

Orascom Development Egypt S.A.E
Condensed Consolidated Interim Financial Statements
Together with Limited Review Report
For the Period Ended
June 30, 2025

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Limited review report for the condensed Consolidated interim financial statement

To: The Board of Directors of Orascom Development Egypt Company (S.A.E)

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Orascom Development Egypt Company (S.A.E) as of June 30, 2025, and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-months then ended and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with the Egyptian Accounting Standard No. (30).

Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Egyptian Standards on Review Engagements No. 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the 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 condensed consolidated interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements do not present fairly, in all material respects the condensed consolidated interim financial position of the company as of June 30, 2025 and of its condensed consolidated interim financial performance and its condensed consolidated interim cash flows for the six-months then ended in accordance with the Egyptian Accounting Standard No. (30) "Interim financial statements".

Cairo, August 11, 2025

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



Orascom Development Egypt (S.A.E)
Condensed consolidated statement of financial position
As of June 30, 2025

	<u>Note</u>	<u>30/6/2025</u>	<u>31/12/2024</u>
	<u>No.</u>	<u>EGP</u>	<u>EGP</u>
<u>Assets</u>			
<u>Non-current Assets</u>			
Fixed assets (net)	(13)	8 169 588 211	8 088 894 673
Projects under construction	(14)	3 793 041 123	2 891 849 523
Goodwill	(16)	51 110 181	51 110 181
Trade and notes receivable (net)	(19)	6 346 473 323	5 451 346 185
Investment accounted for using the equity method	(15)	328 228 820	437 638 180
Financial assets at fair value through other comprehensive income		209 219	120 226
Deferred tax asset	(10)	226 746 665	1 058 454 293
Investment property	(17)	167 084 478	170 435 315
Total non-current assets		<u>19 082 482 020</u>	<u>18 149 848 576</u>
<u>Current assets</u>			
Inventory	(18)	14 531 546 980	13 932 460 210
Trade and notes receivable (net)	(19)	8 600 264 290	7 334 087 363
Debtors and other debit balances	(22)	3 892 670 011	2 882 099 900
Due from related parties		1 137 922 974	987 180 014
Treasury bills (net)	(20)	199 123 640	63 160 161
Cash and cash equivalent	(21)	7 891 597 500	7 351 559 512
Total current assets		<u>36 253 125 395</u>	<u>32 550 547 160</u>
Total assets		<u>55 335 607 415</u>	<u>50 700 395 736</u>
<u>Equity and liabilities</u>			
<u>Equity</u>			
Issued and paid-up capital	(26)	1 130 473 523	1 130 473 523
Reserves		1 320 849 585	1 253 841 643
Retained earnings		8 600 058 198	6 084 715 931
Net profits for the period / year		3 157 289 751	3 108 487 743
Total equity attributable to owners of parent company		<u>14 208 671 057</u>	<u>11 577 518 840</u>
Non-controlling interests	(27)	<u>1 437 037 470</u>	<u>1 557 973 165</u>
Total equity		<u>15 645 708 527</u>	<u>13 135 492 005</u>
<u>Liabilities</u>			
<u>Non-current liabilities</u>			
Borrowings	(24)	9 415 263 836	8 077 470 296
Land purchase creditors	(23)	5 704 556 195	5 669 642 891
Suppliers, contractors and notes payable		92 739 702	99 112 481
Long term contract liabilities	(28)	1 609 527 423	1 609 527 423
Provisions	(25)	407 779 204	390 744 432
Deferred tax liabilities		629 168 259	614 149 028
Total non-current liabilities		<u>17 859 034 619</u>	<u>16 460 646 551</u>
<u>Current Liabilities</u>			
Provisions	(25)	2 957 289 807	2 126 837 886
Suppliers, contractors and notes payable		1 007 664 395	743 150 323
Creditors and other credit balances	(29)	13 205 912 315	10 023 819 876
Land purchase creditors	(23)	2 863 665 859	3 250 763 851
Current tax liability		718 135 340	1 866 500 727
Due to related parties		237 592 843	138 696 349
Loans from parent company		--	776 695 794
Borrowings	(24)	840 603 710	2 177 792 374
Total current liabilities		<u>21 830 864 269</u>	<u>21 104 257 180</u>
Total liabilities		<u>39 689 898 888</u>	<u>37 564 903 731</u>
Total equity and liabilities		<u>55 335 607 415</u>	<u>50 700 395 736</u>

-The accompanying notes form an integral part of the financial statements and to be read therewith.

Mohamed Fouad
CFO



Ashraf Nessim
Managing Director for Finance and Operations



Limited review report "Attached"

Orascom Development Egypt (S.A.E)
Condensed consolidated statement of profit or loss
From 1 January 2025 to 30 June 2025

