



# شركة سيدى كرير للبترولكيماويات *Sidi Kerir Petrochemicals Co.*

Date : 13/11/2025

Attention: The Egyptian Exchange

greeting,

Please find attached the audited financial statements for the period of January – September 2025 along with the limited review report.

Kind regards.....



**Mohamed Fathy Aamer**  
Financial Control General Manager

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Financial Statements**

**And limited review’s Report**

**For the Financial Period Ended**

**September 30, 2025**

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**Limited Review Report on the Interim Financial Statements**

**To the members of the Board of Directors of Sidi Kerir Petrochemicals (Sidpec) "S.A.E"**

**Introduction**

We have performed a limited review for the accompanying financial position of Sidi Kerir Petrochemicals (Sidpec) "S.A.E" attached here with as at September 30, 2025, and the related statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the nine months' period then ended. And a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim financial information in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on this interim financial information based on our limited review.

**Limited Review Scope**

We conducted our limited review in accordance with the Egyptian Standard on limited review engagement No 2410 "Limited review of Financial statements performed by the auditor of the entity", a limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other limited review procedures, a limited review is substantially less in scope than an audited conducted in accordance with Egyptian standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit, Accordingly we do not express an audit opinion on these financial statements.

**Conclusion**

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not present fairly in all material respects the financial position of Sidi Kerir Petrochemicals (Sidpec) "S.A.E" as at September 30, 2025 and its financial performance and cash flow for the nine months then ended in accordance with Egyptian Accounting Standards.



**We would like to refer to:**

- 1- The legal dispute concerning the 70 acres related to the in-kind shares provided by the Egyptian Petrochemicals Company since the company's establishment has not yet been resolved
- 2- The long-term investments, have not been accounted for using the equity method, despite the existence of significant influence, in accordance with the requirements of Egyptian Accounting Standard No. 18 additionally, the financial statements did not include the fair value of investments in equity instruments (Note 5), as required by Egyptian Accounting Standard No. 47 (Note 8) .
- 3- The impairment of the propylene project, carried forward from prior years at a cost of approximately 282 million Egyptian pounds (Note 3), which represents the payment made for the UOP license, has not been assessed.

**Date: 13/11/2025**

**Nasr A. Ahmed – Morison Global**

**Accountants & Auditors Registration no. 5518**

**Auditors Registration in Financial Regulatory Authority no. 106**



**Sidi Kerir Petrochemicals (Sidpec) "S.A.E"****Statement of financial position****As at September 30, 2025**

Translation from Originally Issued in Arabic

	<b><u>Note</u></b> <b><u>No.</u></b>	<b><u>9/30/2025</u></b> <b><u>EGP</u></b>	<b><u>31/12/2024</u></b> <b><u>EGP</u></b>
<b>Non-current assets</b>			
Fixed assets (Net)	4	1301 903 177	1319 935 066
Right of use assets	5	322 367	784 461
Projects under constructions	6	1026 027 857	862 165 030
Real estate investments	7	97 512 429	13 396 214
Non-current investments	8	2711 790 626	2603 482 526
<b>Total non-current assets</b>		<b>5137 556 456</b>	<b>4799 763 297</b>
<b><u>Current Assets</u></b>			
Inventories (Net)	9	3079 848 301	2242 488 120
Trade and notes receivable	10	229 197 204	237 420 720
Due from related parties	11	1445 228 455	1980 332 142
Advance payments	12	74 239 893	25 282 301
Other debit balances	13	1434 870 625	1108 649 074
Current investments	14	481 730 130	455 684 491
Cash at banks and time deposits	15	2594 846 831	3264 653 813
<b>Total Current Assets</b>		<b>9339 961 439</b>	<b>9314 510 661</b>
<b>Total Assets</b>		<b>14477 517 895</b>	<b>14114 273 958</b>
<b><u>Equity</u></b>			
Issued and paid-up capital	16	1814 400 000	1814 400 000
Advance payment for capital increase		453 600 000	-
Legal reserve		907 200 000	756 000 000
Other reserves	17	2505 417 256	2230 417 256
Foreign currency translation (losses)		-	(451 641 883)
Retained earnings		453 263 114	223 658 962
Net profits for the period		1503 206 982	2539 389 559
<b>Total equity</b>		<b>7637 087 352</b>	<b>7112 223 894</b>
<b><u>Non Current Liabilities</u></b>			
Loans	22	985 019 474	1099 853 351
Finance lease liabilities		422 001	422 001
Long term provision	18	250 000 000	250 000 000
Deferred tax liabilities	19	173 092 796	211 943 640
<b>Total Non Current Liabilities</b>		<b>1408 534 271</b>	<b>1562 218 992</b>
<b><u>Current Liabilities</u></b>			
Loans	22	609 740 535	536 211 467
Bank credit facilities	22	1811 985 624	1258 723 755
Finance lease liabilities		25 517	612 491
Trade payables		105 454 790	129 419 209
Due to related parties	20	1702 913 383	2006 352 774
Other credit balances	21	891 317 370	848 287 494
Income tax		310 459 053	660 223 882
<b>Total Current Liabilities</b>		<b>5431 896 272</b>	<b>5439 831 072</b>
<b>Total equity and liabilities</b>		<b>14477 517 895</b>	<b>14114 273 958</b>

The accompanying notes form an integral part of these financial statements.

Accountant/ Mohamed Fathy Amer

Accountant / Mohamed Adly Elbarbary

Engineer / Mohamed Ibrahim

General Director of Financial Control

Assistant of the company's president for financial  
and economic affairsChairman of the Board and  
Managing Director

**Sidi Kerir Petrochemicals (Sidpec) "S.A.E"**  
**Statement of profit or loss**  
**For the financial period ended September, 30 2025**

**Translation from Originally Issued in Arabic**

		<b><u>Financial period</u></b> <b><u>from 1/1/2025</u></b>	<b><u>Financial period</u></b> <b><u>from 1/7/2025</u></b>	<b><u>Financial period</u></b> <b><u>from 1/1/2024</u></b>	<b><u>Financial period</u></b> <b><u>from 1/7/2024</u></b>
	<b><u>Note</u></b>	<b><u>to 30/9/2025</u></b>	<b><u>to 30/9/2025</u></b>	<b><u>to 30/9/2024</u></b>	<b><u>to 30/9/2024</u></b>
	<b><u>No.</u></b>	<b><u>EGP</u></b>	<b><u>EGP</u></b>	<b><u>EGP</u></b>	<b><u>EGP</u></b>
Sales from company's operations		9 498 746 480	2 963 430 420	8 966 431 403	2 870 701 732
Sales of commercial units		1 412 813 210	396 791 682	1 051 925 540	473 035 954
<b>Net sales</b>	<b>(23-1)</b>	<b>10911 559 690</b>	<b>3360 222 102</b>	<b>10018 356 943</b>	<b>3343 737 688</b>
<b>Less:</b>					
Cost of sales from company's operations		7 518 877 946	2 430 546 069	6 841 668 950	2 071 481 339
Cost of sales of commercial units		1 368 422 835	404 598 175	805 824 509	368 298 622
<b>Net cost of sales</b>	<b>(24-1)</b>	<b>8887 300 781</b>	<b>2835 144 244</b>	<b>7647 493 460</b>	<b>2439 779 960</b>
<b>Gross Profit</b>		<b>2024 258 909</b>	<b>525 077 858</b>	<b>2370 863 483</b>	<b>903 957 727</b>
<b>Less:</b>					
Marketing expenses	(24-2)	146 395 617	66 094 704	117 644 625	41 313 501
General and administrative expenses	(24-3)	446 156 857	147 587 282	403 939 695	113 107 182
Provisions	(24-4)	35 012 060	26 259 045	26 966 025	(17 608 540)
Other expenses	(24-5)	35 841 584	10 535 237	32 362 414	14 142 681
Finance expenses and interest	(24-6)	288 913 594	84 756 210	198 453 394	90 805 212
Foreign currency losses	24-7)	-	-	28 267 271	6 664 606
<b>Total</b>		<b>952 319 712</b>	<b>335 232 478</b>	<b>807 633 424</b>	<b>248 424 642</b>
<b>Add:</b>					
Investment income	(23-2)	196 839 265	179 089 924	352 549 267	-
Other operating income	(23-3)	30 992 870	11 262 204	33 310 630	15 205 598
Other income	(34-4)	19 788 351	919 987	5 037 782	1 768 228
Credit interests	(23-5)	364 406 271	120 068 130	408 154 068	185 142 318
Foreign exchange differences	(23-6)	90 849 235	72 359 667	-	-
<b>Operating income</b>		<b>702 875 994</b>	<b>383 699 912</b>	<b>799 051 746</b>	<b>202 116 144</b>
<b>Net profit before tax</b>		<b>1774 815 191</b>	<b>573 545 292</b>	<b>2362 281 805</b>	<b>857 649 229</b>
Income tax		310 459 053	95 577 325	468 395 666	190 757 719
Deferred tax		(38 850 844)	2 164 120	5 297 877	3 820 286
<b>Net Profit After Taxes</b>		<b>1503 206 982</b>	<b>475 803 847</b>	<b>1888 588 261</b>	<b>663 071 224</b>
<b>Earnings Per Share</b>		<b>1.48</b>	<b>0.47</b>	<b>2.24</b>	<b>0.79</b>

The accompanying notes form an integral part of these financial statements.

