Mostafa Shawki

forvis mazars

EKC FOR PRESSURE VESSELS MANUFACTURING
(EKC EGYPT) (S.A.E)

FINANCIAL STATEMENTS
TOGETHER WITH AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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Translation of Auditor's Report
Originally Issued in Arabic

AUDITOR'S REPORT

To the Shareholders of

EKC for Pressure Vessels Manufacturing (EKC EGYPT) "S.A.E."

Report on the financial Statements

We have audited the accompanying financial statements of **EKC for Pressure Vessels Manufacturing (EKC EGYPT)"S.A.E."**, which comprise the statement of financial position as of March 31, 2026, and the statements of income (Profit or Loss), comprehensive income, changes in Shareholders equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of prevailing Egyptian laws. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial Statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **EKC for Pressure Vessels Manufacturing (EKC EGYPT)"S.A.E."** as of March 31, 2026, and its financial performance and cash flows for the financial year then ended, in accordance with the Egyptian Accounting Standards and the prevailing Egyptian laws and regulations.

Report on other legal and Regulatory Requirement

The Company maintains its accounting record as required by law and the statutes of the Company which are in agreement with the accompanying financial statements.

Cairo: May 11, 2026

Auditor

Dr. Ahmed Shawki

Forvis Mazars Mostafa Shawki

EKC FOR PRESSURE VESSELS MANUFACTURING (EKC EGYPT) (S.A.E)

STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2026
(Amounts expressed in Egyptian Pound)

ASSETS	**Note**	**31/3/2026**	**31/3/2025**
Non-Current assets			
Fixed assets (net)	(3)	57 750 000	57 750 000
Intangible assets (net)	(4)	112 283	142 961
Project under construction	(5)	556 632 335	248 088 498
Total Non- Current Assets		**614 494 618**	**305 981 459**
Current assets			
Debtors and other debit balances	(6)	14 787 586	2 656 025
Cash at banks	(7)	354 428	3 559 965
Total Current Assets		**15 142 011**	**6 215 990**
Total Assets		**629 636 632**	**312 197 449**
Shareholders' equity			
Paid-up capital	(8)	17 500 000	17 500 000
Retained (losses)		(108 518 863)	(76 685 234)
Under capital increase	(9)	296 153 966	296 153 966
Total shareholders' equity		**205 135 103**	**236 968 732**
Non-Current liabilities			
Bank Loans – noncurrent portion	(12)	355 921 621	42 342 118
Total Non-Current Liability		**355 921 621**	**42 342 118**
Current liabilities			
Due to related party	(11)	22 814 086	--
Bank Loans – current portion	(12)	3 595 168	--
Loans due to related parties	(13)	20 860 685	--
Bank credit balance		135 377	--
Creditors and other credit balances	(10)	21 122 887	32 834 894
Accounts payables		51 705	51 705
Total current liabilities		**68 579 908**	**32 886 599**
Total of liabilities and Shareholders' equity		**629 636 632**	**312 197 449**

- Auditor's Report Attached.
- The accompanying notes form an integral part of the financial statements.

Chairman

EKC FOR PRESSURE VESSELS MANUFACTURING (EKC EGYPT) (S.A.E)
STATEMENT OF INCOME (PROFIT OR LOSS)
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
(Amounts expressed in Egyptian Pound)

	Note	31/3/2026	31/3/2025
General and Administrative expenses	(14)	(6 123 930)	(6 531 195)
Finance cost		--	(160 714)
Foreign currency exchange	(15)	(25 725 630)	(34 762 164)
Credit Interest		15 931	57 645
Net (loss) for the year		**(31 833 629)**	**(41 396 428)**
(Loss) per share (EGP/Share)	(16)	**(436.51)**	**(591.37)**

- The accompanying notes are an integral part of these financial statements.

Chairman

EKC FOR PRESSURE VESSELS MANUFACTURING (EKC EGYPT) (S.A.E)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

(Amounts expressed in Egyptian Pound)

	31/3/2026	31/3/2025
Net (loss) for the year	(31 833 629)	(41 396 428)
Other Comprehensive Income	--	--
Comprehensive Income for the year	**(31 833 629)**	**(41 396 428)**

- The accompanying notes are an integral part of these financial statements.

