies	18 761	17 888
Total Inventory	183 635	172 632

Obsolete inventory amounting to EGP 4,726 thousand represents 2.574% of the total inventory balance. Obsolete inventory is measured at cost, as it mainly consists of specialized spare parts that are not readily saleable. In addition, inflationary pressures have led to an increase in the selling prices of spare parts.

14. Accounts and Trade Receivables

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Customers	685 225	308 326
Less: Expected Credit Loss on accounts receivables	(156)	(68)
Net Trade Receivables	685 069	308 258

The amount collected from customers during the period from 1 April 2026 to 30 April 2026 against outstanding balances amounted to EGP 609,688 thousand.

Movement of Expected Credit Losses for Accounts Receivables

Amount expressed in Thousand EGP

Description	Balance as of Jan 1, 2026	Change	Balance as of March 31, 2026
Expected Credit Losses for Customers	68	88	156

15. Contract Assets and Accrued Revenues:

Amount expressed in Thousand EGP

Description	March 31, 2026	Jan 1, 2026
Contract assets from customers	82 134	17 857
Accrued revenues	71 547	32 062
Net Contract Assets and Accrued Revenues:	153 681	49 919

16. Debtors & Other debt balances (net):

Description	Amount expressed in Thousand EGP	
	March 31, 2026	December 31, 2025
Deposits with others	2 796	2 796
Suppliers - advance payments	12 783	10 450
Prepaid expenses	--	3 527
Other debtors	10 893	1 345
Paid amounts related to the dock crane accident	48 956	48 956
Debit balances related to specific activities against corresponding credit balances		
Employees' Share (3%) in bank	4,650	4,533
Less: Corresponding Credit Balances	(4,650)	(4,533)
Expected Credit Loss	(357)	(238)
Net Other Receivables	75 071	66 836

- The settlement will be made upon the issuance of the final court ruling regarding compensation for the quay (berth) accident (see Note 43).

Movement of Expected Credit Losses for Debtors

Description	Amount expressed in Thousand EGP		
	1 Jan 2026	Change	31 March 2026
Expected Credit Losses for Debit Balances	238	119	357

17. Investments in current Debt Instruments – at amortized cost:

Investments in debt instruments amounted to EGP 1,372,460 thousand as of March 31, 2026 and are represented in the following:

- a) Financial assets measured at amortized cost (Treasury bills) – maturities of more than three months up to one year.

A - Financial Assets at Amortized Cost (Treasury Bills) – maturity above 3 months and till 1 year

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Paid Amount	1 197 957	1 239 627
Add: Accrued Interest for the period ended 31/3/2026.	100 220	30 355
Less: Tax on Treasury Bills	(20 044)	(6 071)
Total	1 278 133	1 263 911

B - Financial Assets (Securitized Bonds)

Amount expressed in Thousand EGP

Description	31 March 2026	31 December 2025
Paid Amount	94 636	177 810
Less: Expected Credit Loss	(309)	(785)
Total	94 327	177 025

Movement of Expected Credit Losses for Securitization Bonds

Amount expressed in Thousand EGP

Description	31 December 2025	Change	31 March 2026
Expected Credit Losses for Securitization Bonds	785	(476)	309

18. Cash and Cash Equivalents:

The balance of cash and cash equivalents amounts to 4 576 349 thousand EGP and includes

Description	Amount expressed in Thousand EGP	
	March 31, 2026	December 31, 2025
Current accounts in EGP	134 328	104 819
Current accounts in USD	93 959	60 451
Current accounts in Euro	1 449	1 617
Total Current Accounts	229 736	166 887
Fixed deposits in EGP	1 963 450	1 101 284
Fixed deposits in USD	1 020 608	883 236
Total Fixed Deposits	2 984 058	1 984 520
Total Cash at banks	3 213 794	2 151 407
T-bills (3 months)	1 362 914	783 827
Total Cash & Cash Equivalent	4 576 708	2 935 234
Less: Expected Credit Loss on Bank Balances	(359)	(939)
Net Cash & Cash Equivalents	4 576 349	2 934 295

Movement of Expected Credit Losses for Banks:

Item	Amount expressed in Thousand EGP		
	December 31, 2025	Change	March 31, 2026
Expected Credit Losses for Banks	939	(580)	359
Total Balance	939	(580)	359

- The Company applied the exemption stipulated by the decision of the Prime Minister No. 4575 of 2023, issued on 28 November 2023, which allows not recognizing expected credit losses for debt instruments issued in local currency, as well as current accounts and deposits in local currency held with banks operating in Egypt, with maturities of one month or less.

- Current accounts with banks are interest-bearing accounts with variable daily and monthly interest rates, offering the highest available return.

- All time deposits are placed for periods ranging from one to three months and earn interest at an average rate ranging from 17% to 21% for deposits in Egyptian Pounds, and an average rate ranging from 3.5% to 4.8% for deposits in U.S. Dollars.

- A study on expected credit losses for bank balances as of 31 March 2026 was prepared by the Company.

- For liquidity presentation purposes, the amount of EGP 160.370 million related to collateral for letters of guarantee and deposits against letters of credit was excluded and included under investments in restricted deposits.

19. Share Capital:

- The authorized capital amounted to EGP 2 billion as of March 31, 2026. The company's Extraordinary General Assembly approved on June 6, 2024, an increase in the authorized capital from EGP 1 billion to EGP 2 billion. The company's Articles of Association were amended accordingly, and the Commercial Register was updated to reflect this change on August 13, 2024.

Issued and Paid-up Capital:

- The issued and paid-up capital amounted to EGP 1 489 753 thousand, with a par value of EGP 0.50 per share, totaling 2 979 506 800 shares, in which an extraordinary General Assembly (EGA) held on June 6, 2024, approved an increase in the issued and paid-up capital from EGP 744 876 700 to EGP 1 489 753 400 which was an increase of EGP 744 876 700, distributed as 1 489 753 400 shares at 50 piasters per share, the increase was financed through a 1-for-1 bonus share distribution (one free share for each existing share), funded from the statutory reserve appearing in the audited financial statements for the fiscal year ending June 30, 2022.