	<u>Note</u> <u>No.</u>	<u>Three months ended</u>		<u>Six months ended</u>	
		<u>30/6/2025</u> <u>EGP</u>	<u>30/6/2024</u> <u>EGP</u>	<u>30/6/2025</u> <u>EGP</u>	<u>30/6/2024</u> <u>EGP</u>
Revenues	(5)	5 088 304 049	6 036 378 054	11 529 768 704	10 211 771 005
Costs		<u>(3 402 019 270)</u>	<u>(3 466 480 762)</u>	<u>(7 223 494 072)</u>	<u>(6 531 551 841)</u>
Gross Profit		1 686 284 779	2 569 897 292	4 306 274 632	3 680 219 164
Investment income	(6)	294 429 765	309 503 217	604 551 020	569 375 387
Other gains / (losses)	(7)	257 807 963	158 041 633	671 960 835	(1 981 798 678)
Share of profits of associates	(15)	22 064 460	27 319 428	51 350 640	49 100 320
General and administrative expenses	(8)	(162 967 073)	(91 581 608)	(344 458 045)	(193 260 358)
Interest and finance expenses	(9)	<u>(503 199 030)</u>	<u>(422 041 223)</u>	<u>(912 442 961)</u>	<u>(856 915 976)</u>
Profit for the period before tax		1 594 420 864	2 551 138 739	4 377 236 121	1 266 719 859
Income tax	(10)	<u>(538 605 016)</u>	<u>(623 829 116)</u>	<u>(1 340 882 065)</u>	<u>(323 955 491)</u>
Net Profit for the period after tax		1 055 815 848	1 927 309 623	3 036 354 056	942 764 368
Distributed as follows :					
Owners of the parent company		1 112 530 724	1 849 523 652	3 157 289 751	667 923 264
Non-controlling interests	(27)	<u>(56 714 876)</u>	<u>77 785 971</u>	<u>(120 935 695)</u>	<u>274 841 104</u>
		1 055 815 848	1 927 309 623	3 036 354 056	942 764 368
Basic earning per share for the period	(12)	0.98	1.64	2.79	0.59

-The accompanying notes form an integral part of the financial statements and to be read therewith.

Mohamed Fouad
CFO



Ashraf Nessim
Managing Director for Finance and Operations



Orascom Development Egypt (S.A.E)
Condensed consolidated statement of profit or loss
From 1 January 2025 to 30 June 2025

	<u>Three months ended</u>		<u>Six months ended</u>	
	<u>30/6/2025</u>	<u>30/6/2024</u>	<u>30/6/2025</u>	<u>30/6/2024</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Net profit for the period	1 055 815 848	1 927 309 623	3 036 354 056	942 764 368
Other comprehensive income				
Change in valuation of financial investments at fair value through other comprehensive income	60 245	40 747	88 993	42 997
Exchange arising on translating foreign operations	54 978	3 083 482	191 655	(3 925 834)
Total comprehensive income for the period	<u>1 055 931 071</u>	<u>1 930 433 852</u>	<u>3 036 634 704</u>	<u>938 881 531</u>
Distributed as follows :				
Owners of the parent company	1 112 645 947	1 852 647 881	3 157 570 399	664 040 427
Non-controlling interests	(56 714 876)	77 785 971	(120 935 695)	274 841 104
	<u>1 055 931 071</u>	<u>1 930 433 852</u>	<u>3 036 634 704</u>	<u>938 881 531</u>

-The accompanying notes form an integral part of the financial statements and to be read therewith.

Orascom Development Egypt (S.A.E)

Condensed consolidated statement of changes in equity

From 1 January 2025 to 30 June 2025

	<u>Issued and Paid-up Capital</u>	<u>Legal Reserve</u>	<u>General Reserve</u>	<u>Common Control Transaction Reserve</u>	<u>Foreign Currencies Translation Reserve</u>	<u>Fair Value Reserve Change</u>	<u>Retained Earnings</u>	<u>Net Profit</u>	<u>Equity attributable to owners of the Parent Company</u>	<u>Non-controlling interests</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	1 130 473 523	355 288 410	1 097 676 357	(279 065 883)	4 924 427	(344 927)	3 481 131 199	2 828 722 063	8 618 805 169	1 346 947 507	9 965 752 676
Net profit for the period	--	--	--	--	--	--	--	667 923 264	667 923 264	274 841 104	942 764 368
Foreign currencies translation reserve	--	--	--	--	(3 925 834)	--	--	--	(3 925 834)	--	(3 925 834)
Financial investments valued at fair value through other comprehensive income - change in fair value	--	--	--	--	--	42 997	--	--	42 997	--	42 997
Total comprehensive income for the period	--	--	--	--	(3 925 834)	42 997	--	667 923 264	664 040 427	274 841 104	938 881 531
Transferred to retained earnings	--	--	--	--	--	--	2 828 722 063	(2 828 722 063)	--	--	--
Transferred to legal reserve	--	82 877 895	--	--	--	--	(82 877 895)	--	--	--	--
Balance as of June 30, 2024	1 130 473 523	438 166 305	1 097 676 357	(279 065 883)	998 593	(301 930)	6 226 975 367	667 923 264	9 282 845 596	1 621 788 611	10 904 634 207
Balance as of January 1, 2025	1 130 473 523	438 166 305	1 097 676 357	(279 065 883)	(2 609 707)	(325 429)	6 084 715 931	3 108 487 743	11 577 518 840	1 557 973 165	13 135 492 005
Net profit for the period	--	--	--	--	--	--	--	3 157 289 751	3 157 289 751	(120 935 695)	3 036 354 056
Foreign currencies translation reserve	--	--	--	--	191 655	--	--	--	191 655	--	191 655
Financial investments at fair value through other comprehensive income - change in fair value	--	--	--	--	--	88 993	--	--	88 993	--	88 993
Total comprehensive income for the period	--	--	--	--	191 655	88 993	--	3 157 289 751	3 157 570 399	(120 935 695)	3 036 634 704
Transferred to retained earnings	--	--	--	--	--	--	3 108 487 743	(3 108 487 743)	--	--	--
Transferred to legal reserve	--	66 727 294	--	--	--	--	(66 727 294)	--	--	--	--
Employees dividends	--	--	--	--	--	--	(91 924 381)	--	(91 924 381)	--	(91 924 381)
Shareholders dividends	--	--	--	--	--	--	(434 493 801)	--	(434 493 801)	--	(434 493 801)
Balance as of June 30, 2025	1 130 473 523	504 893 599	1 097 676 357	(279 065 883)	(2 418 052)	(236 436)	8 600 058 198	3 157 289 751	14 208 671 057	1 437 037 470	15 645 708 527

-The accompanying notes form an integral part of the financial statements and to be read therewith.