Chairman

EKC FOR PRESSURE VESSELS MANUFACTURING (EKC EGYPT) (S.A.E)
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
(Amounts expressed in Egyptian Pound)

	Paid-up capital	Under capital increase	Retained (Losses)	Total
Balance as of April 1, 2024	**17 500 000**	--	(35 288 806)	(17 788 806)
Under capital increase	--	296 153 966	--	296 153 966
Net (loss) for the year	--	--	(41 396 428)	(41 396 428)
Balance as of March 31, 2025	**17 500 000**	**296 153 966**	**(76 685 234)**	**236 968 732**
Balance as of April 1, 2025	**17 500 000**	**296 153 966**	**(76 685 234)**	**236 968 732**
Net (loss) for the year	--	--	(31 833 629)	(31 833 629)
Balance as of March 31, 2026	**17 500 000**	**296 153 966**	**(108 518 863)**	**205 135 103**

- The accompanying notes are an integral part of these financial statements.

Chairman

Translation of the Financial Statements
Originally Issued in Arabic

EKC FOR PRESSURE VESSELS MANUFACTURING (EKC EGYPT) (S.A.E)
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
(Amounts expressed in Egyptian Pound)

	31/3/2026	31/3/2025
Net (loss) for the year before tax	(31 833 629)	(41 396 428)
Adjustments		
Unrealized foreign exchange loss	25 660 163	34 185 647
Amortization of intangible assets	30 678	10 430
Debit interest	--	160 714
	(6 142 788)	**(7 039 637)**
Changes in:		
Due to related parties	19 928 743	147 593 486
Debtors and other debit balances	(12 107 869)	(2 023 880)
Creditors and other credit balances	(11 734 775)	3 048 539
Accounts payable	--	(8 985 474)
Net cash flows provided from operating activities	**(10 056 689)**	**132 593 034**
Cash flows from investing activities		
Payment for project under construction	(308 543 837)	(192 153 589)
Payment for purchases of intangible assets	--	(153 391)
Net cash flows (Used in) investing activities	**(308 543 837)**	**(192 306 980)**
Cash flows from financing activities		
Loans due to related parties	19 101 849	--
Bank credit balance	135 377	--
Proceeds from Loans	296 157 763	42 005 152
Net cash flows provided from financing activities	**315 394 989**	**42 005 152**
Change in cash and cash equivalents during the year	(3 205 537)	(17 708 794)
Cash and cash equivalents at the beginning of the year	3 559 965	21 268 759
Cash and cash equivalents at the end of the year	**354 428**	**3 559 965**

- The accompanying notes are an integral part of these financial statements.
- For preparing of cash flows statement the effect of non-cash transactions were eliminated.

Chairman

EKC FOR PRESSURE VESSELS MANUFACTURING (EKC EGYPT) (S.A.E)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

1. GENERAL INFORMATION

EKC For pressure vessels manufacturing (EKC EGYPT) was established as Company on November 23, 2022, according to The Law of Special Economic Zones No.83 of 2002.

1.1 Company Purpose

- Manufacture of high-pressure vessels and Compressed gas metal containers, this is without prejudice to the provisions of laws and regulations in force in the Arab Republic of Egypt, with condition to issuance of licenses and approvals for these activities, The Company may participate in and integrate into companies conducting business similar to its own or which may help it achieve its purpose within or outside the Suez Canal Economic Zone.

1.2 Location

- Registered office at Suez, Attaka, Land (No.100) The first industrial sector in the Suez Industrial Development Company.

1.3 Financial Year

- The company started the project of setting up the plant as of November 23, 2022.
- The company's financial year starts on April 1st till March 31st of each year.

2. SIGNIFICANT ACCOUNTING POLICIES

The Significant Accounting Policies applied in a consistent base throughout the presented financial periods in these financial statements.

2.1 Foreign Currencies translation:

- The company's functional and reporting currency is the Egyptian pound.
  Transactions denominated in foreign currencies during the year are translated to Egyptian pounds at the prevailing rates as at the transaction date. At year-end, monetary assets and liabilities denominated in foreign currencies are translated to Egyptian pounds using the prevailing rates as at that date. Translation differences are included in the income statements.

2.2 Fixed assets

Recognition and measurement

Fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. When the asset becomes ready for use, it is added to the property, plant and equipment and it is depreciated since that date. Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized of profit or loss statement.

