

**MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG)
AND ITS SUBSIDIARIES**

**LIMITED REVIEW REPORT
AND INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

Interim condensed consolidated financial statements For the Six-month period ended 30 June 2025

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Limited review report *On the interim condensed consolidated financial statements*

To the Board of Directors of Middle East Glass Manufacturing Company (MEG) (S.A.E.)

Introduction

We have conducted a limited review for the accompanying interim condensed consolidated statement of financial position of Middle East Glass Manufacturing Company (MEG) (S.A.E.) (the "Company") and its subsidiaries (together the "Group") as of 30 June 2025 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with Egyptian Accounting Standard 30 "Interim financial statements", and our responsibility is limited to expressing a conclusion on these interim condensed consolidated financial statements based on our limited review.

Scope of limited review

We have conducted our limited review in accordance with the Egyptian Standard on Review Engagements No. 2410 "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim condensed consolidated financial statements.

Conclusion

In light of our limited review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with Egyptian Accounting Standard 30 "Interim financial statements".


Hisham Mohamed Hamed
R.A.A. 39411
F.R.A 422

5 August 2025
Cairo

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

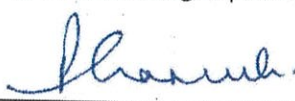
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2025

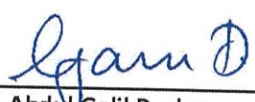
(All amounts in Egyptian Pounds)	Note	30 June 2025	31 December 2024
Assets			
Non-current assets			
Property, plant and equipment	5	2,799,128,953	2,450,708,759
Prepayments of property, plant and equipment		10,231,912	136,389,549
Intangible assets		275,607,323	279,080,948
Deferred tax assets		169,864,339	260,576,449
Total non-current assets		3,254,832,527	3,126,755,705
Current assets			
Inventories		877,546,432	774,629,265
Trade and other receivables	6	2,729,470,872	2,225,889,102
Cash and cash equivalents		645,815,076	889,138,780
Total current assets		4,252,832,380	3,889,657,147
Total assets		7,507,664,907	7,016,412,852
Equity			
Issued and paid-up capital	9	62,627,993	62,627,993
Reserves		674,052,337	674,052,337
Retained earnings		1,282,975,186	1,111,618,754
Total equity		2,019,655,516	1,848,299,084
Liabilities			
Non-current liabilities			
Bank borrowings	8/b	1,240,000,097	1,694,666,774
Retirement benefits obligations		15,595,043	14,229,513
Deferred tax liabilities		7,381,049	7,858,021
Long term notes payable		-	19,083,687
Total non-current liabilities		1,262,976,189	1,735,837,995
Current liabilities			
Provisions		104,843,003	106,600,833
Trade and other payables	7	1,832,848,300	1,368,239,157
Income tax liability		162,121,459	282,031,172
Bank Borrowings	8/a	2,070,349,604	1,609,711,797
Interest payable		54,870,836	65,692,814
Total current liabilities		4,225,033,202	3,432,275,773
Total liabilities		5,488,009,391	5,168,113,768
Total equity and liabilities		7,507,664,907	7,016,412,852

- The accompanying notes from 1 to 13 form an integral part of these interim condensed consolidated financial statements.

- Limited review report attached.


Mohamed Khalifa
Chief Financial Officer


Peter Carpenter
Director


Abdul Galil Beshar
Chairman

5 August 2025

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts in Egyptian Pounds)