Orascom Development Egypt (S.A.E)
Condensed Consolidated Cash Flows Statement
From 1 January 2025 to 30 June 2025

	<u>Note</u> <u>No.</u>	30/6/2025 EGP	30/6/2024 EGP
<u>Cash flows from operating activities</u>			
Cash flows generated from operating activities		4 639 611 774	3 783 605 918
Interest paid		(801 980 603)	(878 606 494)
Income tax paid		(1 447 161 210)	(746 409 529)
Net cash flows generated from operating activities		<u>2 390 469 961</u>	<u>2 158 589 895</u>
<u>Cash flows from investing activities</u>			
(Payments) for purchase of fixed assets and projects under construction		(1 229 500 494)	(1 276 898 469)
Net movement on treasury bills-more than 3 months		(135 963 479)	(57 246 471)
Net proceeds from sale of investments		--	231 758 430
Dividends received		160 760 000	144 720 000
Interest received		342 948 582	412 351 482
Net cash flows (used in) investing activities		<u>(861 755 391)</u>	<u>(545 315 028)</u>
<u>Cash flows from financing activities</u>			
Net (payments)/proceeds from loans and credit facilities		(988 676 582)	239 846 678
Net cash flows (used in) / generated from financing activities		<u>(988 676 582)</u>	<u>239 846 678</u>
Net change in cash and cash equivalents		540 037 988	1 853 121 545
Cash and cash equivalents at the beginning of the period		7 351 559 512	5 472 450 589
Cash and cash equivalents at the end of the period	(21)	<u>7 891 597 500</u>	<u>7 325 572 134</u>

Non-cash transactions:

-The effect of the revaluation of foreign currency movement of the loans amounting to EGP 80.3 million have been eliminated during the period.

The accompanying notes form an integral part of the financial statements and to be read therewith.

Orascom Development Egypt “S.A.E.”
Notes to the Condensed Consolidated Interim Financial Statements
For The Period Ended June 30, 2025

1. Company Background and its Activities

- Orascom Development Egypt “S.A.E.” was established according to the provisions of the Investment Law No. 230 for 1989, and was registered in the commercial register on 30/08/1996
- The company’s financial year begins at 1st of January and ends at 31 December of each year.
- The company's objective is undertaking the following activities in Egypt or outside:
 - Establishing of tourist villages, cities and hotels; development of lands including providing them with public utilities and the necessary infrastructure (division of land- establishment of roads and gardens- establishing networks of water, lighting, sanitary drainage, public transportation, wired and wireless communications- hospitals- schools- health, cultural and entertaining centers, places of worship god).
 - Building and construction of low-cost houses (Community housing).
 - Establishing, preparation and furnishing of industrial installations.
 - (A) Reclaiming and providing land with main utilities for cultivation,
(B) Cultivation of reclaimed land.
Provided that in such two cases the land is required to be allocated to the purpose of reclamation and cultivation and should use modern irrigation methods instead of the flooding irrigation method taking into consideration Prime Minister’s Decision No. 350 of 2007 and Presidential Decree No. 356 of 2008.
 - The company may carry out other business or amend its activity within the framework of the Investment Law. It may also contribute or participate in any manner in subsidiary projects outside the frame of the Investment Law issued by Law No. 8 for 1997 provided that the approval of the General Authority for Investment is obtained and within the provisions of Law No. 95 for 1992, The company shall obtain all licenses necessary for practicing its activity.
- The company’s head office is located at 160 July 26 street, El Mohandessin, Agouza, Giza. There is another branch for the company at Building No.2005A, Nile City Towers, Corniche El Nile, Ramlet Boulaq South Tower, 9th floor, Cairo.
- The Chairman is Dr. Eskandar Tooma and Managing Director for Finance and Operations is Mr. Ashraf Nessim and Managing Director for Commercial Activities is Mr. Mohamed Amer.
- The condensed consolidated interim financial statements for the period ended June 30, 2025, includes the financial statements of Orascom Development Egypt (Holding Company) and its subsidiaries (referred to as the “Group”), in addition to the Group’s share of the profits or losses of the associated companies. The Group is involved in many activities represented in hotels, real estate, land, tourism, and other.

2. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with the Egyptian Accounting Standard No. (30)

3. Significant Accounting Policies

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value or amortized cost, as appropriate. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The Group is not subject to any significant seasonality or cyclicality. The same accounting policies, presentation and methods of computation are followed in these condensed consolidated interim financial statements as were applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2024.

4. Critical Accounting Estimates and Judgement

The condensed consolidated interim financial statements include all the subsidiaries controlled by the Parent Company and are presented in Egyptian Pound (EGP).

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses, as well as the disclosure of contingent liabilities.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments made by management in the application of EAS and key sources of estimation uncertainties were the same as those applied to the consolidated financial statements of the year ended 31 December 2024.

5. Segment Information

The Group has four reportable segments, which are its strategic divisions. The strategic divisions offer different products and services and are managed separately because they require different skills or have different customers. For each of the strategic divisions, the Country's CEOs and the head of segment review the internal management reports at least on a quarterly basis.

The accounting policies of the reportable segments included in the internal management reports that are regularly reviewed are the same as the Group's accounting policies described in the consolidated financial statements for the year ended 31 December 2024. Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries, share in associates' results, gain recognized on disposal of interest in share of associates, investment income, other gains and losses, finance costs and income tax expense. This measure is considered to be most relevant for the purpose of resources allocation and assessment of segment performance.