- The necessary approvals were obtained from the Economic Performance Sector of the General Authority for Investment and Free Zones and the Financial Regulatory Authority, and the new shares were issued, and Articles (6 & 7) of the Articles of Association were amended. The Commercial Register was updated to reflect the capital increase on August 13, 2024. The bonus shares were distributed starting from Tuesday, September 17, 2024.

- On November 20, 2025, the Saudi Egyptian Investment Company completed the sale of its entire stake in the Alexandria Container and Cargo Handling Company to Black Caspian Logistics Holding Limited, in a transaction executed in accordance with the regulations and rules governing the capital market.

Capital Structure Breakdown:

Amount expressed in Thousand EGP

Shareholder	Number of Shares	Ownership %	March 31, 2026	December 31, 2025
Holding Company for Maritime & Land Transport	1,053,830,080	35.369%	526,915	526,915
Alpha Oryx Company	953,442,176	32%	476,721	476,721
Black Caspian Logistics Holding Limited	575,901,360	19.329%	279 312	279 312
Alexandria Port Authority	227,357,824	7.631%	113,679	113,679
Free Float (Public Trading)	168,975,360	5.671%	93 126	93 126
Total	2,979,506,800	100%	1,489,753	1,489,753

20. Reserves:

Amount expressed in Thousand EGP

Description	Balance as of Jan 1, 2026	March 31, 2026
Legal reserve	783,435	783 435
Capital reserve	225,419	225 419
Statutory reserve	515 001	515 001
Other reserves*	471,322	471 322
Total	1 995 177	1 995 177

• **Breakdown of Other Reserves:**

Amount expressed in Thousand EGP

Statement	Amount
Project reinforcement reserve	374,705
Other reserves established in 2020/2021	70,489
Reserve for fixed asset price appreciation (established in prior years)	8,142
Difference between nominal value and fair value arising from increased shareholding in the Egyptian maritime navigation company	6,998
Revaluation of foreign currencies in Egyptian pounds	6,541
Increase in agency Investments against free shares issued by maritime agencies in 2004	3,300
Value of gifted assets supplied by companies (including equipment and cranes under documentary Credits)	1,027
Compensation from Al-Ahly insurance company for the calmer crane incident	117
Value of a used caravan gift supplied by Amco consultancy office	3
Total	471,322

21. Other comprehensive income:

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Opening balance	694 095	679 350
Gains/losses on change in fair value of investments	262 025	(46 799)
Change in deferred tax on investments in other companies	(58 955)	10 529
Revaluation of investments in associated companies	--	1 811
Actuarial gains/losses on remeasurement of employee benefit	--	40 066
Gains and losses on change in fair value of debt instruments (government bonds)	(628)	9 138
Total	896 537	694 095

An actuarial valuation study for the remeasurement of employee benefit plans was prepared by an independent actuarial expert. Management believes that the study prepared as of 31 December 2025 remains valid, and that there have been no significant changes that would affect the company's obligations as of 31 March 2026.

22. Retained Earnings

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Beginning balance	3 329 966	6 642 988
Retained earnings (losses)	12 559	(41)
Distribution of surplus	--	(6 627 567)
Revaluation of investments in merged associate companies	--	(3 270)
Profit of the period	1 939 818	3 317 856
Ending Balance	5 282 343	3 329 966

23. Employee's Benefits Liabilities:

The Company applies a defined benefits plan according to the resolutions of the General Assembly. The end-of-service gratuity is based on the employees' final salaries and allowances and their accumulated years of service at the time of retirement. These end-of-service benefit plans are unfunded, and obligations are settled upon retirement or death as per the General Assembly's decision. An actuarial study has been conducted by an independent actuarial expert, as detailed below:

Defined Benefit

Amount expressed in Thousand EGP

Description	March 31, 2026
Estimated defined liability at the beginning of the period	156 148
current service cost	3 083
Interest cost	6 100
Benefits paid by the company	(5 373)
Estimated Liability at the End of the period	159 958
Employee Benefits Liabilities – Current	27 684
Employee Benefits Liabilities – Non-Current	132 274

Main assumption based as on the study prepared of December 31, 2025

Description	31 December 2025
Discount Rate:	%19.5
Inflation Rate:	%11.7
Benefit Increase Rate:	%15
Life Expectancy for Retirees:	Year
Retirement at the date of the examination (60 years)	16.54
Retirement after 20 years (40 years)	17.66

The movement in defined benefit obligations according to the actuarial study prepared as of 31 December 2025, along with its projections for 2026, is as follows:

Description	Amount expressed in Thousand EGP	
	31 December 2026	31 December 2025
Estimated Defined Liabilities at Beginning of Period	156 148	188 501
Service Cost	8 502	5 772
Interest Cost in Defined Liabilities	28 225	12 792
End-of-Service Cost (Optional Early Retirement)	--	--
Benefits Paid by the Company	(23 874)	(10 852)
Actuarial loss (gain) – to adjust the assumptions of the benefit payment option	--	(15 362)
Actuarial (Gain) Loss - Demographic Assumptions	--	--
Actuarial (Gain) Loss - Financial Assumptions	--	(12 216)
Actuarial (Gain) Loss - Experience Adjustments	--	(12 487)
Estimated Liabilities at End of Period	169 001	156 148

24. Provisions

Current provision:

Description	Amount expressed in Thousand EGP				
	Jan 1, 2026	Formed	Used	Provisions no longer required	March 31, 2026
Tax Provision	58 908	--	--	--	58 908
*Claims & Legal Disputes Provision (Alexandria Port Authority / Customs Authority).	4 064	--	--	--	4 064
*Provision for claims and legal disputes.	16 611	--	(251)	--	16 360
Total	79 583	--	(251)	--	79 332

* In the opinion of management and legal counsel, the disclosures normally required regarding provisions in accordance with Egyptian Accounting Standard No. (28) "Provisions, Contingent Liabilities, and Contingent Assets" were not provided, as the Company's management believes that such disclosure could severely affect the outcome of negotiations with the relevant parties.

