

**National Printing S.A.E**

Separate financial statements.

Together with the auditor's report  
for the year end December 31,2025



Saleh, Barsoum & Abdel Aziz

Grant Thornton

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**Saleh, Barsoum & Abdel Aziz**

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*Translation of auditors' report*  
*Originally issued in Arabic*

### Auditors' Report

**To: The Shareholders of National Printing - S.A.E.**

#### **Report on the separate financial statements**

We have audited the accompanying separate financial statements of National Printing Company - S.A.E, which comprise the separate statement of financial position as of December 31, 2025, and the related separate statements of profit or loss, comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's responsibility for the separate financial statements**

These separate financial statements are the responsibility of the Company's management, Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with the Egyptian Accounting Standards and the applicable Egyptian laws. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

#### **Auditors' responsibility**

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and the applicable Egyptian laws, those standards require plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's professional judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the separate financial statements.



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Grant Thornton

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### Opinion

In our opinion, the separate financial statements referred to above, present fairly in all material respects, the separate financial position of National Printing Company - S.A.E as of December 31, 2025 and of its separate financial performance and its separate cash flows for the year then ended, in accordance with the Egyptian Accounting Standards and the related applicable Egyptian laws and regulations.

### Report for other legal and organizational requirements

The Company maintains proper books of accounts, which include all that is required by law and by the statutes of the Company. The separate financial statements are in agreement thereto.

The financial information referred to in the Board of Director's report is prepared in compliance with Law No. 159 of 1981 and its Executive Regulations thereto and is in agreement with the Company's books of accounts in so far so such information is recorded therein.

Cairo: April 21, 2026

Kamel Magdy Saleh FCA,

FESAA (R.A.A. 8510)

Accountants  
FRA Register No. "69"

Auditors



**National Printing Company**  
**"S.A.E."**  
**Separate statement of financial position**  
**As of December 31, 2025**

	<u>Note No.</u>	<u>December 31, 2025 EGP</u>	<u>December 31, 2024 EGP</u>
<b><u>Assets</u></b>			
<b><u>Non-current assets</u></b>			
Fixed assets (net)	(6)	5 733 568	6 301 527
Investments in subsidiaries	(5)	310 999 742	206 861 740
<b>Total non-current assets</b>		<b>316 733 310</b>	<b>213 163 267</b>
<b><u>Current assets</u></b>			
Due from related parties	(7)	--	170 369 366
Other debit balances	(9)	829 158	134 544 841
Cash & cash equivalents	(8)	58 807 613	618 873
<b>Total current assets</b>		<b>59 636 771</b>	<b>305 533 080</b>
<b>Total assets</b>		<b>376 370 081</b>	<b>518 696 347</b>
<b><u>Equity and liabilities</u></b>			
<b><u>Shareholders' Equity</u></b>			
Issued and paid-up capital	(13)	215 338 669	211 710 380
Legal reserve	(13)	107 669 335	2 028 865
Special reserve	(13)	3 566 306	--
Retained earnings \ accumulated (losses)		27 203 271	( 167 663 052)
Net profit of the year		6 868 891	205 122 445
<b>Total equity</b>		<b>360 646 472</b>	<b>251 198 638</b>
<b><u>Current liabilities</u></b>			
Provisions	(12)	7 167 431	7 167 431
Due to related parties	(10)	368 981	249 305 795
Other credit balances	(11)	8 187 197	11 024 483
<b>Total current liabilities</b>		<b>15 723 609</b>	<b>267 497 709</b>
<b>Total Equity and liabilities</b>		<b>376 370 081</b>	<b>518 696 347</b>


- The accompanying notes form an integral part of the separate financial statements and should be read there with.


  
**Financial Manager**  
**Ahmed Abaza**

**Managing Director**  
**Mr / Sherif El Moallem**

**Chief executive director**  
**Eng / Ibrahim El Moallem**

Auditors' report attached.





**National Printing Company**  
**"S.A.E."**  
**Separate statement of profit or loss**  
**For the financial year ended December 31, 2025**

	<u>Note</u> <u>No.</u>	<u>For the financial year ended on</u>	
		<u>December 31, 2025</u>	<u>December 31, 2024</u>
		<u>EGP</u>	<u>EGP</u>
Dividends from subsidiaries	(17)	48 008 288	294 450 830
<b>Total Operating revenue</b>		<b>48 008 288</b>	<b>294 450 830</b>
General and administrative expenses		(46 635 871)	(55 900 777)
Finance costs		(36 537 839)	(70 852 226)
Credit interest		46 034 313	42 523 670
Foreign currency exchange differences		--	94 744
Board of director's salaries and bonuses	(15)	(4 000 000)	(4 800 000)
Capital Gain		--	1 075 000
Other income		--	4 731 204
Provision Formed		--	(6 200 000)
<b>Net profit for the year before tax</b>		<b>6 868 891</b>	<b>205 122 445</b>
Current income tax		--	--
<b>Net profit for the year after tax</b>		<b>6 868 891</b>	<b>205 122 445</b>
<b>Earning per share of the year (EGP / share)</b>	(16)	<b>0.03</b>	<b>0.97</b>

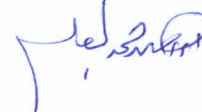
- The accompanying notes form an integral part of the separate

  
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National Printing Company

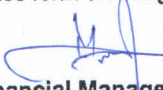
"S.A.E."


Separate statement of other comprehensive income

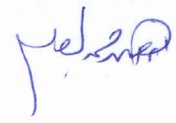
For the financial year ended December 31, 2025

	<u>For the financial year ended on</u>	
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>EGP</u>	<u>EGP</u>
Net profit for the year	6 868 891	205 122 445
<u>Other comprehensive income</u>		
Total other comprehensive income for the year	--	--
Total comprehensive income for the year	<u>6 868 891</u>	<u>205 122 445</u>

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Mr / Sherif El Moallem  


Chief executive director  
Eng / Ibrahim El Moallem  


National Printing Company


"S.A.E."


Separate statement of changes in equity


For the financial year ended December 31, 2025

	<u>Issued and paid-up capital</u>		<u>Legal reserve</u>		<u>Special reserve</u>		<u>Accumulated (losses) \ retained earnings</u>		<u>Net profit for the year</u>		<u>Total</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Balance as of January 1, 2024	211 710 380	1 968 770	--	--	(168 804 865)		1 201 908		1 201 908		46 076 193
Transferred to legal reserve	--	60 095	--	--	(60 095)		--		--		--
Transferred to accumulated losses	--	--	--	--	1 201 908		(1 201 908)				--
<u>Other comprehensive income</u>											
Net income for the year	--	--	--	--	--		205 122 445		205 122 445		205 122 445
Balance as of December 31, 2024	211 710 380	2 028 865	--	--	(167 663 052)		205 122 445		205 122 445		251 198 638
Transferred to accumulated losses	--	--	--	--	205 122 445		--		(205 122 445)		--
Transferred to legal reserve	--	10 256 122	--	--	(10 256 122)		--		--		--
Impact of Share swap action	3 628 289	95 384 348			3 566 306		--		--		102 578 943
<u>Other comprehensive income</u>											
Net income for the year	--	--	--	--	--		6 868 891		6 868 891		6 868 891
Balance as of December 31, 2025	215 338 669	107 669 335			3 566 306		27 203 271		6 868 891		360 646 472

- The accompanying notes form an integral part of the separate financial statements and should be read there with.