**Accountant/ Mohamed Fathy Amer**

**General Director of Financial Control**

**Accountant / Mohamed Adly Elbarbary**

**Assistant of the company's president for  
financial and economic affairs**

**Engineer / Mohamed Ibrahim**

**Chairman of the Board and Managing  
Director**

**Sidi Kerir Petrochemicals (Sidpec) "S.A.E"**  
**Statement of Comprehensive Income**  
**For the financial period ended September, 30 2025**

**Translation from Originally Issued in Arabic**

	<b><u>Financial period</u></b>	<b><u>Financial period</u></b>	<b><u>Financial period</u></b>	<b><u>Financial period</u></b>
	<b><u>from 1/1/2025</u></b>	<b><u>from 1/1/2024</u></b>	<b><u>from 1/7/2025</u></b>	<b><u>from 1/7/2024</u></b>
	<b><u>to 30/9/2025</u></b>	<b><u>to 30/9/2024</u></b>	<b><u>to 30/9/2025</u></b>	<b><u>to 30/9/2024</u></b>
	<b><u>EGP000</u></b>	<b><u>EGP000</u></b>	<b><u>EGP000</u></b>	<b><u>EGP000</u></b>
Net profit for the period after tax	1 503 207	1 888 588	475 804	663 071
<b>Other comprehensive income</b>				
Foreign currency translation (losses)	-	( 444 297)	-	-
<b>Total Comprehensive Income for the period</b>	<b>1 503 207</b>	<b>1 444 291</b>	<b>475 804</b>	<b>663 071</b>

**The accompanying notes form an integral part of these financial statements.**



**Sidi Kerir Petrochemicals (Sidpec) "S.A.E"****Statement of cash flows****For the financial period Ended September, 30 2025**

Translation From Originally Issued in Arabic

	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
	<b><u>EGP</u></b>	<b><u>EGP</u></b>
<b>Cash flows from operating activities</b>		
Net profit before tax and extraordinary items	1 774 815 191	2 362 281 806
<b>Adjustments to reconcile net profit to cash flow From operating activities</b>		
Depreciation	69 876 559	47 283 871
Provisions	35 012 060	26 966 025
Credit interests	( 364 406 270)	( 408 154 069)
Investment income	( 196 839 265)	( 352 549 268)
Gain (losses) due to assets disposal	( 1 563 244)	-
Debit interests	288 913 595	198 453 394
Foreign currency (losses)/ gain	( 90 849 235)	28 267 271
<b>Operating profit before changes in working capital</b>	<b>1 514 959 391</b>	<b>1 902 549 030</b>
Changes in trade, notes receivables and other receivables	432 532 214	( 19 436 228)
Changes in inventories	( 836 988 089)	(1 005 854 642)
Changes in trade and notes payable	( 721 108 549)	851 795 674
<b>Cash flow from operating activities before extraordinary items</b>	<b>389 394 967</b>	<b>1 729 053 834</b>
Proceeds from credit interests	402 890 365	345 821 311
Payments for debit interests	( 296 583 493)	( 194 437 518)
Payments of income tax	( 604 542 348)	( 219 656 270)
<b>Net cash (used in) operating activities</b>	<b>( 108 840 509)</b>	<b>1 660 781 357</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of fixed assets	( 270 323 020)	( 452 701 636)
Proceeds from fixed assets	1 563 244	-
Current investments	( 26 045 639)	2 065 865 886
Non-current investments	( 108 308 100)	( 308 149 257)
<b>Net cash (used in) investing activities</b>	<b>( 403 113 515)</b>	<b>1 305 014 993</b>
<b>Cash flows from financing activities</b>		
Dividends payable	( 733 538 956)	(1 203 863 021)
Loans	59 119 504	( 7 417 739)
Finance lease liabilities	( 586 974)	( 712 389)
Current bank credit facilities	616 051 388	244 885 574
<b>Cash flows (used in) financing activities</b>	<b>( 58 955 038)</b>	<b>( 967 107 575)</b>
<b>Cash flows from all activities</b>	<b>( 570 909 062)</b>	<b>1 998 688 775</b>
Foreign exchange gains/losses	( 88 131 789)	301 186 931
Expected credit losses for cash and equivalents	( 10 766 131)	( 12 282 615)
<b>Net increase (decrease) in cash and cash equivalents during the year</b>	<b>( 669 806 982)</b>	<b>2 287 593 091</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>3 264 653 813</b>	<b>684 977 841</b>
<b>Cash and Cash Equivalents at the end of the period</b>	<b>2 594 846 831</b>	<b>2 972 570 932</b>

The accompanying notes form an integral part of these financial statements.

**Sidi Kerir Petrochemicals (Sidpec) "S.A.E"**  
**Statement of Changes in Equity**  
**For the financial period September, 30 2025**

*Translation from Originally Issued in Arabic*

	Capital	Legal reserve	Other reserves	Advance payment for capital increase	Retained Earnings	Net Profit for The period	Foreign exchange losses	Total
	<u>EGP000</u>	<u>EGP000</u>	<u>EGP000</u>	<u>EGP000</u>	<u>EGP000</u>	<u>EGP000</u>	<u>EGP000</u>	<u>EGP000</u>
<b>Balance as at December 31, 2023</b>	<b>1 512 000</b>	<b>630 000</b>	<b>1 530 350</b>	<b>-</b>	<b>118 999</b>	<b>2 458 697</b>	<b>-</b>	<b>6 250 046</b>
Foreign exchange losses (comprehensive income) 2024	-	-	-	-	-	-	( 444 297)	( 444 297)
Transferred to legal reserves	-	126 000	-	-	-	( 126 000)	-	-
Transferred to other reserves	-	-	700 067	-	-	( 700 067)	-	-
Transferred to retained earnings	-	-	-	-	126 367	( 126 367)	-	-
Dividends for year 2023	-	-	-	-	-	( 1 203 863)	-	( 1 203 863)
Bonus shares	-	-	-	302 400	-	( 302 400)	-	-
Net profit for the period ended September 30, 2024	-	-	-	-	-	1 888 588	-	1 888 588
<b>Balance as at September 30, 2024</b>	<b>1 512 000</b>	<b>756 000</b>	<b>2 230 417</b>	<b>302 400</b>	<b>245 366</b>	<b>1 888 588</b>	<b>( 444 297)</b>	<b>6 490 474</b>
<b>Balance as at December 30, 2024</b>	<b>1 814 400</b>	<b>756 000</b>	<b>2 230 417</b>	<b>-</b>	<b>223 659</b>	<b>2 539 390</b>	<b>( 451 642)</b>	<b>7 112 224</b>
Foreign exchange losses (comprehensive income) 2025	-	-	-	-	-	( 451 642)	451 642	-
Applying EAS no. (5)	-	-	-	-	208 795	-	-	208 795
Transferred to legal reserves	-	151 200	-	-	-	( 151 200)	-	-
Transferred to other reserves	-	-	275 000	-	-	( 275 000)	-	-
Transferred to retained earnings	-	-	-	-	20 809	( 20 809)	-	-
Dividends for year 2024	-	-	-	-	-	( 1 187 139)	-	( 1 187 139)
Bonus shares	-	-	-	453 600	-	( 453 600)	-	-
Net profit for the period ended September 30, 2025	-	-	-	-	-	1 503 207	-	1 503 207
<b>Balance as at September 30, 2025</b>	<b>1 814 400</b>	<b>907 200</b>	<b>2 505 417</b>	<b>453 600</b>	<b>453 263</b>	<b>1 503 207</b>	<b>-</b>	<b>7 637 087</b>

**1-First- Background:**

**1-1Legal Entity**

- Sidi Kerir Petrochemicals (Sidpec) Is an Egyptian Joint Stock Company established under the investment incentives and guarantees law no. (8) of 1997 and related executive regulations as replaced by law no. (72) of 2017, and under law no. (159) of 1981 on the issuance of the law on Joint-Stock Companies, Limited Partnerships, Limited Liability Companies, and Sole Proprietorship Companies, and in compliance with the provisions to law no. (95) of 1992 on the Capital Market Law and its executive regulations.
- **Registration in the Commercial Registry**  
Commercial Registry under no. 145404 on November 18, 1997- Alexandria Investment
- **Capital structure:**
  - Authorized capital: EGP 5100 billion.
  - Issued and paid-up capital: EGP 1814400000.
  - The company's issued shares are registered as central depository amounted to 907200000 million shares with nominal value of EGP 2 per share.
- **Registration in the Stock Exchange:**
  - The company is listed in the Egyptian Stock Exchanges on 19/3/2005, The company's trading shares in the Stock Exchanges starts from 3/7/2005.

**1-2Purpose of the company:**

- Construction of petrochemical products complex for producing the primary petrochemicals, intermediates, derivatives and major end use products of petrochemicals. Also, the company's purpose includes all the complementary process such as manufacturing and establishment of pipe lines and import gas for the purpose of manufacturing. The Company may undertake other projects or modify its purpose.
  - Construction, acquisition, operation, and management of a power plant for use in the consumption of the company and the sale of surplus electricity to companies and national network of Egypt.
  - Sale and marketing of all its products as well as other petrochemical products. Import, export, manufacturing, packaging, and sale of petrochemical products, and all kinds of plastics.
  - This is without violating the provisions of laws, regulations, and decisions in force, and provided that the necessary licenses issued to carry out these activities. The Company may contribute or participate in any way in or with companies and others that engage in acts of their business or that may cooperate in achieving its purpose in Egypt or abroad.
- **1-3Duration of the company:**
    - The duration of the company is twenty-five (25) years starting from the date of its registration in the Commercial Register.
    - The duration of the company has been extended until the year 2047/11/17 according to the extraordinary general assembly held on 20/3/2022.

- **1-4Head office:**
  - El-Nahda Street Km 36 Alexandria/Cairo Desert Road near El-Amerya Alexandria, Government Egypt.
- **1-5The company’s production capacity:**
  - Production of Ethylene with a production capacity of 300 thousand tons yearly.
  - Production of Polyethylene with a production capacity of 225 thousand tons yearly.
  - Facilities with the capacity needed to cover the Company’s production projects.
  - Production of Biotin with a production capacity of 10 thousand tons’ yearly
  - Production of butane gas with a production capacity of 50 thousand tons yearly with maximum according to the feed gases specifications.