Orascom Development Egypt "S.A.E."
Notes to the Condensed Consolidated Interim Financial statements
From 1 January 2025 to 30 June 2025

5-1 Segment profit or loss

EGP	Total segment revenue		Inter-segment revenue		Revenue from external customers		Segment result	
	30/6/2025	30/6/2024	30/6/2025	30/6/2024	30/6/2025	30/6/2024	30/6/2025	30/6/2024
Hotels (i)	2 719 462 515	1 869 337 620	(25 236 092)	(18 045 031)	2 694 226 423	1 851 292 589	1 313 500 942	933 194 545
Real estate	5 389 909 005	5 703 681 564	--	--	5 389 909 005	5 703 681 564	1 805 173 732	2 412 872 331
Land (ii)	1 553 045 831	1 329 203 670	--	--	1 553 045 831	1 329 203 670	1 647 559 096	480 249 824
Town management	1 573 134 642	1 171 749 440	(472 966 728)	(356 244 593)	1 100 167 914	815 504 847	114 202 670	84 354 974
Other operations	819 015 424	532 619 454	(26 595 893)	(20 531 119)	792 419 531	512 088 335	359 153 666	198 254 015
Total	12 054 567 417	10 606 591 748	(524 798 713)	(394 820 743)	11 529 768 704	10 211 771 005	5 239 590 106	4 108 925 689
Investment revenue							59 583 260	103 915 945
Other gains / (losses)							(144 565 176)	(2 300 013 687)
Share of gains of investments in associates							51 350 640	49 100 320
General and administrative expense							(344 458 045)	(193 260 358)
Interest and financing expenses							(484 264 664)	(501 948 050)
Profit before tax							4 377 236 121	1 266 719 859
Income Tax							(1 340 882 065)	(323 955 491)
Net Profit after tax							3 036 354 056	942 764 368

- i) The main reason for the increase in the hotel segment revenues is the ability of the group's hotels to maintain occupancy performance and increase in the room rates.
- ii) During the first quarter of 2025, the company sold 110 thousand square meters in El Gouna. During the second quarter of 2024, 145 thousand square meters plot of land in El Gouna was sold in accordance with the company's previously announced strategy to develop underutilised land.

Orascom Development Egypt "S.A.E."
Notes to the Condensed Consolidated Interim Financial statements
For the period ended June 30,2025

5-2 Segment Assets

EGP	30/6/2025	31/12/2024
Segment Assets		
Hotels	8 480 530 023	7 638 068 314
Real estate	34 604 778 311	32 442 787 641
Land	8 065 125 863	6 774 240 775
Town management	4 828 354 565	3 950 268 556
Other operations	4 220 611 205	3 697 989 939
Segment asset before elimination	60 199 399 967	54 503 355 225
Intersegment elimination	(5 538 050 414)	(5 333 970 260)
Segment assets after elimination	54 661 349 553	49 169 384 965
Unallocated assets	674 257 862	1 531 010 771
Consolidated total assets	55 335 607 415	50 700 395 736

Orascom Development Egypt “S.A.E.”
Notes to the Condensed Consolidated Interim Financial
Statements For The Period Ended June 30, 2025

6. Investment income

Investment income amounted to EGP 604 551 020 (Six months ended 30 June 2024: EGP 569 375 387), the increase is mainly due to the increase in the interest on trade receivables during the period.

7. Other gains / (losses)

Other gains / (losses) resulted in net gain amounted to EGP 671 960 835 (Six months ended 30 June 2024: loss amounted to EGP 1 981 798 678), The main reasons for the change in this balance is the gain of foreign currency exchange of EGP 750 million (Six months ended 30 June 2024: EGP 2 217 million loss of foreign currency exchange).

8. General and administrative expenses

The general and administrative expenses amounted to EGP 344 458 045 (Six months ended 30 June 2024: EGP 193 260 358). The change is mainly due to increase in the group activities during the period, in addition to the general increase in prices.

9. Interest and finance expenses

The interest and finance expenses amounted to EGP 912 442 961 (Six months ended 30 June 2024: EGP 856 915 976). The change is mainly due to the increase in the balance of loans compared to the same period in the last year.

10. Deferred tax and income tax

Income taxes recognized in profit or losses

EGP	30/6/2025	30/6/2024
Current tax		
Current tax (expense) for the period	(488 503 170)	(1 058 535 760)
Deferred tax		
Deferred tax (expense)/income recognized in the period	(852 378 895)	734 580 269
Total income tax recognized in the period	(1 340 882 065)	(323 955 491)

The change is mainly due to decrease of current tax expense during the period and increase of deferred tax expense as a result of recognition of unrealized net foreign currency exchange losses from past years due to settlement of borrowings with foreign currency during the second quarter of 2025.

Income tax is calculated on the basis of the estimated annual effective weighted average and projected tax for the full financial year by applying it to net profit prior to taxes for the six-month period.

Orascom Development Egypt “S.A.E.”
Notes to the Condensed Consolidated Interim Financial
Statements For The Period Ended June 30, 2025

Deferred tax assets

Deferred tax assets amounted to EGP 226 746 665 (31 December 2024: EGP 1 058 454 293), The decrease in the balance of deferred tax assets during the period was mainly due to the increase in unrealized net foreign currency exchange gain.

11. Dividends

The Ordinary General Assembly meeting held on 11 May 2025 has approved a cash dividend of EGP 0.384 per share distribution for the shareholders amounting to EGP 434 493 801 to be distributed during the third quarter of 2025.

For the year ended 31 December 2024, The company did not declare dividends distribution on shareholders for the period starting from January 1, 2025 to June 30, 2025.

12. Basic earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shares by the weighted average number of ordinary shares outstanding during the period.

