

**TENTH OF RAMADAN FOR PHARMACEUTICAL
INDUSTRIES AND DIAGNOSTIC REAGENTS
(RAMEDA) (S.A.E)**

CONSOLIDATED FINANCIAL STATEMENTS

TOGETHER WITH AUDITOR'S REPORT

FOR THE YEAR ENDED 31 December 2025

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND
DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

**Consolidated Financial Statements
For the Year Ended 31 December 2025**

Table of Contents	Page
Auditor's Report on the Consolidated Financial Statements	2-3
Consolidated Statement of Financial Position	4
Consolidated Statement of Profit or Loss	5
Consolidated Statement of Comprehensive Income	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9-56



Shape the future
with confidence

Allied for Accounting & Auditing
Cairo Festival City
Podium 1, Building P4,
New Cairo, Egypt
P.O. Box 20 Kattameya

Tel: +202 2726 0260
Cairo.office@eg.ey.com
ey.com/mena

Auditor's Report TO THE SHAREHOLDERS OF TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

Introduction

We have audited the accompanying consolidated financial statements of **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)** (the “Parent Company”) and its subsidiaries (together the “Group”), represented in the consolidated statement of financial position as at 31 December 2025, and the related consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and applicable Egyptian laws. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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



Shape the future
with confidence

Auditor's Report

TO THE SHAREHOLDERS OF TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E) - (CONTINUED)

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the "Group", as at 31 December 2025, and its consolidated financial performance and consolidated cash flows for year then ended in accordance with the Egyptian Accounting Standards and the related applicable Egyptian laws and regulations.

Auditor

Ashraf Mohamed Ismail
FESAA - FEST
(RAA. 9380)
(EFSAR. 102)



Cairo: 31 March 2026

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 December 2025

	Notes	31 Dec 2025 EGP	31 Dec 2024 EGP
ASSETS			
Non-current assets			
Fixed assets and assets under construction	(5)	719,992,976	613,158,155
Right of use assets	(6-A)	72,155,756	8,357,448
Intangible assets	(7)	1,110,797,408	552,785,013
Total non-current assets		1,902,946,140	1,174,300,616
Current assets			
Inventories	(8)	1,031,465,091	751,337,788
Trade and notes receivable	(9)	2,115,289,920	1,478,914,449
Treasury bills	(10)	-	189,703,696
Due from related parties	(33)	25,500	25,500
Prepayments and other receivables	(11)	157,783,150	558,506,565
Cash on hand and at banks	(12)	36,178,688	64,688,059
Other assets	(13)	93,839,078	93,839,078
Total current assets		3,434,581,427	3,137,015,135
TOTAL ASSETS		5,337,527,567	4,311,315,751
EQUITY AND LIABILITIES			
Equity			
Paid up capital	(16)	500,000,000	378,233,733
Legal reserve		250,000,000	189,116,867
General reserve	(17)	255,792,295	327,509,944
Treasury shares	(18)	-	(26,231,267)
Share based payments reserve	(19)	12,762,534	13,029,251
Other reserves		278,952	278,952
Retained earnings		1,148,943,876	1,162,330,106
Total equity of parent company		2,167,777,657	2,044,267,586
Non-controlling interest		42,122,663	27,376,784
Total equity		2,209,900,320	2,071,644,370
LIABILITIES			
Non-current liabilities			
Lease liabilities – noncurrent portion	(6-B)	75,460,824	7,189,831
Deferred tax liabilities	(30)	68,571,527	77,282,486
Total non-current liabilities		144,032,351	84,472,317
Current liabilities			
Provisions	(14)	14,970,947	17,220,844
Credit facilities	(20)	2,261,180,512	1,507,460,374
Lease liabilities – current portion	(6-B)	6,755,304	4,484,428
Trade, notes and other payables	(15)	584,112,797	527,249,734
Income taxes payable		116,575,336	98,783,684
Total current liabilities		2,983,594,896	2,155,199,064
TOTAL LIABILITIES		3,127,627,247	2,239,671,381
TOTAL LIABILITIES AND EQUITY		5,337,527,567	4,311,315,751



Finance Director
Mohamed Abo Amira

Board Member
Amr Abdallah Morsy



The accompanying notes from (1) to (38) are an integral part of these consolidated financial statements.
Auditor's Report Attached.

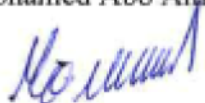
TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the Year Ended 31 December 2025

	Notes	31 Dec 2025 EGP	31 Dec 2024 EGP
Revenues	(23)	4,096,012,746	2,768,688,428
Cost of revenues	(24)	(2,114,469,591)	(1,485,024,414)
GROSS PROFIT		1,981,543,155	1,283,664,014
Selling and marketing expenses	(25)	(759,884,591)	(447,876,799)
General and administrative expenses	(26)	(149,993,479)	(112,423,776)
Other income	(27)	9,131,977	27,305,011
OPERATING PROFIT		1,080,797,062	750,668,450
Finance income	(28)	18,805,832	65,852,148
Finance expenses	(29)	(537,967,078)	(310,941,867)
Net foreign exchange (loss) / gain		(6,143,313)	56,240,536
NET FINANCE COST		(525,304,559)	(188,849,183)
Impairment of trade and notes receivable – net	(9)	(104,798,680)	(11,442,943)
Provisions	(14)	-	(500,000)
Share based payment expenses		(15,953,168)	(16,286,564)
Contribution for health insurance		(10,641,056)	(7,471,037)
PROFITS FOR THE YEAR BEFORE INCOME TAXES		424,099,599	526,118,723
Income Taxes	(30)	(110,889,023)	(124,311,589)
PROFITS FOR THE YEAR		313,210,576	401,807,134
Attributable to:			
Equity holders of the parent company		298,464,697	387,366,872
Non-controlling interests		14,745,879	14,440,262
PROFITS FOR THE YEAR		313,210,576	401,807,134
Basic - Earnings per share	(31)	0.1343	0.1817
Diluted - Earnings per share	(31)	0.1336	0.1811

Finance Director
Mohamed Abo Amira



Board Member
Amr Abdallah Morsy



The accompanying notes from (1) to (38) are an integral part of these consolidated financial statements.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31 December 2025

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
PROFITS FOR THE YEAR	<u>313,210,576</u>	<u>401,807,134</u>
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):	-	-
Net other comprehensive income/(loss) that may be to profit or loss in subsequent periods, net reclassified of tax	<u>-</u>	<u>-</u>
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):	-	-
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods, net of tax	<u>-</u>	<u>-</u>
Other comprehensive income/(loss), net of tax	<u>-</u>	<u>-</u>
Total comprehensive income, net of tax	<u>313,210,576</u>	<u>401,807,134</u>
Attributable to:		
Equity holders of the parent company	298,464,697	387,366,872
Non-controlling interest	14,745,879	14,440,262
	<u>313,210,576</u>	<u>401,807,134</u>

The accompanying notes from (1) to (38) are an integral part of these consolidated financial statements.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the Year Ended 31 December 2025

	<i>Paid up capital</i>	<i>Paid under capital increase</i>	<i>Legal reserve</i>	<i>General reserve</i>	<i>Treasury shares</i>	<i>Share based payment reserve</i>	<i>Other reserves</i>	<i>Profits for the year & retained earnings</i>	<i>Total equity of parent company</i>	<i>Non0controlling interest</i>	<i>Total equity</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Balance as at 1 January 2024	375,000,000	-	125,000,000	377,699,726	(26,231,267)	13,927,085	278,952	896,888,242	1,762,562,738	12,936,522	1,775,499,260
Paid under capital increase (Note 16)	-	3,233,733	-	-	-	-	-	-	3,233,733	-	3,233,733
Transferred from paid under increase to capital increase (Note 16)	3,233,733	(3,233,733)	-	-	-	-	-	-	-	-	-
Transfer from the general reserve to the legal reserve (Note 17)	-	-	64,116,867	(64,116,867)	-	-	-	-	-	-	-
Share based payment reserve	-	-	-	-	-	13,029,251	-	-	13,029,251	-	13,029,251
Transferred from share-based payment reserve to general reserve	-	-	-	13,927,085	-	(13,927,085)	-	-	-	-	-
Dividend distributions (Note 16)	-	-	-	-	-	-	-	(121,925,008)	(121,925,008)	-	(121,925,008)
Total comprehensive income for the year	-	-	-	-	-	-	-	387,366,872	387,366,872	14,440,262	401,807,134
Balance as at 31 Dec 2024	378,233,733	-	189,116,867	327,509,944	(26,231,267)	13,029,251	278,952	1,162,330,106	2,044,267,586	27,376,784	2,071,644,370
Balance as at 1 January 2025	378,233,733	-	189,116,867	327,509,944	(26,231,267)	13,029,251	278,952	1,162,330,106	2,044,267,586	27,376,784	2,071,644,370
Transferred to legal reserve	-	-	60,883,133	(60,883,133)	-	-	-	-	-	-	-
Capital increase	124,133,767	1,882,840	-	-	-	-	-	(122,250,927)	3,765,680	-	3,765,680
Transferred from paid under capital increase to paid up capital	-	(1,882,840)	-	-	-	-	-	-	(1,882,840)	-	(1,882,840)
Retire Treasury shares	(2,367,500)	-	-	(23,863,767)	26,231,267	-	-	-	-	-	-
Share based Payment reserve	-	-	-	13,029,251	-	12,762,534	-	-	25,791,785	-	25,791,785
Transferred from share based payment to general reserve	-	-	-	-	-	(13,029,251)	-	-	(13,029,251)	-	(13,029,251)
Dividend distributions (Note 16)	-	-	-	-	-	-	-	(189,600,000)	(189,600,000)	-	(189,600,000)
Total comprehensive income for the year	-	-	-	-	-	-	-	298,464,697	298,464,697	14,745,879	313,210,576
Balance as at 31 Dec 2025	500,000,000	-	250,000,000	255,792,295	-	12,762,534	278,952	1,148,943,876	2,167,777,657	42,122,663	2,209,900,320

The accompanying notes from (1) to (38) are an integral part of these consolidated financial statements.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 31 December 2025