## **2-Second- Basis of preparation of the financial statements**

### **2-1Statement of compliance**

- The financial statements are prepared in accordance with Egyptian Accounting Standards and the relevant Egyptian laws and regulation.
- The financial statements were prepared by the company’s financial management and reviewed by the Audit Committee for presentation to the Board of Directors, which approved their results on 15/10/2025.
- foreign currency is translated at the transaction’s exchange rate date, and the statement of financial position date, monetary assets and liabilities in foreign currencies are translated into Egyptian pounds using the exchange rate prevailing at the date of the statement of financial position, with any resulting exchange differences recognized in the income statement. non-monetary assets and liabilities measured at historical cost in foreign currency are translated using the exchange rate prevailing on the transaction data
- According to the decree of Prime Minister no. (1711) for year 2024, provisionally approved the recognition of debit currency differences arising from foreign currency liabilities at the exchange rate date at the end of 6 March 2024 or at the closing date within the cost of these assets.
- Also , permitted to recognize exchange differences resulting from the translation of monetary assets and liabilities into foreign transactions on March 6, 2024 or at the closing date within the items of comprehensive income.
- Financial obligations that have been designated as a hedging instrument to cover the risk of net investment in a foreign activity as long as the hedging is effective.
- Hedging instruments used in cash flow risk are translated as long as the hedge is effective.

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Notes to the Financial Statements (Continued)**

**For the financial period ended September, 30 2025**

Translation From Originally Issued in Arabic

**2-2Basis of measurement**

- These financial statements have been prepared under historical cost basis, except for current investments (investment securities).

**2-3Functional and presentation currency**

- These financial statements are presented in Egyptian pound, the main currency of the company's functional and presentation currency.

**2-4Use of Estimates and assumptions**

- The preparation of the financial statements in conformity with Egyptian Accounting Standards requires management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of these assumptions represent the judgmental basis for the value of assets and liabilities that may not apparently available from other sources. The actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on-going basis. Reviewed accounting estimates are recognized in the same revision period, and impact of revaluation takes place in that period or in any future financial periods that may affected by it. Information about significant items in which these estimates and personal judgment are used, which have a significant effect on the values in the financial statements,
  - is included in the following notes:
  - Provisions and contingencies.
  - Operational useful life of fixed assets.
  - Accrued expenses.
  - Impairment loss on financial assets and non-financial assets.
  - Deferred tax
  - Fair value measurement

**2-5 Statement of cash flow**

- The cash flow statement is prepared using the indirect method. For the purposes of the statement, cash and cash equivalents comprise cash on hand, bank current accounts, term deposits, and bank overdraft balances that are not included within the company's borrowing arrangements

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

Translation from Originally Issued in Arabic

**2-6 Comparative figures**

- The comparative figures shall be re-classified when necessary to be in conformity with the changes in the presentation adopted in the current period according to EAS.

**3-Third: Significant accounting policies**

- The accounting policies set out below have been applied consistently to all periods presented in these financial statements

**3-1 Foreign currency transactions**

- Transactions in foreign currencies are translated to the respective functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.
- According to Prime Ministerial Decree No. 171 of 2024, a temporary option has been granted to allow the recognition of foreign exchange on outstanding foreign currency liabilities—at the revaluation date linked to fixed assets—either
- As of the end of March 6, 2024, or at the closing date, as part of the asset’s cost. The decree also permits the recognition of foreign exchange differences arising from the translation of monetary assets and liabilities denominated in foreign currencies—at the end of March 6, 2024, or at the closing date—within other comprehensive income.
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective.
- Qualifying cash flow hedges to the extent that the hedges are effective.

**3-2Discontinuing operation**

- A discontinued operation is a component of the Company’s business, the operations and cash flows of which can be clearly distinguished from the rest of the Company.
- Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.
- When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

Translation from Originally Issued in Arabic

**3-3Property, plant and equipment**

**A-Recognition and initial measurement:**

- Plant and equipment are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably.
- The fixed assets owned by the company and held for use in production or provision of goods or services or for administrative purposes are proven at cost and fixed assets in the financial position are shown at historical cost, less the combined depreciation and accumulated loss resulting from the decrease in value.
- Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for their intended use, the costs of dismantling and removing the items, and restoring the site on which they are located and capitalized borrowing costs.
- Computer software programmes acquired, which enhances or extends the performance of computers is capitalized and added to the original cost of the software.
- Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets represents a component of the cost of these assets. Capitalisation should cease when substantially all of the activities necessary to prepare the asset for its intended use or sale are complete. all borrowing costs are recognised in profit or loss in the period in which they are incurred.

**B-Subsequent costs on the acquisition**

- The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

**C-Depreciation**

- Depreciation is calculated to write off the cost of items of property, plant, and equipment less than their estimated residual values using the (straight-line method) over their estimated useful lives for each item.
- Depreciation is recognised in profit or loss using the straight-line method over their estimated useful lives for each item of property, plant and equipment. The land is not depreciated.

## **Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

### **Notes to the Financial Statements (Continued)**

#### **For the financial period ended September 30, 2025**

Translation from Originally Issued in Arabic

- Estimated depreciation rates for each type of asset are as follow:

<b><u>Description</u></b>	<b><u>Rate</u></b>	<b><u>Useful lives</u></b>
Buildings and constructions	5%-2%	20-50 years
Machinery and equipment	5%	20 years
Transportation and vehicles	20%-10%	5-10 years
Tool	20%-10%	5-10 years
Computers	25%	4 years

- Depreciation commences when the fixed asset is completed and made available for use. Depreciation method useful life and residual value are reviewed at each financial statements date and adjusted as appropriate.

#### **D-Capital gains and losses from the exclusion of fixed assets**

- Profits and losses resulting from the exclusion of fixed assets arising from comparison of net selling value and net book value of the asset resulting in capital gains and losses recognized in the income statement.

#### **3-4Borrowing costs**

- Loans are initially recognized at fair value, net of transaction costs incurred. Subsequently, these loans are measured at amortized cost, and the difference between the proceeds received (net of transaction costs) and the amount repayable at maturity is recognized in the income statement over the term of the loan using the effective interest rate method.
- The cost to obtain loan facilities are recognized as transaction costs related to the loans until a portion or the total amount of the facility is utilized. In such cases, the amortization of these fees is deferred until the facility is drawn down. If it is not certain that any portion of the total facility will be utilized, the fees are capitalized and classified as prepaid facility service charges, which are amortized over the period of the related facility.
- Loans are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date
- Capitalisation should commence when expenditures are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation should be suspended during periods in which active development is interrupted.
- All other financial costs are recognized at the income statement during the incurred period



## **Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

### **Notes to the Financial Statements (Continued)**

#### **For the financial period ended September 30, 2025**

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#### **3-5 Right of use assets**

##### **A-Recognition and initial measurement:**

- The Company recognises a right of use asset at the lease commencement date.
- Asset is measured at cost, which comprises the present value of lease payments that are not paid at that date.

Lease payments are discounted using the interest rate implicit in the lease; if that rate cannot be readily determined, the lessee's incremental borrowing rate is used instead. The cost also includes any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred, and the estimated costs of dismantling and removing the underlying asset, as well as restoring the site on which the asset is located or restoring the asset itself to the condition required under the terms and conditions of the lease agreement.

##### **B-Right of use assets subsequent measurement:**

- The right of use asset is subsequently measured by cost model after the lease commencement date. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

##### **C-Amortization**

- The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. (EAS no.10 )The right of use asset is amortized on a lease term, if ownership of the leased asset transferred to the company at the end of the lease term or if the company will exercise the purchase option. Otherwise, right of use assets are depreciated over the shorter of the lease term and the estimated useful lives of the assets.

#### **3-6 Projects under construction**

- Expenditures incurred on purchasing and constructing fixed assets are initially recorded in projects under construction, projects under construction are measured at cost less accumulated impairment losses. No depreciation is charged until the project is completed and transferred to fixed asset.
- All expenses related to cost include direct and necessary to prepare the asset to the state that is ready to use and in the purpose for which it was acquired. The asset is transferred from projects under construction to fixed assets when it is completed and ready to use.

#### **3-7 Real estate investments**

- The company shall recognize the property investment firstly at the cost when probable future economic benefits flow will be in the interest of the company, the company can measure the property investment accurately when the company intends to keep or rent these assets or the company expects an increase in the value of the property investment, or both.

## **Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

### **Notes to the Financial Statements (Continued)**

#### **For the financial period ended September 30, 2025**

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- The real estate investment cost includes all the costs for its acquisition.
- After initial recognition, real estate investment is measured according to EAS no. (10).

#### **3-8 Long term investments**

- Long-term investments are recorded at cost as of the date of loss of significant influence. In the event that the recoverable amount of any such investment falls below its carrying amount, the carrying value of that investment is adjusted to reflect the impairment loss, and the amount of the impairment is charged to the income statement for each investment separately.
- An investor (the company) loses its significant influence over the investee when it no longer has the ability to participate in making decisions related to the financial and operating policies of that investee.
- The loss of significant influence may occur regardless of whether there is a change in the absolute or relative ownership levels. For example, this may happen when the associate becomes subject to government control, judicial administration, an appointed administrator, or a regulatory authority. It may also occur as a result of a contractual arrangement.

#### **3-9 Financial investments at fair value through profit or loss**

- These are investments in investment fund documents and are recorded at acquisition cost and are evaluated according to the last declared redemption value, the differences in the change in the redemption value are included in the income statement.

#### **3-10 Inventories**

- Inventories are stated at the lower of cost or net realizable value. The net realizable value is estimated at the selling price in normal activity, less the expected cost of completing those items, in addition to the selling expenses for that inventory.
- The cost of inventory is represented in the cost of acquisition and in addition to the necessary costs associated with the inventory to its location which to be ready for use.
- **A-Raw material and spare parts:**
  - Cost is determined in accordance with the weighted average cost method.
- **B-Finished goods:**
  - Determined at the lower of manufacturing overhead cost or net realizable value.
  - Manufacturing costs are determined based on (direct materials, direct labor, and both direct and indirect manufacturing overheads.)

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

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**3-11 Trade receivables, and other receivables**

- Accounts receivable represent amounts due for sales in the course of business. If these amounts are expected to be collected within a year or less, they are classified as current assets. Otherwise, they are classified as non-current assets.
- Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate less impairment losses.
- Trade, notes receivables, and other receivables which does not include interests are recognized at nominal value net of any impairment losses. The impairment is calculated based on actual historical data that has occurred. Impairment losses are measured as the difference between the recoverable carrying amount and the present value of estimated future cash flows.