  
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Chief executive director  
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**National Printing Company**

**"S.A.E."**


**Separate statement of cash flow**

**For the financial year ended December 31, 2025**

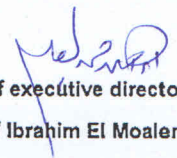
	<u>Note</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>No.</u>	<u>EGP</u>	<u>EGP</u>
<b><u>Cash flows from operating activities</u></b>			
Net profit for the year before tax		6 868 891	205 122 445
<b><u>Adjustments:</u></b>			
Dividends from Investments in subsidiaries	(17)	(48 008 288)	(294 450 830)
Depreciation of fixed assets	(6)	795 959	195 062
Capital Gain		-	(1 075 000)
Credit interest income		( 46 034 313)	(42 523 670)
Finance costs		36 537 839	70 852 226
Provision Formed		-	6 200 000
<b>Operating (Loss) before changes in working capital</b>		<b>(49 839 912)</b>	<b>(55 679 767)</b>
Decrease / (Increase) in due from related parties		170 369 366	(37 283 973)
Decrease in other debit balances		1 213 165	2 183 145
(Decrease) / Increase in due to related parties		( 248 936 814)	82 618 149
(Decrease) / Increase in other credit balances		( 4 396 345)	8 707 902
<b>Net cash flows (used in) / generated from operating activities</b>		<b>( 131 590 540)</b>	<b>545 456</b>
<b><u>Cash flows from investing activities</u></b>			
Proceeds from credit Interest		46 034 313	42 523 670
(Payments) for the purchase of fixed assets	(6)	( 228 000)	( 5 235 965)
Proceeds from the sale of fixed assets		-	1 075 000
Proceeds from dividends of subs. companies		180 510 806	161 948 313
<b>Net cash flows generated from investing activities</b>		<b>226 317 119</b>	<b>200 311 018</b>
<b><u>Cash flows from financing activities</u></b>			
Payments for loans during the year		-	(142 853 370)
Payments for interest during the year		(36 537 839)	(70 852 226)
<b>Net cash flows (used in) financing activities</b>		<b>(36 537 839)</b>	<b>(213 705 596)</b>
Net change in cash and cash equivalents during the year		58 188 740	( 12 849 122)
Cash and cash equivalents at the beginning of the year		618 873	13 467 995
<b>Cash and cash equivalents at the end of the year</b>	<b>(8)</b>	<b>58 807 613</b>	<b>618 873</b>

\*The effect of non-cash transactions amounting to EGP 104 138 002 representing the value of amounts settled for increasing investments in subsidiary companies through a share-swap transaction has been excluded in order to arrive at the cash amounts paid (Note 5)

\*\*The effect of non-cash transactions amounting to EGP 3 628 289 representing the increase in the Company's share capital resulting from a share-swap transaction has been excluded in order to arrive at the cash amounts paid (Note 13)

  
Financial Manager  
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Chief executive director  
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**National Printing Company**  
**"S.A.E."**  
**Notes to the separate financial statements**  
**For the financial year ended December 31, 2025**

**1- Company Overview:**

National printing Company "S.A.E." was established under the provisions of Law No. 159 of 1981 and its executive regulations, The company was registered at the Commercial Register on June 5, 2006, under No. 14702. The company's duration is 25 years starting from the date the company was registered at the Commercial Register.

The company is located at 8 Sebouh El Masry Street, Nasr City, Cairo-Egypt. and Chairman of board of Directors is Engineer Ibrahim al-Moalem.

**Company purpose**

The purpose of the company is activity of owning, establishing, constructing, and operating companies and factories in all types of printing and its categories, using contemporary technologies and those that may emerge in the future, this includes cultural, industrial, artistic, and commercial printing, as well as binding, packaging, and wrapping.

Engaging in the ownership, establishment, and operation of companies and factories specializing in the production of all types of packages made from various materials such as paper, plastic, tinfoil, aluminum, and others, in addition to manufacturing activities in the converting, paper, and chemical industries in all their types and forms.

Working in the field of owning, establishing, and operating companies and factories for the production of writing, printing, and drawing paper, wrapping and packaging paper, and cardboard (excluding kraft).

Working in the field of owning, establishing, and operating companies and factories for the manufacture of packaging and packing materials in general.

The separate financial statements for the financial ended as of December 31, 2025 were approved by the Board of Directors on April 21, 2026.

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

The separate financial statements have been prepared in accordance with the Egyptian Accounting Standards (EAS) and applicable related laws and regulations. The separate financial statements have been prepared under the historical cost convention.

The Egyptian Accounting Standards require reference to the International Financial Reporting Standards (IFRS) for events and transactions for which no Egyptian accounting standard has been issued that specifies how they should be treated.

**3- Critical accounting judgments and key sources of estimation uncertainty**

In the application of the company accounting policies, management is required to make judgments, estimates and assumptions to determine the carrying amounts of assets, liabilities that cannot be clearly measured through other sources.

Those estimates and associated assumptions are based on management historical experience and other factors. That are considered to be relevant. Actual results may differ from the estimates, therefore these estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions of accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods (prospectively) if the revision affects both current and future periods.

### **Significant estimates in applying accounting policies**

The following are the critical judgements and estimates practiced by management in the process of applying the Company's accounting policies, and that have the most significant effect on the amounts recognized in the separate financial statements:

#### **Key sources of uncertainty estimation**

##### **Useful life for tangible assets**

The management determines the useful lives of the Property, plant and equipment based on the expected use of an asset, depreciation of the asset, and technological development according to management previous experience in this industry. A revision in an asset's life expectancy may affect its future depreciation which will be recorded in the statement of profit or loss.

##### **Expected Credit Losses in Accounts & Notes receivable, other debit balances and other current assets**

Expected credit losses (ECL) represent a probability-weighted estimate of credit losses. Trade receivables are presented net of expected credit losses. The Company applies the simplified approach under Egyptian Accounting Standard (EAS) 47 "Financial Instruments" when measuring expected credit losses, using a loss allowance based on lifetime expected credit losses for trade receivables.