	Notes	31 Dec 2025 EGP	31 Dec 2024 EGP
OPERATING ACTIVITIES			
Profits for the year before income taxes		424,099,599	526,118,723
Adjustments to reconcile profit before tax to net cash flow:			
Net foreign exchange differences		24,824,553	(34,476,650)
Depreciation and amortization	(5,6,7)	92,226,837	83,432,594
Share based payment expense		15,953,168	16,286,564
Provision charged	(14)	-	2,186,376
Impairment of trade and notes receivable	(9)	104,798,680	11,442,943
Write down in inventories	(8)	18,495,242	18,349,508
Impairment of intangible assets	(7)	2,556,771	2,512,477
Treasury bills income	(28)	(15,123,701)	(64,783,997)
Finance expenses from credit facilities	(29)	526,801,970	309,437,940
Unwinding interests of lease liabilities	(29)	11,165,109	1,503,927
(Gain) from sale of fixed assets	(5)	(148,635)	(7,318)
		<u>1,205,649,593</u>	<u>872,003,087</u>
Change in inventories		(273,600,068)	(439,510,776)
Used of inventory provision		(25,022,476)	(26,916,018)
Change in trade and notes receivable		(741,174,151)	(218,615,115)
Change in prepayments and other receivables		368,350,755	(408,529,938)
Change in trade, notes and other payable		52,984,963	276,376,399
Cash flows provided from operating activities		<u>587,188,616</u>	<u>54,807,639</u>
Debit interests paid from credit facilities		(526,801,970)	(294,656,618)
Provisions used		(2,249,897)	-
Income taxes paid		(101,808,330)	(67,070,648)
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES		<u>(43,671,581)</u>	<u>(306,919,627)</u>
INVESTING ACTIVITIES			
Payments to acquire fixed assets	(5)	(53,660,266)	(38,414,753)
Payments to acquire assets under construction	(5)	(102,236,035)	(26,515,155)
Payments to acquire other assets	(13)	-	(93,839,078)
Payments to acquire intangible assets	(7)	(594,950,160)	(1,706,000)
Payment to acquire treasury bills		-	(612,268,338)
Matured treasury bills collection		237,200,000	496,525,000
Sale of treasury bills		-	236,411,884
Proceeds from sale of fixed assets	(5)	197,502	1,718,132
Investment in term deposits	(12)	191,603	(6,463)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		<u>(513,257,356)</u>	<u>(38,094,771)</u>
FINANCING ACTIVITIES			
Proceed from capital increase	(16)	1,882,840	3,233,733
Credit facilities used	(20)	3,434,410,538	1,998,431,480
Payment of credit facilities	(20)	(2,680,690,400)	(1,551,192,424)
Dividends paid		(188,912,503)	(121,275,000)
Lease payments	(6)	(13,254,753)	(6,336,720)
NET CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES		<u>553,435,722</u>	<u>322,861,069</u>
Net change in cash and cash equivalent during the year		<u>(3,493,215)</u>	<u>(22,153,329)</u>
Net foreign exchange difference		(24,824,553)	34,476,650
Cash and cash equivalent - beginning of the year		64,276,456	51,953,135
CASH AND CASH EQUIVALENT - END OF THE YEAR	(12)	<u>35,958,688</u>	<u>64,276,456</u>

The accompanying notes from (1) to (38) are an integral part of these consolidated financial statements.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

1- BACKGROUND

Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) (S.A.E) (the “Company” or the “Parent Company”) was established under the provisions of Law No. 43 of 1974.

The Company was registered in the commercial registry under No.84008 on 15 January 1986.

The listing of Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) (S.A.E) on the Egyptian stock exchange was approved in 26 November 2019 according to resolution of listing committee of Egyptian stock exchange.

The registered office is located at plot No. 5 Second Industrial Zone, 6th of October City – Giza– Egypt.

The consolidated financial statements include the separate financial statements of the Parent Company and its subsidiaries (collectively referred to as the “Group”).

The Group is principally engaged in:

- Manufacturing, marketing, selling and storing of pharmaceutical reagents for human and veterinary use.
- Manufacturing, marketing, selling and storing of diagnostic reagents necessary for individuals, laboratories and hospitals.
- Importing pharmaceutical reagents and raw materials necessary for serving the Company’s purposes without trading.
- Producing pharmaceutical reagents for human and veterinary and diagnostic use for others and by others.
- Producing food supplements for human use for others and by others.

The financial statements for the year ended 31 December 2025 were authorized for issuance in accordance with a resolution of the Board of Directors dated 30 March 2026.

Below is a brief background about the subsidiaries:

Rameda for Pharmaceuticals Trading Company

A subsidiary with 99.97% shareholding. Its principal activity is importing and exporting pharmaceutical reagents, producing, marketing, selling and storing of pharmaceutical reagents and producing pharmaceutical reagents for human and veterinary and diagnostic use for others

Ramecare Company

A subsidiary with 49% legal ownership. Its principal activity is producing, marketing, selling and storing of pharmaceutical reagents, producing pharmaceutical reagents for human and veterinary and diagnostic use for others.

It was considered a subsidiary since the Parent Company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over it.

Ramepharma Company

A subsidiary with 49% legal ownership. Its principal activity is producing, marketing, selling and storing of pharmaceutical reagents, producing pharmaceutical reagents for human and veterinary and diagnostic use for others.

It was considered a subsidiary since the Parent Company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over it.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

1- BACKGROUND – Continued

Glow Company

Tenth of Ramadan for pharmaceutical industries and diagnostic reagents (Rameda) has established Glow company with a 76% ownership, which will specialize in the development and production of cosmetics.

2- SIGNIFICANT ACCOUNTING POLICIES

2-1 Basis of preparation

The consolidated financial statements are prepared under the going concern assumption on a historical cost basis.

The consolidated financial statements are prepared and presented in Egyptian pounds, which is the Group's functional currency.

The consolidated financial statements of the Group have been prepared in accordance with the Egyptian accounting standards and the applicable laws and regulations.

2-2 CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the preparation of the consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the year ending on December 31, 2024.

2-3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2-3-1 Basis of consolidation

The consolidated financial statements comprise the separate financial statements of the Parent Company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee
- Right arising from other contractual arrangements.
- The Group voting rights and potential voting rights.

The Group re-assess whether or not it controls an investee if facts and circumstances indicates that there are changes to one or more of the three elements of controls. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2-3-1 Basis of consolidation – Continued

The following steps are followed in preparing the consolidated financial statements:

- a- Eliminate the carrying amount of the Parent Company investment in each subsidiary and the Parent Company share of equity of each subsidiary.
- b- Identify the non-controlling interest in the profit or loss of the consolidated subsidiaries for the reporting year.
- c- Identify the non-controlling interests in the net assets of consolidated subsidiaries and presented in the consolidated financial statement separately from the Parent ownership interests. Non-controlling interests in the net assets consist of:
 - (1) The amount of non-controlling interests as of the original date of combination.
 - (2) The non-controlling interests' share of changes in equity since the date of the combination.
- d- Intergroup balances and transactions, revenues and expenses are eliminated.
 - The separate financial statements of the Parent Company and its subsidiaries used in the preparation of the consolidated financial statements are prepared as of the same date.
 - The separate financial statements of the Parent Company and its subsidiaries used in the preparation of the consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events with similar circumstances.

Non-controlling interests are presented in the consolidated financial position within equity, separately from the equity of the owners of the Parent Company, and the non-controlling interests share in the group profit or loss is presented separately.

2-3-2 Business combination

Accounting for business combination under EAS 29 only applies if it is considered that a business has been acquired. For acquisitions meeting the definition of a business, the acquisition method of accounting is used to account for the acquisition of subsidiaries by the Parent Company. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated statement of profit or loss.

2-3-3 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-3 Current versus non-current classification - Continued

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2-3-4 Foreign currency translation

Transactions in foreign currencies are initially recorded using prevailing exchange rates at date of transaction, whenever practical management may use fixed monthly exchange rates that are revised in case there is a significant change in the prevailing exchange rate at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies are retranslated using the exchange rates prevailing at the financial position date. All differences are recognized in the consolidated statement of profit or loss.

Nonmonetary items that are measured at historical cost in foreign currencies are translated using the exchange rates prevailing at the date of the initial recognition.

Nonmonetary items measured at fair value in foreign currencies are translated using the exchange rates prevailing at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in consolidated statement of other comprehensive income (“OCI”) or profit or loss are also recognized in consolidated statement of OCI or consolidated statement of profit or loss, respectively).

2-3-5 Fixed assets

Fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the fixed assets when that cost is incurred, if the recognition criteria are met. Likewise, when a major improvement is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss as incurred.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-5 Fixed assets - Continued

Depreciation of an asset begins when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is computed using the straight-line method according to the estimated useful life of the asset as follows:

	Years
Buildings	33
Machinery and equipment	20-10
Transportation and dragging equipment	5-10
Laboratory equipment	10
Tools	10
Furniture and fixtures	4-10

Fixed assets are derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognizing the asset is included in the consolidated statement of profit or loss when the asset is derecognized.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial position date. The useful lives of machinery and equipment related to the production activity were re-estimated to be 20 years.

Freehold Land is recognized at its acquisition cost and is not depreciated.

The Group assesses at each financial position date whether there is an indication that fixed assets may be impaired. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the consolidated statement of profit or loss.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of profit or loss.

2-3-6 Assets under construction

Assets under construction represent the amounts that are incurred for the purpose of constructing or purchasing fixed assets or intangible assets until it is ready to be used in the operation, upon which it is transferred to fixed assets or intangible assets. Assets under construction are valued at cost less impairment.

2-3-7 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost.

After initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-7 Intangible Assets - Continued

Intangible assets internally generated are not capitalized and the expenditures are charged to the consolidated statement of profit or loss in the year in which the expenditure was incurred

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite live are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization expense is charged to the consolidated statement of profit or loss.

The period of amortization and the amortization method for an intangible asset with finite useful lives are reviewed at each financial position date.

The Company has conducted a comprehensive study of the economic useful lives of its proprietary pharmaceutical products, classified under Intangible Assets. This is in compliance with the requirements of Egyptian Accounting Standard (EAS) No. 23 – "Intangible Assets", which mandates a periodic review and update of an asset's useful life to reflect its expected future economic benefits.

The study encompassed the following key pillars:

- 1- **Product Life Cycle Analysis:** Evaluation of the expected duration of demand in both local and international markets, market growth rates, competitive substitutes, and generic drug alternatives.
- 2- **Intellectual Property & Regulatory Assessment:** Assessment of registration rights, renewal periods, patent/exclusivity durations, and regulatory compliance requirements.
- 3- **Production Capacity & Future Profitability:** Projections based on marketing plans, brand equity, and expected market share.
- 4- **Obsolescence & Research Trends:** Analysis of pharmaceutical R&D trends that may impact the ongoing viability and relevance of the products.

Based on the results of this study, it was determined that the pharmaceutical products have a longer economic useful life than previously estimated. The Company also expects that the future economic benefits derived from these products will continue for periods ranging from 20 to 40 years.

This conclusion is supported by technical, regulatory, and commercial assessments conducted for each product individually.

Accordingly, the Company has updated the productive and amortizable useful lives of the intangible assets related to these products, so that they are amortized over the period that reflects the expected economic benefits.

2-3-8 Financial instruments

A financial instrument is any contract that creates a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial assets

Initial recognition and measurement

Upon initial recognition, the financial assets are classified according to both the Company's business model for managing the financial assets, and the contractual cash flow characteristics of the financial asset. The Company initially measures the financial assets at fair value in addition to transaction costs if they are financial assets that are not classified at fair value through profit or loss, except for customer balances, which do not include a significant financing component.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**2-3-8 Financial instruments – Continued****Subsequent measurement**

For the purposes of subsequent measurement, financial assets are classified into four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through other comprehensive income with recycling accumulated profits and losses (debt instruments)
- Financial assets classified at fair value through other comprehensive income without recycling accumulated profits and losses on derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Business model assessment

The Company's management assesses the objectives of holding financial assets, which reflects the way the management evaluates the performance of financial investments. The information to be obtained to assess the business model includes the following:

- The Company's investment policy, which is based on achieving returns on investment in the form of interests or selling profits
- The investment period that is commensurate with the management's need for the necessary liquidity
- Reports needed to evaluate investment performance
- The risks that affect the performance of the business model and how to manage it
- The Company's previous experience in dealing with these investments, the duration of their holding and cash flows.