	Note	Six-month ended 30 June		Three-month ended 30 June	
		2025	2024	2025	2024
Revenue from contracts with customers	4/a	2,928,612,886	2,606,672,916	1,511,491,934	1,418,956,970
Cost of sales		(1,695,731,686)	(1,349,472,340)	(872,640,532)	(722,647,411)
Gross profit		1,232,881,200	1,257,200,576	638,851,402	696,309,559
Selling and marketing expenses		(93,010,210)	(68,853,307)	(45,217,503)	(40,576,607)
General and administrative expenses		(143,143,697)	(125,426,076)	(72,087,149)	(70,415,210)
Other operating income	4/b	80,941,623	408,183,447	35,586,633	83,478,465
Other operating expenses	4/c	(71,088,937)	(32,916,449)	(50,227,045)	(18,579,279)
Operating profit		1,006,579,979	1,438,188,191	506,906,338	650,216,928
Finance costs		(263,029,350)	(236,894,535)	(135,738,003)	(136,046,129)
Foreign currency translation gain/(loss)		53,833,340	(346,330,490)	40,833,340	(45,190,378)
Finance income		14,487,865	43,475,129	6,084,602	17,445,779
Net finance costs		(194,708,145)	(539,749,896)	(88,820,061)	(163,790,728)
Profit before income tax		811,871,834	898,438,295	418,086,277	486,426,200
Income tax expense	4/d	(184,182,729)	(220,501,662)	(94,819,313)	(120,244,692)
Profit for the period		627,689,105	677,936,633	323,266,964	366,181,508
Basic and diluted earnings per share attributable to:-					
Equity holders of parent company		9.16	10.21	5.1	5.78

- The accompanying notes from 1 to 13 form an integral part of these interim condensed consolidated financial statements.

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts in Egyptian Pounds)	Six month ended 30 June		Three month ended 30 June	
	2025	2024	2025	2024
Profit for the period	627,689,105	677,936,633	323,266,964	366,181,508
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	627,689,105	677,936,633	323,266,964	366,181,508
Total comprehensive income for the period is attributable to:				
Equity holder of parent company	627,689,105	677,936,633	323,266,964	366,181,508
	627,689,105	677,936,633	323,266,964	366,181,508

- The accompanying notes from 1 to 13 form an integral part of these interim condensed consolidated financial statements.

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

(All amounts in Egyptian Pounds)

	Issued and paid-up capital	Legal reserve	Reserves Share premium reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2024						
(Before the effect of EAS 13)	62,627,993	31,313,996	629,609,334	13,129,007	702,367,420	1,439,047,750
Effect of applying EAS 13 (Note 2.2-C)	-	-	-	-	(794,785,684)	(794,785,684)
Deferred tax of applying EAS 13 (Note 2.2-C)	-	-	-	-	178,826,779	178,826,779
Balance at 1 January 2024 (After the effect of EAS 13)	62,627,993	31,313,996	629,609,334	13,129,007	86,408,515	823,088,845
Total comprehensive income for the period	-	-	-	-	677,936,633	677,936,633
Profit share distribution to employees	-	-	-	-	(45,220,686)	(45,220,686)
Balance at 30 June 2024	62,627,993	31,313,996	629,609,334	13,129,007	719,124,462	1,455,804,792
Balance at 1 January 2025	62,627,993	31,313,996	629,609,334	13,129,007	1,111,618,754	1,848,299,084
Total other comprehensive income for the period	-	-	-	-	627,689,105	627,689,105
Dividends distribution (Note 11)	-	-	-	-	(407,081,955)	(407,081,955)
Profit share distribution to employees	-	-	-	-	(49,250,718)	(49,250,718)
Balance at 30 June 2025	62,627,993	31,313,996	629,609,334	13,129,007	1,282,975,186	2,019,655,516

- The accompanying notes from 1 to 13 form an integral part of these interim condensed consolidated financial statements.

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts in Egyptian Pounds)