To determine expected credit losses, trade receivables are grouped according to shared credit-risk characteristics and the aging profile of the outstanding balances. Historical loss rates are adjusted to reflect current and forward-looking information related to macroeconomic factors that may influence customers' ability to settle their receivables. The Company may incorporate additional relevant factors to ensure that the expected credit loss estimate appropriately reflects the most correlated and significant indicators. Accordingly, historical loss rates are revised based on anticipated changes in these factors, while also considering the need to avoid undue cost or effort.

Expected credit losses are reassessed at each reporting date. Any increases or reversals in the expected credit loss allowance are recognized in profit or loss based on the updated assessment.

##### **Provisions**

Provisions are related to expected claims from certain authorities and parties related to the Company's operations. Such claims cannot be reliably measured, so estimated amounts can differ in the future.

##### **Deferred tax**

The assessment of deferred tax assets and liabilities is based on management's judgment. Deferred tax assets are recognized, only if, they are probable to be utilized. Deferred tax asset arising from tax losses carried forward, is recognized to the extent that it is probable that a future taxable profit will be sufficient, against which those carried forward losses can be utilized. Estimation is based on variable factors, such as future operating results. If a difference is identified between the actual and estimated amount of the asset, this may reduce it to the extent to which sufficient future taxable profits will be available to allow the deferred tax asset to be recovered.

#### **4- Significant Accounting Policies**

The following are the significant accounting policies applied in the preparation of the separate financial statements. These policies have been applied consistently throughout the presented periods unless otherwise stated, and are outlined as follows:

##### **a. Investments in subsidiaries**

A subsidiary is an entity that is controlled by another entity called the parent company. Control is achieved when the company has authority over the investee, is exposed to—or has rights to—variable returns arising from its involvement with the investee, and has the ability to use its authority to affect those returns.

The investments in the subsidiaries companies are recognized at acquisition cost, and in case of impairment in its value, the carrying amount for investment is reduced by the same amount of this impairment and charged to the separate profit or loss statement for every investment separately.

The company reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed below. When the Company's share represents less than the majority of the voting rights of an investee, it may still have authority over the investee if the voting rights it holds are sufficient, on their own, to give it the practical ability to direct the 'relevant activities' of the investee. The Company considers all relevant facts and circumstances to assess whether its voting rights are sufficient to grant it authority over the investee—including:

- The volume of voting rights held by the company compared to the volume and distribution of voting rights held by other holders of those rights.
- Future voting rights held by the company and held by other rights holders, including any other parties.
- Rights arising from other contractual arrangements.
- Any other facts and circumstances that indicate that the company currently has the ability – or does not have that ability – to direct relevant activities at the times when decisions need to be made – including the pattern in which decisions were voted on at previous shareholder meetings.

**b. Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there are any indications that those assets have suffered an impairment loss .If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and those not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The recoverable amount of an asset (or cash-generating unit) is represented in the higher of "fair value less costs to sell" or "value in use".

Future estimated cash flows from use of an asset (or cash-generating unit) are discounted using discount rate before tax to reach the present value for these cash flows which represent their value in use. This rate reflects the current market estimates for the time value of money and the risks related to this asset that have not been taken into consideration when estimating the future cash flows generated. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

### **Property, Plant & Equipment & Depreciation**

All items of property, plant, and equipment are presented in the statement of financial position at historical cost, which represents their fair value at the acquisition date, less accumulated depreciation and accumulated impairment losses, except for land and artwork, which is stated at cost less impairment losses. The cost of a fixed asset includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the assets carrying amount or recognized separately depending on the case only when it is probable that future economic benefits associated with the item will flow to the company and the acquisition cost of the item can be measured reliably. Repair and maintenance expenses are charged to the profit or loss statement for the financial year in which they are incurred.

Gains and losses arising from the disposal of fixed assets are determined based on the difference between the net disposal proceeds and the net carrying amount of those assets and are included in the profit or loss statement.

Assets that are still under construction (projects under construction) and intended for future productive or administrative use are recorded at cost less impairment losses. This cost includes consultancy fees. Depreciation of these assets begins when they become ready for use in the purposes for which they were constructed, following the same basis used for depreciating other fixed assets.

Other assets are presented under property, plant, and equipment due to their association with those assets. These other assets are recognized at cost and subsequently measured at cost less accumulated depreciation. The cost of property, plant, and equipment excluding projects under construction, land, and artwork is depreciated using the straight-line method over their estimated useful lives as follows:

<b><u>Asset categories</u></b>	<b><u>Estimated Useful lifetime in Years</u></b>	<b><u>Depreciation Rates</u></b>
Vehicles & transportation	5	20%
Leasehold improvements	10	10%
Computers	10	10%

### **c. Taxes**

#### **Current income Tax**

Taxes are determined in accordance with the Egyptian law on income tax No. 91 of 2005 and its executive regulations and amendments, and the necessary provisions are formed to meet the potential tax according to the results of the examination and study prepared by the company's management in this regard, the value of income tax is the sum of the tax due for the period and deferred taxes.

The tax profit for the year is determined based on tax regulations. The company's tax liabilities for the year are calculated using the tax rates applicable at the date of preparation of the financial statements.

#### **Deferred Tax**

Deferred tax assets and liabilities are recognized on temporary differences between the assets and liabilities tax basis set by the Egyptian Tax Law and its executive regulations, and their carrying amounts per the accounting principles used in the preparation of the financial statements. Accordingly, as of the financial statements date, the company's statement of profit or loss is charged with the tax burden for the period which represents the value of current tax in addition to deferred tax.

Current tax payable is calculated based on taxable profit of the year as determined in accordance with applicable local laws and regulations using tax rates enacted as of the financial statements date. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized, based on tax rates and tax laws that have been enacted at the financial statements date.

Deferred tax is recognized as profit or loss in the statement of profit or loss except when it relates to items charged directly to equity, in which case the deferred tax is also dealt with in equity. Generally, various deferred tax liabilities are recognized (resulting from future taxable temporary differences) whereas deferred tax assets shall not be recognized except to the extent that it is highly probable that these assets can be used to reduce the future taxable profits or there is convincing evidence that sufficient taxable profits will be available in the future. The carrying amount of deferred tax assets is reviewed at each financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are accounted for using the financial position liability method and are reported as non-current assets and liabilities.

**d. Revenue recognition**

**1- Investments revenue**

The revenue from investments in subsidiaries are included in the statement of profit or loss list when the right to receive these distributions is issued in accordance with the decisions of the General Assembly to the shareholders of the companies invested in them and such revenues are measured at the fair value of the amounts received or still owed to the company.

Income (loss) on disposal of financial investments is recognized at transaction date, which represents the difference between selling price (less commissions and expenses) and average cost, which goes in operating revenue and expenses in the profit and loss statement.

**2- Credit interest.**

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate application over the period to maturity.

**e. Dividend payable**

Dividends declared to the shareholders, Board of Directors and employees are recognized as a liability in the separate financial statements in the period in which these dividends have been approved by the Company's shareholders.