25. Deferred tax liabilities

Description	March 31, 2026	December 31, 2025
Deferred tax liabilities arising from temporary differences	252 542	192 723

Deferred tax liabilities charged to the statement of profit or loss:

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Deferred tax liabilities arising from temporary differences	2 604	1 740

Deferred tax liabilities charged to the statement of comprehensive income:

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Deferred tax liabilities arising from temporary differences	249 938	190 983

26. Creditors and other credit balances:

26/1- Creditors and other credit balance (non-current)

Amount expressed in Thousand EGP

Description	31 March 2026	31 December 2025
* Excess cash share for employees*	4 409	4 409
Private sector share	201	201
Total	4 610	4 610

The excess cash share for employees is carried forward from previous years according to the Public Sector Law.

26/2- Creditors and other credit balance (current)

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Payables to Authorities & Entities	95 639	75 448
Accrued Expenses	93 011	83 952
Other Payables	24 621	26 116
Deposits from Third Parties	33 235	29 851
Dividend Creditors	3 175	3 175
Less: Debit balances related to specific activities and have a counterpart in debit balances.	(4 650)	(4 533)
Total	245 031	214 009

27. Right-of-use assets and lease liabilities

27/1 Right-of-Use Assets under Lease Contracts

- A commercial timber yard leased from the Alexandria Port Authority (shareholder), where the calculation period began on July 1, 2024, and ends on June 30, 2027. Future rental payments were discounted at the company's additional borrowing rate at the start of the calculation, and the discount rate used was 22.67%.

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Total value of lease contracts	45 605	50 563
Less: amortization charged to statement of profit or loss	(6 257)	(4 958)
Net present value of lease contracts	39 348	45 605

27/2 Lease liabilities

Amount expressed in Thousand EGP

Description	March 31, 2026	December 31, 2025
Total present value of lease liabilities	45 605	57 583
Add: Differences from changes in present value charged to statement of profit or loss	2 113	4 647
Less: lease payments during the period	(8 321)	(16 625)
Ending balance	39 397	45 605

Description	March 31, 2026	December 31, 2025
Classified as follows:		
Current lease liabilities	21 452	27 660
Non-current lease liabilities	17 945	17 945

28. Revenue

Amount expressed in Thousand EGP

Activity	For the three Months Ended	
	March 31, 2026	March 31, 2025
Storage services	652 685	618 412
Unloading services	479 826	470 461
Yard services	466 564	463 710
Shipping services	252 640	247 464
Energy supply services	124 509	115 488
Logistics services	53 516	49 680
Vessel services	38 247	42 509
Transit services	31 033	9 850
Transit storage Yard services	12 358	3 569
Value-Added Services – Risk Margin	11 021	29 374
Shared Warehouse	10 589	13 862
Trading Fee services	8 899	6 836
Value-Added Services – Irregular Surcharge	3 326	3 937
Electronic services	1 734	1 113
Total	2 146 947	2 076 265

29. Cost of Revenue

Amount expressed in Thousand EGP

Description	For the three Months Ended	
	March 31, 2026	March 31, 2025
Yard utilization fees	148 927	141 755
Wages	140 240	149 344
Investment Authority Fees & Fixed Taxes	57 843	45 123
Materials, Fuel & Spare Parts	63 303	66 371
Depreciation and amortization	51 180	36 914
Purchased Services	19 318	25 504
End-of-Service Compensation (Operational Labor)	1 598	(8 809)
Losses from Impairment of Investment Formation (Note 5)	4 806	--
Provision other than depreciation	--	1 639
Total	487 215	457 841

30. Other revenues

Amount expressed in Thousand EGP

Statement	For the three Months Ended	
	March 31, 2026	March 31, 2025
Other miscellaneous revenues	9 133	3 340
Profits from sale of scraps	214	(57)
Total	9 347	3 283

31. General and Administrative Expenses

Amount expressed in Thousand EGP

Description	For the three Months Ended	
	March 31, 2026	March 31, 2025
Wages	46 753	53 184
Fees & taxes	19 299	20 252
Building utilization fees	10 502	10 022
Purchased services	11 733	15 085
Raw materials, fuel & spare parts	5 626	6 953
Depreciation & amortization	2 672	5 656
Tax on investment income from Investment in Debt Instruments	24 634	5 110
End-of-Service Compensation (Admin Staff)	--	(3 147)
Cost of Employee Benefit Obligations (Administrative Staff)	1 485	--
Total	122 704	113 115

32. Other Expenses

Amount expressed in Thousand EGP

Description	For the three Months Ended	
	March 31, 2026	March 31, 2025
Miscellaneous charges and losses	9	8 837
Capital losses	--	2
Total	9	8 839

33. Finance income

Amount expressed in Thousand EGP

Description	For the three Months Ended	
	March 31, 2026	March 31, 2025
Bank credit Interest	82 577	257 189
Treasury bills investment Returns	143 326	25 548
Treasury bonds Investment returns	13 131	11 569
Securitized bonds Investment returns	7 114	3 882
Total	246 148	298 188

34. Finance expenses

Amount expressed in Thousand EGP

Description	For the three Months Ended	
	March 31, 2026	March 31, 2025
Differences arising from changes in the present values of lease contracts (note 27-2)	2 113	3 120
Bank expenses	2 872	2 058
Interest on employee benefit obligations	6 100	20 026
Total	11 085	25 204

35. Earnings Per Share

- The issued and paid-up capital as of March 31, 2026, is 2 979 506 800 shares. The basic earnings per share were calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the period (under general assembly approval)

Amount expressed in Thousand EGP

Description	For the three Months Ended	
	March 31, 2026	March 31, 2025
Net profit after tax	1 939 818	1 763 358
Less		
Sports club share	(9 699)	(8 817)
Employees' share	(193 011)	(175 454)
Board of directors' share	(10 000)	(10 000)
Add: BOD undistributed bonus	1 945	1 833
Shareholders' dividends of profits	1 729 052	1 570 920
Issued shares	2 979 507	2 979 507
Basic earnings per share (EGP)	0.580	0.527

36. Operating Segments

- The operating segment is a component of the entity that engages in business activities from which the entity may earn revenues and incur expenses. The company consists of the following main operating segments:

- Alexandria Container Terminal + Head Office (represented by Yard 32 at Alexandria Port)
- Dekheila Container Terminal

*The company maintains detailed segment-level accounts. For presentation purposes, the Head Office operations have been consolidated within the Alexandria Terminal segment, as it represents only 1% of the company's total operating segment revenues. Consequently, the company has not presented the Head Office as a separate operating segment, as it does not meet the required criteria. Instead, it has been aggregated with the Alexandria Terminal segment. The company presents its operating segments on a geographical basis.