	Note	30 June 2025	30 June 2024
Cash flows from operating activities			
Profit for the period before tax		811,871,834	898,438,295
Adjusted by:			
Interest expenses		252,401,096	225,227,061
Depreciation and amortization		194,258,466	131,860,614
Loss on sale of property, plant and equipment	4/c	568,640	8,767
Finance income		(14,487,865)	(43,475,129)
Provisions formed		462,467	-
Provisions no longer required	4/b	(12,662)	(148,221)
Retirement benefit obligations provision		2,820,000	1,800,000
Foreign currency translation (gain) / loss		(53,833,340)	346,330,490
Operating profit before changes in working capital		1,194,048,636	1,560,041,877
Change in working capital			
Inventories		(102,917,167)	(79,337,869)
Trade and other receivables		(586,368,882)	(786,754,266)
Trade and other payables		36,542,407	159,176,987
Provisions used		(1,757,830)	(1,697,729)
Cash flows generated from operations		539,547,164	851,429,000
Payment of employees' retirement benefits		(1,454,470)	(2,310,089)
Interest paid		(262,029,903)	(214,591,476)
Income tax paid		(180,062,792)	(103,358,772)
Net cash flows generated from operating activities		95,999,999	531,168,663
Cash flows from investing activities			
Purchase of property, plant and equipment		(407,877,132)	(178,421,278)
Advance payment for Property, plant and equipment suppliers		(9,609,436)	(96,650,839)
Payments for purchase of intangible assets		-	(13,978,401)
Proceeds from sale of Property, plant and equipment		3,870,530	-
Payments for purchase of financial assets at amortized cost		-	(144,153,240)
Proceeds from matured financial assets at amortized cost		-	365,055,850
Finance income received		14,487,865	49,417,706
Cash flows used in investing activities		(399,128,173)	(18,730,202)
Cash flows from financing activities			
Short-term credit facilities - net movement		481,304,463	44,491,189
Repayments of bank borrowings		(421,499,993)	(393,500,000)
Net cash generated from / used in financing activities		59,804,470	(349,008,811)
Net (decrease) / increase in cash and cash equivalents		(243,323,704)	163,429,650
Cash and cash equivalents at beginning of the period		889,138,780	800,764,700
Cash and cash equivalents at end of the period		645,815,076	964,194,350

- The accompanying notes from 1 to 13 form an integral part of these interim condensed consolidated financial statements.

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

1. General information

Middle East Glass Manufacturing Company (MEG) (S.A.E.) was established in 1979 as an Egyptian joint stock Company under the provisions of Law No. 43 of 1974 as amended by Law No. 230 of 1989 as amended by Law No. 8 of 1997 and is registered in the commercial register under number 193770 Cairo. The address of the Company's registered office is Nasr City, 6 Mokhayam El-Daem Street 6th District, Industrial Zone, Cairo – Arab Republic of Egypt.

The Company is listed on the Egyptian Stock Exchange (EGX).

The Company and its subsidiaries together comprise "the Group."

The Group's main activity is production of all types of Glass containers. The Group may engage in the sale and export of its products in Glass containers and carry out all direct industrial or commercial supplemental activities that are licensed for this activity. The Group may have Authority or participate in any way with bodies that carry out similar activities or cooperate with them in their purpose in Egypt or abroad. It may also be followed by approval from General Authority of Investment.

The parent of the Group is MENA Glass Holdings Limited with 93.01% (31 December 2024: 93.01%) ownership. The Group is ultimately controlled by Mr. Abdul Galil Beshier.

These consolidated financial statements were approved for issuance by the Board of Directors of the Company on 5 August 2025.

Percentage of ownership in subsidiaries

The group consists of the companies below as of 30 June 2025 unless otherwise was noted, and the percentage of the Group's share of the companies is direct ownership of the ordinary shares of the paid-up capital only.

Subsidiaries	Location	Functional currency	Ownership interest held by the group 2025	Ownership interest held by the group 2024	Activity
Middle East Glass Containers Sadat	Egypt	Egyptian Pound	99.99992%	99.99992%	Manufacturing Glass Containers
MEG Misr for Glass MEG (S.A.E.)	Egypt	Egyptian Pound	99.99993%	99.99993%	Sale and distribution of glass
Misr for Glass Manufacturing S.A.E.	Egypt	Egyptian Pound	Owned 99.9997% by MEG Misr for Glass MEG (S.A.E)	Owned 99.9997% by MEG Misr for Glass MEG (S.A.E)	Manufacturing all kinds of Glass Containers and the acquisition of other entities that operate in the same field

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these interim condensed consolidated financial statements summarized below. They were applied consistently over the presented financial periods unless otherwise stated:

2.1 Basis of preparation of the interim condensed consolidated financial statements

This interim condensed consolidated financial statements for the Six-months reporting period ended 30 June 2025 has been prepared in accordance with Egyptian Accounting Standard (30) "Interim Financial Statements".