**f. Legal reserve**

In accordance with the Company's Articles of Association, 5% should be retained or transferred from the net profit of the previous year to the legal reserve. The appropriation of this percentage shall cease once this reserve reaches 50% of the Company's paid-up share capital. If the reserve decreases below this level, the appropriation must be resumed. The legal reserve shall be used pursuant to a resolution of the General Assembly based on a recommendation from the Board of Directors, in a manner that best serves the interests of the Company

**g. Foreign currency evaluation**

The Egyptian Pound has been designated as the functional currency, as it is the primary currency in which most of the Company's cash inflows and outflows are generated.

Transactions denominated in currencies other than the Egyptian Pound are recorded at the exchange rates prevailing on the date of the transaction.

At the date of preparing the financial statements, monetary assets and liabilities denominated in foreign currencies are retranslated into Egyptian Pounds at the exchange rates prevailing on that date. Foreign exchange gains and losses resulting from this retranslation are recognized in the profit or loss statement for the financial period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at historical cost are not retranslated.

**a- Provisions**

Provisions are recognized when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into account the risks and uncertainties surrounding the obligation.

When a provision is measured using estimated cash flows to settle the present obligation, the carrying amount of the provision represents the present value of those cash flows. If the cash flow is discounted, the carrying amount of the provision increases in each period to reflect the time value of money. This increase in the provision is recognized as a finance cost in the profit or loss statement.

**b- Short-term employee benefits**

Employees paid wages, salaries and paid sick leaves and bonuses and other non-monetary benefits are recognized based on accrual basis in the financial period during which those services were performed.

**c- Statement of Cash Flows**

Cash flows statement has been prepared using the indirect method. For the purpose of preparing the statement of cash flows, cash and cash equivalents include cash balances in current bank accounts and bank deposits with maturities not exceeding three months.

**d- Borrowing and credit facilities**

Borrowings and credit facilities obtained by the Company are initially recognized at fair value, net of transaction costs. Subsequently, these borrowings and facilities are measured at amortized cost, and the difference between the cash proceeds received (after deducting transaction costs) and the amount payable at the maturity date is recognized in the statement of profit or loss over the term of the loan or facility using the effective interest method.

**e- Financial Instruments**

**Initial recognition and measurement**

Receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

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

**Subsequent classification and measurement**

**Financial assets**

An initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or fair value through profit or loss.

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

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

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

A debt investment is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as at fair value through profit or loss:

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

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

All financial assets not classified as measured at amortized cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

This includes all derivative financial assets. An initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### **Financial assets – Business model assessment:**

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

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities, or expected cash outflows or realizing cash flows through the sale of the assets.
- How the performance of the portfolio is evaluated and reported to the Entity's management.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- How managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume, and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss.

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

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

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

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

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

#### **Subsequent measurement – financial assets**

##### **Financial assets at fair value through profit or loss**

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

### **Financial assets at amortized cost**

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

### **Debt investments at fair value through other comprehensive income**

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

### **Equity investments at fair value through other comprehensive income**

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

### **Financial liabilities – Classification, subsequent measurement, and profit and losses**

Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss. A financial liability is classified as measured at fair value through profit or loss if it is designated as such upon initial recognition, if it is held for trading, or if it is a derivative instrument.

### **Financial liabilities**

Financial liabilities measured at fair value through profit or loss are measured at fair value, and net gains and losses including interest expenses are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognized in profit or loss. Any gains or losses on derecognition are also recognized in profit or loss.

### **Derecognition**

#### **Financial Assets**

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

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

#### **Financial Liabilities**

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

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

### **Offsetting**

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

### **Impairment of financial assets**

#### **Non-derivative Financial Assets**

##### **Financial Instruments and Contract Assets**

The company recognizes loss allowances for expected credit losses from:

- Financial assets measured at amortized cost.
- Debt investments measured at fair value through other comprehensive income.
- Contract assets.

The company measures loss allowances for expected credit losses that are disclosed within trade receivables, debtors, and other receivable balances.

The company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following items for which loss allowances are measured at an amount equal to 12-month expected credit losses.

- Debt securities that have low credit risk at the reporting date; and
- Other debt securities and bank balances for which the credit risk has not increased significantly since initial recognition (that is, the risk of default occurring over the expected life of the financial instrument).

The company measures loss allowances for trade receivables, debtors, and contract assets at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition, and when estimating expected credit losses, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative analyses and data, based on the company's past experience, data-driven credit assessments, and forward-looking information.

The company considers a financial asset to be credit-impaired when:

- It is unlikely that the customers or debtors will fulfill all of their credit obligations to the company without the company having to take actions such as enforcing any collateral (if any); or
- The financial asset is more than 90 days past due.

Lifetime expected credit losses represent the expected credit losses that arise from all possible default events over the expected life of a financial instrument. Twelve-month expected credit losses represent the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the instrument's expected life is less than 12 months).

The maximum period considered when measuring expected credit losses is the maximum contractual period during which the company is exposed to credit risk.

#### **Measurement of Expected Credit Losses**

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

Expected credit losses are discounted using the financial asset's effective interest rate.

#### **Credit-impaired Financial Assets**

At each reporting date, the company assesses whether financial assets measured at amortized cost and debt securities measured at fair value through other comprehensive income have become credit-impaired. A financial asset is considered to be "credit-impaired" when one or more events occur that have a detrimental impact on the estimated future cash flows of the asset.

Objective evidence that a financial asset is credit-impaired includes observable data relating to the following events:

- Significant financial difficulty of the debtor;
- A breach of contract, such as default in payments.
- Rescheduling a loan or an advance by the company on terms that the company would not have accepted under other circumstances; or
- It is probable that the debtor will enter bankruptcy or be subject to another financial restructuring.

#### **Presentation of Expected Credit Loss Allowance in the Statement of Financial Position**

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

For debt instruments measured at fair value through other comprehensive income, the loss allowance is recognized in profit or loss, while the corresponding entry is recognized in other comprehensive income.

#### **Write-off policy**

The gross carrying amount of a financial asset is written off when the company has no reasonable expectations of recovering the financial asset in whole or in part. The company generally does not expect to recover a significant portion of amounts that have been written off. However, financial assets that have been written off may still be subject to enforcement activities in order to comply with the company's procedures for recovering outstanding amounts.

#### **Non-financial assets**

At each reporting date, the company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit. An impairment loss is recognized when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the unit, and then to reduce the carrying amounts of the other assets in the unit on a pro-rata basis. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

#### **Effective interest method**

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees or points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts, through the expected life of the financial asset, or, where appropriate, a shorter period to the carrying amount of the asset on initial recognition.

Interest income from debt instruments that are subsequently measured at amortized cost is recognized in profit or loss based on the effective interest rate, and this interest income is presented under the 'Finance Income' line item.