First: Segmental Report of Assets and Liabilities (By Geographic Distribution)

Amount expressed in Thousand EGP

Description	Alexandria Terminal & Head Office	Dekheila Terminal	Total as of March 31, 2026	Total as of December 31, 2025
Segment Assets	7 759 403	2 841 585	10 600 988	8 387 620
Segment Liabilities	546 093	231 127	777 220	722 481
Employee Benefits	56 954	103 004	159 958	156 148

Second: Segmental Report of Profit for the Period from December 31, 2025 to March 31, 2026 (By Geographic Distribution)

Amount expressed in Thousand EGP

Description	Alexandria Terminal & Head Office	Dekheila Terminal	Total as of March 31, 2026	Total as of March 31, 2025
Revenue	1 055 957	1 090 990	2 146 947	2 076 265
Cost of Revenue	(232 034)	(255 181)	(487 215)	(457 841)
Gross Profit	823 923	835 809	1 659 732	1 618 424
Provisions no longer required	--	--	--	19 737
Other Income	8 634	713	9 347	3 283
Administrative Expenses	(85 608)	(37 096)	(122 704)	(113 115)
Provisions other than depreciation	--	--	--	(25 409)
Expected credit loss	237	612	849	36
Other Expenses	(9)	--	(9)	(8 839)
Results of the segment's operating activities	747 177	800 038	1 547 215	1 494 117
Finance Income	179 292	66 856	246 148	298 188
Company's Share of Profit of an Associate	--	--	--	16061
Finance Expenses	(7 866)	(3 219)	(11 085)	(25 204)
Foreign Exchange Differences	96 851	62 376	159 227	(6 471)

Alexandria Container and Cargo Handling Company S.A.E.

Notes to Interim Financial Statements

For the Three Months Ended March 31, 2026

Translation of the interim financial statements originally issued in Arabic

Description	Alexandria Terminal & Head Office	Dekhella Terminal	Total as of March 31, 2026	Total as of March 31, 2025
Net Profit Before Tax	1 015 454	926 051	1 941 505	1 776 691
Income Tax	(823)	--	(823)	(8 682)
Deferred Tax	(864)	--	(864)	(4 651)
Net Profit Distributable	1 013 767	926 051	1 939 818	1 763 358

Third: Segmental operational report of the profit for the period from December 31, 2025, to March 31, 2026 (Distributed According to Operational Activities)

Amount expressed in Thousand EGP

Description	Storage	Unloading	Loading	Transit	Logistics Services & Others	Balance as of March 31, 2026
Revenue	652 685	479 826	252 640	31 033	730 763	2 146 947
Cost of Revenue	(148 116)	(108 889)	(57 333)	(7 042)	(165 835)	(487 215)
Gross Profit	504 569	370 937	195 307	23 991	564 928	1 659 732
Other Revenue	2 842	2 089	1 100	135	3 181	9 347
Administrative Expenses	(37 556)	(27 341)	(14 396)	(1 768)	(41 643)	(122 704)
Expected credit loss	258	190	100	12	289	849
Other Expenses	(3)	(2)	(1)	--	(3)	(9)
Operating Activity Results	470 110	345 873	182 110	22 370	526 752	1 547 215
Finance income	75 392	54 829	28 869	3 546	83 512	246 148
Finance expense	(3 395)	(2 469)	(1 300)	(160)	(3 761)	(11 085)
Foreign Currency translation differences	48 406	35 586	18 737	2 302	54 196	159 227
Net Profit Before Tax	590 513	433 819	228 416	28 058	660 699	1 941 505
Income Tax	(250)	(184)	(97)	(12)	(280)	(823)
Deferred Tax	(266)	(192)	(101)	(12)	(293)	(864)

Alexandria Container and Cargo Handling Company S.A.E.

Notes to Interim Financial Statements

For the Three Months Ended March 31, 2026

Translation of the interim financial statements originally issued in Arabic

Description	Storage	Unloading	Loading	Transit	Logistics Services & Others	Balance as of March 31, 2026
Net Distributable Profit	589 997	433 443	228 218	28 034	660 126	1 939 818

The costs, expenses, and other revenues are allocated according to the proportion of each revenue activity from total revenue.

Segmental operational report of the profit for the Period from January 1, 2025, to March 31, 2025 (Distributed according to operational activities)

Amount expressed in Thousand EGP

Description	Storage	Unloading	Shipping	Transit	Logistics Services & Others	March 31, 2025
Revenue	618 412	470 461	247 464	9 850	730 078	2 076 265
Cost of revenue	(136 367)	(103 742)	(54 569)	(2 172)	(160 991)	(457 841)
Gross profit	482 045	366 719	192 895	7 678	569 087	1 618 424
Provisions no longer required	5 879	4 472	2 352	94	6 940	19 737
Other revenues	978	744	391	16	1 154	3 283
Administrative expenses	(33 691)	(25 631)	(13 482)	(537)	(39 774)	(113 115)
Provision other than depreciation	(7 568)	(5 757)	(3 028)	(121)	(8 935)	(25 409)
Early Retirement Provision	11	8	4	--	13	36
ECL provision	(2 633)	(2 003)	(1 053)	(42)	(3 108)	(8 839)
Operating activity results	445 021	338 552	178 079	7 088	525 377	1 494 117
Finance income	88 815	67 566	35 540	1 415	104 852	298 188
Company's Share of Profit of an Associate	4 784	3 639	1 914	76	5 648	16 061
Finance expense	(7 507)	(5 711)	(3 004)	(120)	(8 862)	(25 204)