The profits and the number of shares used in the calculation of basic earnings per share are as follows:

EGP	Three months ended		Six months ended	
	30/6/2025	30/6/2024	30/6/2025	30/6/2024
Net profit attributable to the shareholders of the parent Company	1 112 530 724	1 849 523 652	3 157 289 751	667 923 264
Weighted average number of shares for the purpose of basic EPS	1 130 473 523	1 130 473 523	1 130 473 523	1 130 473 523
Basic Earnings per share for the period	0.98	1.64	2.79	0.59

Orascom Development Egypt "S.A.E."
Notes to the Condensed Consolidated Interim Financial statements
For the period ended June 30,2025

13.1 Fixed assets (Net)

	<u>Lands</u>	<u>Buildings, infrastructure and land developments</u>	<u>Machinery and equipment</u>	<u>Furniture and fixtures</u>	<u>Total</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
<u>Cost</u>					
Cost as of 1/1/2025	617 893 174	7 250 449 045	1 702 102 757	1 210 967 280	10 781 412 256
Additions	--	138 045 338	120 767 060	34 137 463	292 949 861
Transferred from property under construction	--	35 359 659	--	--	35 359 659
Foreign currencies translation	--	(4 462 290)	(321 899)	(449 580)	(5 233 769)
Cost as of 30/6/2025	<u>617 893 174</u>	<u>7 419 391 752</u>	<u>1 822 547 918</u>	<u>1 244 655 163</u>	<u>11 104 488 007</u>
<u>Accumulated depreciation</u>					
Balance as of 1/1/2025	--	(1 300 347 149)	(921 847 510)	(522 845 121)	(2 745 039 780)
Depreciation	--	(87 736 968)	(89 757 314)	(62 941 448)	(240 435 730)
Foreign currencies translation	--	1 785 932	140 122	169 714	2 095 768
Balance as of 30/6/2025	<u>--</u>	<u>(1 386 298 185)</u>	<u>(1 011 464 702)</u>	<u>(585 616 855)</u>	<u>(2 983 379 742)</u>
Net book value as of 30/6/2025	<u>617 893 174</u>	<u>6 033 093 567</u>	<u>811 083 216</u>	<u>659 038 308</u>	<u>8 121 108 265</u>
Net book value as of 31/12/2024	<u>617 893 174</u>	<u>5 950 101 896</u>	<u>780 255 247</u>	<u>688 122 159</u>	<u>8 036 372 476</u>

The following is the movement of fixed assets and depreciation as of 30/06/2024:

<u>Cost</u>					
Cost as of 1/1/2024	598 735 658	5 663 390 689	1 430 362 574	862 157 119	8 554 646 040
Additions	19 157 514	148 041 362	83 371 682	78 387 195	328 957 753
Transferred from property under construction	--	83 049 088	--	--	83 049 088
Foreign currencies translation	--	32 326 857	2 824 134	1 443 926	36 594 917
Cost as of 30/6/2024	<u>617 893 172</u>	<u>5 926 807 996</u>	<u>1 516 558 390</u>	<u>941 988 240</u>	<u>9 003 247 798</u>
<u>Accumulated depreciation</u>					
Balance as of 1/1/2024	--	(1 158 946 811)	(796 626 103)	(432 423 082)	(2 387 995 996)
Depreciation	--	(73 462 475)	(59 430 027)	(43 114 440)	(176 006 942)
Foreign currencies translation	--	(5 363 103)	(1 273 394)	(816 250)	(7 452 747)
Balance as of 30/6/2024	<u>--</u>	<u>(1 237 772 389)</u>	<u>(857 329 524)</u>	<u>(476 353 772)</u>	<u>(2 571 455 685)</u>
Net book value as of 30/6/2024	<u>617 893 172</u>	<u>4 689 035 607</u>	<u>659 228 866</u>	<u>465 634 468</u>	<u>6 431 792 113</u>

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13.2 Right of use assets

	<u>Buildings, infrastructure and land developments</u>	<u>Machinery and Equipment</u>	<u>Total</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
<u>Cost</u>			
Cost as of 1/1/2025	98 102 520	52 722 622	150 825 142
Cost as of 30/6/2025	<u>98 102 520</u>	<u>52 722 622</u>	<u>150 825 142</u>
<u>Accumulated depreciation</u>			
Balance as of 1/1/2025	(69 220 114)	(29 082 831)	(98 302 945)
Depreciation for the period	(3 689 093)	(353 158)	(4 042 251)
Balance as of 30/06/2025	<u>(72 909 207)</u>	<u>(29 435 989)</u>	<u>(102 345 196)</u>
Net book value as of 30/6/2025	<u>25 193 313</u>	<u>23 286 633</u>	<u>48 479 946</u>
Net book value as of 31/12/2024	<u>28 882 406</u>	<u>23 639 791</u>	<u>52 522 197</u>
The following is the movement of Right of use assets and depreciation as of 30/06/2024:			
<u>Cost</u>			
Cost as of 1/1/2024	98 102 520	52 722 622	150 825 142
Cost as of 30/6/2024	<u>98 102 520</u>	<u>52 722 622</u>	<u>150 825 142</u>
<u>Accumulated depreciation</u>			
Balance as of 1/1/2024	(50 464 384)	(28 376 515)	(78 840 899)
Depreciation for the period	(3 689 093)	(353 158)	(4 042 251)
Balance as of 30/6/2024	<u>(54 153 477)</u>	<u>(28 729 673)</u>	<u>(82 883 150)</u>
Net book value as of 30/6/2024	<u>43 949 043</u>	<u>23 992 949</u>	<u>67 941 992</u>
	<u>30/06/2025</u>	<u>31/12/2024</u>	
Net book value - Fixed assets	8 121 108 265	8 036 372 476	
Net book value - Right of use assets	48 479 946	52 522 197	
	<u>8 169 588 211</u>	<u>8 088 894 673</u>	

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14. Projects under construction

The increase in the balance of projects under construction is mainly due to the renovation work of some of the group hotels as well as the increase in the infrastructure of the group projects during the financial period ending 30 June 2025.