This interim condensed consolidated financial statement does not include all the notes of the type normally included in an annual financial statement. Accordingly, this interim condensed consolidated financial statement is to be read in conjunction with the annual financial statement for the year ended 31 December 2024 and any public announcements made by the Company during the interim reporting period.

2.2 Effect of applying Egyptian Accounting Standard No. (13)

On March 3, 2024, the prime minister has issued decree No. 636, amending the Egyptian Accounting Standard No.13 (EAS 13) "the effect of changes in foreign currency exchange rates", paragraph 57A, effective from 1 January 2024.

The Group has applied the amendment in paragraph EAS13.57A and made an assessment to determine whether there is lack of exchangeability of foreign currencies against the Egyptian Pound. Below is summary of the outcome of that assessment.

A) Lack of Exchangeability assessment

The Group assessed that there is no lack of exchangeability for assets denominated in foreign currencies as at 1 January 2024, the date of application of EAS 13 revised. This assessment was made on the premise that assets denominated in foreign currencies may be exchanged at the bank at any point of time without any difficulty.

The Group management is confident that their forecasted cash flows will prevent a negative foreign currency position. The management believe that the Group's assets will sufficiently cover liabilities in foreign currency from exporting operations and the foreign currency generated from these activities. Furthermore, the Group has not experienced any default incidents related to foreign currency liabilities in the past when they came due.

The Group also assessed that the lack of exchangeability for liabilities denominated in foreign currencies, and believes that the Group's expected future cash inflows in foreign currency would be sufficient to settle the Group's liabilities denominated in foreign currencies, however as at 1 January 2024, total liabilities denominated in foreign currencies exceeded the available monetary assets in foreign currencies, and according to the revised standard EAS 13 "Effects of changes in foreign exchange rates" these assets and liabilities have been revaluated at 1 January 2024 using the first rate that was available to the Group (USD 1=EGP 47.22, GBP 1 = 59.61 and EUR 1= EGP 50.97) to source foreign currency subsequent to the application date of the revised standard during March 2024, as summarized below.

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

2. Summary of significant accounting policies (continued)

B) Currency Position

Below is summary of monetary assets and liabilities denominated in USD, GBP and EUR outstanding from 1 January 2024 till 31 March 2024:

Statement of financial positions line item	Outstanding balances from 1 January 2024 USD	Outstanding balances from 1 January 2024 GBP	Outstanding balances from 1 January 2024 EUR
Total assets in foreign currency			
Cash and cash equivalents	19,532,000	-	-
Account receivables	703,471	-	-
Total	20,235,471	-	-
Total liabilities in foreign currency			
Loans	(66,666,669)	-	-
Trade payables	(1,920,683)	(20,809)	(283,193)
Total	(68,587,352)	(20,809)	(283,193)
Net liabilities position	(48,351,881)	(20,809)	(283,193)

C) Monetary effect of applying EAS 13 Revised

The following table represent the effect of EAS 13 revised on opening retained earnings:

Description	Foreign currency	Balance in foreign currency	Difference of using the estimated exchange rate on profit / (loss) EGP	Deferred income tax on profit / (loss) EGP	Net Effect on R.E Increase / (decrease) EGP
	USD	(48,351,881)	(789,586,211)	177,656,898	(611,929,313)
	GBP	(20,809)	(422,009)	94,952	(327,057)
Net liabilities	EUR	(283,193)	(4,777,464)	1,074,929	(3,702,535)
Net			(794,785,684)	178,826,779	(615,958,905)

3. Segment information

The Group's activities are organised into one segment which is wholly related to the manufacturing and sale of glass containers. This is in accordance with the presentations to the Board of Directors. Therefore, entity wide information required under EAS 41 "operating segments" are already included in the financial statements. No other information required to be disclosed.