The Company classifies financial assets at amortized cost if each of the following two conditions is met:

- The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows.
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost (debt instruments)

Financial assets are subsequently measured at amortized cost using the effective interest rate method and are subject to impairment. Gains and losses are recognized in the consolidated statement of profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets that are measured at amortized cost include receivables, notes receivable, Company's investments in treasury bills and governmental bonds, other debit balances and due from related parties.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated statement of profit or loss and are computed in the same manner as for financial assets measured at amortized cost. The remaining changes in fair value changes are recognized in other comprehensive income. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is recycled to profit or loss.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-8 Financial instruments – Continued

Financial assets at fair value through other comprehensive income (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its investments in equity instruments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under EAS 25 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses from these financial assets are never recycled to profit or loss. Dividends are recognized as income in the consolidated statement of profit or loss when the right to payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset.

Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment. The Group has elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are included in the consolidated statement of financial position at fair value with the recognition of net changes in fair value in the profit or loss.

Expected credit losses

The Company recognizes the expected credit losses for the following financial assets:

- Financial assets that are measured at amortized cost
- Investments in debt instruments that are measured at fair value through other comprehensive income.

The Company measures the expected credit losses over the lifetime of the financial asset, except for the following financial assets, which are measured as 12-month expected credit losses:

- Debt instruments that have low credit risk at the reporting date.
- Bank balances and debt instruments whose credit risk have not changed since the initial recognition.

The Company assumes that an increase in the expected credit risk is associated with a delay in debt collection for more than 30 days from the maturity date, that the financial asset has failed to pay when the debt is more than 90 days past due, and that it is not expected to pay the financial dues without resorting to liquidation of the collateral.

The expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted approximately to the original effective interest rate.

The allowance for credit losses for financial assets is presented in the consolidated financial statements by deducting it from the balance of the financial asset.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-8 Financial instruments – Continued

Derecognition

A financial asset (as applicable, part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The contractual rights to the cash flows from the financial asset expire; or
- The Company transfers its rights to receive cash flows from the asset or has accepted an obligation to pay the received cash flows in full without material delay to a third party through a pass-through arrangement; and either (a) the Company has transferred substantially all of the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company transfers its rights to receive cash flows from an asset or enters a pass-through arrangement, it assesses whether, and to what extent, it has retained the risks and benefits of ownership. When it neither transfers nor retains substantially all the risks and rewards of the asset, or transfers control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In this case, the Company also recognizes a corresponding liability. The transferred asset and the corresponding liabilities are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Initial recognition and measurement

On initial recognition, the financial liabilities are designated at fair value through profit or loss, loans and facilities, suppliers, notes payables or other liabilities.

All financial liabilities are initially recognized at fair value and in the case of loans, borrowings, and credit balances, net of directly attributable transaction costs.

The Company's financial liabilities include suppliers, notes payable, other credit balances, loans, facilities including bank overdraft and other financial liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification as shown below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities classified upon initial recognition at fair value through profit or loss.

Financial liabilities at amortized cost (loans)

The most relevant category to the Company. After initial recognition, loans and advances are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the consolidated statement of profit or loss when the liabilities are derecognised and through the effective interest rate amortization process.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is recognized as a finance cost in the consolidated statement of profit or loss. This category generally applies to loans and facilities.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-8 Financial instruments – Continued

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and recognition of a new liability. The difference in the related carrying amounts is recognized in the consolidated statement of profit or loss.

2-3-9 Fair value through OCI

These assets are measured on initial recognition of the fair value, plus the cost of the transaction directly related to the acquisition or issue of the financial asset.

After the initial recognition, they are measured at fair value, changes in the fair value other than the impairment losses and the effects of changes in foreign currency exchange rates for debt instruments are recognized within the other comprehensive income items and accumulated in the fair value reserve, and from the exclusion of these assets, the recognized accumulated profits or losses are reclassified Included in other comprehensive income previously to profit or loss

2-3-10 Inventory

The inventory elements are valued as follows:

- a) Raw materials and packing materials: at the lower of cost (using the moving weighted average method) or net realizable value.
- b) Spare parts: at the lower of cost (using the moving weighted average method) or net realizable value.
- c) Finished goods: at the lower of cost (using the weighted average method) or net realizable value. The cost includes direct materials, direct labor and allocated share of manufacturing overhead excluding borrowing costs.
- d) Work in process: at the lower of cost or net realizable value. Cost includes direct material, direct labor and allocated share of manufacturing overheads based on the percentage of completion.

Goods in transit: at the lower of cost or net realizable value, and is recognized in the consolidated financial statements when risks and rewards are transferred to the Group which is determined based on shipping terms. Cost includes the purchase price of the materials and directly attributable expenses incurred to date.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

The amount of any write down of inventories to net realizable value and all losses of inventories are recognized in cost of sales in the consolidated statement of profit or loss in the period the write down or loss occurs. The amount of any reversal of any write down of inventories, arising from an increase in net realizable value, is be recognized as reduction of cost of sales in the consolidated statement of profit or loss in the period in which the reversal occurs.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-11 Trade and Notes receivables and other receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

These receivables are recognized initially at fair value.

After initial measurement, such financial assets are subsequently measured at amortized cost less impairment.

The Group assesses whether impairment exists individually, for receivables that are individually significant, or collectively for receivables that are not individually significant.

The calculation of impairment is based on actual historical data incurred. The impairment loss is recognized in the consolidated statement of profit or loss. Reversal of impairment is recognized in the consolidated statement of profit or loss in the period in which it occurs.

2-3-12 Trade and notes payable and other payables

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

2-3-13 Provisions

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

Where the effect of the time value of money is material, the amount of a provision should be the present value of the expected expenditures required to settle the obligation.

Where discounting is used, the increase in the provision due to the passage of time is recognized in the consolidated statement of profit or loss.

2-3-14 Social insurance

The Group makes contributions to the Social Insurance Authority calculated as a percentage of the employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

2-3-15 Legal reserve

According to the Group's articles of association, 5% of the net profits of the year of the parent Company based on separate financial statement is transferred to the legal reserve until this reserve reaches 50% of the issued capital. The reserve is used upon a decision from the general assembly meeting based on the proposal of the Board of Directors. The transfer to the legal reserve is made once the consolidated financial statements for the year are approved in the general assembly meeting.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-16 General reserve

According to the Group's articles of association, the general assembly meeting may decide to allocate a certain percentage of the net profits of the year to the general reserve. The reserve is used upon a decision from the general assembly meeting based on the proposal of the board of directors. The general reserve forms part of other reserves.

2-3-17 Borrowings

Borrowings are initially recognized at fair value less transaction cost. Amounts maturing within one year are classified as current liabilities, unless the Group has the right to postpone the settlement for a period exceeding one year after the financial position date, then the loan balance should be classified as non-current liabilities.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the consolidated statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance expenses in the consolidated statement of profit or loss.

2-3-18 Income taxes

Income tax is calculated in accordance with the Egyptian tax law.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-18 Income taxes – Continued

Deferred income tax – Continued

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2-3-19 Dividends

The Group recognizes a liability to pay a dividend when the distribution is authorized and distribution is no longer at the discretion of the Group. As per law 159, a distribution is authorized when it is approved by the shareholders in the general assembly meeting.

2-3-20 Revenue recognition

The Company recognizes revenues from contracts with customers by applying a five-step model as depicted within EAS no. 48:

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

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

Step 3: Determine the transaction price. Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-20 Revenue recognition – Continued

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

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

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

a) the entity's performance does not create an asset with an alternative use and the entity has an enforceable right to payment for performance completed to date

b) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced

c) the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.

-As for performance obligations, the Company recognizes revenues over time, if one of the above criteria is met.

-When the Company satisfies a performance obligation by transferring a promised service, it is originally established based on the contract against the amount of the contract corresponding to the performance obligation, when the amount against the contract received from the client exceeds the amount of revenue generated resulting in payments from the client (contract obligation) .

-Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, when appropriate, can be measured reliably

Satisfaction of performance obligations

-For each performance obligation, an entity shall determine whether it satisfies the performance obligation over time or at a point in time, requiring professional judgement, to determine the most appropriate method to recognize revenue.

Determining the transaction prices

-The Company should determine the transaction prices related to its contracts with customers. The Company estimates the impact of any variable consideration in the contract .

Transfer of control in contract with customers

-If the Company satisfies the performance obligation at a point in time, revenue is recognized when the customer obtains a control over the asset

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-20 Revenue recognition – Continued

Sale of Goods and Service Contracts

Revenue from the sale of goods is recognized when the Company transfers control of the goods to the customer in accordance with the terms of the contract, which generally occurs upon the satisfaction of performance obligations.

For each identified performance obligation, the Company determines at contract inception whether it satisfies that performance obligation over time or at a point in time. If the performance obligation is not satisfied over time, it is deemed to be satisfied at a point in time.

2-3-21 Interest income

Interest income is recognized as interest accrues using the effective interest “EIR” method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

2-3-22 Expenses

All expenses including cost of revenues, general and administrative expenses, selling and marketing expenses, finance expenses and other expenses are recognized and charged to the consolidated statement of profit or loss in the financial year in which these expenses are incurred.

2-3-23 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2-3-24 Related party transactions

Related parties represent associated companies, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Boards of Directors.

2-3-25 Contingent liabilities and assets

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

2-3-26 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-26 Fair value measurement – Continued

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For assets traded in an active market, fair value is determined by reference to quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.

For unquoted assets, fair value is determined by reference to the market value of a similar asset or is based on the expected discounted cash flows.

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Fair value measurements are those derived from quoted prices in an active market (that are unadjusted) 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).

For assets and liabilities that are recognized in the consolidation financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2-3-27 Impairment of assets

Impairment of financial assets

The Financial assets of the Group include cash on hand and at banks, trade and notes receivable and due from related parties. The Group assesses at each financial position date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. The policy for the measurement of the impairment losses is included in respective financial assets accounting policy.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**2-3-27 Impairment of assets – Continued****Impairment of non-financial assets**

The Group assesses at each financial position date whether there is an indication that an asset may be impaired. Where the carrying amount of an asset or cash-generating units (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Impairment losses are recognized in the consolidated statement of profit or loss.

A previously recognized impairment loss is only reversed if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of profit or loss.

2-3-28 Leases – (EAS 49)

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is considered to contain a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes and measures all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities for the obligation to make lease payments and corresponding right-of-use assets representing the right to use the underlying assets.

1- Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of the lease liabilities initially recognized, any initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the underlying assets. If ownership of the leased asset is transferred to the Company at the end of the lease term, or if the cost reflects the exercise of a purchase option, depreciation is calculated based on the asset's estimated useful life.

2- Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments, less any lease incentives receivable; variable lease payments that depend on an index or rate; and amounts expected to be payable under residual value guarantees. Lease payments also include the exercise price of a purchase option that the Company is reasonably certain to exercise, as well as penalties for terminating the lease if the lease term reflects the Company exercising a termination option.

Variable lease payments that do not depend on an index or rate are recognized as expenses in the period in which they are incurred.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

2- SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2-3-28 Leases – (EAS 49) – Continued

2- Lease liabilities – Continued

In measuring the present value of lease payments, the Company uses the Group's incremental borrowing rate at the commencement date, as the interest rate implicit in the lease cannot be readily determined. After the commencement date, the lease liability is increased to reflect the accretion of interest and reduced by lease payments made.

The carrying amount of lease liabilities is remeasured when there is a modification, a change in the lease term, or a change in the expected lease payments.

The Company applies the short-term lease recognition exemption to its short-term leases (leases with a lease term of 12 months or less from the commencement date and that do not include a purchase option). The Company also applies the exemption for leases of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

2-3-29 Share based payments

The Company applies an equity-settled, share-based compensation plan. The fair value of equity instruments recognized as an expense over the vesting period using appropriate valuation models, taking into account the terms and conditions upon which the equity instruments were granted. The vesting period is the period during which all the specified vesting conditions of a share-based payment arrangement are to be satisfied. Vesting conditions include service conditions and performance conditions and market performance conditions are taken into account when estimating the fair value of equity instruments at the date of grant. At each balance sheet date, the number of options that are expected to be exercised are estimated. Recognizes estimate changes, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2-3-30 Statement of cash flows

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

2-3-31 Cash and cash equivalent

For the purpose of preparing the consolidated statement of cash flow, the cash and cash equivalent comprise of cash on hand, current accounts with banks and time deposits maturing within three months from placement date.

The preparation of these consolidated financial statements requires management to make judgments and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

The key judgments and estimates that have a significant impact on the consolidated financial statements of the Group are discussed below:

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

3- SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

3-1 Judgments

Revenue Recognition for sale of goods

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods as set out in "EAS 11 Revenue" including the judgement about whether significant risks and rewards have been transferred.

3-2 Estimates

Impairment of trade and other receivables

An estimate of the collectible amount of trade and other receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimate is performed on an individual basis. Amounts which are not individually significant, but are past due, are assessed collectively and a provision is applied according to the length of time past due, based on historical recovery rates.

Provision for sales returns

The Group's management determines the estimates provision for the expected sales returns. This estimate is determined after considering the past experience of sales returns and sales volume and expiry dates of the products sold. The management periodically reviews the estimated provision amount to ensure that provision is adequate to cover the sales return.

Useful lives of fixed assets

The Group's management determines the estimated useful lives of its fixed assets for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews the estimated useful lives and the depreciation method to ensure that the method and the period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Useful lives of intangible assets

The useful lives of intangible assets are assessed as finite or indefinite.

The assessment of an indefinite useful life is reviewed annually to determine whether it continues to be supportable. If not, a change in the useful life from indefinite to finite is accounted for prospectively.

The management periodically reviews the estimated useful lives and the amortization method to ensure that the method and the period of amortization are consistent with the expected pattern of economic benefits from these assets (Note-7).

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

3- SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES - CONTINUED

Taxes

The Group is subject to income taxes in Egypt. Significant judgment is required to determine the total provision for current and deferred taxes. The Group establishes provision, based on reasonable estimates, for possible consequences of audits by the tax authorities in Egypt. The amount of such provision is based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the Group and the responsible tax authority. Such differences of interpretations may be on a wide variety of issues depending on the conditions prevailing in Egypt.

Deferred tax assets are recognized for unused accumulated tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

4- SEGMENT INFORMATION

The Group's primary business segment is the production and selling of pharmaceutical products which contributes to 93% of total revenue and balance 7% is contributed by toll manufacturing services (31 Dec 2024: 93% and 7% receptively). The Group's management monitors the business under two segments, "production and selling of pharmaceutical products" and "manufacturing for others" (Toll manufacturing) for the purpose of making business decisions.

Segment performance is evaluated based on revenue and measured consistently with revenue in the consolidated financial statement.

Accordingly, the Group's revenues during the year ended 31 Dec 2025 were reported under two segments in the consolidated financial statements.

The Group produces and sells several pharmaceutical products and renders services as follows:

Year	<i>Services Toll Manufacturing "Domestic" EGP</i>	<i>Production and selling of pharmaceutical products</i>			<i>Total EGP</i>
		<i>Export EGP</i>	<i>Private sales EGP</i>	<i>Tenders EGP</i>	
31 Dec 2025	<u>284,791,406</u>	<u>243,545,542</u>	<u>3,022,694,060</u>	<u>544,981,738</u>	<u>4,096,012,746</u>
31 Dec 2024	<u>181,865,659</u>	<u>142,202,347</u>	<u>2,208,189,923</u>	<u>236,430,499</u>	<u>2,768,688,428</u>

Revenue from the top five customers presented 79% of total production and selling of pharmaceutical products revenues (31 Dec 2024:74%).

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**CONSOLIDATED FINANCIAL STATEMENTS**

For the Year Ended 31 December 2024

5- FIXED ASSETS AND ASSETS UNDER CONSTRUCTION

	Freehold Land	Buildings	Machinery and equipment	Transportat ion and dragging equipment	Laboratory equipment	Tools	Office furniture and fixtures	Assets under constructio n	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost									
1 January 2025	18,637,425	294,768,429	530,797,844	18,226,904	35,726,446	14,797,847	46,761,370	33,464,541	993,180,806
Additions	-	2,311,386	22,304,280	552,899	17,958,309	5,977,036	4,556,357	102,236,034	155,896,301
Transferred from assets under construction	-	3,345,416	31,191,655	-	2,998,503	-	4,017,439	(41,553,013)	-
Disposals	-	-	(8,095,267)	-	(177,482)	(37,725)	(753,397)	-	(9,063,871)
31 Dec 2025	18,637,425	300,425,231	576,198,512	18,779,803	56,505,776	20,737,158	54,581,769	94,147,562	1,140,013,236
Accumulated depreciation									
As of 1 January 2025	-	(93,620,312)	(223,372,292)	(13,311,924)	(17,434,122)	(4,740,068)	(27,543,933)	-	(380,022,651)
Depreciation for the year	-	(9,821,366)	(27,351,129)	(1,190,931)	(3,802,399)	(1,744,499)	(5,102,289)	-	(49,012,613)
Disposals	-	-	8,094,786	-	177,482	33,546	709,190	-	9,015,004
31 Dec 2025	-	(103,441,678)	(242,628,635)	(14,502,855)	(21,059,039)	(6,451,021)	(31,937,032)	-	(420,020,260)
Net book value as of 31 Dec 2025	18,637,425	196,983,553	333,569,877	4,276,948	35,446,737	14,286,137	22,644,737	94,147,562	719,992,976

- The cost of fixed assets as of 31 Dec 2025 includes EGP 114,224,464 which represents fully depreciated assets that are still in use.

- The cost of asset under construction as of 31 Dec 2024 includes impairment by EGP 686,437, (EGP 686,437 as of 31 Dec 2024).

Depreciation for the year was allocated to the statement of profit or loss as follows:

	<i>31 Dec 2025</i>
	<i>EGP</i>
Cost of revenue	44,810,169
Selling and marketing expenses	1,363,532
General and administrative expenses	2,838,912
	<u>49,012,613</u>

Gains from sale of fixed assets was calculated as follows:

	<i>31 Dec 2025</i>
	<i>EGP</i>
Cost of disposed assets	9,063,871
Accumulated depreciation of disposed assets	<u>(9,015,004)</u>
Net book value of disposed assets	48,867
Proceeds from sale of fixed assets	197,502
Gains from sale of fixed assets	<u>148,635</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**CONSOLIDATED FINANCIAL STATEMENTS**

For the Year Ended 31 December 2024

5- FIXED ASSETS AND ASSETS UNDER CONSTRUCTION (CONTINUED)

	Freehold Land	Buildings	Machinery and equipment	Transportation and dragging equipment	Laboratory equipment	Tools	Office furniture and fixtures	Assets under construction	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost									
1 January 2024	18,637,425	288,432,792	482,794,175	16,060,164	35,186,599	11,571,461	39,423,718	38,090,575	930,196,909
Additions	-	3,759,810	19,479,544	2,166,740	539,847	3,280,122	9,188,690	26,515,155	64,929,908
Transferred from assets under construction	-	2,575,827	28,565,362	-	-	-	-	(31,141,189)	-
Disposals	-	-	(41,237)	-	-	(53,736)	(1,851,038)	-	(1,946,011)
31 Dec 2024	<u>18,637,425</u>	<u>294,768,429</u>	<u>530,797,844</u>	<u>18,226,904</u>	<u>35,726,446</u>	<u>14,797,847</u>	<u>46,761,370</u>	<u>33,464,541</u>	<u>993,180,806</u>
Accumulated depreciation									
As of 1 January 2024	-	(84,033,388)	(198,803,696)	(12,303,486)	14,143,898	(3,642,757)	(23,611,916)	-	(336,539,141)
Depreciation for the year	-	(9,586,924)	(24,609,608)	(1,008,438)	(3,290,224)	(1,125,958)	(4,097,555)	-	(43,718,707)
Disposals	-	-	41,012	-	-	28,647	165,538	-	235,197
31 Dec 2024	<u>-</u>	<u>(93,620,312)</u>	<u>(223,372,292)</u>	<u>(13,311,924)</u>	<u>17,434,122)</u>	<u>(4,740,068)</u>	<u>(27,543,933)</u>	<u>-</u>	<u>(380,022,651)</u>
Net book value as of 31 Dec 2024	<u>18,637,425</u>	<u>201,148,117</u>	<u>307,425,552</u>	<u>4,914,980</u>	<u>18,292,324</u>	<u>10,057,779</u>	<u>19,217,437</u>	<u>33,464,541</u>	<u>613,158,155</u>

- The cost of fixed assets as of 31 Dec 2024 includes EGP 118,970,124 which represents fully depreciated assets that are still in use.
- The cost of asset under construction as of 31 Dec 2024 includes impairment by EGP 686,437, (EGP 686,437 as of 31 Dec 2023).