**3-12 Related party transactions**

- The company's related party transactions in the context of its normal activity are recognised according to pricing policies and terms approved by the boards of directors, with the same conditions and impact with unrelated party on income and financial position without any discrimination.
- Related party relations and transactions are disclosed in the notes of the financial statements.

**3-13**

**Financial instruments**

**A-Financial instruments other than derivatives**

- The company does not use financial instruments derivatives, whether for the purpose of hedging risks or trading, and financial instruments other than derivatives include equity instruments, debt instruments, customers and other debit balances, cash and cash equivalents, loans, trade and other payables.

**B-Impairment**

**A) Financial assets**

- The carrying values of financial assets are reviewed at the date of the financial statements for the purpose of determining whether there is any impairment in their value. A financial asset is considered impaired if there is objective evidence that one or more events have had a negative impact on future cash flows from the use of this asset.
- The impairment test for significant financial assets is carried out individually at the level of each asset. As for other financial assets, which can and can be classified into groups in light of the characteristics of credit risk, the impairment test is conducted at the level of groups that share the same credit risk characteristics.
- All impairment losses are recognized in the income statement. The accumulated losses related to a financial asset available for sale that were previously

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

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**For the financial period ended September 30, 2025**

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recognized in equity are transferred to the income statement if the decrease in its value indicates a decrease in the value of the financial asset available for sale.

- Impairment losses are refunded if it can be linked objectively to an event that occurred after the recognition of impairment losses related to financial assets measured at amortized cost and financial assets that are considered a debt instrument in the income statement. Impairment losses in the value of financial assets available for sale are refunded by equity

**B) Non-financial assets**

- The carrying values of non-financial assets other than inventory and deferred tax assets are reviewed at the date of the financial statements to determine whether there is any indication of impairment. The recoverable value of these assets is estimated.
- An impairment loss is recognized if the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows from other assets or groups of assets. The impairment losses are recognized in the statement of income.
- The recoverable amount of an asset or cash-generating unit is its value in use or its fair value less costs to sell, whichever is greater. The expected future cash flows are discounted to the present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks associated with the asset.
- Impairment losses recognized in prior periods for non-financial assets are reviewed at the date of the financial statements to determine the extent to which there are indications that the loss has decreased or not. The impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount, and the impairment loss is reversed within the limits so that the carrying amount of the asset does not exceed the carrying amount that would have been calculated after deducting depreciation or amortization if the impairment loss had not been recognised.

**3-14 Financial policies have been implemented starting 2021- Egyptian accounting standards No.47**

**Impairment of financial assets**

- The company reviews financial assets, excepts for assets that are measured at fair value, to estimate the extent of impairment in their value through three phases
- 1- **Phase one:** the financial assets that are not encountered significant encountered significant increase in credit risk and credit loss over for 12 months is calculated
  - 2- **Phase two:** the financial assets that encountered significant increase in credit risk and credit loss over their useful life is calculated

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

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- 3- **Phase three:** the financial assets that are impaired and credit loss is calculated over its useful life, loss is their difference between the net book value of the assets and the expected future cash flow from this asset.

**B-Credit loss and impairment losses are measured in value that related to the financial instruments as follows: -**

-Low risk financial instruments are classified when recognized on phase one and credit loss is closely monitored continually through the company

- If there is determination of material increasing in credit losses on 1<sup>st</sup> recognition, the financial instruments to be transferred to phase two since there is no consideration of impairment losses in this phase

-If there is indicator of impairment losses thus the financial instruments to be transferred to phase three

**3-15Financial Instruments and risk management**

**Liquidity risk:**

- Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

**Market risk:**

- Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.
- The Company incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Management.

**Foreign currency risk:**

- Foreign currency risk arises from fluctuations in exchange rates that affect payments and receipts conducted in a currency other than the company's functional currency.
- With regard to other financial assets and liabilities denominated in foreign currencies, their net exposure to such risks is maintained at an acceptable level by buying or selling foreign currencies at prevailing rates at a given time, when necessary, to address any short-term imbalances.

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

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**Interest rate risk:**

- Foreign currency risk arises from fluctuations in exchange rates that affect payments and receipts conducted in a currency other than the company's functional currency.
- With regard to other financial assets and liabilities denominated in foreign currencies, their net exposure to such risks is maintained at an acceptable level by buying or selling foreign currencies at prevailing rates at a given time, when necessary, to address any short-term imbalances.

**3-16 Cash and equivalent**

- Cash and cash equivalents include cash balances held in banks and on hand, demand deposits, and bank overdrafts that are repayable on demand and form an integral part of the company's cash management system. They also include short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value

**3-17 Capital management**

- The company's capital management aims to maintain the company's ability to continue as a going concern, in order to provide returns to shareholders and benefits to other stakeholders who rely on the financial statements. It also seeks to maintain an optimal capital structure with the objective of minimizing the cost of capital.
- To maintain an optimal capital structure, the company undertakes measures such as increasing capital or reducing the company's outstanding debt.
- The company monitors its capital structure using the net debt to total financing ratio. Net debt comprises total borrowings, trade payables, and promissory notes, less cash and cash equivalents. Total financing is represented by the company's total equity, as presented in the statement of financial position, plus net debt.

**3-18 Legal reserve**

- According to the Company's law requirements and the statutes of the company, 5% of the annual net profit shall be transferred to a legal reserve until the accumulated reserve reaches 50% of the issued share capital. The reserve is undistributable; however, it can be used to increase the share capital or to offset losses. If the reserve falls below the defined level, then the company is required to resume setting aside 5% of the annual profit until it reaches 50% of the issued share capital, the legal reserve is non-distributable.

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**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

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**3-19Lease contract obligation**

**A-Initial recognition**

- The Company recognizes a lease liability at the lease commencement date.
- The lease liability is initially measured at cost, at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- The incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.
- The lease payments at the start of the lease that are not paid at the start date of the lease consist of fixed payments less any lease incentives receivable, and variable payments based on an index or rate.
- The lease payments also include amounts expected to be paid under residual value guarantees.
- And the exercise price of the purchase option if the lessee is reasonably certain to exercise that option.
- Payments of fines for termination of the lease if the lease term reflects the exercise of the option to terminate the lease.

**B-Subsequent measurement of the lease obligation**

- After the commencement date of the lease, the lease liability is measured by increasing or decreasing its carrying amount to reflect interest, lease payments, and any Re-measurement or modification of the lease. Interest expenses related to the lease liability and variable lease payments not included in the initial measurement of the lease liability are recognized in the income statement during the period in which the event or condition that triggers those payments occurs.
- The lease liability is Re-measurement by discounting the revised lease payments using a revised discount rate.  
If there is a change in the lease term, the revised lease payments are determined based on the modified lease term.
- the lease liability is Re-measurement if there is a change in the assessment of the purchase option for the underlying asset. The lease payments are adjusted to reflect the change in the amounts payable under the purchase option

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**For the financial period ended September 30, 2025**

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**3-20Provisions**

- Provisions are recognized when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at the balance sheet date and adjusted to reflect the current best estimate.

**Income and deferred Tax**

**A-Income tax**

- The recognition of the current tax and deferred tax as income or expense in profit or loss for the year, except in cases in which the tax comes from process or event recognized - at the same time or in a different period - outside profit or loss, whether in other comprehensive income or in equity directly or business combination.

**B-Deferred tax**

- Deferred tax is recognized as an asset or liability in the financial position, arising from temporary time differences between the book value of assets and liabilities according to the tax basis.
- Tax Law No. 91 for 2005 came with a tax depreciation system that led to a difference in accounting profit from tax profit due to the different periods of recovery of fixed asset values, and since tax depreciation leads to depreciation of asset values at periods less than accounting depreciation, which leads to the deportation of tax obligations to financial periods in which it becomes, the tax profit and tax obligations are not commensurate with the accounting profit, and those periods are charged with tax obligations resulting from previous periods. It is followed by periods in which the accounting depreciation is greater than the tax depreciation, and in this case, the previously created tax obligations are used.
- Deferred tax asset arising from the tax losses carried forward, the right to unused tax deduction and deductible temporary differences are recognized when there is a strong possibility of achieving taxable profits in the future through which this asset can be used, and the unrecognized deferred tax assets are reassessed at the end deferred tax assets that were not previously recognized to the extent that it becomes likely in the future that there will be a tax profit that would allow absorbing the value of the deferred tax asset.
- The deferred tax value is measured based on the expected method to realize or settle the values of assets and liabilities using the tax rates in effect at the date of preparing the financial statements.
- When measuring deferred tax at the end of the financial year, the tax effects of the procedures followed by the company to recover or pay the book value of its assets and liabilities are taken into consideration.
- Deferred tax assets and liabilities are offset only if certain criteria are met.



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### **Notes to the Financial Statements (Continued)**

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#### **3-22 Trade and other payables**

- Trade payables are recognized at their nominal value, and liabilities (payables) are recognized at the amounts to be paid in the future in exchange for the goods and services received.

#### **3-23 Revenue from contracts with customers**

In accordance with Egyptian Accounting Standard (EAS) No. 48 – “Revenue from Contracts with Customers”,

Revenue is measured based on the consideration specified in the contract with the customer, net of any discounts, commissions, or taxes, if applicable. The Company recognizes revenue from contracts with customers in accordance with the five-step model set out in

**Step 1:** Identify the contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations, and set the criteria that should be satisfied for each contract.

**Step 2:** Identify the performance obligations in the contract. The performance obligation is a promise in a contract with a customer to transfer to the customer either: a good or service.

**Step 3:** Determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring.

Promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract. If the contract contains more than one performance obligation, the company will allocate the transaction price to each obligation at an amount reflecting the consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

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

#### **Revenue recognition**

- Revenue is measured at the fair value of the consideration received or receivable, arising from the sale of goods, excluding value-added tax (VAT), discounts, and rebates.
- Revenue is recognized when it can be reliably measured, when it is probable that the economic benefits associated with the sale will flow to the company, when the related costs (whether incurred or to be incurred) can be measured reliably, and when other specific conditions related to each of the company's activities, as outlined below, are met

#### **Goods sold**

- Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer, the inflow of economic benefits is probable, the associated costs and the potential returns can be measured reliably, there is no continuing managerial involvement associated with the goods, and the amount of revenue can be measured reliably and revenue is measured net of returns, trade discounts, and volume rebates.