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

4. Profit or loss information

a) Revenue from contracts with customers

	Six-month period ended		Three-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Local sales	1,477,321,938	1,237,358,290	764,663,124	614,145,695
Export sales	1,451,290,948	1,369,314,626	746,828,810	804,811,275
	2,928,612,886	2,606,672,916	1,511,491,934	1,418,956,970

b) Other operating income

	Six-month period ended		Three-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Export incentives	56,260,754	108,350,865	21,505,459	47,811,102
Scrap sales	18,863,549	20,404,732	11,990,264	6,283,552
Provision no longer required	12,662	148,221	828,770	-
Tax differences	-	357,018	582,462	357,018
Foreign currency translation gain from operations	-	264,357,013	-	18,926,625
Other income	5,804,658	14,565,598	679,678	10,100,168
	80,941,623	408,183,447	35,586,633	83,478,465

c) Other operating expense

	Six-month period ended		Three-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Consultancy Fees	2,377,844	3,160,888	2,377,844	1,801,729
Social health contribution	11,493,377	9,680,365	5,988,747	5,559,021
Non-recurring production losses	9,551,038	7,039,102	6,975,347	3,135,340
Provision formed	-	-	-	81,010
ECL provision	462,467	-	480,031	-
Tax Differences	365,453	-	-	-
Loss on sale of property, plant and equipment	568,640	8,767	647,058	-
Government labor office expense	7,583,958	3,756,424	3,791,979	1,983,707
Export incentive stamp tax	668,608	-	424,100	-
Foreign currency translation loss from operations	30,091,290	-	25,820,473	-
Other expenses	7,926,262	9,270,903	3,721,466	6,018,472
	71,088,937	32,916,449	50,227,045	18,579,279

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

4. Profit or loss information (continued)

d) Income tax

	Six-month period ended		Three-month period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
Income tax expense	(93,947,600)	(239,541,060)	(15,687,154)	(58,878,676)
Deferred income tax	(90,235,129)	19,039,398	(79,132,159)	(61,366,016)
	(184,182,729)	(220,501,662)	(94,819,313)	(120,244,692)

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

5. Property, plant and equipment

	Land	Buildings	Machinery, equipment & moulds	Vehicles and transportation	Furniture & office equipment	Computers & software	Projects under construction	Total
31 December 2024								
Cost								
Balance at beginning of the year	422,644,822	288,555,112	2,833,028,865	45,844,949	12,665,151	31,773,109	75,485,380	3,709,997,388
Additions	-	8,634,934	312,677,116	4,689,040	4,166,843	3,573,858	264,602,731	598,344,522
Disposals	-	-	(45,385,141)	(274,671)	(138,070)	(16,170)	(2,900,653)	(48,714,705)
Transferred from projects under construction	-	22,309,992	217,387,262	-	933,006	632,113	(241,262,373)	-
Balance at the end of the year	422,644,822	319,500,038	3,317,708,102	50,259,318	17,626,930	35,962,910	95,925,085	4,259,627,205
Accumulated depreciation								
Balance at beginning of the year	-	(131,084,964)	(1,378,058,055)	(27,550,883)	(9,645,262)	(19,809,341)	-	(1,566,148,505)
Depreciation expense	-	(12,946,677)	(263,528,535)	(5,820,724)	(1,444,299)	(4,767,439)	-	(288,507,674)
Disposals Depreciation	-	-	45,317,590	274,671	137,724	7,748	-	45,737,733
Balance at the end of the year	-	(144,031,641)	(1,596,269,000)	(33,096,936)	(10,951,837)	(24,569,032)	-	(1,808,918,446)
Net book value at the end of the year	422,644,822	175,468,397	1,721,439,102	17,162,382	6,675,093	11,393,878	95,925,085	2,450,708,759
30 June 2025								
Cost								
Balance at beginning of the period	422,644,822	319,500,038	3,317,708,102	50,259,318	17,626,930	35,962,910	95,925,085	4,259,627,205
Additions	-	2,788,805	106,381,438	1,916,695	558,426	1,799,551	430,199,290	543,644,205
Disposals	-	-	(124,129,200)	(443,718)	-	-	-	(124,572,918)
Transferred from projects under construction	-	1,791,833	448,138,159	-	-	-	(449,929,992)	-
Balance at the end of the period	422,644,822	324,080,676	3,748,098,499	51,732,295	18,185,356	37,762,461	76,194,383	4,678,698,492
Accumulated depreciation								
Balance at beginning of the period	-	(144,031,641)	(1,596,269,000)	(33,096,936)	(10,951,837)	(24,569,032)	-	(1,808,918,446)
Depreciation expense	-	(6,830,695)	(177,318,477)	(2,997,765)	(1,028,566)	(2,609,338)	-	(190,784,841)
Disposals Depreciation	-	-	119,690,053	443,695	-	-	-	120,133,748
Balance at the end of the period	-	(150,862,336)	(1,653,897,424)	(35,651,006)	(11,980,403)	(27,178,370)	-	(1,879,569,539)
Net book value at the end of the period	422,644,822	173,218,340	2,094,201,075	16,081,289	6,204,953	10,584,091	76,194,383	2,799,128,953