#### **f- Fair value estimation**

The application of the accounting policies stated in Note (4) requires management to use estimates and assumptions to determine the carrying amounts of assets and liabilities that cannot be clearly measured through other sources.

The fair value of financial instruments traded in an active market is based on quoted market prices at the date of the financial statements. Meanwhile, the fair value of financial instruments not traded in an active market is determined by using valuation techniques that rely on market conditions at the date of preparing the financial statements.

**g- Earnings per share**

Basic earnings per share are disclosed. Basic earning per share are calculated by dividing the profit or loss attributable to the company's ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. To determine the net profit attributable to ordinary shareholders, the employees' profit share and the Board of Directors' remuneration are deducted.

**h- Share-Based Compensation**

The cost of a cash-settled award granted to employees is measured by reference to the fair value of the liability at each consolidated balance sheet date until settlement. This cost is recognized as an employee benefit expense in the consolidated statement of income with the corresponding recognition of a liability on the consolidated balance sheet.

The cost of both the equity-settled and cash-settled awards is recognized over the vesting period, which is the period over which the employees render the required service for the award and any non-market performance condition attached to the award is required to be met. Additionally, for a cash-settled award, any changes in the fair value of the liability between the vesting date and the date of its settlement are also recognized in the consolidated statement of income within employee benefit expense.

In determining the fair value of an equity-settled or cash-settled award, an appropriate valuation method is applied. Service and non-market performance conditions are not taken into account in determining the fair value of the award, but during the vesting period the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of awards that are expected to vest. Any market performance conditions and non-vesting conditions are taken into account in determining the award's fair value.

**i- Fair Value Measurement Levels**

Level 1: fair value measurements represent those derived from quoted (unadjusted) prices for identical assets or liabilities in active markets.

Level 2: fair value measurements represent those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), but which are not quoted (unadjusted) prices for identical items in active markets.

Level 3: fair value measurements represent those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

**5- Investment in subsidiaries**

The balance of investment in subsidiaries amounted to EGP 310 999 742 as of December 31, 2025, as follows:

Description	<u>Company's Share</u>	Ownership interest	<u>December 31,2025</u>	<u>December 31,2024</u>
	<u>Capital</u> <u>EGP</u>		<u>EGP</u>	<u>EGP</u>
El Shorouk for Modern Printing and Packing S.A.E*	131 010 000	99.38%	310 999 742	206 861 740
			<u>310 999 742</u>	<u>206 861 740</u>

• On April 4, 2022 the Ordinary General Assembly of National Printing Company approved the sale of its shares in El-Badar Packaging Company at an amount of EGP 150 per share. This resulted in a gain on disposal of investments amounting to EGP 25 125 358.

\*\* On 16 June 2025 the Ordinary General Assembly of National Printing Company approved a share-swap transaction. Under this transaction, the Company will acquire the shares owned by Dar Al-Shorouk for Publishing in El Shorouk Modern for Printing and Packaging (the subsidiary). In return, the Company will issue an increase in its share capital by 3 628 289 new share, representing 1.68% of the Company's share capital. This entire increase will be allocated to Dar Al-Shorouk for Publishing S.A.E. ( Note 13)

6- **Fixed assets (net)**

Description	Vehicles	Leasehold Improvement	Computer	Total
	EGP	EGP	EGP	EGP
<b>Cost</b>				
Cost on January 1, 2024	1 125 000	--	1 050 624	2 175 624
Additions during the year	3 125 000	2 000 000	110 965	5 235 965
Disposals during the year	(675 000)	--	--	(675 000)
<b>Cost on 31 December 2024</b>	<b>3 575 000</b>	<b>2 000 000</b>	<b>1 161 589</b>	<b>6 736 589</b>
Additions during the year	--	--	228 000	228 000
<b>Cost on 31 December 2025</b>	<b>3 575 000</b>	<b>2 000 000</b>	<b>1 389 589</b>	<b>6 964 589</b>
<b>Accumulated depreciation</b>				
Accumulated depreciation on January 1, 2023	915 000	--	--	915 000
Depreciation of the year	90 000	--	105 062	195 062
Disposal Accumulated depreciation	(675 000)	--	--	(675 000)
<b>Accumulated depreciation on December 31, 2024</b>	<b>330 000</b>	<b>--</b>	<b>105 062</b>	<b>435 062</b>
Depreciation of the year	497 500	200 000	98 459	795 959
<b>Accumulated depreciation on December 31, 2025</b>	<b>827 500</b>	<b>200 000</b>	<b>203 521</b>	<b>1 231 021</b>
<b>Net Book Value as at 31 December 2025</b>	<b>2 747 500</b>	<b>1 800 000</b>	<b>1 186 068</b>	<b>5 733 568</b>
<b>Net Book Value as at 31 December 2024</b>	<b>3 245 000</b>	<b>2 000 000</b>	<b>1 056 527</b>	<b>6 301 527</b>

7- **Due form related parties**

	Nature of the transaction	December 31, 2025	December 31, 2024
		EGP	EGP
<b>Current balances</b>			
Grandview Investment Holdings	Current account	--	3 609 040
Citadel Capital for International Investments LTD*	Payment	--	66 866 758
National Printing International holding (Euromena)**	Payment	--	99 893 568
		<b>--</b>	<b>170 369 366</b>

\* The company's Ordinary General Assembly held on June 16, 2025, approved the signing of a loan agreement with Citadel Capital for International Investments "LTD" on January 1, 2025, whereby Citadel Capital borrowed an amount of EGP 66 866 758 (Only EGP sixty six million eight hundred and sixty six thousand and seven hundred and fifty eight) from the company at a corridor lending rate plus a margin of 2.25% annually from the date of signing the agreement. The two parties agreed that Grandview Investment Holdings Corp. will repay the loan value from the proceeds of the offering and sell Grandview Investment Corp.'s stake in the offering company indirectly or on October 25, 2025, whichever is sooner.

During the current period, and as a result of the company's shares being offered on the stock exchange, Citadel Capital for International Investments LTD and Grandview Investment Holdings Corp. settled the outstanding balances owed to National printing Company from the proceeds of the offering process.

\*\* The Company's Ordinary General Assembly, held on 16 June 2025, approved the signing of the loan agreement dated 25 January 2025 to renew the loan agreement with National Printing International S.A.L (NPI), a shareholder of the Company, originally signed on 31 December 2023. Under this agreement, National Printing International S.A.L (NPI) will borrow an amount of EGP 99,893,568 (ninety-nine million eight hundred ninety-three thousand five hundred sixty-eight Egyptian pounds) from the Company at an interest rate equal to the corridor lending rate plus a margin of 2.25% per annum, effective from the contract signing date.