15. Investments accounted for using the equity method

Associate name	Incorporation Place	Segment	Ownership percentage (%)		Carrying value (EGP)	
			30/6/2025	31/12/2024	30/6/2025	31/12/2024
Red Sea for Construction & Development (i)	Egypt	Real estate & Construction	40.20%	40.20%	328 228 820	437 638 180
Total					328 228 820	437 638 180

Below is a summary of financial information with respect to the group’s investment in the associate companies:

EGP	30/6/2025	30/6/2024
Total assets	6 974 052 118	4 578 226 956
Total liabilities	(6 157 562 516)	(3 696 190 414)
Net assets	816 489 602	882 036 542
Total revenue	1 442 128 991	620 566 815
Net profits for the period	127 737 910	122 140 098
Group’s share in results of the associate company	51 350 640	49 100 320

i. Investment in Red Sea for Construction & Development

- The company operates at construction and real estate development projects located in Egypt. There were no changes in the proportion of ownership interest held by the group compared to the prior year.
- Red Sea for Construction & Developments Company declared dividends to the shareholders during the first quarter of 2025, the group’s share in the dividends amounted to EGP 160 760 000.

16. Goodwill

No movement occurred on the balance of goodwill during the period ended on 30 June 2025.

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17. Investment property

The following table summarizes the movement, which occurred during the current period/year, and its effect on the investment property:

<u>EGP</u>	<u>30/6/2025</u>	<u>31/12/2024</u>
<u>Cost</u>		
Balance as of 1 January	248 232 298	244 581 841
Additions during the period/year	--	3 650 457
Total	248 232 298	248 232 298
<u>Accumulated depreciation</u>		
Balance as of 1 January	(77 796 983)	(69 058 373)
Depreciation for the period/year	(3 350 837)	(8 738 610)
Total	(81 147 820)	(77 796 983)
Balance at the end of the period / year	167 084 478	170 435 315

The fair value of investments property as at December 31, 2024 amounted to EGP 423 million and it will be revaluated as of year-end 2025.

18. Inventory

<u>EGP</u>	<u>30/6/2025</u>	<u>31/12/2024</u>
Land held for development	12 036 049 166	11 747 927 621
Work in progress – construction	1 485 763 092	1 216 997 463
Other	1 009 734 722	967 535 126
	14 531 546 980	13 932 460 210

- On 26 November 2018, Orascom Development Egypt S.A.E & Orascom Real-Estate company (Developer of O West project) signed an agreement with the New Urban Communities Authority (NUCA) to co-develop an integrated residential project with an area of 1,000 feddans (4.2 million square meters) in the 6th of October city, west of Cairo, within a ten years’ period. The two parties agreed that the land will be allocated to the company in exchange for consideration comprising cash and an in-kind portion of semi-finished residential units.

- During the first quarter of 2019, the land was received, and the plan was approved, also Orascom Development Egypt announced the official launch of its first project in the 6th of October City (O-West), which includes 950 residential units (villas, townhouses, twin houses and apartments).

19. Trade and notes receivables (net)

The increase in the trade and notes receivables balance was mainly due to the increase in activities of real estate segment during the financial period ended 30 June 2025.

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20. Treasury bills (net)

EGP	30/6/2025	31/12/2024
Treasury bills – more than 3 months	217 098 536	64 510 025
Less: unearned interest – more than 3 months	(17 974 896)	(1 349 864)
	199 123 640	63 160 161

The balance consists of treasury bills from a number of government and private banks, and the interest rate on treasury bills was 25.25% as of 30 June 2025.

21. Cash and cash equivalents

EGP	30/6/2025	31/12/2024
Cash on hand	8 353 704	4 695 087
Banks – current accounts	4 738 150 403	4 007 018 366
Time deposits – less than 3 months	3 145 093 393	3 339 846 059
	7 891 597 500	7 351 559 512

For consolidated cash flow statements purposes, cash and cash equivalents are represented as the following:

EGP	30/6/2025	30/6/2024
Cash and cash equivalents	7 891 597 500	6 796 174 125
Treasury bills – less than 3 months	--	541 673 197
Less: unearned interest	--	(12 275 188)
	7 891 597 500	7 325 572 134

22. Debtors and other debit balances

The increase in the balance of debtors and other debit balances is mainly due to the increase in advance payments to suppliers, with the balance of EGP 910 million as of 30 June 2025 (31 December 2024: EGP 425 million), in addition to the increase in prepaid commission for the sale of uncompleted units, with the balance of EGP 2 355 million as of 30 June 2025 (31 December 2024: EGP 1 959 million). The increase is due to the increase in the group real estate segment activities during the period.

23. Land purchase creditors

The amounts on this account represent:

- Amounts due to the New Urban Communities Authority (NUCA) from one of the company’s subsidiaries (Orascom Real Estate, Developer of O West project in 6th of October city) under a purchase contract as explained in note (18).
- In addition to the amounts related to the agreement with the Egyptian government signed in 2023 with Orascom Development Egypt, whereby the amount due will be paid in 15 annual instalments starting from July 2023.