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

5. Property, plant and equipment (continued)

The balance of project under construction as of 30 June 2025 is represented as follows:

	30 June 2025	31 December 2024
Batch house	43,890,989	43,890,989
Machinery	13,145,750	36,591,030
Building	1,543,025	860,613
New Project-10th Ramadan Land	15,146,984	11,802,491
Furnace	2,035,585	2,645,484
Others	432,050	134,478
	76,194,383	95,925,085

6. Trade and other receivables

	30 June 2025	31 December 2024
Trade receivables - net	1,490,148,430	1,031,852,894
Contract assets	399,267,656	407,195,504
Export Incentive	383,685,585	354,735,270
Due from tax authority	218,775,754	180,396,186
Debtors and other receivable	232,045,292	247,049,853
Due from related parties	5,548,155	4,659,395
	2,729,470,872	2,225,889,102

7. Trade and other payables

	30 June 2025	31 December 2024
Trades and notes payable	805,267,643	717,261,118
Accrued Expenses	462,206,672	493,790,177
Contract liabilities	88,614,136	93,839,070
Social insurance authority	8,503,307	4,476,963
Creditors and other payable	445,146,899	40,705,557
Due to tax Authority	23,109,643	18,166,272
	1,832,848,300	1,368,239,157

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

8. Bank borrowings

	30 June 2025	31 December 2024
a) Bank borrowings - current portion		
Bank borrowings	826,666,685	847,333,341
Short term credit facilities	1,243,682,919	762,378,456
Total current portion	2,070,349,604	1,609,711,797
b) Bank borrowings non-current portion		
Bank borrowings	1,240,000,097	1,694,666,774
Total non-current portion	1,240,000,097	1,694,666,774
Total	3,310,349,701	3,304,378,571

In November 2019, the Group companies signed medium term loan agreements with the International Finance Corporation ("IFC") and Commercial International Bank "CIB") for a total of \$100 Million to refinance its existing medium-term debt and to provide funding for capital expenditure to increase production capacity, including furnace rebuilds, new production equipment, printing machines, resource efficiency improvements and streamlining of the cullet processing operation. The full amount of the facilities was disbursed in 2020 and resulted in settlement of all existing medium-term bank borrowings. The outstanding loan balance as of 30 June 2025 amounts to EGP 2,066,666,782.

The loans have a seven-year tenor with 18-month grace and carries interest at 6-month SOFR plus a margin.

The loans are secured with the following security package:

- First ranking real estate mortgage over all the lands and buildings owned by the Group with the net carrying amounts of EGP 596 million (31 December 2024: 598 million).
 - A first ranking Commercial Establishment Mortgage over the tangible and intangible assets owned by the Group.
 - Promissory Notes corresponding to the repayment dates and amounts.
 - First ranking Share Pledge in favour of the Senior Secured Lenders or an agent acting on their behalf over the shares owned by the Group.
- c) Interest accrued balance on the group's borrowing at 30 June 2025 amounts to EGP 54,870,836 (31 December 2024: EGP 65,692,814).