Depreciation for the year was allocated to the statement of profit or loss as follows:

	<i>31 Dec 2024</i>
	<i>EGP</i>
Cost of revenue	40,194,252
Selling and marketing expenses	1,280,286
General and administrative expenses	2,244,169
	<u>43,718,707</u>

Gains from sale of fixed assets was calculated as follows:

	<i>31 Dec 2024</i>
	<i>EGP</i>
Cost of disposed assets	1,946,011
Accumulated depreciation of disposed assets	(235,197)
Net book value of disposed assets	1,710,814
Proceeds from sale of fixed assets	1,718,132
Gains from sale of fixed assets	<u>7,318</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

6- LEASES

Right of use assets are scientific rental offices, operating leases, and warehouses

A) Right of use assets

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Cost at beginning of the year	28,026,090	28,026,090
Additions	72,631,514	-
Total cost at the end of the year	<u>100,657,604</u>	<u>28,026,090</u>
Accumulated amortization at beginning of the year	(19,668,642)	(15,634,794)
Amortization for year	(8,833,206)	(4,033,848)
Accumulated amortization at the end of the year	<u>(28,501,848)</u>	<u>(19,668,642)</u>
Net book value at the end of the year	<u>72,155,756</u>	<u>8,357,448</u>

B) Lease liability

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
As at the beginning of the year	11,674,259	16,507,052
Additions	72,631,514	-
Unwinding interests recognized during the year (Note 29)	11,165,109	1,503,927
Lease payments during the year	(13,254,754)	(6,336,720)
As at the end of the year	<u>82,216,128</u>	<u>11,674,259</u>
Deduct: Current portion	<u>6,755,304</u>	<u>4,484,428</u>
Non-current portion	<u>75,460,824</u>	<u>7,189,831</u>

7- INTANGIBLE ASSETS

	<u><i>Registration rights and trademarks & IT system</i></u>	
	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Cost as at beginning of the year	682,198,842	680,492,842
Additions	594,950,160	1,706,000
Total cost at the end of the year	<u>1,277,149,002</u>	<u>682,198,842</u>
Accumulated amortization at beginning of the year	(129,413,829)	(91,221,313)
Amortization during the year	(34,380,995)	(35,680,039)
Impairment in value of intangible assets (Note 24)	(2,556,770)	(2,512,477)
Accumulated amortization at the end of the year	<u>(166,351,594)</u>	<u>(129,413,829)</u>
Net book value at the end of the year	<u>1,110,797,408</u>	<u>552,785,013</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Year Ended 31 December 2025

7- INTANGIBLE ASSETS – Continued

- The balance of intangible assets represents the trademarks of certain pharmaceutical products, which were purchased from external parties and are legally registered. These trademarks are measured at historical cost after initial recognition. They are amortized, given their finite useful lives, using the straight line method over their estimated useful life of 20 years.
- The balance of intangible assets also includes the registration rights of other pharmaceutical products that the company has registered with the Ministry of Health. These rights are amortized using the straight-line method over their estimated useful life of 20 years.
- Management, as part of the periodic review of accounting estimates, has reassessed the estimated useful life of the pharmaceutical brand related to certain products, which is recognized within intangible assets in accordance with Egyptian Accounting Standard (EAS) No. (23) – Intangible Assets. As a result of this review, the estimated useful life of the brand was modified from the previous useful life of 20 years to a revised useful life ranging from 35 to 40 years.
- This review was based on the requirements of Egyptian Accounting Standard No. (23), which states that the useful life of an intangible asset should reflect the period during which the future economic benefits are expected to be realized, taking into account historical experience with products similar in active ingredient, market demand, the stage of the product life cycle, and industry practices applied to pharmaceutical products similar in active ingredient.
- Based on an updated analysis that included the expected economic life of the product, the continued medical relevance of the product, the historical and forecasted sales performance, as well as the useful lives applied to similar pharmaceutical brands in the market, management concluded that the previously applied useful life no longer appropriately reflects the pattern of consumption of the future economic benefits associated with the brand.
- This change has been recognized as a change in an accounting estimate in accordance with Egyptian Accounting Standard No. (5) – Accounting Policies, Changes in Accounting Estimates and Errors, and has been applied prospectively from the date of the reassessment. Accordingly, comparative figures have not been restated.

Quantitative Impact of the Change

- At the date of the reassessment, the carrying amount of the brand amounted to EGP 835,344,428. Under the previous useful life, the remaining amortization period ranged from 18 to 10 years, resulting in an annual amortization expense of approximately EGP 51,214,720.
- Following the modification of the estimated useful life to 35 to 40 years, the remaining amortization period increased to 38 to 30 years, which led to a decrease in the annual amortization expense to approximately EGP 25,432,894.
- As a result, the amortization expense recognized during the current financial year decreased by approximately EGP 25,781,825.87, with a corresponding increase in profit before tax for the same period. The remaining impact will be allocated to future financial periods over the revised remaining amortization period, based on the remaining carrying amount of the brand.
- Management considers the impact of this change to be material to the consolidated financial statements. Management will continue to review the estimated useful life of the brand at each financial reporting date and will adjust the estimate whenever events or changes in circumstances indicate that the expected useful life has changed, in accordance with the requirements of Egyptian Accounting Standard No. (23).

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

7- INTANGIBLE ASSETS – Continued

- The balance of intangible assets includes balances that have not started to be amortized yet as follows:

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Pharmaceutical rights – (Under Registration)	13,635,508	10,927,493
Software Systems – (Under Progress)	15,601,228	-
	29,236,736	10,927,493

8- INVENTORIES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Raw materials	462,043,750	291,369,888
Packing and packaging materials	154,966,880	99,167,441
Spare parts	62,253,466	40,584,434
Finished goods	291,842,518	120,470,931
Work in progress	20,667,139	70,922,544
Goods in transit	32,785,728	105,057,791
Inventory with others	16,647,523	40,033,906
	1,041,207,004	767,606,935
Write down in inventories	(9,741,913)	(16,269,147)
	1,031,465,091	751,337,788

The movement in the write down in value of inventories as follows:

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Beginning balance of the year	(16,269,147)	(24,835,657)
Charge during the year *	(18,495,242)	(18,349,508)
Used during the year	25,022,476	26,916,018
Ending balance of the year	(9,741,913)	(16,269,147)

*The write down in value of inventories during the year was included in the cost of sales.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

9- TRADE AND NOTES RECEIVABLES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Trade receivable	1,104,263,563	768,351,916
Trade receivable – toll manufacturing	53,596,958	49,053,661
Notes receivable	1,088,377,909	687,658,702
	2,246,238,430	1,505,064,279
Impairment in value of trade and notes receivables	(130,948,510)	(26,149,830)
	2,115,289,920	1,478,914,449

Notes receivable amounting to EGP 854.5M (323M:31 December 2024) are mortgage as a guarantee for the credit facilities (Note 20).

The aging analysis of gross trade and notes receivables before impairment is as follows:

	<i>Total</i>	<i>Neither past due nor impaired</i>	<i>Past due but not impaired</i>				<i>Impaired</i>
			<i>Less than 180 days</i>	<i>From 181 to 270 days</i>	<i>From 271 to 365 days</i>	<i>More than 365 days</i>	
31 Dec 2025	2,246,238,430	1,994,567,129	33,742,609	4,227,335	1,405,378	81,347,469	130,948,510
31 Dec 2024	1,505,064,279	1,329,195,634	95,581,855	12,177,409	34,701,829	7,257,722	26,149,830

The movement of the impairment in value of trade and notes receivable as follows:

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Beginning balance of the year	(26,149,830)	(14,706,887)
Charged during the year	(104,798,680)	(11,482,744)
No longer required during the year	-	39,801
Ending balance of the year	(130,948,510)	(26,149,830)

The balances of trade receivables and notes receivable include an amount of EGP 99,378,332 related to a single customer, in addition to related parties of the same customer. The company has been negotiating with the customer to settle the outstanding debt, given that the customer has been facing delays in payment and showing negative indicators regarding its financial position, as well as defaults with other companies. In this context, real estate assets were acquired in previous years to settle part of the outstanding debt, and these assets have been disclosed in Note (13). The company continues to negotiate with the customer to collect the remaining outstanding amounts.

As of 31 December 2025, the customer's balance before recognizing allowances amounted to EGP 99,378,332. The company assessed the impairment of this balance on an individual basis, and as a result, an impairment loss of EGP 99,378,332 was recognized during the year ended 31 December 2025. This brought the total allowance recorded for this customer to the same amount, which equals the entire receivable balance, resulting in a net customer balance of zero as of 31 December 2025.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

10- TREASURY BILLS

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Treasury bills (Purchase cost)	-	237,200,000
Unearned interest	-	(47,496,304)
Ending balance of the year	-	189,703,696

- Treasury bills are considered as investments measured at amortized cost in accordance with the requirements of Egyptian Accounting Standard (EAS) 47.

11- PREPAYMENTS AND OTHER RECEIVABLES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Prepaid expenses	10,491,247	4,291,326
Advances to suppliers	48,084,794	337,892,240
Tax authority	52,457,929	28,521,329
Letters of credit margin	29,422,762	95,263,333
Payment under fixed assets	-	5,358,004
Accrued interests	-	32,372,603
Deposits with others	2,120,940	2,163,940
Employees' imprests and advances	3,263,586	5,366,979
Prepayment to customs-authority	1,943,711	4,765,701
Other receivables	9,998,181	42,511,110
	<u>157,783,150</u>	<u>558,506,565</u>

12- CASH ON HAND AND AT BANKS

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
a) Egyptian Pounds		
Cash on hand	18,296	767,785
Current accounts	27,590,766	34,685,437
Checks under collection	5,540,065	6,801,271
Term deposits	220,000	411,603
	<u>33,369,127</u>	<u>42,666,096</u>
b) Foreign currencies		
Cash on hand	584,797	2,179,233
Current accounts	2,224,764	19,842,730
	<u>2,809,561</u>	<u>22,021,963</u>
	<u>36,178,688</u>	<u>64,688,059</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

13- CASH ON HAND AND AT BANKS – Continued

Cash on hand and at banks balances are denominated in the following currencies:

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Egyptian pound (EGP)	33,369,127	42,666,096
US dollar (USD)	2,792,211	18,910,521
Euro (EUR)	17,350	3,111,442
	<u>36,178,688</u>	<u>64,688,059</u>

For the purpose of cash flow statements cash and cash equivalents consist of following.

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Cash in hand	603,093	2,947,018
Checks under collection	5,540,065	6,801,271
Current accounts	29,815,530	54,528,167
	<u>35,958,688</u>	<u>64,276,456</u>

14- Other assets

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Real estate units	93,839,078	93,839,078
	<u>93,839,078</u>	<u>93,839,078</u>

The other assets consist of the purchase value of real estate units (residential units) that were transferred to Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) "Parent Company" under a preliminary sale contract dated August 28, 2024, from one of the company's clients in exchange for settling a debt owed by him. The company determined the purchase price based on the purchase price of similar real estate units in the Egyptian real estate market. In Subsequent period the company is sold one of the property amounted 55M and in process of sale of the rest.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

15- PROVISIONS

	<i>Balance as at 1 January 2025</i>	<i>Charged during the</i>	<i>Used during the year</i>	<i>Balance as at 31 Dec 2025</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Provision for expected claims	6,308,097	-	(2,249,897)	4,058,200
Provision for sales returns*	10,912,747	-	-	10,912,747
	<u>17,220,844</u>	<u>-</u>	<u>(2,249,897)</u>	<u>14,970,947</u>
	<i>Balance as at 1 January 2024</i>	<i>Charged during the year</i>	<i>Used during the year</i>	<i>Balance as at 31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Provision for expected claims	5,808,097	500,000	-	6,308,097
Provision for sales returns*	9,226,371	1,686,376	-	10,912,747
	<u>15,034,468</u>	<u>2,186,376</u>	<u>-</u>	<u>17,220,844</u>

*Provision for sales returns is deduced from sales disclosed (Note 23).