The parties agreed that the borrowing company shall repay the loan from the proceeds of selling its shares in Al Wataniya Printing Company directly as part of the Company's IPO on the Egyptian Exchange, or by 30 December 2025, whichever occurs earlier.

During the current period, and as a result of the Company's shares being listed on the Stock Exchange, National Printing International Holding (Euromena) settled the outstanding balances due to National Printing Company from the proceeds of the offering

**8- Cash & cash equivalents.**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>EGP</u>	<u>EGP</u>
Cash at bank – Current account	58 807 613	613 893
Cash on hand	--	4 980
	<u>58 807 613</u>	<u>618 873</u>

**9- Other debit balances**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>EGP</u>	<u>EGP</u>
Employees custody	123 000	275 000
Other debit balances	706 158	1 767 323
Dividend receivable from a subsidiary (El Shorouk for modern Printing and Packaging) *	--	132 502 518
	<u>829 158</u>	<u>134 544 841</u>

**10- Due to related party**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>EGP</u>	<u>EGP</u>
El Shorouk for Modern Printing and Packaging	368 981	240 899 682
El Badar for Packaging	--	7 339 588
El Motehada for Manufacturing Paper and Carton	--	1 066 525
	<u>368 981</u>	<u>249 305 795</u>

**11- Other credit balances**

<u>Description</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>EGP</u>	<u>EGP</u>
Accrued expense	5 144 747	8 693 703
Accrued Salaries	495 000	--
Tax authority – Withholding tax	59 839	89 624
Tax authority – Value added tax	--	503 544
Tax authority – Payroll tax	880 313	880 313
Other credit balances	1 607 298	857 299
	<u>8 187 197</u>	<u>11 024 483</u>

## 12-Provisions

Description	Balance as of January 2025	Movement during the Year			Balance as of 31 December 2025
		Formed	No longer in use	Used	
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Provision for claims*	7 167 431	--	--	--	7 167 431

Description	Balance as of January 2024	Movement during the Year			Balance as of 31 December 2024
		Formed	No longer in use	Used	
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Provision for claims*	7 167 431	--	--	--	7 167 431

\* These provisions represent the amount that have been recognized as the best available estimates against the required amount to settle the current obligation at the reporting date, these provisions relate to expected claims from some parties and authorities in connection with the company's activities.

## 13-Capital

The company's authorized capital amounted to EGP 2 500 0000 million, and the issued and paid-up capital amounted to EGP 250 000, distributed among 25 000 shares, with a par value of EGP 10 per share.

On December 22, 2005 the extraordinary general assembly decided to increase the issued capital from EGP 250 000 to EGP 100 000 000, this increase was paid fully. And it was reflected in the commercial registry on April 26, 2006.

On November 29, 2006 the extraordinary general assembly decided to increase the issued capital from EGP 100 000 000 to EGP 130 000 000 million, this increase was paid fully. And it was reflected in the commercial registry on December 21, 2006.

On December 9, 2007 the extraordinary general assembly decided to increase the issued capital from EGP 130 000 000 to EGP 152 233 750, this increase was paid fully. And it was reflected in the commercial registry on February 3, 2008.

On October 20, 2011 the extraordinary general assembly decided to increase the issued capital from EGP 152 233 750 to EGP 209 233 750, this increase was paid fully. And it was reflected in the commercial registry on December 4, 2011.

On December 14, 2011 the extraordinary general assembly decided to increase the issued capital from EGP 209 233 750 to EGP 235 233 750, this increase was paid fully. And it was reflected in the commercial registry on January 17, 2012.

Which makes the company's issued and paid-up capital amount to EGP 235 233 750, distributed among 23 523 375 shares, with a par value of EGP 10 per share.

On April 4, 2022 the ordinary general assembly decided to sell 799 400 shares owned by National printing company "S.A.E." to El Shorouk for Modern Printing and Packaging for EGP 150 per share.

On April 24, 2022, the Board of Director decided to purchases 23 523 375 share from the company shares by amount of EGP 54.995 for each share by a percentage of 10% from the total shares as a treasury shares.

On August 7, 2022, ownership of the shares was transferred with the subsequent disposal of these shares will take place within one year from the date of purchase. Ownership of these shares was transferred to the company on August 7, 2022.

According to decision of the Extraordinary General Assembly dated August 27, 2023 of the Company, that approved the decision of the Board of Directors held on August 20, 2023 to reduce the company's issued and fully paid-up capital from 235 233 750 EGP to 211 710 380 EGP, a reduction of EGP 23 523 370 EGP by executing 2 352 337 treasury shares with a nominal value of 10 pounds per share, representing approximately 10% of the total number of company shares. On November 23, 2023, registration was made in the commercial registry of National Printing Company.

On June 6, 2024, the Extraordinary General Assembly approved the stock split of the nominal value of the share from EGP 10 per share to EGP 1 per share. As a result, the company's issued capital became EGP 211 710 380, distributed among 211 710 380 shares, with a nominal value of EGP 1 per share. The company's Articles of Association were amended to reflect these changes on August 11, 2024, and the amendment was registered in the commercial registry on August 12, 2024.

On 16 June 2025, the Extraordinary General Assembly approved a share-swap transaction, whereby the Company will acquire the shares owned by Dar Al-Shorouk for Publishing S.A.E in El Shorouk for Modern Printing and Packaging S.A.E (the subsidiary), amounting to 216 852 shares, representing 1.655% of its share capital. In return, National Printing Company will issue an increase in its share capital amounting to 3 628 289 new shares, representing 1.68% of the Company's share capital, bringing the Company's total share capital to EGP 215 338 669. This entire increase will be allocated to Dar Al-Shorouk for Publishing S.A.E without applying pre-emptive rights, in accordance with Article 32 of the Executive Regulations of the Capital Market Law No. 95 of 1992.

The share-swap transaction is based on the valuation set out in the independent financial advisor's report dated 9 April 2025, which determined the fair value of the Company's share at EGP 28.27 per share. The fair value of the share of El Shorouk for Modern Printing and Packaging S.A.E, according to the same independent financial advisor's report, was determined at EGP 473.04 per share. The resulting swap ratio is 16.73 shares of the company for each one share of El Shorouk for Modern Printing and Packaging S.A.E. The increase in the company issued capital was registered in the commercial register on December 21, 2025 subsequently Misr for Central Clearing, Depository and Registry (MCDR) was formally notified of the capital increase in January 2026.