Subsequent expenses for acquisition

The cost of replacing part of an item of Fixed assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of day to day servicing and maintenance of the fixed assets is recognized in profit or loss as incurred.

Projects under construction

Project under progress are recognized by cost. The cost includes all expenditure that are directly related to and necessary for the asset to be ready for using and the purpose for which acquired. The project under progress are transferred to property, plant and equipment when finished and available for usage.

Depreciation

Depreciation of Fixed assets is recognized in profit or loss on a straight-line basis over the estimated useful life of each type of asset.

The estimated useful lives for each type of Fixed assets for the purpose of calculating the depreciation for the current and comparative period are as follows:

	Estimate useful life (Year)
Land	--

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

2.3 Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hands, at banks and time deposits with maturity of three months or less.

2.4 Reserves

The company's reserves are formed by law or the company's article of association to support the company's financial position. These reserves are used based on approval from the general assembly upon the board of directors' request to be used in the benefit of the company.

3. FIXED ASSETS (NET) *

Fixed assets (net) as of March 31, 2026, are comprised as follows:

	31/3/2026 EGP	31/3/2025 EGP
Cost		
Opening Balance	57 750 000	57 750 000
Ending balance	**57 750 000**	**57 750 000**
Accumulated depreciation		
Opening balance	--	--
Depreciation for the year	--	--
Ending balance	--	--
Net book value	**57 750 000**	**57 750 000**

* Fixed assets represented in Land parcel No (100) including public utilities to land parcel border covering an approximate area of 35,000 m2 located in 1st industrial zone at Ain -Sokhna West Gulf of Suez.

4. INTANGIBLE ASSETS (NET)

	31/3/2026 EGP	31/3/2025 EGP
Cost		
Opening Balance	153 391	--
Additions during the year	--	153 391
Ending balance	**153 391**	**153 391**
Accumulated depreciation		
Opening balance	**10 430**	--
Depreciation for the year	30 678	10 430
Ending balance	**41 108**	**10 430**
Net book value	**112 283**	**142 961**

5. PROJECT UNDER CONSTRUCTION

Project under construction as of March 31, 2026, are comprised as follows:

	31/3/2026 EGP	31/3/2025 EGP
Advance payment Machinery	190 127 102	117 028 750
Building	366 505 233	131 059 748
	556 632 335	**248 088 498**

6. DEBTORS AND OTHER DEBIT BALANCES

Debtors and other debit balances as of March 31, 2026, are comprised as follow:

	31/3/2026	31/3/2025
	EGP	EGP
Advance payment	12 838 887	1 996 534
Letter of guarantee	500 000	500 000
Insurance with others	1 034 000	34 000
Prepaid expenses	--	31 150
Advance to supplier	89 000	89 000
Petty cash	272 686	--
Other	53 013	5 341
	14 787 586	**2 656 025**

7. CASH AT BANKS

Cash at banks balance as of March 31, 2026, are comprised as follow:

	31/3/2026	31/3/2025
	EGP	EGP
Banks Current Account – EGP	--	1 725 913
Banks Current Account – USD	316 069	1 728 633
Banks Current Account – EURO	38 359	105 419
	354 428	**3 559 965**

8. ISSUED AND PAID-UP CAPITAL

The company's authorized capital amounted to EGP 700,000,000 (Seven Hundreds Million EGP) and issued capital amounted to EGP 70,000,000 (Seventy Million EGP) distributed to 7000 Shares and the nominal value of share amounted to EGP 1000 the paid-in capital represented in 10% of the issued capital.

On September 19, 2023 The company completed the paid-up capital to 25% from issued capital as follows:

	%	Number of shares	Issued capital	Paid in capital
EKC International	79,99%	55 993	55 993 000	13 998 250
Mohamed Saad Eldein Ibrahim Shehata	20%	14 000	14 000 000	3 500 000
Waleed Samir Abdelazeem Foad	0.01%	7	7000	1 750
	100%	**70 000**	**70 000 000**	**17 500 000**

On September 5, 2024 The Extraordinary General Assembly of the Company Convened and approved the amendment of article no. (7) of the company's articles of association, as follows:

	%	Number of shares	Issued capital	Paid in capital
EKC International	97%	67 900	67 900 000	16 975 000
Waleed Samir Abdelazim Foad	2%	1 400	1 400 000	350 000
Yahia Ahmed El-Sayed Ashour	1%	700	700 000	175 000
	100%	**70 000**	**70 000 000**	**17 500 000**

9. UNDER CAPITAL INCREASE

According to the acknowledgment issued by EKC International on February 11, 2025, all financing and transfers were intended to be converted into shares through a capital increase, utilizing the credit balance, in compliance with the regulations and procedures of the General Authority of the Suez Canal Economic Zone and the applicable laws of Egypt.