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- Some sales may contain a financing component, depending on the credit period granted for each transaction, with a maximum of one year from the transaction date .
- The determination of the timing at which the Company has transferred the significant risks and rewards of ownership varies depending on the terms of the sale agreement

**3-24 Investment income**

- Revenues from financial investments are recognized when the right of the company's shareholders to the distributions made by sister companies and available for sale in the financial period in which those dividends are approved by the general assemblies of the investee companies is established.
- Investment income is recognised within the limits of the dividends the company receives from the investee companies, which are realized after the date of acquisition, as of the date of the distribution decision issued by the general assemblies of the investee companies, which approved the dividends distribution.

**3-25 Finance income**

- Financing income includes interest income on invested funds, dividends received, profits realized from the sale of financial investments available for sale, and changes in the fair value of financial investments at fair value through profit and loss. Interest income is recognized on an accrual basis using the effective rate of return method.
- Dividend income from investments is recognized when the company's right to dividends is established, in the financial period in which those dividends are approved by the general assemblies of the investee companies.

**3-26 Expenditures**

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

**Lease payments**

- Payments for operating lease contracts from third parties are recognized in the statement of income on a straight-line basis over the term of the contract, and the collected rental incentives are recognized in the statement of income as an integral part of the total rental expense.

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**Pension Plan**

- The company pays the social insurance subscription that related to the employees to the General Authority for social insurance based on the social insurance legal instruction no (148) for year 2019 and its amendments, and further the company pays subscriptions for employees' pension system based on the procedures approved by the board of directors with fixed rates from employees' salaries and are charged to the income statements. the company is not obligated to settle any liabilities other than the contribution amounts mentioned above.

**Finance costs**

- Finance costs comprise interest expense on borrowings, fair value losses on financial assets at fair value through profit, or loss impairment losses recognized on financial assets.
- Borrowing costs that are not directly attributable to the acquisition, construction, or production of a qualifying asset are recognized in profit or loss using the effective interest method.
- Foreign currency gains and losses are reported on a net basis.

**3-27Shares profitability**

- Earnings per share (EPS) is calculated by dividing the company's net profit by the weighted average number of outstanding shares at the balance sheet date, after deducting taxes, employees' share of profits, and the board of directors' remuneration, in accordance with the resolution of the most recent general assembly.

**3-28Employees' share of profits**

- In accordance with the companies law and the basic regulations of the company, 10% of the company's profits are distributed to employees provided that they do not exceed the total annual wages for them for the last financial year before distribution and recognizes the share of employees in profits as part of the dividends in property rights and obligations ,The employees' profit share is recognized as a dividend distribution in the statement of changes in equity, and as a liability in the financial year in which such profits are approved.

1 Fixed Assets

	Land*	Buildings and constructions	Machinery and equipment	Vehicles	Furniture and furnishings	Tools & Supplies	Total	Right of use assets
<b>Cost:</b>								
<b>Cost as at January 1, 2025</b>	272669885	329113869	2754019166	29283568	201389870	62371544	3648847902	4432671
Additions during the period	-	24419026	22996358	15 574 610	74842038	166755	137998787	-
Disposals during the period	-	-	-	583 550	66447	-	649 997	-
Account adjustments during the period	( 84 116 215)	-	-	2 499 996	-	-	( 81 616 219)	( 2 499 996)
<b>Cost as at September 30, 2025</b>	188553670	353532895	2777015524	46 774 624	276165461	62538299	3 704 580 473	1932675
<b>Accumulated Depreciation as at January 1, 2025</b>	-	242364081	1925693405	11814275	93805948	55235124	2328912833	3648211
Depreciation during the period	-	3831838	34780170	3413389	26354130	1034939	69414466	462093
Account adjustments during the period	-	-	-	1 916 446	-	-	1 916 446	( 2 499 996)
<b>Accumulated Depreciation as at September 30, 2025</b>	-	246195919	1960473575	17144110	120160078	56270063	2400243745	1610308
<b>Net Book Value as at September 30, 2025</b>	188553670	107336976	816541949	29630514	156005383	6268236	1304 336 728	322367
<b>Net Book Value as at December 31, 2024</b>	272669885	86749788	828325761	17469293	107583922	7136420	1 319 935 069	784460

\* Lands in-kind share of 180 acres represents Egyptian Petrochemical Company share, one of the petroleum sectors companies, upon the establishment of the company and it was evaluated by three legal committees at that time. All the in-kind shares were registered in the Real Estate Registry except for 70 acres space because of a legal dispute between the Egyptian Petrochemicals Company and Al-Nahda Company the land seller on the space difference deficit, not a dispute over ownership. Knowing that all the company's buildings are built on these lands, and the company has had a quiet and stable possession since 1998.

\* An area of approximately 116 acres owned by the company, other than its public benefit spaces, based on fully registered contracts, except for a 14-acre plot, other than its public common benefits area. And it was found that there was a judicial dispute over this plot between the seller and others. The company has taken all legal procedures to preserve its rights and the company has a quiet and stable possession. Part of this land is included in the real estate investment of the company.

\* During 2019 the Company purchased a land of approximately 76 acres excluded the common public benefit space, and it was transferred to the Company's ownership according to ownership contracts registered in the Real Estate Registry.

\* There are also productive assets that are obsolete and still operating, with a value of approximately 126 million EGP.

<b>5- Right of use assets</b>	<b><u>9/30/2025</u></b>	<b><u>31/12/2024</u></b>
<b>Vehicles</b>	<b><u>EGP000</u></b>	<b><u>EGP000</u></b>
<b>Cost at the beginning of the period</b>	4 433	4 433
Disposals during the period	( 2 499)	-
<b>Cost as at September 30, 2025</b>	<b><u>1 934</u></b>	<b><u>4 433</u></b>
<b><u>Accumulated amortization</u></b>		
Accumulated amortization, beginning balance	3 648	2 762
Accumulated amortization adjustments	( 2 499)	-
Add: amortization during the period	462	886
<b>Net book value at September 30</b>	<b><u>1 610</u></b>	<b><u>3 648</u></b>
<b>Right of use assets (Net)</b>	<b><u>324</u></b>	<b><u>785</u></b>

The financial impact of applying EAS related to finance lease no. (49) Lease contracts

Right of use assets recognized on statements of income for the period ending September 30, 2025

Amortization for the period	462	886
Interest of financial lease	164	449
<b>Total</b>	<b><u>626</u></b>	<b><u>1 335</u></b>

<b>6- Projects under construction</b>	<b><u>9/30/2025</u></b>	<b><u>31/12/2024</u></b>
	<b><u>EGP000</u></b>	<b><u>EGP000</u></b>
Propylene project and utilities	281 553	281 553
Resources management system (Orkal ERP)	4 566	5 752
Steam energy generation Project	626 735	477 059
Development of administrative buildings	25 742	24 915
Developing the cybersecurity system	30 096	30 096
Gas reduction and metering station	27 360	27 360
Camera systems for factories and buildings	29 167	15 430
Tank manufacturing F590	808	-
<b>Total</b>	<b><u>1 026 027</u></b>	<b><u>862 165</u></b>

#### **7- Property investments**

The property investments represent the value of the allocated land as right of use, according to the contract with the Egyptian Company for Ethylene and its Derivatives during year 2012

	<b><u>9/30/2025</u></b>	<b><u>31/12/2024</u></b>
	<b><u>EGP000</u></b>	<b><u>EGP000</u></b>
The value of lands allocated for right of use ( cost)	97 512	13 396
<b>Total</b>	<b><u>97 512</u></b>	<b><u>13 396</u></b>

	<u>Percentage of shares</u>	<u>9/30/2025</u>	<u>31/12/2024</u>
		<u>EGP000</u>	<u>EGP000</u>
<b>8- Long-term investment</b>			
Egyptian Ethylene and Derivatives Company -Ethedco	20%	958 303	958 303
Petrochemicals Logistic Services Company-PLS	20%	43 607	43 607
Wood Technology Company-Wotech	28%	1 333 386	1 220 421
Red Sea National Petrochemicals Company	5%	234 378	234 378
Alexandria for Clerk Fiber Company	20%	57 310	57 310
The Egyptian company for organic ethanol	7.50%	101 088	101 088
Alexandria Supply Chain Company	22.5%	41 029	45 686
<b>less:</b>			
Provision for Investment risk		( 57 310)	( 57 310)
<b>Total</b>		<b>2711791</b>	<b>2 603 483</b>

- \* Wood Technology Company increased its issued capital from 132 Million Euro to 199 million Euro by amount of 67 million Euro within the authorized capital , and the share of Sidi Kerir Petrochemicals Company amounted to about 18,760 million Euro and 88 % from the second increase has been paid through during 2024-2025.
- \* Red Sea Company recalled 50% of its issued capital amounted to 600 million Dollars, during the financial year 2021, and Sidi Kerir Petrochemicals Company share amounted to about 15 million Dollars, equivalent to 234,378 million Pounds which has been fully paid. the remaining portion of the capital will be paid in accordance with the capital call schedule and according to the related implementation and the approved financial model.
- \* The contribution of the company in the paid up capital of the Egyptian company for Ethylene is 7.5% amounting to 3.180 million dollars It is one of the green projects that supports sustainability to reduce carbon emissions, and it has been paid in full
- \* The decisions of the Ordinary General Assembly of the Iskanria Fiber Company were issued and a judicial liquidator was appointed for the company, who assumed his responsibilities. The Ordinary General Assembly of the company was invited to convene on 12-28-2023 and issued its decision to authorize the liquidator, Mr. Abdullah Muhammad Al-Adly, or whomever he delegates, to terminate the company's contract and erase the record. Commercial and termination of liquidation ,there is no redemption value for the investment in Alexandria Fiber Company (under liquidation) and a full provision for the investment value has been made during previous years with a total of 57,310 million EGP