Description	Storage	Unloading	Shipping	Transit	Logistics Services & Others	March 31, 2025
Foreign Currency translation differences	(1 928)	(1 466)	(771)	(31)	(2 275)	(6 471)
Net profit before tax	529 185	402 580	211 758	8 428	624 740	1 776 691
Income tax	(2 586)	(1 967)	(1 035)	(41)	(3 053)	(8 682)
Deferred tax	(1 385)	(1 054)	(554)	(22)	(1 636)	(4 651)
Net Distributable Profit	525 214	399 559	210 169	8 365	620 051	1 763 358

Cash flows by geographical segment:

Description	Alexandria Station + Head Office	Dekheila Station	Total
Net cash flows from operating activities	685 601	575 274	1 260 875
Net Cash flows from investing activities	(391 905)	50 271	(341 634)
Net cash flows used in financing activities	--	--	--

37. Tax Position till 31/3/2026

37/1 First: Corporate Income Tax

- The company submits the corporate income tax return to the relevant tax authority annually within the legally prescribed deadlines and pays the due tax based on these returns. However, according to the tax system applied in Egypt, the final tax liability due to the tax authority can only be determined accurately after the completion of the tax audit by the tax authority and reaching the final assessment either through internal committees, inspection committees, or courts.
- The company operates at its branches in Alexandria and Dekheila ports under the free zones system since year 2005.
- However, only the headquarters is subject to corporate income tax according to Law No. 91 of year 2005.
- The tax inspection for the years 2016/2017 to 2019/2020 has been completed, resulting in tax differences amounted to EGP 89.3 million. The company, and the case was referred to the internal tax audit committees. A provision of EGP 6.50 million has been formed for this purpose.
- The tax inspection for the fiscal years 2020/2021 through 2022/2023 has been finalized. The inspection report resulted in total tax differences amounting to EGP 13.20 million. The Company has objected to these differences by submitting the prescribed appeal form and is awaiting referral to the internal committees. A provision of EGP 6 million has been recognized in this respect.
- The electronic tax return for corporate income tax for the fiscal year 2024-2025 was submitted within the legal deadline.
- The local file for the financial year 2024–2025 was submitted within the legal deadline.
- The electronic tax return for the transitional period from July 1, 2025, to December 31, 2025, was submitted within the legal deadline.

Second: Payroll Tax

- The work related to the Appeals Committee for the years from 2013 to 2016 has been completed, and a decision from the Appeals Committee is awaited.
- The tax inspection for the years from 2017 to 2019 has been completed, and the due tax has been paid except for additional tax.
- The tax inspection for the year 2020 has been finalized. The inspection report resulted in tax differences amounting to a total of EGP 7.76 million, including additional tax. The Company has filed an objection, and the case is currently under review by the internal committee.
- The tax inspection for the years 2021 and 2022 is completed, and the taxes have been settled, except for the additional tax
- Electronic payroll tax returns and monthly and annual tax reconciliations have been submitted on the actual system at the Egyptian Tax Authority's unified wage and salary tax platform within the legal deadline.

Third: Stamp Duty

- The inspection and payment for the year 2021/2022 have been completed.

- Monthly electronic stamp duty tax returns have been submitted onto the new system within the legal deadline.

Fourth: Value-Added Tax (VAT)

- The VAT inspection for the years 2016/2017 to 2017/2018 has been completed, with tax differences amounted to EGP 13 million paid, of the original amount EGP 257.71 million except for the additional tax, after returning to appeal committee for reinspection.
- The internal tax committee has finalized its inspection for fiscal years 2018/2019 and 2019/2020, resulting in the payment of tax discrepancies amounting to EGP 12.19 million of original amount EGP 180.37 million in accordance with the committee's decision, excluding the additional tax.
- An appeal has been submitted to the first reconsideration committee for value-added tax and currently under follow-up with the committee for further resolution.
- The company received a claim for additional tax value for the tax audit from 2014 to 2020 amounting to EGP 18.4 million, and the company has made a provision to meet this claim.
- The VAT inspection for the fiscal years from 2020/2021 to 2023/2024 has been finalized. notification was received regarding an amount of EGP 1.6 million for the period from 1/7/2020 until 30/11/2025, and it was objected to and is currently being discussed by the internal committee.
- A notification was received for an amount of EGP 178.9 million for the period from 1/12/2020 until 30/6/2024. An objection has been filed, and the case is currently under review by the internal committee. Approval has been granted to re-open the examination, and the procedures are in progress.
- VAT returns are submitted electronically on the tax system within the legal deadline.

Fifth: Martyrs' Honor Fund Tax

The law issued on March 4, 2021, has been applied, and the amounts are deducted and remitted to the Martyrs' Honor Fund. It has been implemented and remitted in accordance with the executive regulations of Law No. 68 of 2021 regarding the mechanisms for collecting and remitting the social contribution, as issued by the Head of the Tax Authority.

Development Fee and Solidarity Support Tax

In accordance with Clause No. 9 of the first paragraph of Article 1 of the provisions of the Law on Development Fees for State Financial Resources No. 147 of 1984 and its amendments and executive regulations, a development fee is imposed on document data and other instruments subject to the specific stamp tax, as well as documents submitted by clients to the company's treasury. A declaration is prepared, and the General Manager of the Development Fee and Solidarity Support Tax is notified within the legally prescribed deadlines.

Seventh: Real estate tax

- The company has certification that its non-taxable real estate tax dated from June 1, 2017 according to opinion of legal consultant for tax authority.
- The Real Estate Tax Authority was requested to refund EGP 17.76 million for amounts paid without due basis up to 2020.
- The Company has initiated legal proceedings to challenge all disputed claims, including filing lawsuits to nullify claims and recover amounts paid without due basis for the years 2017 to 2020.

37/2 - Tax Expense and Accounting Profit Reconciliation:

The taxable income for the period ending 31 March 2026 amounted to 3,656 thousand EGP.