The effect of the share swap transaction on the company's equity as below

<u>Description</u>	<u>December 31, 2025</u>
Number of Shares acquired in El Shorouk for Modern Printing and Packaging owned by Dar Al-Shorouk for Publishing S.A.E	216 852
Swap ratio based on the valuation determined in the independent financial advisor's report – share	16.73
Number of shares issued as increase in National printing company capital for Dar Al-Shorouk for Publishing S.A.E	3 628 289
The fair value of the share of National Printing Company based on the valuation determined in the independent financial advisor's report- Egyptian pound for each share	28.27
The total impact amount in the Non-controlling interest -EGP	102 578 943
<b><u>Divided as below (Egyptian pound)</u></b>	
Increase in capital share	3 628 289
Increase in the legal reserve	95 384 348
Formed special reserve	3 566 306
<b>Total</b>	<b>102 578 943</b>

#### **14-Financial instruments and related risk**

The financial instruments of the company are represented in financial assets and financial liabilities. The financial assets consist of cash on hand and at banks, due from related parties and other debit balances. The financial liabilities consist of due to related parties, and some of other credit balances.

##### **Liquidity risk**

Liquidity risk is the risk that may affect the Company's ability to repay part or all of its obligations. The Company manages liquidity risk by maintaining an acceptable level of cash and matching the various sources of financing.

<u>December 31, 2025</u>	<u>Less than one year</u> <u>EGP</u>	<u>Total</u> <u>EGP</u>
Non – interest bearing liabilities	15 354 628	15 354 628
Interest bearing liabilities	368 981	368 981
	<u>15 723 609</u>	<u>15 723 609</u>

<u>December 31, 2024</u>	<u>Less than one year</u> <u>EGP</u>	<u>Total</u> <u>EGP</u>
Non – interest bearing liabilities	19 258 439	19 258 439
Interest bearing liabilities	248 239 270	248 239 270
	<u>267 497 709</u>	<u>267 497 709</u>

##### **Credit risk**

This risk is the change in market interest rates which adversely affects business results and values of financial assets and liabilities. The Company monitors interest rate changes on an ongoing basis. In the event of a significant increase in interest rates, the Company relies on its own sources of financing to avoid fluctuations in interest rates and their impact on the fair value of financial assets and liabilities.

##### **Foreign currency risk**

This risk is due to changes in foreign exchange rates that affect foreign exchange payments and receipts as well as foreign currency assets and liabilities.

#### **15-Board of directors' salaries and bounces**

<u>Description</u>	<u>December 31, 2025</u> <u>EGP</u>	<u>December 31, 2024</u> <u>EGP</u>
BOD salaries and bonuses	4 000 000	4 800 000
<b>Total</b>	<u>4 000 000</u>	<u>4 800 000</u>

#### **16-Earnings per share for the Year**

<u>Description</u>	<u>December 31, 2025</u> <u>EGP</u>	<u>December 31, 2024</u> <u>EGP</u>
Net Profit after tax for the year	6 868 891	205 122 445
<b>Divided to:</b>		
Weighted average of outstanding shares of the year	211 819 726	211 710 380
<b>Gain per share from the net profit in year (EGP/Stock)</b>	<u>0.03</u>	<u>0.97</u>

\* In accordance with the resolution of the Ordinary General Assembly of National Printing Company held on 16 June 2025, the company approved a share-swap transaction. Under this transaction, National Printing S.A.E. will acquire the shares owned by Dar Al-Shorouk for Publishing S.A.E. in El Shorouk for Modern Printing and Packaging S.A.E. In exchange, National Printing will issue an increase in its share capital amounting to 3 628 289 shares, representing 1.68% of the company's share capital, bringing the capital to EGP 215 338 669. This entire capital increase will be allocated to Dar Al-Shorouk for Publishing S.A.E.(Note 13)

#### 17- Dividend distributions from subsidiary companies

<u>Description</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>EGP</u>	<u>EGP</u>
El Shorouk for Modern printing and packaging (S.A.E)*	48 008 288	294 450 830
<b>Total distribution</b>	<b>48 008 288</b>	<b>294 450 830</b>

\* The dividend distributions refer to those made by Shorouk for Modern printing and packaging (a subsidiary) according to the General Assembly held on June 18, 2025, which decided to distribute profits for the financial year ending on December 31, 2024.

#### 18- Share based payment

The Extraordinary General Assembly of the Company, held on 24 December 2023, approved the resolution of the Board of Directors dated 14 December 2023 regarding the implementation of a cash-based incentive plan for the Managing Director, referred to as the "Long-Term Incentive Plan (LTIP)," for a period of three years. Under this plan, the Managing Director is entitled to receive a cash incentive equivalent to the market value of 5 156 850 shares of the Company over a three-year period, in accordance with the following conditions:

- A cash incentive equivalent to 1 718 950 shares, due on February 1, 2025.
- A cash incentive equivalent to 1 718 950 shares, due on February 1, 2026.
- A cash incentive equivalent to 1 718 950 shares, due on February 1, 2027.

During the current year, the fair value weighted average of the share was re-measured, and the revised amounts are presented as follows:

<u>Amounts to be recognized</u> <u>over the duration of the plan</u>	<u>December 31, 2024</u>	<u>December 31, 2025</u>	<u>December 31, 2026</u>	<u>December 31, 2027</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
February 2025	1 252 585	--	--	--
June 2025	32 552 884	--	--	--
February 2026	23 295 529	15 066 815	2 477 445	--
February 2027	16 004 399	10 572 360	10 572 360	1 708 957
<b>Total</b>	<b>73 105 397</b>	<b>25 639 175</b>	<b>13 049 805</b>	<b>1 708 957</b>

According to the BOD meeting held on March 25, 2025, it decided that cost of applying the long term incentive plan "LTIP" of the managing director should be borne by the subsidiaries. On June 16, 2025 the Extra Ordinary General Assembly Meeting has approved such decision.

The value of the share under this scheme is calculated as follows:

- The cash incentive due for the year 2025 is calculated based on the fair value study of National Printing Company, issued by the independent financial advisor for the purpose of the IPO on the Egyptian Stock Exchange, after deducting the nominal value of the share.
- The cash incentive due for the years 2026 and 2027 is calculated based on the average trading value of the Company's share on the Egyptian Stock Exchange during the last ten working days of January of each respective year, after deducting the nominal value of the share.

Based on the above, the Company's management has performed a Present value study to determine the value required to be recognized as a share-based payment expenses in the records of EL Shorouk Modern Company for Printing and Packaging (the subsidiary) for the application of this plan. As of December 31, 2025 amounted to EGP 25 639 175 compared to EGP 73 105 397 recognized during the financial year ended 31 December 2024.

**19- Related parties' transactions**

<u>Company Name</u>	<u>Nature on transaction</u>	<u>Volume of transaction</u>
		<u>December 31, 2025</u>
		<u>EGP</u>
El Shorouk for Modern printing and packaging (S.A.E)	Finance costs on the current account	(36 522 212)
	Rent expenses	(3 600 000)
National Printing International holding (Euromena) - Associate company	Credit Interest	21 598 101
Citadel Capital for International Investments LTD- Associate company	Credit Interest	14 313 005

**20- Tax position****a) Corporate income tax**

For the years 2005 to 2008, it was not included in the inspection sample.