	<u>9/30/2025</u>	<u>31/12/2024</u>
	<u>EGP000</u>	<u>EGP000</u>
<b>9- Inventories</b>		
Chemicals and packaging materials	320 864	307 374
Spare parts inventory and auxiliary materials	905 065	803 917
Raw materials & equipment inventory	177 543	79 141
Available for sale inventory	1 281 433	608 605
Finished goods inventory	394 943	443 451
<b>Total</b>	<b>3 079 848</b>	<b>2 242 488</b>

			<u>9/30/2025</u>	<u>31/12/2024</u>
			<u>EGP000</u>	<u>EGP000</u>
<b>10- Trade and notes receivable</b>				
Polyethylene trade receivables			232 351	237 885
Ethalin trade receivables			–	2 385
<b>Total</b>			<b>232 351</b>	<b>240 270</b>
Less :				
Expected credit loss			( 3 154)	( 2 849)
<b>Total</b>			<b>229 197</b>	<b>237 421</b>
		<b>The Period 2025 transactions by million</b>	<u>9/30/2025</u>	<u>31/12/2024</u>
		<b>Kind of transactions</b>	<u>EGP000</u>	<u>EGP000</u>
Egyptian General Petroleum Corporation (EGPC)	1193	Selling naphtha ethylene products	732 769	1 232 959
The Egyptian Holding Company for Petrochemicals	24	Technical assistance and product distribution	63 800	105 366
Styrenks Company	–	Technical services	124 448	130 564
The Egyptian Ethylene and Derivatives Company (ETHYDCO)	–	Usufruct, supply and sale of raw materials	41 895	–
Alexandria Petroleum Maintenance CO.(Petromaint)	–	Technical services	3 849	–
Petrochemicals Logistic Services Company	–	Miscellaneous expenses.	–	14
Ebram company	–	Miscellaneous expenses.	–	1 376
The Egyptian Linear Alkyl Benzene Co. (ELAB)	–	Miscellaneous expenses.	–	122
Amerya company	–	Miscellaneous expenses.	–	185
Arab Petroleum Pipelines Company (SUMED)	–	Nahda road	–	408
The Egyptian company for organic ethanol	–	Miscellaneous expenses.	–	2 958
Red Sea Company	–	Polypropylene License	554 567	558 225
Wood Technology Company	–	Miscellaneous expenses.	–	56
Egyptian Soda Company	–	Miscellaneous expenses.	–	152
Other (development of civil protection buildings with the private sector)	–	Miscellaneous expenses.	–	317
<b>Total</b>			<b>1 521 328</b>	<b>2 032 702</b>
Less:				
Expected credit losses			( 76 099)	( 52 370)
<b>Total</b>			<b>1 445 229</b>	<b>1 980 332</b>
<b>12 Advance payments</b>			<u>9/30/2025</u>	<u>31/12/2024</u>
			<u>EGP000</u>	<u>EGP000</u>
UOP Company			8 797	8 797
Paralloy limited			14 773	14 773
Future house			–	1 518
ABB Industrial system and Power			195	195
Consukorra For Trade Agencies & Tech Consultations			50 475	–
<b>Total</b>			<b>74 240</b>	<b>25 283</b>

<b>13 Other debit balances</b>		<b>9/30/2025</b>	<b>31/12/2024</b>
		<b>EGP000</b>	<b>EGP000</b>
Value added tax refundable		356 416	289 052
Accrual deposit interests		15 347	53 832
Advanced payments for suppliers and constructors		380 074	83 719
Employees loans		193 474	139 610
Income tax prepayments		390 029	445 711
Prepaid expenses		50 456	69 040
Sales tax "Vat" from Customs Department		48 793	24 194
Pension systems		-	3 000
Deposit with others		563	563
<b>Total</b>		<b>1 435 153</b>	<b>1 108 721</b>
<b>Less:</b>			
Expected credit losses		( 283)	( 72)
<b>Total</b>		<b>1 434 870</b>	<b>1 108 649</b>
<b>14 Current investments</b>		<b>9/30/2025</b>	<b>31/12/2024</b>
		<b>EGP000</b>	<b>EGP000</b>
Investment Certificates	<b>14/1</b>	202 874	253 398
Treasury bills	<b>14/2</b>	278 856	202 286
<b>Total</b>		<b>481 730</b>	<b>455 684</b>
<b>14/1 Financial investments through profit and losses</b>		<b>9/30/2025</b>	<b>31/12/2024</b>
		<b>EGP000</b>	<b>EGP000</b>
Investment Certificates		202 874	253 398
<b>Total</b>		<b>202 874</b>	<b>253 398</b>
<b>14/2 Treasury bills at amortized cost</b>		<b>9/30/2025</b>	<b>31/12/2024</b>
		<b>EGP000</b>	<b>EGP000</b>
Treasury bills		281 900	212 650
Less :			
Unrealized gain		( 3 044)	( 10 364)
<b>Total</b>		<b>278 856</b>	<b>202 286</b>
<b>15 Cash at banks and time deposits</b>		<b>9/30/2025</b>	<b>31/12/2024</b>
		<b>EGP000</b>	<b>EGP000</b>
Time deposits	15/2	2 366 767	3 006 066
Cash at banks	15/1	258 683	278 017
Governmental payment system		133	540
<b>Total</b>		<b>2 625 583</b>	<b>3 284 623</b>
<b>Less:</b>			
Expected credit losses		( 30 736)	( 19 970)
<b>Total</b>		<b>2 594 847</b>	<b>3 264 653</b>



15/1	Cash at banks	9/30/2025	31/12/2024
		EGP000	EGP000
	Current Account – EGP	128 240	252 608
	Current Account – USD	130 443	25 409
	<b>Total</b>	<b>258 683</b>	<b>278 017</b>

  

15/2	Time deposits	9/30/2025	31/12/2024
		EGP000	EGP000
	Time deposits– EGP	1 216 120	873 150
	Time deposits – USD	1 150 647	2 132 916
	<b>Total</b>	<b>2 366 767</b>	<b>3 006 066</b>

\* Balances in foreign currencies were revalued at the balance sheet date based on the exchange rate of EGP 47.80/ Dollars

\*\* Deposits appearing in the financial statements include 900 million EGP held as collateral against open documentary credits

\*\*\* Deposits appearing in the financial statements include 4.5 million USD held as collateral against open documentary credits

16	Issued and paid-up capital	No. of shares	Issued and paid-up capital	Shares
				Percentage
	Egyptian holding company for petrochemicals	181 440 000	362880000	20%
	The insurance fund for government worker	188 261 054	376522109	21%
	The insurance fund for private and public sector workers	111 072 906	222145812	12%
	The Egyptian Petrochemical company	62 806 156	125612311	7%
	The National Investment Bank	62 806 156	125612311	7%
	El-Ahly Capital	62 806 156	125612311	7%
	Misr Insurance company	16 826 810	33653621	2%
	Naser bank	12 096 000	24192000	1%
	Other shareholders	209 084 762	418169525	23%
	<b>Total</b>	<b>907 200 000</b>	<b>1814400000</b>	<b>100%</b>

- The authorized capital amounted to 5100 billion EGP and the issued and paid-up capital was 1814400000 EGP distributed over the number of 907200000 shares with a nominal value per share of 2 Egyptian pounds.

- The Ordinary General Assembly, in its session held on 10/04/2025, approved a cash dividend of EGP 1 per share, to be distributed in two installments, subject to the company's cash flow position

- The Ordinary General Assembly, in its session held on 10/04/2025, approved an increase in the company's issued capital from EGP 1.844 billion to EGP 2.268 billion through the distribution of 226.8 million bonus shares at a par value of EGP 2 per share, at a ratio of 1 share for every 4 shares held. The necessary procedures for registering the capital increase are currently underway the first installment of the cash dividends has been disbursed through Misr for Central Clearing, Depository and Registry (MCDR).

Earnings per share:		9/30/2025	9/30/2024
		EGP000	EGP000
*	Net profit according to the income statement	1 503 207	1 888 588
**	<b>Less:</b>		
	Legal reserve , Employee's profit share and the board of directors	( 168 258)	( 198 609)
	<b>Net</b>	<b>1 334 949</b>	<b>1 689 979</b>
	The weighted average for number of shares	<b>907 200</b>	<b>756 000</b>
	<b>Earnings per share</b>	<b>1.47</b>	<b>2.24</b>

17	Other reserves		9/30/2025	31/12/2024	
			EGP000	EGP000	
	Capital reserve		5 417	5 417	
	Investment reserve		1 525 000	1 525 000	
	Regular reserve		975 000	700 000	
	Total		2 505 417	2 230 417	
18	Provisions		9/30/2025	31/12/2024	
			EGP000	EGP000	
	Potential claims provision		250 000	250 000	
	Total		250 000	250 000	
18/1	Provisions		9/30/2025	31/12/2024	
			EGP000	EGP000	
	Beginning balance1/1/2025		250 000	246 000	
	Used during the period		-	( 22 593)	
	Additions		-	26 593	
	Ending balance 30/9/2025		250 000	250 000	
The company did not disclose the usual information related to provisions in accordance with Egyptian Accounting Standard No. 28, as management believes that such disclosure would affect the outcome of dealings with other parties					
19	Deferred tax		9/30/2025	31/12/2024	
			EGP000	EGP000	
	Beginning balance		211 943	196 382	
	Deferred tax for the period		( 38 851)	15 561	
	Ending balance		173 092	211 943	
20	Due to related parties	The period 2025 transactions by million	Kind of transactions	9/30/2025	31/12/2024
				EGP000	EGP000
	Egyptian Natural Gas Company (Gasco )	4839	Raw material supply	1 522 283	1 599 844
	Egyptian Petrochemicals Holding Co	389	supplies	105 189	295 391
	Petrojet company	-	services	-	332
	Egyptian Ethylene and derivatives company (ETHYDCO)	166	Usufruct, supply and sale of raw materials	-	110 774
	Petrotrade	237	services	75 442	-
	Others			-	11
	Total			1 702 914	2 006 352
21	Other credit balances		9/30/2025	31/12/2024	
			EGP000	EGP000	
	Trade receivables in advance		218 333	222 468	
	Deposits from others		29 613	25 667	
	Accrued expenses		10 251	360 395	
	Social contribution for medical insurance		28 393	36 820	
	Social insurance		-	25	
	Dividend creditors		453 600	-	
	Due to tax Authorities (other than general income tax )		42 114	175 443	
	Medical System		32 293	27 445	
	End-of-service benefits schemes		75 436	-	
	Debtors- Scraps		1 284	24	
	Total		891 317	848 287	