The corresponding (income tax expense) calculated at 22.5% pursuant to Egyptian Tax Law No. 91 of 2005 resulting in (amount subjected to tax × tax rate) pursuant to Egyptian Tax Law No. 91 of 2005,

$22.5\% \times 3,656 = 823$ thousand EGP

Accounting net profit × Tax rate according to Law No. 91 of 2005,

$22.5\% \times 3,801 = 855$ thousand EGP

Digital reconciliation between the tax burden and the result of multiplying the accounting profit and the applicable tax rate.

$823 - 855 = -32$ thousand EGP

Effective average tax rate = Tax burden value ÷ Net accounting profit

$823 / 3,801 = 21.6\%$.

37/3. Deferred Tax Assets and Liabilities

The balance of deferred tax assets and liabilities is as follows:

Amount expressed in Thousand EGP

Description	Balance as of 1- Jan-26	Recognized in Profit & Loss	Balance as of 31-March-26		
			Assets	Liability	Net as of 31-March-26
Deferred Tax Liabilities	1 740	(864)	-	2 604	(2 604)

Amount expressed in Thousand EGP

Amount expressed in Thousand EGP

Description	Balance as of 1- July-25	Recognized in Profit & Loss	Balance as of 31-December-26		
			Assets	Liability	Net as of 31- December-25
Deferred Tax Liabilities	1,535	(205)	-	1 740	(1 740)

37/4. Unrecognized Deferred Tax Assets

Deferred tax assets have not been recognized for the following items:

Amount expressed in Thousand EGP

Description	Balance as of	
	31-March-26	31-December-25
Provisions	920	1 170
Right of use assets	6 257	1 508
Total	7 177	2 678

Deferred tax assets have not been recognized for the temporary differences mentioned above, as there is no sufficient certainty regarding the company's ability to utilize these assets in the foreseeable future.

38. Financial Assets and Liabilities at Amortized Cost:

Amount expressed in Thousand EGP

Description	31-March-26	31-December-25
Financial Assets at Amortized Cost		

Cash and cash equivalent	4 576 349	2 934 295
Trade and notes receivables, other debit balance, and contract assets with customers	913 821	425 013
Due from related parties	1 924	147 736
Investments in debt instruments	1 372 460	1 440 936
Investments in restricted deposits	168 122	160 370
Total	7 032 676	5 108 350
Financial liabilities at Amortized Cost		
Other credit balances and trade payables	352 053	378 119
Lease liability	39 397	45 605
Due to related parties	13 893	3
Total	405 346	423 727

39. Financial Risk Management:

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

- Credit Risk
- Liquidity Risk
- Market Risk
- This note provides information on the Company's exposure to each of the above risks, along with its risk management objectives, policies, and procedures for measuring and mitigating these risks, as well as its approach to capital management. Additional quantitative disclosures related to these risks are included in these financial statements.
- The Board of Directors bears overall responsibility for establishing and overseeing the Company's risk management framework and internal audit functions.
- The Board has constituted specialized Risk Management and Internal Audit Committees, which are responsible for developing and monitoring the Company's risk management policies and internal control activities. These committees provide periodic reports to the Board on their findings and activities.

A. Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This primarily arises from customers and bank balances.

The Company relies on its major clients, contributing over 10% of total revenues, as follows:

Description	Alexandria Station + Head Office	Dekhella Station
Volume of transactions (Operations)	1 144 827	1 168 217
Volume of transactions (Major Clients)	353 068	472 625
Percentage of Major Clients	31%	40%

Credit Risk Exposure

The carrying amount of financial assets represents the maximum credit risk exposure. The maximum credit risk exposure as of the periodic financial statements date is as follows:

Amount expressed in Thousand EGP

Description	Balance as of 31-March-2026	Balance as of 31-December-2025
Related parties	1 924	147 736
Other debit balances	75 071	71 369
T-bills, government bonds and securitized bonds at amortized cost	1 372 460	1 440 936
Trade and notes receivables	685 069	308 258
Cash and cash equivalent	4 576 349	2 934 295
Investments in restricted deposits	168 122	160 370
Total	6 878 995	5 062 964

Measurement of Credit Risk

To measure credit risk, the following three components are considered:

1. Exposure at default (EAD)
2. Probability of default (PD)
3. Loss given default (LGD)

This is to apply the Expected Credit Loss model (Expected Loss = LGD × EAD × PD).

Measurement of Expected Credit Losses for Customers

- The company assigns each exposure to a credit risk grade based on data identified to predict loss risk (including, but not limited to, external ratings and management assessments).

- A simplified approach is used to measure credit risk for customers and receivables by categorizing customers into groups with similar characteristics. The historical period used to calculate the loss rate ranges between two and five years. The loss rate is determined based on historical data, adjusted for expected changes in macroeconomic indicators (growth rate, inflation rate, unemployment rate). These rates are multiplied by multiple factors to reflect differences between economic conditions during historical data collection and current conditions.

- The following table provides information about credit risk exposure and expected credit losses for customers:

Amount expressed in Thousand EGP

31 March 2026	Total Carrying Amount	Expected Credit Losses
Balances Not Yet Due	640 100	139
Balances Due 1–30 Days	43 366	9
Balances Due 31–60 Days	1 322	1
Balances Due 61–90 Days	281	--
Total	685 069	149

Amount expressed in Thousand EGP

31 December 2025	Total Carrying Amount	Expected Credit Losses
Balances Not Yet Due	292 308	66

<u>31 December 2025</u>	Total Carrying Amount	Expected Credit Losses
Balances Due 1–30 Days	12 135	3
Balances Due 31–60 Days	390	0
Total	304 833	69

Assessment of Expected Credit Losses for Debt Instruments, Including Deposits, Bank accounts, and other Assets

- The company limits its credit risk exposure by investing in debt instruments issued by the Egyptian government and holding cash and deposits with banks operating in Egypt.
- The general approach is used to calculate expected credit losses for the company's investments in treasury bills, government bonds, securitization bonds, cash equivalents, and other financial assets. External credit ratings from institutions recognized by the Central Bank of Egypt are used, along with forward-looking data (e.g., Egyptian GDP growth rate, annual inflation rate, unemployment rate) to determine significant increases in credit risk.
- The company did not recognize expected credit losses for local currency treasury bills, government bonds, current accounts, and local currency bank deposits with maturities of one month or less, in accordance with Cabinet Decision No. 4575 of 2023 (issued November 28, 2023), which exempts these instruments from expected credit loss calculations.
- Credit ratings are based on Moody's credit rating agency, and bank creditworthiness is determined based on the credit rating of the country where the bank's headquarters is located.