16- TRADE, NOTES AND OTHER PAYABLES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Trade payables	335,190,233	264,358,588
Notes payables	65,156,850	47,246,200
Accrued expenses	134,890,738	106,357,887
Tax authority (other than income tax)	19,865,164	8,735,875
Advances from customer	18,546,086	92,303,099
Dividends payable	687,499	-
Other payables	9,776,227	8,248,085
	<u>584,112,797</u>	<u>527,249,734</u>

Trade payables, notes and other payables are non-interest bearing.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Year Ended 31 December 2025

17- CAPITAL

The company's authorized capital amounted to one billion Egyptian pounds, while the issued and paid-up capital amounted to 377,749,073 Egyptian pounds, distributed over 1,510,996,292 shares with a nominal value of 0.25 Egyptian pounds per share.

Based on the decision of the Extraordinary General Assembly dated October 14, 2020, the Board of Directors meeting held on January 4, 2023 decided to increase the company's issued and paid-up capital from EGP 250,000,000 to EGP 252,112,680, an increase of EGP 2,112,680 distributed over 8,450,720 shares, financed by payments from the system's beneficiaries, provided that the increase is fully allocated to the company's employee reward and incentive system. The company's issued capital after the increase will become EGP 252,112,680 distributed over 1,008,450,720 shares with a nominal value of EGP 0.25. The paid-up capital account was increased to EGP 252,112,680 on Dec 31, 2023.

An amount of EGP 2,112,680 was paid to increase the capital, and pursuant to the bank certificate issued by Arab Bank on January 9, 2024, the company's issued and paid-up capital was increased from EGP 250,000,000 to EGP 252,112,680, an increase of EGP 2,112,680 distributed over 8,450,720 shares.

The Extraordinary General Assembly meeting held on August 16, 2023 decided to increase the issued and paid-up capital by EGP 127,887,320 through the distribution of bonus shares at a rate of 0.52253 bonus shares for each original share of the company's shares before the increase, which amounted to 978,980,720 shares, after excluding treasury shares, with fractions rounded up in favor of small shareholders from smallest to largest, provided that the bonus shares are financed from the company's distributable net profits (profits for the year + retained earnings) for the first quarter ending on Dec 31, 2022, so that the company's issued capital after the increase becomes EGP 380,000,000 distributed over 1,520,000,000 shares with a nominal value of 25 piasters per share. This was registered in the commercial registry on September 20, 2023.

The Extraordinary General Assembly meeting held on August 16, 2023 decided to reduce the issued and paid-up capital from EGP 380,000,000 to EGP 375,000,000, a reduction of EGP 5,000,000, by canceling treasury shares included in the shares (shareholders through public and private offering) by 20,000,000 shares with a nominal value of 0.25 per share.

Based on the decision of the Extraordinary General Assembly dated October 14, 2020, the Board of Directors meeting held on May 27, 2024 decided to increase the company's issued and paid-up capital from EGP 375,000,000 to EGP 378,233,733, an increase of EGP 3,233,733 distributed over 12,934,932 shares, financed by payments from the system's beneficiaries, provided that the increase is allocated entirely to the company's employee reward and incentive system. The company's issued capital after the increase will become EGP 378,233,733 distributed over 1,512,934,932 shares with a nominal value of EGP 0.25.

An amount of EGP 3,233,733 was paid to increase the capital, and pursuant to the bank certificate issued by Arab Bank on June 2, 2024, the company's issued and paid-up capital was increased from

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

16- CAPITAL – Continued

EGP 375,000,000 to EGP 378,233,733, an increase of EGP 3,233,733 distributed over 12,934,934 shares.

During the year ended 31 December 2025, Treasury shares retired from 6 January 2025 distributed over 9,470,000 value of 2,367,500 EGP with a nominal value of 0.25 per share

An amount of EGP 1,882,840 was paid to increase the capital, and pursuant to the bank certificate issued by Arab Bank on March 12, 2025, the company's issued and paid-up capital was increased from EGP 375,886,232 to EGP 377,749,073, an increase of EGP 1,882,840 distributed over 7,531,360 shares.

The Extraordinary General Assembly meeting held on May 13, 2025 decided to increase the issued and paid-up capital from EGP 375,886,232 to EGP 377,749,073, with an increase amounted 1,882,840 EGP by issuing new shares over 7,531,360 shares with a nominal value of EGP 0.25 for reward and incentive system of TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E) funded through beneficiary payments, in accordance with the system tier that will be applied.

In accordance with the decision of the Board of Directors meeting held on March 9, 2025, regarding the approval of the distribution project for the financial year ended Dec 31, 2024, which included distribute free shares totaling EGP 122,250,927. Subsequently, the Ordinary General Assembly meeting held on April 29, 2025, approved the distribution of these free shares to shareholders, fully funded from the net distributable profits as per the financial statements for the year ended Dec 31, 2024, The approved capital increase amounts to EGP 122,250,927 and will be distributed over 489,003,708 existing shares, representing a distribution rate of 0.3236 free share for each original share with a nominal value of EGP 0.25. The increase in share capital through the issuance of free shares w recognized in 2 November 2025 according to commercial register.

The following illustrate the structure for shareholders as at 31 Dec 2025:

	%	No. of shares	Amount EGP
Main shareholder's shares	40.67%	813,435,146	203,350,000
Other listed free shares in Stock Exchange Market	59.33%	1,186,564,854	296,650,000
	<u>100%</u>	<u>2,000,000,000</u>	<u>500,000,000</u>

following illustrate the structure for shareholders as at 31 Dec 2024:

	%	No. of shares	Amount EGP
Main shareholder's shares	45.54%	688,978,442	172,244,610
Treasury shares	0.63%	9,470,000	2,367,500
Other listed free shares in Stock Exchange Market	53.83%	814,486,490	203,621,623
	<u>100%</u>	<u>1,512,934,932</u>	<u>378,233,733</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Year Ended 31 December 2025

17- GENERAL RESERVE

- The balance of general reserve - issuance premium is representing the net book value of issuing capital increase shares during 2019 amounted EGP 486,965,000 for issuing 125,000,000 Shares after deducting issuing cost of EGP 64,285,000.
- In accordance with Article (94) of the Executive Regulations of the Joint Stock Companies Law issued under Law No. 159 of 1981, an amount of EGP 89,443,310 was transferred to the legal reserve, bringing it to 50% of the issued and paid-up share capital.
- Pursuant to Article (94) of the executive regulations of the Shareholding Companies Law promulgated by Law No. 159 of 1981, an amount of 64,116,867 Egyptian pounds has been transferred to the legal reserve, amounting to 50% of the value of the issued and paid-up capital.
- The capital was reduced by retiring 20,000,000 shares amounted 5,000,000 Egyptian pounds, with a nominal value of 0.25 per share, and an amount of 34,694,932 Egyptian pounds from the general reserve balance, which represents the difference between the market value of the purchased shares and the nominal value.
- An amount of EGP 14,473,267 transferred from the incentive and reward provision represents the fair value of the shares granted to a group of employees, measured using the share price announced on the Egyptian Stock Exchange at the grant date, amounting to EGP 2.01 per share.
- In accordance with Article (94) of the Executive Regulations of the Joint Stock Companies Law issued under Law No. 159 of 1981, an amount of EGP 64,116,867 was transferred to the legal reserve, bringing it to 50% of the issued and paid-up share capital.
- An amount of EGP 13,927,085 transferred from the incentive and reward provision represents the fair value of the shares granted to a group of employees, measured using the share price announced on the Egyptian Stock Exchange at the grant date, amounting to EGP 1.31 per share.
- The capital was reduced by retiring 9,470,000 shares amounted 2,367,500 Egyptian pounds, with a nominal value of 0.25 per share, and an amount of 23,863,767 Egyptian pounds from the general reserve balance, which represents the difference between the market value of the purchased shares and the nominal value.
- On 12 May 2024 the company activated the reward and incentive program. Giving number of employees, managers and executive board members share options for total of 7,531,359 shares at the nominal value (0.25 EGP per share) on condition of staying in service for the required period till the exercise date which agreed with Financial regulatory authority approval on 11 June 2025.
- The Transferred amount to the General reserved represents the fair value of the granted shares for numbers of employees were 13,029,251 Egyptian Pound using the price of the share announced in the Egyptian Stock Exchange on the grant date (1.98 EGP for share).
- an amount of 60,883,133 Egyptian pounds has been transferred to the legal reserve, amounting to 50% of the value of the issued and paid-up capital

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

18- TREASURY SHARES

The board members meeting held on February 23, 2022, May 31, 2022, and September 4, 2022, decided to re-purchase treasury shares up to 10% of the total shares of the company's issued capital available in the market.

According to board of director resolutions on February 23, 2022, May 31, 2022, and September 4, 2022, the company purchased 29,470,000 shares from the stock market and held in treasury for a total consideration of EGP 65,926,198. The consideration paid has been accounted for as a reserve in the statement of shareholder's equity.

During year 2022, the company purchased 20 million shares as treasury shares amount of EGP 39,694,932, and according to Article 48 of Law 159 of 1981, the company must dispose its treasury shares to others within a period of not more than one year from obtaining them otherwise it shall reduce its capital by the equivalent of the nominal value of these stocks. The company reduced its capital by the nominal value of the treasury stocks with a total value of EGP 5,000,000 .

The Board of Directors meeting held on May 13, 2024 decided to approve the procedures for reducing capital by disposing of the company's treasury shares, which number 9,470,000 shares, for an amount of EGP 2,365,500.

According to extraordinary meeting held on Dec 10,2024 the approval for the capital reduction by Company's retire treasury shares of 9,470,000 amount of EGP 2,365,500 after the completion of capital reduction procedures through the retire of the Company's treasury shares. Which ratified by the General Investment Authority for Investment and Free Zone dated on January 8, 2025.

19- SHARE BASED PAYMENT RESERVE

The company has approved the reward and incentive program for employees, managers and executive board members under the program the company grant the beneficiaries Ordinary share options at the nominal value in accordance with the approval of the Extraordinary General Assembly on October 14, 2020, and this program allows employees, managers and executive board members who benefit from the incentive and reward system to own part of the company's shares in accordance to listing and Trading Rules of Egyptian Stock Exchange under the provisions of Law 159 for year 1981 and its executive regulations and under the provision of law 95 for year 1992 and its executive regulations.

On 12 May 2024 the company activated the reward and incentive program. Giving number of employees, managers and executive board members share options for total of 7,531,359 shares at the nominal value (0.25 EGP per share) on condition of staying in service for the required period till the exercise date on 1 November 2024 an archiving the required performance appraisal. Each employee was granted maximum number of shares according to contracts giving one month period from the exercise date to exercise the purchasing right.