From 2009 to 2010, the company books was inspected, and the company filed Appeal No. 219 of 2017, and it was considered by the Appeal Committee No. (33), Sector (1), No. 287 of 2018, and the decision was issued that the inspection will be repeated, and the inspection has been completed up to 2010

The years from 2011 to 2015 were not included in the inspection sample.

The Company is committed to submitting its tax returns within the legal deadlines for the years from 2016 to 2024, and no inspection has been carried out to date, nor have any tax forms been received for that period.

**b) Stamp tax**

The Company has not yet been inspected since the commencement of its operations and up to date, based on the documents submitted by the Company.

**c) Payroll tax**

The company's books were inspection from the beginning of activity until 2020, and all tax differences have been settled.

For the year 2021 up to date, The company's books have not yet been inspected, and the tax returns were submitted on the legal dates.

**d) Value added tax**

The company registered for value-added tax as of December 31, 2022.

The tax returns were submitted on the legal dates and paid all the tax due based on the declaration.

The company's books have not yet been inspected.

**e) Property tax**

No evidence has been provided that the company is claiming the amount of the property tax due.

## **21-Significant Events during the current and subsequent period**

On 20 February 2025, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to maintain the overnight deposit rate, the overnight lending rate, and the Central Bank's main operation rate at 27.25%, 28.25%, and 27.75%, respectively. The Committee also decided to keep the credit and discount rate unchanged at 27.75%.

- On 17 April 2025, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to cut the overnight deposit rate, the overnight lending rate, and the Central Bank's main operation rate by 225 basis points, bringing them down to 25.00%, 26.00%, and 25.50%, respectively. The credit and discount rate was also cut by 225 basis points to reach 25.50%.
- On Thursday, 22 May 2025, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to cut the overnight deposit rate, the overnight lending rate, and the Central Bank's main operation rate by 100 basis points, bringing them down to 24.00%, 25.00%, and 24.50%, respectively. The credit and discount rate was also cut by 100 basis points to reach 24.50%.
- On Thursday, 28 August 2025, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to cut the overnight deposit rate, the overnight lending rate, and the Central Bank's main operation rate by 200 basis points, bringing them down to 22.00%, 23.00%, and 22.50%, respectively. The Committee also decided to cut the credit and discount rate by 200 basis points to 22.50%. This decision reflects the Committee's assessment of the latest inflation developments and its outlook since its previous meeting.
- On Thursday, 2 October 2025, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to cut the overnight deposit rate, the overnight lending rate, and the Central Bank's main operation rate by 100 basis points, bringing them down to 21.00%, 22.00%, and 21.50%, respectively. The Committee also decided to cut the credit and discount rate by 100 basis points to 21.50%. This decision reflects the Committee's assessment of the latest inflation developments and its outlook since its previous meeting.
- On Thursday, 25 December 2025, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to cut the overnight deposit rate, the overnight lending rate, and the Central Bank's main operation rate by 100 basis points, bringing them down to 20.00%, 21.00%, and 20.50%, respectively. The Committee also decided to cut the credit and discount rate by 100 basis points to 20.50%.
- On Thursday, 12 February 2026, the Monetary Policy Committee of the Central Bank of Egypt decided in its meeting to cut the overnight deposit rate, the overnight lending rate, and the Central Bank's main operation rate by 100 basis points, bringing them down to 19.00%, 20.00%, and 20.50%, respectively. The Committee also decided to reduce the credit and discount rate by 100 basis points to 19.00%.
- The region has witnessed a significant military escalation since the date of these financial statements. On February 28, 2026, the United States and Israel launched an attack on Iran targeting its nuclear capabilities and aiming to reduce the ballistic missile threat in the region. On the first day of the escalation, Iranian leadership was targeted, followed by Iranian retaliatory missile attacks on Israel and US military bases, resulting in casualties. As of the date of these financial statements, the confrontations are ongoing.

Given the continuation of these events, it is not currently possible to accurately estimate the duration of the conflict or determine its potential economic and financial impacts. Previous experience suggests that such events may lead to a temporary slowdown in economic activity and increased market uncertainty.

During previous periods of geopolitical tension, the economy has experienced a temporary decline in some economic activities, while financial markets have remained relatively stable. These developments may also affect economic growth rates, investment levels, and cash flows in the region. The company's management is closely monitoring developments and assessing their potential impact on the economy in general and on the company's operations, financial position, and results of business in particular, including the potential impact on supply chains, financing costs, and demand for the company's products and services.

These developments may also affect certain accounting assumptions and estimates upon which management relies when preparing the financial statements, including the assessment of asset impairment, the estimation of future cash flows, and the discount rates used in various accounting measurements.

Management considers these events to have occurred after the financial statement date of December 31, 2025, and to provide no additional evidence of conditions existing at that date. Therefore, they are considered subsequent, unadjusted events, and no adjustments have been made to the accompanying financial statements; they are merely disclosed. Management will continue to monitor developments and assess their potential impact during the upcoming financial periods and will take appropriate action if they materially affect the company's financial position or results of business.

#### **Listing and Issuance of Shares by National Printing Company**

The Extraordinary General Assembly of the National Printing Company S.A.E., held on December 24, 2023, approved the listing of the company's total capital shares on the main market of the Egyptian Exchange. It also approved the offering of a maximum of 10% of the company's current shares for a public offering and/or a private secondary offering on the Egyptian Exchange. The Securities Listing Committee, in its meeting held on February 15, 2024, decided to approve the temporary listing of the shares of the National Printing Company, with an issued capital of 211 710 380 Egyptian pounds, distributed over 21 171 038 shares with a nominal value of EGGP 10 per share.

On June 6, 2024, the Extraordinary General Assembly approved the split of the nominal value of the share from EGP 10 to EGP 1 per share. As a result, the company's issued capital remained EGP 211 710 380, now distributed over 211 710 380 shares with a nominal value of EGP 1 per share.

On July 23, 2025, the Financial Regulatory Authority issued a decision approving the company's public and private offering prospectus, in addition to a non-objection to registering the company in the register prepared for registering companies and offer their securities on the Egyptian Stock Exchange.

The offering will be structured as follows:

- First Tranche (Private offering): by a maximum 10 585 520 shares, representing 50% of the total offered shares and 5% of the company's total share capital, allocated to qualified investors.
- Second Tranche (Public Offering): by maximum to 10 585 520 shares, representing 50% of the total offered shares and 5% of the company's total share capital, allocated to the general public, including both retail and institutional investors not pre-identified.

On August 5, 2025, trading of the company's shares commenced on the main market of the Egyptian Exchange.

#### **22- The financial year**

The fiscal year begins on January 1 and ends on December 31 of each year.

Financial Manager  
Ahmed Abaza



Managing Director  
Mr / Sherif El  
Moallem



Chief executive director  
Eng / Ibrahim El Moallem