Financial Assets by Credit Rating

The carrying amount subject to expected credit losses totaled EGP 1,341,362 thousand, comprising EGP 1,116,016 thousand in foreign currency cash balances subject to the standard requirements, EGP 225,346 thousand in securitization bonds. Treasury bills, government bonds, current accounts, and local currency bank deposits with maturities of one month or less were excluded per Cabinet Decision No. 4575 of 2023 that issued on 28 November 2023 exempts the recognition of expected credit losses (ECL) for both local currency-denominated debt instruments and current accounts and local currency deposits with operating banks in Egypt that have maturities of one month or less.

The expected credit loss allowance amounted to EGP 1 182 thousand as of March 31, 2025 (compared to EGP 2,031 thousand as of December 31, 2025).

Trade Receivables and Other Receivables

- The company's credit risk exposure is primarily influenced by individual customer characteristics.
- The customer base is diversified, with most revenue derived from multiple clients.
- No significant credit risk concentration exists with any single customer.
- Trade receivables and other receivables are recognized at the original invoice amount less allowances for uncollectible amounts.
- An allowance for doubtful debts is recognized when full collection is unlikely.
- Uncollectible debts are written off when recovery is improbable.

B. Liquidity Risk

Liquidity risk is the risk that the company cannot meet its obligations as they fall due. The company's liquidity management approach ensures sufficient liquidity is maintained to settle obligations under both normal and stressed conditions without incurring unacceptable losses or reputational damage.

As of March 31, 2026, available liquid cash flows from cash equivalents, treasury bills, securitization bonds, receivables, other receivables, and amounts due from related parties maturing within one year totaled 6,708,209 thousand EGP (compared to 4,902,594 thousand EGP as of December 31, 2025). Potential impacts of unforeseeable extraordinary circumstances (e.g., natural disasters) were not considered.

31 March 2026	Carrying Amount	Expected Cash Flows	Due Within One Year
Creditors and other credit balances	245 031	245 031	245 031
Due to Related Parties	13 896	13 896	13 896
Trade payables	102 412	102 412	102 412
Total	361 339	361 339	361 339

(Amount expressed in Thousand EGP)

31 December 2025	Carrying Amount	Expected Cash Flows	Due Within One Year
Creditors and other credit balances	214 009	214 009	214 009
Due to Related Parties	3	3	3
Trade payables	159 576	159 576	159 576
Total	373 588	373 588	373 588

C. Market Risk

Market risk refers to the risk of changes in market prices, such as foreign exchange rates and interest rates, which may affect the company's revenue or the value of its financial instruments. The company operates in the container trading sector, faces intense competition from companies in the same field, grants necessary facilities to customers, purchases new equipment to provide premium services, and works to attract new shipping lines.

Currency Risk

The company maintains minimum foreign currency balances to finance its investment plan for purchasing new equipment from abroad and to secure its ongoing foreign currency obligations, thereby mitigating foreign exchange volatility risks. The company deals with multiple banks to obtain the highest deposit returns and credit facilities. Foreign currency balances are revalued quarterly.

As of the periodic financial statement date, net foreign currency balances amounted to 1,116,016 thousand EGP, equivalent to 20,413 thousand USD and 23 thousand EURO.

Sensitivity Analysis

A 10% increase or decrease in foreign currency values could increase or decrease equity and net profit by approximately 111,601 thousand EGP, assuming all other variables remain constant.

Interest Rate Risk

The company compares multiple banks to minimize risks, offering term deposits (in EGP and foreign currencies) and securing the best available interest rates.

40. Contingent Liabilities:

The Company has contingent liabilities represented by letters of guarantee secured by time deposits with a total value of 96,560 thousand EGP issued in favor of the Port of Alexandria Authority, the General Authority for Investment, the Customs Authority, and Misr Petroleum Company.

41. Comprehensive Sustainability

The company's future vision aligns with Egypt's Vision 2030, aiming for "comprehensive sustainable development" and "balanced regional development" while considering the three pillars of sustainability: environmental, social, and economic.

First: Environmental Aspect

The company complies with environmental requirements in accordance with Law No. 4 of 1994 as amended by Law No. 9 of 2009, demonstrating full adherence to all environmental conditions regarding:

- 1- Maintaining a record of the company's environmental impact according to Appendix No. (3) of the Executive Regulations of Law No. 4 of 1994.
- 2- The Company complies with the standards and specifications applicable to liquid waste discharged into the sea in accordance with Annex (1) of the Executive Regulations of Law No. 4 of 1994, as follows:
 - The company owns 5 sewage treatment plants with a capacity of 170 m³/day.
 - The company owns 2 industrial wastewater treatment plants with a capacity of 24 m³/day.
 - Safe disposal of solid waste.
 - Reduction of air pollutants through regular equipment maintenance for the company appliances (old & new)
- 3- Cleanliness of work areas and removal of oil residues.
- 4- Installation of fire alarm systems.
- 5- Implementation of safety measures for workers and work areas.
- 6- Monthly rodent and insect control via a contract with the Ministry of Health.

Second: Economic Aspect

The company's operating multi-purpose terminals in various ports and beyond, conducting customs clearance operations, and providing shipping agency services constitute one of the most vital national projects that receive significant government attention. This priority aligns with the state's efforts to enhance the national economy and achieve sustainable development, given the sector's positive impacts – notably fulfilling local market needs for imports/exports and generating foreign currency reserves.

Third: Social Aspect

The company creates thousands of direct and indirect job opportunities for Egyptian workers and transportation and storage companies.

Fourth: ISO Certifications Supporting Sustainability

The company holds the following ISO certifications:

1. ISO 9001:2015 (Quality Management System) – Valid until July 12, 2027.
2. ISO 45001:2018 (Occupational Health & Safety) – Valid until April 28, 2026.
3. ISO 14001:2015 (Environmental Management System) – Valid until February 14, 2026.