The fair value of the granted shares for numbers of employees were 13,029,251 Egyptian Pound using the price of the share announced in the Egyptian Stock Exchange on the grant date (1.98 EGP for share) before the deduction of the nominal value of shares that would be paid by the beneficiaries in cash.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

19- SHARE BASED PAYMENT RESERVE– Continued

During the year 2025, the Company formed an incentive and reward provision in accordance with the tranche of the scheme determined by the Incentive and Reward Committee and to be approved by the Board of Directors. This provision relates to certain employees, managers, and executive board members, and includes a promise to sell a total of 9,817,334 shares at par value (EGP 0.25 per share), conditional upon completing the required service period up to the exercise date and achieving the required performance evaluations .A maximum number of shares was determined for each employee in accordance with the share sale promise agreements, with the right to exercise the purchase being limited to a maximum period of one month from the exercise date. The fair value of the total shares granted to certain employees amounted to EGP 12,762,534, based on the share price on the Egyptian Stock Exchange at the grant date (EGP 1.55), before deducting the nominal value of the share to be paid in cash by the beneficiaries under the scheme.

Movement of equity instruments during the year as follow:

	31 Dec 2025		31 Dec 2024	
	Amount EGP	Shares No.	Amount EGP	Shares No.
Balance at 1 January	13,029,251	7,531,359	13,927,085	13,138,759
Granted during the year	12,762,534	9,817,334	13,029,251	7,531,359
Exercised during the year	(13,029,251)	(7,531,359)	(13,927,085)	(13,138,759)
Total shares at the end of year	12,762,534	9,817,334	13,029,251	7,531,359

20- CREDIT FACILITIES

The movement of the credit facilities during the year is as follows:

	31 Dec 2025 EGP	31 Dec 2024 EGP
Beginning balance of the year	1,505,994,906	1,057,762,833
Used during the year	3,435,247,434	1,999,424,497
Payment during the year	(2,680,690,400)	(1,551,192,424)
Ending balance of the year	<u>2,260,551,940</u>	<u>1,505,994,906</u>
	31 Dec 2025 EGP	31 Dec 2024 EGP
Credit facilities maturing within 12 months	2,260,551,940	1,505,994,906
Bank credit balances	628,572	1,465,468
	<u>2,261,180,512</u>	<u>1,507,460,374</u>

- The interest rate on the Credit facilities ranges from 15 % to 25.27% as of 31 Dec 2025 (31 Dec 2024: Range from 11% to 27.83%).

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

20- CREDIT FACILITIES - Continued

Credit Facilities	Facility amount EGP	31 Dec 2025 EGP	31 Dec 2024 EGP
CIB	700,000,000	597,934,320	280,847,579
FAB	200,000,000	115,926,825	74,197,616
Arab Bank	250,000,000	177,500,100	132,926,388
ABK	120,000,000	94,256,469	81,774,316
ADIB	400,000,000	400,165,403	322,204,266
Alex Bank	250,000,000	147,478,063	
AUB	250,000,000	206,386,406	126,348,992
ENBD	100,000,000	6,498,431	97,953,787
AWB	160,000,000	158,892,950	94,178,420
Banque Misr	300,000,000	204,003,066	-
NBK	300,000,000	151,509,907	295,563,542
Total credit facilities		2,260,551,940	1,505,994,906

Some of the above facilities are guaranteed by notes receivable (Note 9).

21- CAPITAL COMMITMENTS

As at 31 Dec 2025, the Company had contractual commitments in respect of its assets under construction and facility machines not provided for in the financial statements amounted to EGP 58,753,983.45. (EGP 45,897,069 as of 31 Dec 2024)

On Dec 5, 2024, the company entered an agreement with SAP Egypt to implement the SAP accounting system. The total contract value is USD 1,517,885 and is paid in equal installments from March 2025 to March 2032. Additionally, an amount of USD 280,000 has been allocated for the system's implementation and operational setup. Currently, the company is in the preparation phase, with system implementation scheduled to apply in May 2026.

22- CONTINGENT LIABILITIES

* The Company has opened letters of credit in favor of suppliers for the purpose of importing raw materials and production inputs. As of the reporting date, no drawdowns have been made against these letters of credit.

** The Company issued checks upon the signing of a lease agreement, representing amounts paid in advance for future lease periods or refundable deposits recoverable upon termination of the contractual relationship.

	31 Dec 2025 EGP	31 Dec 2024 EGP
Undraw downs Letter of Credits *	6,015,569	68,556,764
Non Accrued Leases **	13,659,643	-
Refundable lease insurance **	13,152,000	-
	32,827,212	68,556,764

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

23- REVENUES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Sale of goods (net)	3,821,923,646	2,586,822,769
Toll manufacturing services revenue	274,089,100	181,865,659
	<u>4,096,012,746</u>	<u>2,768,688,428</u>

*SALES ARE PRESENTED AT NET VALUE AFTER DEDUCTING THE SALES RETURNS PROVISION (NOTE 14)

24- COST OF REVENUES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Salaries and incentives	237,187,537	156,305,166
Social insurance and other benefit	73,268,293	49,621,551
Raw materials	1,340,456,962	953,622,235
Spare parts and materials	75,133,422	46,590,595
Government fees and medical stamps	25,275,696	22,899,633
Other operating expenses *	96,020,110	65,397,347
Energy expenses	80,756,547	62,030,249
Depreciation and amortization (Note 5,7)	79,191,167	75,874,291
Rent	35,379,106	8,761,148
Maintenance	71,800,751	43,922,199
	<u>2,114,469,591</u>	<u>1,485,024,414</u>

*Other operating expenses include write down in the value of inventories and impairment of intangible assets.

25- SELLING AND MARKING EXPENSES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Salaries and incentives	278,951,237	169,276,912
Social insurance and other benefit	34,965,270	19,362,892
Depreciation and amortization (Note 5,6)	8,831,855	5,314,134
Rent	62,500	65,900
Advertising and marketing	437,073,729	253,856,961
	<u>759,884,591</u>	<u>447,876,799</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

26- GENERAL AND AMINISTRATIVE EXPENSES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Salaries and incentives	111,302,830	79,471,289
Social insurance and other benefit	7,374,227	5,091,636
Professional fees	3,930,337	7,006,863
Maintenance	1,951,797	2,194,663
Depreciation and amortization (Note 5,6)	4,203,792	2,244,169
Others	21,230,496	16,415,156
	<u>149,993,479</u>	<u>112,423,776</u>

27- OTHER INCOME

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Gain from sale of fixed assets (Note 5)	148,635	7,318
Other income	8,983,342	27,297,693
	<u>9,131,977</u>	<u>27,305,011</u>

28- FINANCE INCOME

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Interest from treasury bills	15,123,701	64,783,997
Interest from time deposits and banks	3,682,131	1,068,151
	<u>18,805,832</u>	<u>65,852,148</u>

29- FINANCE EXPENSES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Debit interests	520,105,705	305,706,754
Unwinding interests of lease liabilities (Note 6)	11,165,109	1,503,927
Bank charges	6,696,264	3,731,186
	<u>537,967,078</u>	<u>310,941,867</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

30- INCOME TAXES

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Current - income tax	(119,599,982)	(105,202,110)
Deferred - income tax	8,710,959	(19,109,479)
Income tax expense	<u>(110,889,023)</u>	<u>(124,311,589)</u>

DEFERED INCOME TAXES

	<i>Statement of financial position</i>		<i>Statement of profit or loss</i>	
	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Fixed assets and intangible assets	(111,967,013)	(83,336,676)	(28,630,337)	(12,410,139)
Provisions	2,466,240	2,414,868	51,372	338,935
Impairment of trade and notes receivables	29,441,966	5,875,162	23,566,804	2,566,112
Write down in value of inventory	2,191,930	3,660,558	(1,468,628)	(1,927,465)
Share based payment reserve	3,589,463	3,664,477	(75,014)	530,883
Unrealized foreign exchange differences	5,705,887	(7,757,246)	13,463,133	(7,608,274)
Others	-	(1,803,629)	1,803,629	(599,531)
Net deferred income taxes	<u>(68,571,527)</u>	<u>(77,282,486)</u>	<u>8,710,959</u>	<u>(19,109,479)</u>

RECONCILIATION OF THE EFFECTIVE INCOME TAX RATE

	<i>Tax Rate</i>	<i>31 Dec 2025</i>	<i>Tax Rate</i>	<i>31 Dec 2024</i>
		<i>EGP</i>		<i>EGP</i>
Profits before income taxes		<u>424,099,599</u>		<u>526,118,723</u>
Income tax based on tax rate	22.50%	<u>95,422,410</u>	22.50%	<u>118,376,713</u>
Non-deductible expenses		<u>15,466,613</u>		<u>5,934,876</u>
Effective Tax Rate	26.15%	<u>110,889,023</u>	23.63%	<u>124,311,589</u>

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

31- EARNINGS PER SHARE

Basic and diluted earnings per share were calculated by dividing the profits for the year available for distribution to the Parent Company by the weighted average number of shares outstanding during the year as follows:

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Profit for the year	298,464,697	387,366,872
Remuneration for the board members*	(8,850,000)	(5,525,000)
Employees dividends *	(21,000,000)	(18,000,000)
Net profit available for distribution to ordinary shares	268,614,697	363,841,872
Weighted average number of shares outstanding	2,000,027,270	2,001,938,640
Impact of diluted shares:		
Share options for employees and executives	9,817,334	7,531,359
Weighted average number of ordinary shares adjusted for the effect of dilution during the year	2,009,844,604	2,009,469,999
Earnings per share – Basic	0.1343	0.1817
Earnings per share – Diluted	0.1336	0.1811

- As detailed in Note (16) "Issued and Paid-up Capital," the shareholders of the Company, in accordance with the resolution of the Ordinary General Assembly held on 29 April 2025, approved the distribution of bonus shares at a rate of 0.3236 bonus shares for each original share. Accordingly, the weighted average number of outstanding shares in the comparative figures has been adjusted in accordance with Egyptian Accounting Standard No. (22) "Earnings per Share."

* Board of directors' remuneration and employees dividends and as recommended in board meeting held on 30 March, 2026, and currently is a subject of general assembly approval.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

32- TAX POSITION

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

1- TAX POSITION

a) Corporate Tax

- The Company's records were inspected till the year 2013 and the due tax has been paid,
- The years from 2014 to 2019, Most of the disputed items have been resolved and the tax return has been issued and settled.
- Did not inspect from 2020 till now.

a) Salary Tax

- The Company's records were inspected till the year 2019, the taxes were settled and reconciled.
- Years from 2020 to 2022, the taxes were settled and reconciled.
- Did not inspect from 2023 till now.

b) Stamp Tax

- The Company's records were inspected till 2013 and the taxes due were paid,
- Years from 2014 till 2020 were inspected and the dispute is being settled in the internal committee.
- Did not inspect from 2021 till now.

c) Sales Tax

- The Company's records were inspected till the year 2015 and the due tax has been paid.

d) VAT Tax

- The Company's books were examined from 2016 to 2022 and the due tax has been paid.
- Did not inspect from 2023 till now.

RAMEDA FOR PHARMACEUTICAL TRADING (S.A.E)

a) Corporate Tax

- The company provides legal procedures within the legal dates according to law 91 of year 2005,
- The years 2012 till 2021 have been inspected and the tax dues were paid and settled.
 - Did not inspect from 2022 till now.

a) Salary Tax

- The company has not been notified of the examination to now.

b) Stamp Tax

- The company has not been notified of the examination to now.

c) VAT

- The company was examined from the beginning of registration 8/2018 until 8/2019, and the tax dues were paid and settled.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

32- TAX POSITION - CONTINUED

d) Social Insurance

- No insurance file has been opened for the company to date.

e) Withholding Tax

- The company has not been notified of the examination to now.