22	Loans and bank credit facilities	9/30/2025	9/30/2025	31/12/2024	31/12/2024
	Loans	EGP000	USD000	EGP000	USD000
	National Bank of Egypt long-term installments	591 511	12 111	627 862	12 364
	National Bank of Egypt long-term installments (CHP)	393 508	8 057	471 991	9 295
	National Bank of Egypt accrued loan installments during the yea	119 600	2 449	507 800	10 000
	National Bank of Egypt accrued loan installments during the yea	97 461	1 996	-	-
	National Bank of Kuwait Loan-short term	297 023	6 082	-	-
	National Bank of Kuwait Loan-short term	74 915	-	-	-
	Accrued deposit interests	20 742	426	28 411	559
	<b>Total</b>	<b>1 594 760</b>	<b>31 120</b>	<b>1 636 064</b>	<b>32 218</b>

-The Company signed credit facility contracts in 19/10/2021 with National bank of Egypt in for five years ending 18/1/2027 for paying the current payables and the company received 50 million USD that will be paid on quarter bases 20 equally installments of 2.500 million USD except the last installment amounted 2.364 Million USD

The company has signed financial contract for 5.25 years with the National bank of Egypt to be ended 19/6/2028 in the light of industrial pollution control program on which the company has obtained 16,700 Million USD to be paid on quarter year installments 15 installment with an amount of 1.12 Million USD per installment

The company provided the Bank with the guarantee that from the expiry date of the available period and allowing 6 months from the date of signing the financing, the obligation and pledge to transfer an export proceed covering 120% of the value of the quarterly obligations before the maturity date of the loan is made with the possibility of dealing with those receipts in the absence of benefits payable.

Short-term loan for a period of 4 months from the National Bank of Kuwait amounting to 2.30 million USD to meet current liabilities

Short-term loan for a period of 4 months from the National Bank of Kuwait amounting to 56 million EGP to meet current liabilities

	9/30/2025	9/30/2025	31/12/2024	31/12/2024
Bank credit facilities	EGP000	USD000	EGP000	USD000
NBK credit facility USD	472 871	9 682	216 922	4 272
Ahli united bank credit facility USD	727 699	14 900	555 109	10 932
Export development Bank credit facility USD	71 208	1 457	152 470	3 002
NBK credit facility EGP	5	-	61 209	-
Export development Bank credit facility EGP	540 202	-	273 014	-
<b>Total</b>	<b>1 811 985</b>	<b>26 039</b>	<b>1 258 724</b>	<b>18 206</b>

-The Company signed credit facility contracts with National bank of Egypt for six months renewed up to a maximum of 5 million USD or equivalent in Egyptian Pounds to pay current dues when needed.

-The company signed credit facility contracts with the Arab bank for six months renewed with maximum of 5 million USD or equivalent in Egyptian Pounds to pay current dues when needed.

-The company has signed credit facilities with AlAhli united bank for six months with up to 30 million USD to pay current dues when needed

-The company has signed credit facility with National bank of Kuwait for 1 year with up to 300 million EGP or equivalent by USD to pay current dues when needed

-Short term credit facility with Export development bank amounted 900 thousand USD for to pay current dues when needed guaranteed with a million USD deposit .

-Short term credit facility with Export development bank with up to 500 million EGP for to pay current dues when needed guaranteed with a billion EGP deposit .

<b>23</b>	<b>Revenue :-</b>	<b><u>Quantity sold</u></b>	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
<b>23/1</b>	<b>Sales (net)</b>	<b><u>Tons</u></b>	<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Ethylene	24 575	1,185.580	965.797
	Poly -ethylene*	136 290	7,550.942	7,156.989
	Unprocessed petroleum gas	20 165	488.411	564.561
	Biotin	2 447	164.646	182.219
	Naphtha	642	7.601	36.742
	Ethan	17	1.752	13.860
	CO2	15 890	4.999	2.531
	LPG Unit Returns	4 954	94.816	43.732
	Net importer for sale	28 552	1,412.813	1,051.926
	<b>Total</b>		<b><u>10,911.560</u></b>	<b><u>10,018.357</u></b>
	<b>Poly -ethylene*</b>	<b><u>Quantity sold</u></b>	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
		<b><u>Tons</u></b>	<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Local sales	55 382	3,220.470	3,672.275
	Export	80 499	4,317.988	3,477.973
	Waste production	408	12.483	6.741
	<b>Total</b>	<b><u>136 290</u></b>	<b><u>7,550.942</u></b>	<b><u>7,156.989</u></b>
<b>23/2</b>	<b>Investment revenue</b>		<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
			<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Right of use		30.541	7.924
	Investments in Athedico company		166.298	344.625
	<b>Total</b>		<b><u>196.839</u></b>	<b><u>352.549</u></b>
<b>23/3</b>	<b>Other operating revenues</b>		<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
			<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Revenue from scrape production		30.993	33.311
	<b>Total</b>		<b><u>30.993</u></b>	<b><u>33.311</u></b>
<b>23/4</b>	<b>Other income</b>		<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
			<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Other miscellaneous revenue		11.729	5.028
	Compensations		6.497	0.010
	Capital gain		1.563	0.000
	<b>Total</b>		<b><u>19.788</u></b>	<b><u>5.038</u></b>
<b>23/5</b>	<b>Credit Interest</b>		<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
			<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Interest from deposits treasury & investments documents		364.406	408.154
	<b>Total</b>		<b><u>364.406</u></b>	<b><u>408.154</u></b>
<b>23/6</b>	<b>Foreign currency gain</b>		<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
			<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Foreign currency gain		90.849	-
	<b>Total</b>		<b><u>90.849</u></b>	<b><u>-</u></b>

<b>24</b>	<b>Expenditures</b>		
<b>24/1</b>	<b>Cost of goods sold</b>	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
		<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Salaries & wages	990.258	1,056.705
	Raw materials & supplies	5,419.397	4,897.799
	Service requirements	1,018.128	1,020.328
	Depreciation	42.588	36.061
	Add - finished goods beginning balance	443.450	289.103
	Less - finished goods ending balance	(394.943)	(458.327)
	Cost of imported product for sale	1,368.423	805.825
	<b>Total</b>	<b><u>8,887.301</u></b>	<b><u>7,647.494</u></b>
<b>24/2</b>	<b>Marketing expenses</b>	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
		<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Salaries & wages	24.375	31.946
	Tools and equipment	0.007	0.005
	Service equipment	122.013	85.694
	<b>Total</b>	<b><u>146.395</u></b>	<b><u>117.645</u></b>
<b>24/3</b>	<b>General and administrative expenses</b>	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
		<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Salaries & wages	167.928	172.412
	Materials and supplies	6.628	3.829
	Service supplies	244.278	216.438
	Depreciation	27.289	11.223
	Board of directors meeting attendance allowances	0.034	0.037
	<b>Total</b>	<b><u>446.157</u></b>	<b><u>403.939</u></b>
<b>24/4</b>	<b>Provisions</b>	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
		<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Expected credit losses	35.012	26.966
	<b>Total</b>	<b><u>35.012</u></b>	<b><u>26.966</u></b>
<b>24/5</b>	<b>Other expenses</b>	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
		<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Donations and assistance to third parties	7.448	6.180
	Solidarity contribution	28.393	26.182
	<b>Total</b>	<b><u>35.841</u></b>	<b><u>32.362</u></b>
<b>24/6</b>	<b>Finance expenses</b>	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
		<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Finance expenses	288.914	198.453
	<b>Total</b>	<b><u>288.914</u></b>	<b><u>198.453</u></b>
<b>25/7</b>	<b>Foreign exchange losses</b>	<b><u>9/30/2025</u></b>	<b><u>9/30/2024</u></b>
		<b><u>Million EGP</u></b>	<b><u>Million EGP</u></b>
	Foreign exchange losses	-	28,267
	<b>Total</b>	<b><u>-</u></b>	<b><u>28 267</u></b>

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

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**25- The company’s compliance status :**

- The company is subject to the provisions of the Guarantees and Investment Incentives Law No. 8 of 1997 and its Executive Regulations (which has been replaced by Law No. 72 of 2017) and Law No. 159 of 1981 promulgating the Law of Joint Stock Companies, Partnerships Limited by Shares, Limited Liability Companies, and Single Person Companies, taking into account the provisions of Law No. 95 of 1992 issuing the Capital Market Law and its Executive Regulations. The company also follows the system of advance payments in accordance with Law 91 of 2005 and its amendments, noting that the company was exempt from corporate income tax until 2010 in accordance with the provisions of the Guarantees and Investment Incentives Law No. 8 of 1997 and its Executive Regulations.

**25-1 Corporate income tax**

- The company is subject to the law no 91 for the year 2005 and its amendments with consideration of the law no 206 for year 2020 and The Unified Tax Procedures Law and its amendments as well as its Executive Regulations

**A-Payroll tax**

**Commitment status:**

- The yearly income tax return submits in legal dates and the company regularly paid the tax up till 2023

**Inspection status:**

- The period till 2019 was inspected, and inspection differences were paid.
- The company has been inspected 2020 till 2022 and all variances are under settlement.

**B- Corporate income tax**

**Commitment status:**

- The company submits Tax return on its date on a regular basis and the company regularly pays the taxes till 2023.