9. Issued and paid-up capital

The issued and paid capital of the company amounted to EGP 62,627,993 allocated to 62,627,993 shares with a nominal value of EGP 1 for each share, and distributed as follows:

Shareholders	30 June 2025		
	No. of Shares	Value of shares	Shareholding %
MENA Glass Holdings Limited	58,250,357	58,250,357	93.01%
IGC Holdings Limited	3,968,175	3,968,175	6.34%
Other shareholders	409,461	409,461	0.65%
	62,627,993	62,627,993	100%

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

9. Issued and paid-up capital (continued)

Shareholders	31 December 2024		
	No. of Shares	Value of shares	Shareholding %
MENA Glass Holdings Limited	58,250,357	58,250,357	93.01%
IGC Holdings Limited	3,968,175	3,968,175	6.34%
Other shareholders	409,461	409,461	0.65%
	62,627,993	62,627,993	100%

10. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due, due to a shortage of funding. The Group's exposure to liquidity risk results primarily from the mismatching of the maturities of its assets and liabilities.

Management makes cash flow projections on periodic basis, and take the necessary actions to negotiate with suppliers, follow-up the collections from customers and manage inventory balances in order to ensure sufficient cash is maintained to discharge the Group's liabilities. The Group's management monitors liquidity requirements to ensure it has sufficient cash and cash equivalents to meet operational needs while maintaining sufficient cash cover to meet the cash outflows to settle the obligations of loans and borrowings to be able to maintain financial terms, guarantees and covenants at all times.

The Group limits liquidity risk by maintaining sufficient bank facilities and reserves, by monitoring cash forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Balances due to suppliers are normally settled with an average of 120 days from the date of purchase.

The table below summarises the maturities of the Group's undiscounted financial liabilities at 30 June 2025 and 31 December 2024, based on contractual payment dates and current market interest rates.

	Less than 6 months	Between 6 month & 1 year	Between 1 & 2 years	More than 2 years
30 June 2025				
Trade and other payables *	1,712,621,214	-	-	-
Short term credit facilities	1,243,682,919	-	-	-
Loans and borrowings	413,333,342	413,333,343	826,666,667	413,333,429
Future Interest	139,745,074	66,013,301	75,443,790	9,430,480
Total	3,509,382,549	479,346,644	902,110,457	422,763,909
31 December 2024				
Trade and other payables *	1,251,756,877	-	19,695,218	-
Short term credit facilities	762,378,456	-	-	-
Loans and borrowings	423,666,671	423,666,670	847,333,330	847,333,444
Future Interest payment	176,107,547	90,339,331	120,452,453	40,150,833
Total	2,613,909,551	514,006,001	987,481,001	887,484,277

* Creditors and other payables presented above excludes contract liabilities, social insurance authority and tax liabilities.

MIDDLE EAST GLASS MANUFACTURING COMPANY (MEG) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(IN THE NOTES ALL AMOUNTS ARE SHOWN IN EGYPTIAN POUNDS UNLESS OTHERWISE STATED)

11. Dividends distribution

On 27 March 2025, the Ordinary General Assembly of Middle East Glass Manufacturing Company (MEG) (S.A.E.) approved a dividend of the amount of EGP 456,332,673. This dividend has been approved by General Authority for investment and free zone on 8 April 2025.

12. Financial instruments by category

The Company's financial instruments are represented in cash and cash equivalents, trade receivables, debtors, investments, trade payables, notes payables, creditors, loans and credit facilities. The book value of these financial instruments does not differ significantly from fair value at the financial position date.

13. Significant events during the period

On 17 April 2025, The Monetary Policy Committee of the Central Bank of Egypt decided in its extraordinary meeting to decrease the overnight deposits and lending interest rates and the Central Bank main operation rate by 225 basis points reaching 25%, 26%, and 25.5%, respectively. The credit and discount rates were also decreased by 225 basis points reaching 25.5%.