42. Cash Flow Disclosures as of March 31, 2026

42/1 Paid wages

(Amount expressed in Thousand EGP)

Description	March 31, 2026	March 31, 2025
Stamp Tax	27 457	26 278
Social insurance	31 219	18 362
Creditors of withheld amounts	7 676	16 002
Accrued salaries	140 292	120 722
Total	206 644	181 364

42/2 Taxes and Fees

(Amount expressed in Thousand EGP)

Description	March 31, 2026	March 31, 2025
VAT and income tax	165 394	195 801
Commercial and industrial tax	1 209	793
Income tax for non-employees	312	159
Fees of the Investment Authority, the Financial Regulatory Authority, the Port Authority, and others	152 896	120 430
Total	319 811	317 183

42/3 Payments for purchasing property, plant, and equipment

(Amount expressed in Thousand EGP)

Description	March 31, 2026	March 31, 2025
Payments to vendors to purchase property, plant and equipment	22 774	862
Total	22 774	862

A currency valuation difference of EGP 150 897 thousand for cash balances resulted from the revaluation of balances in foreign currencies (USD).

The impact of the credit risk assessment on bank cash balances, amounting to EGP 360 thousand was included.

The cash flow statement has been prepared using the direct method, and cash balance includes cash on hand, bank balances, and deposits.

43. Significant Events

1- In Monday, June 30, 2025 on 10:45 PM, An accident occurred when a container ship collided with the terminal pier of the company in the port of Dekheila, the accident resulted in a collision of a ship with 2 of the pier's anchors, which led to their exit from service. The accident did not result in any loss of life. Independent technical bodies were assigned to assess and assess the extent of technical and financial damage. The necessary legal procedures were taken to preserve the company's rights and compensate it for any losses resulting from the accident and the company's lost profits because of the accident. According to the lawsuit filed, the damages sought exceed any asset losses and lost profits. A conditional guarantee of USD 65 million has been issued in favor of the company and deposited with the court. The executive management is working to expedite the proceedings and ensure the quick issuance of technical reports. The company will make the necessary accounting adjustments based on the outcome of the litigation.

2- On 20 November 2025, the Saudi Egyptian Investment Company sold its entire shareholding in Alexandria Container and Cargo Handling Company to Black Caspian Logistics Holding Ltd., in accordance with the rules and regulations governing the capital market.

44. Subsequent Events

The Extraordinary General Assembly, held on Thursday, April 16, 2026, approved the sale of the company's entire stake in the issued capital of Egyptian Marine Ports Company S.A.E., amounting to 182,735,927 shares representing 6.01%, Holding Company for Maritime and Land Transport, subject to the right of objection and provided that the share price shall not be less than the fair value determined by an independent financial advisor; settlement shall be made in either US dollars or Egyptian pounds in accordance with the exchange rate announced by the Central Bank of Egypt on the transaction execution date, Noting that the execution of the transaction through share swap under which the Company would exchange its 6.01% stake in Egyptian Marine Ports with 1.65% of its own shares owned by the Holding Company for Maritime and Land Transport as treasury shares in accordance with the previously disclosed Memorandum of Understanding has been abandoned.

- Based on the resolution of the Company's Ordinary General Assembly held on Thursday, corresponding to 16/04/2026, the following was decided:

A) Distribution of profits according to the approved distribution schedule, including allocating employees' share at 10% of net profit, provided that it does not exceed the total annual wages of the Company's employees, in accordance with Article (196) of the Executive Regulations of Law No. 159 of 1981 and its amendments, and Article (55) of the Company's Articles of Association.

B) Payment of profits for the transitional financial period ending on 31/12/2025 to employees appointed under fixed-term contracts for leadership positions, in accordance with the amounts approved by the Board of Directors for the transitional financial period ending on 31/12/2025, taking into account the duration of service, and calculating employees' share in profits based on their period of service during the transitional financial period.

C) Distribution of profits to shareholders in accordance with the approved distribution schedule.

- Subsequent to the financial statement date, global markets have witnessed developments in geopolitical conditions in the region due to the conflict between Iran, the United States of America, and Israel, which has impacted energy markets and foreign currencies, leading to notable fluctuations in foreign exchange rates against the local currency, including an increase in the US dollar exchange rate.

- These developments may impact economic growth rates, investment levels, and cash flows in the region.

- The Company's management continuously monitors developments and prepares studies to assess the potential impacts on the overall economy and on the Company's operations, financial position, and business results in particular, including the potential impact on supply chains, interest rates, and demand for the Company's services.
- Management believes that there is currently no sufficient evidence of additional conditions that existed at the date of preparation of the financial statements. Accordingly, these developments have been considered as non-adjusting subsequent events, and therefore no adjustments have been made to the accompanying financial statements; rather, disclosure has been made only. Management will continue to monitor developments and assess their potential impacts during future financial periods, and will take the necessary actions if material effects on the financial position or business results arise.

45. Economic Events (Increased Operational Risks)

- The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting on Thursday, February 12, 2026, to reduce key interest rates by 100 basis points. Accordingly, the overnight deposit and lending rates and the Central Bank's main operation rate were reduced to 19.0%, 20.0%, and 19.5%, respectively, the discount rate was also reduced to 19.5%.

- The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting on Thursday, April 2, 2026, to maintain interest rates unchanged at 19% for deposits and 20% for lending. This follows a reduction of 100 basis points at its February 2026 meeting, as part of a continued approach to stabilize interest rates while monitoring inflation developments and regional risks.

46. Comparative Figures

- The comparative figures presented in the financial statements (financial position) represent the approved financial statements as of December 31, 2025.

- The comparative figures for the period from January 1, 2025, to March 31, 2025, have been reclassified and presented. These figures were previously disclosed within the reviewed interim financial statements for the period from July 1, 2024, to March 31, 2025, which were presented for a nine-month period and a three-month period, respectively. This has been done using the same accounting policies and presentation bases applied in preparing

the financial statements for the current period, ensuring comparability between financial periods, to ensure comparability between financial periods. It is also noted that no limited review report has been issued for the comparative three-month period.