**Inspection status :**

- Tax inspection has taken place till 2014 and all the variances have been paid
- Tax inspection has taken place for the years from 2015 till 2019 resulting tax differences, and the company appealed it, the internal committee discussed it, and documents were presented, but the committee has not issued the report up to date
- The company has not been notified for inspection from year 2020

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**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

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**C-Withholding tax- debit account**

**Commitment status :**

- The company is subject to the advance payments system from the date of its submission in 2011 in accordance with the requirements of the law. The company is committed to pay the estimated amounts during the year. The tax is settled with the tax return at the end of the tax period, and interest is calculated on those payments in accordance with the law.

**Inspection status :**

- The company has not received any claims from the Tax Authority to date.

**D-Withholding tax-credit account**

**Commitment status :**

- The provided models are submitted on legal dates, and the company is regular in paying the amounts it deducts from the customers of the Tax Authority to date on a quarterly basis.

**Inspection status :**

- The company has not received any claims from the Tax Authority to date.

**25-2 Stamp tax**

- The company is subject to stamp tax in according to the law no 111 for year 1980 and its amendments, with consideration of the law no 206 for year 2020 .

**Commitment status :**

- The company regularly submits tax reports on its due dates and regularly pays the tax up to date

**Inspection status :**

- The period from the beginning till 2014 was examined, and inspection differences were paid.
- The period from 2015 till 2018 was inspected, and the results were appealed, which to shift the dispute to the internal committee.
- The company has been inspected 2019 till 2021 and all variances are settlement.
- The company has not been notified of the inspection for the years from 2019 till 2023.

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**Notes to the Financial Statements (Continued)**

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**25-3 Value added tax:**

The company is a subject to law No.67 for year 2016 for value added tax and it's amendments taking in consideration law No. 206 for year 2020 and The Unified Tax Procedures Law and its amendments

**Commitment status :**

- The models are submitted on legal dates, and the company paid monthly tax.

**Inspection status :**

- The period since operation till year 2017 was examined, and inspection differences were settlement with tax authority.
- The years from 2018 till 2021 have been inspected.
- The years from 2022 till 2023 are under inspection .

**25-4Real estate tax :**

The company is subject to law No. 196 for year 2008 for real estate no 206 for year 2020 and The Unified Tax Procedures Law and its amendments as well as its Executive Regulations **estate tax** with consideration of the law

**Commitment status:**

- The company submits and pay the tax return on legal dates, and the company paid all due tax till 2024 .

**Inspection status:**

- The company's headquarters was inspected and the rental value on which the tax on built real estate is calculated and the beginning of the application was determined from the first of July 2013, and the five-year estimate was re-estimated and the rental value was paid until 2022.

**26-Quality certificates**

- The company is keen to follow up and apply the latest systems in the transition to a clean and safe environment and to achieve the highest levels of safety and security. The company has obtained the following certificates:
- ISO (9001: 2015).
- Occupational Safety and Health Certificate (45001: 2018).



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### **Notes to the Financial Statements (Continued)**

#### **For the financial period ended September 30, 2025**

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- Environmental Protection Certificate (14001: 2015).
- Energy Systems Management Certificate (50001: 2018)
- All of the company's products are certified for Food Approval Certificate.
- Non-Organoleptic Compound certificate.
- International accreditation certificate for laboratories certificate (17025: 2017).
- The company obtained a letter of compliance with ISO 26000 system in the field of social responsibility.

### **27 Environmental and Social responsibility**

#### **27-1 Corporate environmental responsibility**

- The company has maintained the slogan of a clean and safe environment since its inception by continuously controlling environmental manifestations in order to preserve natural resources and prevent or reduce environmental risks by working in line with the following laws, legislation and instructions:
- Egyptian Environmental Law No. 4 of 1994 and Environmental Law No. 9 of 2009.
- Industrial Exchange Law No. 48 of 1982.
- Minister of Petroleum Decision No. 673 of 1999 regarding the list of hazardous substances and waste within the petroleum sector.
- The company's occupational safety, health and environmental protection management system.
- Obtaining the environmental approval from the Environmental Affairs Agency for the Environmental Impact Assessment Study of Type (B) for the project of establish a sewage treatment plant in the company's administrative buildings.
- Maintaining the cleanliness of the environment, air measurement, and the safe disposal of hazardous and solid waste in the company by regularly delivering it to the hazardous waste landfill in Alexandria while improving the performance of the units, which reduced the quantities of waste generated, as well as the commitment to contracting with specialized companies to transport hazardous waste to the landfill.
- **27-2 Social and sustainable responsibility**
- The company has adopted a clear policy towards commitment to social responsibility, taking into account the rules adopted by the United Nations (SDGS) in the field of sustainable development, where ten goals have been achieved out of the seventeen goals targeted by the system.

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**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

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- The company believes in its social role in developing the surrounding environment and the importance of the humanitarian role, contributing since its establishment to develop the surrounding environment and near villages in many areas, including:
- Donating and making a permanent contribution in the field of health and medical treatment and purchasing medical devices and all medical supplies for public hospitals to help them confront the new Corona virus.
- Donate and contribute permanently to charitable civil society organizations in the region and the villages surrounding the company and provide their needs to raise the level of the region's infrastructure.
- Donate and contribute to universities, institutes and government schools surrounding the company to provide their needs to support the educational process.
- The company, within its framework of its expansions and its continuous interest in the surrounding community environment, holds community consultation sessions for the people of the region and popular and executive movements to participate and reach the best ways and what benefits the development and service of the region within the framework of implementing the expansions. the company carries out its role within the limits decided by the company's general assembly.
- To confirm Sidpec's commitment to comply with Egypt's 2030 Strategy for sustainable development, the annual sustainability report was published during 2022, which included the company's various activities carried out in support of and in compliance with the ten principles of the United Nations Global Compact, as well as the seventeen goals of sustainable development.
- **28-Subsequent events**
- The Ordinary General Assembly, held on 10/4/2025, in light of its approval of the company's financial statements for the fiscal year 2024, agreed to distribute cash shares with a coupon value of 1/share in two installments, the first installment being during the month of May 2025 and with a value of 0.5 per share, and the second installment being during the month of October 2024 and with a value of 0.5 pounds per share. The disbursement was made through Misr for Clearing.

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

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- The decision of the Ordinary and Extraordinary General Assembly was issued in their sessions held on 10/4/2025 approving the increase of the company's issued capital from 1.81440 billion to 2.268000 billion by distributing 226800 million free shares with a nominal value of 2 pounds per share, at a rate of 1 share for every 4 shares and all required procedures are in progress .
- Most of the world, including Egypt, have been exposed since the first quarter of 2022 to a state of economic slowdown at the global and local levels as a result of the repercussions of global conflicts, especially the Russian-Ukrainian war and the delay in supply chains, which appeared to affect all activities differently in Egypt
- As for the company, it has achieved a balance between following proactive measures to change its work cycle to meet operating and production requirements to maintain the continuity of the production process, so the company's operational capabilities and the operational capabilities of individuals were not affected.
- As for the size and nature of the potential financial impacts of these risks on the items of the financial statements and the company's activities during future periods, the management does not believe that it is currently possible to determine a quantitative estimate of the potential impact at this stage and in light of the lack of determination of the duration and effects of global conflicts, as the size of the impact varies according to the expected extent and time period in which these events and their impact are expected to end.
- The Board of Directors of the company approved during 2023 the fair value study report for the shares of both Sidpec and Ethidco, prepared by the independent financial advisor (Bakertelli Financial Consulting Company), for the purpose of Sidpec acquiring Ethidco shares using the share exchange mechanism. The Board also issued its initial approval for the exchange ratio and the proposal to increase the company's issued and paid-up capital according to the following:
  - Increasing the company's capital by a maximum of 876,905,118 shares and allocating those shares to the shareholders of Ethidco who responded to the exchange, without exercising the priority rights in the subscription for the old shareholders of Sidpec Company.
  - The Board of Directors approved the adoption of the disclosure form in accordance with Article No. 48 and authorized Mr. Engineer / Chairman of the Board of Directors and Managing Director to introduce any amendments that the General Authority for Financial

**Sidi Kerir Petrochemicals (Sidpec) “S.A.E”**

**Notes to the Financial Statements (Continued)**

**For the financial period ended September 30, 2025**

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Supervision deems appropriate to the disclosure form and to proceed with the procedures for calling an extraordinary general assembly to approve the increase in the company's capital and amend Articles (6 and 7) and to authorize the Board of Directors to amend the company's articles of association in accordance with the shares subject to exchange.

- The company's board of directors agreed on 9/20/2023 to postpone the acquisition deal of SIDPEC of EthydcO until the completion of the procedures for studying one of the strategic investors to acquire a stake in the capital of EthydcO through the partial exit of some of the company's shareholders.
- The company's board of directors approved on 10/29/2023 the draft shareholders' agreement for EthydcO Company, which will be signed with Alpha Oryx Limited, which acquired a 30% stake in EthydcO Company's shares after obtaining the necessary legal approvals, fulfilling the preconditions, and authorizing the Chairman of the Board of Directors and the Managing Director to sign it.
- The Prime Ministerial Resolution No. 1711 of 2024 was issued amending some provisions of the Egyptian Accounting Standards, and the company has taken it into consideration, as the currency differences resulting from translating the remaining balance of the obligations with which the assets were financed were recognized within the cost of assets, and the differences in the valuation of assets and liabilities of a monetary nature in foreign currencies were recognized within the items of comprehensive income.
- Prime Ministerial Resolution No. 3527 of 2024 was issued on 10/23/2024 amending some provisions of the Egyptian Accounting Standards by adding a new standard No. 51 "Financial Statements in Hyperinflationary Economies"
- This standard requires adjusting financial statements prepared in the currency of a hyperinflationary economy with the aim of providing useful information about the financial position of the entity, its performance and changes in its financial position to a wide range of users to make economic decisions based on a fair presentation of the financial statements.
- the decision shall be activated after a decision is issued by the Prime Minister or his delegate to determine the start and end date of the financial period or periods during which this standard must be applied when the currency of registration is the local currency, taking into account paragraphs (a), (b), and (c), which has not been issued to date