24. Borrowings

- In November 2020, Orascom Development Egypt signed a USD 265 million medium-term agreement with a consortium of four Egyptian banks to restructure existing debt and to finance the hotel segment expansions. The facility comprises of two tranches: USD 215 million (Tranche A) for debt repayment, which has been fully utilized to repay the outstanding loan balances, and USD 50 million (Tranche B) for expansion purposes. As of June 30, 2024, the company had utilized EGP 362 million from Tranche B. The loan is repayable over seven years with a 2.5-year grace period, expiring in December 2027.
- During 2023, Orascom Development Egypt has signed an agreement to borrow USD 30 million from its parent company (Orascom Development Holding) to pay the special obligation of the agreement signed with the Egyptian Government in 2023 at an interest rate of 3.75%, that loan is fully paid during the second quarter of 2025.
- On the 22 of March 2024, Orascom Development Egypt signed an overdraft amounting USD 2.7 million, guaranteed by time deposit and it is fully paid in April 2024.
- In Q4 2024, ODE signed a loan facility agreement by USD 155 million with International Finance Corporation (IFC). The loan facility will primarily be used to partially refinance ODE’s existing debt and fund potential growth opportunities for the hotel business sector in El Gouna, as well as planned capital expenditures for renovating the hotels. The new loan facility includes a grace period of 2.5 years and a full tenor of 8.5 years. The financing terms offer an interest margin of 3.80% over SOFR and 3.87% over Euribor. The facility, therefore, effectively reduced the interest margin for the USD portion from 4.25% to 3.80% and from 4.75% to 3.87% for the Euro portion. The first tranche of the loan was disbursed as of June, 2025, totaling USD 43.5 million and EUR 52 million till 30 June 2025.
- On the 24 of July 2022, Orascom Real Estate Company (subsidiary company) signed a credit facility agreement worth EGP 1.5 billion with CIB to help the acceleration of the construction process of the O West project in 6th of October. The company used the full amount of the loan EGP 1.5 billion until 2023.
- On the 5 of November 2023, Orascom Real Estate Company signed as an alternative to the above facility agreement a syndicated loan agreement worth EGP 6 billion, to finance its flagship project in West Cairo, (O West) and to refinance the above-mentioned existing facility agreement of EGP 1.5 billion, The new facility tenor is ten years including a 5 year grace period. As of 30 June 2025, the company has used a total amount of EGP 2.8 billion from the loan.
- During 2023, Makadi Heights for Tourism Development company (a subsidiary company) signed a leasing contract with Global Corp for financial services in order to lease some plots of land and the buildings on them with total amount of EGP 429 million, which was fully utilized.
- Makadi Heights for Tourism Development company also signed a leasing contract with Al-Tameer Leasing and Factoring Company (Aloula company) with total amount EGP 150 million, where the company utilized a total amount of EGP 27 million until 31 March 2024 that loan is fully paid by June 2024.

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The company has signed a new leasing contract with Global Corp amounting to a total of EGP 120 million, which was also fully utilized during the first half of 2025.

25. Provisions

The provisions are related to claims from some external parties arising from the normal activities of the group. Until full settlement of such disputes and arriving to final results the management and its consultants take the necessary studies to arrive to the best estimates, provision is revised and amended on an annual basis according to the latest updates and discussions between management and external parties.

26. Capital

26-1 The Authorized Capital

The authorized company's capital is set at EGP 5 billion.

26-2 Issued and paid up capital

- The authorized capital of the company is EGP 5 billion (five billion Egyptian pounds) the issued and paid-up capital became EGP 1 108 307 385 (one billion, one hundred and eight million, three hundred and seven thousand three hundred and eighty-five Egyptian Pounds) distributed to 1 108 307 385 shares (one billion, one hundred and eight million, three hundred and seven thousand three hundred and eighty-five shares) with a share value of EGP 1, instead of 221 661 475 shares (two hundred and twenty-one million six hundred and sixty-one thousand four hundred and seventy-five shares). In accordance with the Extraordinary General Assembly meeting held on March 19, 2018, from five Egyptian pounds to one Egyptian pound.
- On the 8 November 2018 the capital was increased by EGP 22 166 138 for the number of shares of 22 166 138 shares, the value of each share is EGP 1, all of which are cash shares. The capital amounted to EGP 1 130 473 523 distributed on 1 130 473 523 shares should be added after the increase according to Articles 6 and 7 to finance the ESOP plan and the increase was recognized in the Commercial Register on 19 December 2018.
- During 2020, 2 285 252 shares of ESOP were exercised, the value of each share is one Egyptian pound, and all of them were cash shares.
- During 2021, 1 938 294 shares of ESOP were exercised, the value of each share is one Egyptian pound, and all of them were cash shares.
- During 2022, 2 441 319 shares of ESOP were exercised, the value of each share is one Egyptian pound, and all of them were cash shares.
- On 16 March 2023, the board of directors approved to cancel the outstanding ESOP for the employees and convert the remaining shares to treasury shares totaling 15 501 273, where the General Assembly meeting approved on 2 May 2023, and the conversion was executed on 21 June 2023. On 25 September 2023, all shares was sold with gross amount of EGP 155 012 730 was executed.

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27. Non-controlling interests

<u>EGP</u>	<u>30/6/2025</u>	<u>31/12/2024</u>
Balance at the beginning of the period/year	1 557 973 165	1 346 947 507
Non-controlling interest in profits for the period/year	(120 935 695)	336 832 420
Non-controlling interest share in the change in equity of subsidiaries	--	402 049
Dividends for non-controlling.	--	(126 208 811)
Total	1 437 037 470	1 557 973 165

28. Long term contract liabilities

The balance represents the value of the non-cash portion due to the New Urban Communities Authority from one of the subsidiary companies - Orascom Real Estate Company - according to the contract as explained in note (18), which represents units with a total building area of 281 105 square meters, in which the company is obliged to deliver in accordance with the timeline specified in the contract starting from 2026 for a period of two years, and during the year the company did not start any work for those units. The amount was estimated at fair value of EGP 1 609 527 423.

<u>EGP</u>	<u>30/6/2025</u>	<u>31/12/2024</u>
Long term contract liabilities	1 609 527 423	1 609 527 423
	1 609 527 423	1 609 527 423

The below is the movement on the liability during the period / year:

<u>EGP</u>	<u>30/6/2025</u>	<u>31/12/2024</u>
Opening balance	1 609 527 423	1 609 527 423
Additions during the period/year	--	--
Balance at the end of the period/ year	1 609 527 423	1 609 527 423

29. Creditors and other credit balances

The increase in creditors and other credit balance was mainly due to advances from customers, the balance amounted to EGP 8 066 million as of 30 June 2025 (31 December 2024: EGP 6 482 million). This is the result of an increase in the group real estate activities during the period.