RAMECARE COMPANY (L.L.C.)

a) Corporate Tax

- The company submits tax returns on legal dates in accordance with Law No. 91 of 2005.
- The company was notified of a tax form (19) for the years 2015/2016/2017, and it was appealed on the legal date, and the necessary documents are being prepared for re-examination.
- The years from 2018 were not notified of the inspection.
- The company submits tax returns on legal dates in accordance with Law No, 91 of 2005,
- The company was notified of a tax form (19) for the years 2015/2016/2017, and it was appealed on the legal date, and the necessary documents are being prepared for re-examination,
- The company was notified of a tax form (19) for the year 2017, and it was appealed on the legal date.
- Did not inspect from 2018 till now.

b) Salary Tax

- The company has not been notified of the examination to now,

c) Stamp Tax

- The years from the beginning of the activity until the year 2020, were inspected and settled

d) VAT

- The company has not been notified of the examination to now,

e) Social Insurance

- No insurance file has been opened for the company to date,

f) Withholding Tax

- The company has not been notified of the examination to now,

RAMEPHARMA COMPANY (L.L.C.)

a) Corporate Tax

- The company submits tax returns on legal dates in accordance with Law No, 91 of 2005,
- The Company's records were inspected from year 2012 till the year 2021 and the due tax has been paid.
- Did not inspect from 2022 till now.

b) Salary Tax

The company has not been notified of the examination to now,

c) Stamp Tax

- The company has not been notified of the examination to now,

d) VAT

- The company has not been notified of the examination to now,

e) Social Insurance

- No insurance file has been opened for the company to date.

f) Withholding Tax

- The company has not been notified of the examination to now,

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

32- TAX POSITION - CONTINUED

Glow Company (L.L.C.)

a) Corporate Tax

- The company submits tax returns on legal dates in accordance with Law No, 91 of 2005,
- Did not inspect till now.

b) Salary Tax

- The company has not been notified of the examination till now,

c) Stamp Tax

- The company has not been notified of the examination till now,

d) VAT

- The company has not been notified of the examination till now,

e) Withholding Tax

- The company has not been notified of the examination till now,

33- RELATED PARTY DISCLOSURES

For the purpose of these consolidated financial statements, parties are considered to be related to the Group, if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control.

Due from related parties

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Eman Mohamed Wahed Mohamed El-Zomor - Ramepharma Co.	12,750	12,750
Eman Wahed Mohamed – Ramecare Co.	12,750	12,750
	25,500	25,500

a) Salaries and incentives of key managers

The key manager's compensation during year ended 31 Dec 2025 and 31 Dec 2024 is as follow:

	<i>31 Dec 2025</i>	<i>31 Dec 2024</i>
	<i>EGP</i>	<i>EGP</i>
Salaries and incentives	69,019,852	50,628,989
Share options for managers, and executives	15,953,168	16,286,564
	84,973,020	66,915,553

- No provisions charged for due from related parties.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

34- FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES**Overview**

The Group has exposure to the following risks from its use of financial instruments:

- A. Credit risk
- B. Market risk
- C. Liquidity risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The Board of Directors of the Group has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's senior management are responsible for developing and monitoring the risk management policies and report regularly to the Board of Directors on their activities.

The Group's current financial risk management framework is a combination of formally documented risk management policies in certain areas and informal risk management policies in other areas.

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk principally from its receivables from customers, notes receivable, due from related parties, other receivables, including balances with banks.

Trade and notes receivables

The customer credit risk is established by the Group's policies, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed by the management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis.

The maximum exposure is limited to the balances disclosed in note (9).

Other financial assets and balances with banks

The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

Credit risk from balances with banks is managed by group treasury. The Group limits its exposure to credit risk by only placing balances with international banks and local banks of good reputation, in addition, the local banks are under the supervision of the central Bank of Egypt and thus their exposure to credit risk is minimal.

The maximum exposure is limited to the balances disclosed in note (12).

Due from related parties

The Group's exposure to credit risk rises from related parties equal to the carrying amount of these balances.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

34- FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as currency risk and interest rate risk, which will affect the Group's income. Financial instruments affected by market risk include interest-bearing loans and borrowings and deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group does not hold or issue derivative financial instruments.

Exposure to interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's obligations with floating interest rates and interest-bearing time deposits.

Interest on financial instruments having floating rates is re-priced at intervals of less than one year.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings). There is no impact on the Group's equity other than the profit impact stated below:

	<i>31 Dec 2025</i>		<i>31 Dec 2024</i>	
	Change in rate	Effect on profit before tax EGP	Change in rate	Effect on profit before tax EGP
Financial assets	+8%	173,914,616	+8%	139,691,336
	-1%	(21,739,327)	-1%	(17,461,417)
Financial liabilities	+8%	239,553,707	+8%	173,034,951
	-1%	(29,944,213)	-1%	(21,629,369)

The sensitivity of profit or loss and equity to changes in interest rates on the EGP has decreased in 2025 compared to 2024 due to the decrease in market interest rates during the period from January 2025 to the authorization date of these separate financial statements by 700 basis points. Refer to Note (38) "Significant Events."

Interest rates on credit facilities from financial institutions are shown as stated in Note (20) to the consolidated financial statements.

Exposure to foreign currency risk

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

**34- FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES
- CONTINUED**

Exposure to foreign currency risk – Continued

	<i>31 Dec 2025</i>		<i>31 Dec 2024</i>	
	<i>Change in rate</i>	<i>Effect on profit before tax</i> <i>EGP</i>	<i>Change in rate</i>	<i>Effect on profit before tax</i> <i>EGP</i>
USD	+60%	29,597,276	+60%	267,430,628
	-10%	(4,932,879)	-10%	(44,571,771)
EUR	+60%	31,808,852	+60%	16,849,731
	-10%	(5,301,475)	-10%	883,775
GBP	+60%	107,053	+60%	232,276
	-10%	(17,842)	-10%	

The sensitivity of profits, losses, and equity to exchange rate fluctuations between the USD, EUR, and GBP has decreased. This shift is attributed to the monetary and economic developments witnessed in Egypt during 2025, and their subsequent direct impact on the foreign exchange market and the availability of foreign currency.

c) Liquidity risk

The cash flows, funding requirements and liquidity of the Group are monitored by Group's management. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The Group manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group has sufficient cash to meet its expected operating expenses, including the servicing of its financial liabilities.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

34- FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

c) Liquidity risk – Continued

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Financial liabilities As at 31 Dec 2025	<i>Less than 3 Months EGP</i>	<i>3 to 12 Months EGP</i>	<i>1 to 5 years EGP</i>	<i>Over 5 years EGP</i>	<i>Total EGP</i>
Credit facilities	1,098,126,272	1,162,425,665	-	-	2,260,551,937
Trade, notes and other payables	201,182,577	382,930,220	-	-	584,112,797
Lease contract obligations	-	-	112,233,326	111,896,379	224,129,705
Total undiscounted financial liabilities	1,299,308,849	1,545,355,885	112,233,326	111,896,379	3,068,794,439

Financial liabilities As at 31 Dec 2024	<i>Less than 3 Months EGP</i>	<i>3 to 12 months EGP</i>	<i>1 to 5 years EGP</i>	<i>Over 5 years EGP</i>	<i>Total EGP</i>
Credit facilities	643,639,748	992,489,383	-	-	1,636,129,131
Trade, notes and other payables	133,401,752	393,847,982	-	-	527,249,734
Lease contract obligations	-	-	12,491,254	-	12,491,254
Total undiscounted financial liabilities	777,041,500	1,386,337,365	12,491,254	-	2,175,870,119

35- CAPITAL MANAGEMENT

For the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of Parent Company.

The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manage its capital structure and makes adjustments in light of change in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a leverage ratio. Which is total liabilities divided by net equity. The Group's policy is to keep leverage ratio between 1 to 2.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the Year Ended 31 December 2025

36- FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities. Financial assets of the Group include cash on hand and at banks, trade and notes receivable, due from related parties and other receivables. Financial liabilities of the Group include credit facilities, term loans, trade and notes payable, dividends payable, income taxes payable, accrued expenses and other payables.

The fair values of the financial assets and liabilities are not materially different from their carrying value unless stated otherwise.

37- SIGNIFICANT EVENTS

- Fitch Ratings expects the Egyptian economy's growth rate to rise to 5.3% in the coming years (2025 and 2026), compared to 4% in the 2024-2025 fiscal year and 2.4% during the previous fiscal year. Additionally, Fitch upgraded Egypt's Long-Term Foreign-Currency Issuer Default Rating (IDR) from B- to B, with a Stable Outlook.
- April 17, 2025: The Committee reduced the overnight deposit rate, overnight lending rate, and the rate of the main operation by 225 basis points to 25.00%, 26.00%, and 25.50%, respectively. The discount rate was also reduced by 225 basis points to 25.50%.

The Monetary Policy Committee (MPC) of the Central Bank of Egypt (CBE) has decided today 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 percent, 25.00 percent, and 24.50 percent, respectively. The Committee also decided to cut the discount rate by 100 basis points to 24.50 percent.

- The Monetary Policy Committee (MPC) of the Central Bank of Egypt (CBE) today decided to cut the CBE's overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 22.00 percent, 23.00 percent, and 22.50 percent, respectively. The Committee also decided to cut the discount rate to 22.50 percent.
- The Monetary Policy Committee (MPC) of the Central Bank of Egypt (CBE) today decided to cut the CBE's overnight deposit rate, overnight lending rate, and the rate of the main operation by 100 basis points to 21.00 percent, 22.00 percent, and 21.50 percent, respectively. The Committee also decided to cut the discount rate to 21.50 percent.
- The Monetary Policy Committee (MPC) of the Central Bank of Egypt (CBE) today decided to cut the CBE's overnight deposit rate, overnight lending rate, and the rate of the main operation by 100 basis points to 20.00 percent, 21.00 percent, and 20.50 percent, respectively. The Committee also decided to cut the discount rate to 20.50 percent.

TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

38- SUBSEQUENT EVENTS

In the subsequent period, certain areas in the Middle East experienced an escalation in geopolitical tensions, which resulted in economic repercussions on regional markets and the Egyptian market. This led to an increase in the official exchange rates of foreign currencies against the Egyptian Pound.

As these developments arose after the reporting period, they have been classified as non-adjusting events in accordance with Egyptian Accounting Standard No. (7) "Events After the Reporting Period". Accordingly, no adjustments have been made to the balances and figures included in the financial statements as of 31 December 2025, which reflect the conditions existing at that date. The management has assessed the potential impacts of these developments on the Company's operations and financial position based on the information currently available, including the continuation of the core operating activities and their results. However, it is not practicable at this stage to reliably estimate the full financial impact of these non-adjusting events on future periods. In addition, management has evaluated the impact of such events on the Company's ability to continue as a going concern and concluded that the use of the going concern basis in the preparation of the financial statements remains appropriate.