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30. Assets and liabilities measured at fair value

Fair value of financial instruments carried at amortised cost:

EGP	<u>30 June 2025</u>		<u>31 December 2024</u>	
	Carrying amount	Fair value	Carrying amount	Fair value
Borrowings	10 255 867 546	10 238 843 800	10 255 262 670	10 525 721 613

Valuation techniques and assumptions applied for the purposes of measuring fair value:

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets with standard terms and conditions and traded on active markets are determined with reference to quoted market prices (includes unlisted and listed equity investments classified as at FVTPL and FVTOCI respectively).
- The fair values of financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis. Specifically, significant assumptions used in determining the fair value of the following financial assets and liabilities are set out below.

Fair value measurements recognised in the consolidated statement of financial position.

The following table provides an analysis of assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

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

Level 2: fair value measurements are 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).

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

30 June 2025				
EGP	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Listed and unlisted shares measured at FV	--	--	209 219	209 219
31 December 2024				
EGP	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Listed and unlisted shares measured at FV	--	--	120 226	120 226

There were no transfers between Level 1 and 2 in the period. The unlisted financial assets at FVTOCI were measured at fair value based on a method that combined the earning and net equity book values of the companies.

31. Significant events during the financial period

- On 3 June 2025, Orascom Development Egypt (ODE) announced that Mohamed Amer, the current CEO of El Gouna, has joined ODE’s board of directors as an executive board member. Additionally, the Board appointed Ashraf Nessim as Managing Director for Finance and Operations and Mohamed Amer as Managing Director for Commercial Activities. The board has also accepted the resignation of Omar El Hamamsy from his position as Managing Director and Chief Executive Officer. Omar El Hamamsy will serve as the Advisor to the Chairman of Orascom Development Holding AG (ODH) in Switzerland, leading strategic projects alongside the Chairman through March 2026.
- On 11 May 2025, the Ordinary General Assembly meeting of Orascom Development Egypt (ODE) approved all proposed agenda items, which included the distribution of EGP 526 million cash dividends for shareholders and employees.
- The Monetary Policy Committee (MPC) of the Central Bank of Egypt (CBE) decided on 22 May 2025, to cut the CBE’s overnight deposit rate, overnight lending rate, and the rate of the main operation by 100 basis points to 24.00%, 25.00%, and 24.50%, respectively. The Committee also decided to cut the discount rate by 100 basis points to 24.50%.

32. Transaction with related parties

a. Taba Heights Company

Taba Heights Company is a subsidiary of the Group that has been granted the right to acquire land from the Tourism Development Authority (TDA) in accordance with the relevant laws and regulations governing land ownership. These regulations prohibit the sale of land in the Sinai area to foreigners without obtaining the necessary approvals from the Government. Since Taba Heights Company has the authorization to purchase land in Sinai from the TDA and in light of the Group's reorganization, which transformed the holding company into a Swiss entity, it has been decided that, until the necessary approvals are obtained, the ownership of Taba Heights Company shares will be transferred to the principal shareholder of the holding company, he has entered into a binding agreement with the Group to return these shares once the requisite approvals for the transfer are obtained. Until this transfer takes place, the Group will retain sole economic benefits from these shares. This arrangement includes several obligations, such as an irrevocable commitment to transfer profits, authorization to collect profits, and the exercise of voting rights associated with the shares. Additionally, provisions are in place for the sale of the shares, which will not confer any additional rights or benefits to the shareholder.

b. Other Transactions

- During Q2 2024, FTI, a German tourism company 75.1% owned by the parent company's main shareholder, declared bankruptcy, The Group has recorded the necessary provisions arising from FTI's bankruptcy during 2024, and the Group's management continues to monitor the situation carefully over the coming period and will announce any new updates as soon as they arise.
- The total amount of construction work and services with Red Sea for Construction & Development S.A.E (Related party 40.20%) reached EGP 2 527 million during the period.
- The total amount of construction work and services with Orascom Construction company (related party) reached EGP 45.6 million during the period.

33. Minimum Building Obligation (MBO):

On 14 February 2023, Orascom Development Egypt signed an agreement with the Egyptian Government. Under the agreement, the Tourism Development Authority approved a new master plan for the remaining 17.4 million square meters of land in El Gouna. According to the agreement, the company is required to build 1,000 hotel rooms every 10 years from the date of the agreement.

34. Tax Position

On 20 of August 2015, law No. 96 of 2015 was approved by the president, the law amends some of the income tax regulations of law No. 44 of 2014 which state that income tax rate is changed to be 22.5%.

a) Corporate Tax:

- Inspected by tax authority and settled till 2022.
- Tax returns up to 2024 have been filed within the due date.

b) Salary Tax:

- Inspected by tax authority and settled till 2022.

c) Stamp duty Tax:

- Inspected by tax authority and settled till 2018.

35. Events Subsequent to the Financial Statements date

- On 15 July 2025, the Orascom Development Egypt (ODE) board of directors appointed Dr. Eskandar Tooma as the company's new Non-Executive Chairman of the Board of Directors. Dr. Eskandar succeeds Dr. Samy Saad Zaghloul.
- On August 10, 2025, the Extraordinary General Assembly meeting of Orascom Development Egypt (ODE) approved the amendments of articles no 24 and 31 from the articles of associations.

36. Date of approval of Financial Statements

The Board of Directors approved the condensed financial statements for the financial period at 11 August 2025.