10. CREDITORS AND OTHER CREDIT BALANCES

Creditors and other credit balances as of March 31, 2026, are comprised as follow:

	31/3/2026 EGP	31/3/2025 EGP
Land - Creditors	--	14 437 500
Retention	19 037 746	17 686 999
Accrued expenses	1 713 735	684 135
Other creditors	371 406	26 260
	21 122 887	**32 834 894**

11. DUE TO RELATED PARTY

Name of related party	Nature of relationship	31/3/2026 EGP	31/3/2025 EGP
EKC International	Parent company	22 814 086	--
		22 814 086	--

12. BANK LOANS

	31/3/2026 EGP	31/3/2025 EGP
National bank of Egypt – Loan EGP	129 723 539	222 900
National bank of Egypt – Loan USD	229 793 250	42 119 218
	359 516 789	**42 342 118**

Divided into:		
Bank Loans – current portion	3 595 168	--
Bank Loans – noncurrent portion	355 921 621	42 342 118
	359 516 789	42 342 118

Purpose

On July 11, 2023 EKC-Egypt for High pressure vessels " the borrower" requested National bank of Egypt " The lender" to extend a long term facility in the amount of 953,300,000 (Only nine hundred and fifty three million and three hundred thousand Egyptian pounds) including capitalized interest in the amount of 324,300,000 (Only three hundred and twenty four million and three hundred thousand Egyptian pounds) for the purpose of financing 62% of the investment cost including land and capitalized interest during the drawdown and grace period which amounts to EGP 1,526,000,000 (only one billion and five hundred and twenty six million Egyptian pounds) for the construction and operation of a plant for manufacturing compressed gas cylinders and metal containers.

Facility terms and conditions

The term of this agreement is 9 Years starting from the date of signing the agreement including 21month drawdown period ending no later than January 15, 2026.

Interest and default interest

Throughout the validity of this agreement An EGP debit interest rate of 1.5% margin above corridor lending rate announced by central bank of Egypt per annum.

Loan contract addendum

On January 14, 2025 the company signed an addendum to the loan contract to split the finance into two limits amounted 6.5 million USD and 627.8 million EGP, each limit to be settled on 24 quarterly instalments from January 15, 2026 till October 15, 2031.

On September 29, 2025 the company signed an addendum to the loan contract, whereby the drawdown period is further extended to January 15, 2027.

13. LOANS DUE TO RELATED PARTIES

	31/3/2026	31/3/2025
	EGP	EGP
EKC international	20 860 685	--
	20 860 685	--

Purpose

On April 11, 2025, EKC for Pressure Vessels Manufacturing S.A.E (the "Borrower") entered into a related party loan agreement with EKC International FZE (the "Lender") the lender agrees to lend to the borrower an amounting not exceeding USD 1,000,000. The loan agreement is granted without any security, the lender shall require some security for the facility.

The borrower shall pay an interest quarterly determined on the basis of arm's length an interest moratorium up to one year from the effective date of this loan agreement.

The loan is repayable over two years in quarterly instalments, the borrower can repay all or part of the loan early, but the lender will apply 2% early prepayment fee.

14. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses as of March 31, 2026, are comprised as follow:

	31/3/2026	31/3/2025
	EGP	EGP
Professional Fees	1 328 748	1 023 075
Legal Fees	211 528	169 490
Consulting Fee	254 763	871 860
Travel cost	492 511	--
Marketing expenses	1 982 215	2 735 055
Bank charge	566 195	1 541 346
Insurance	31 150	28 375
Amortization expense	30 678	10 430
Rent	284 000	--
Maintenance	695 457	--
Other	246 685	151 564
	6 123 930	**6 531 195**

15. FOREIGN CURRENCY EXCHANGE

Foreign currency exchange gain or loss as of March 31, 2026, are comprised as follow:

	31/3/2026	31/3/2025
	EGP	EGP
Unrealized exchange loss	25 660 163	34 185 647
Realized exchange loss	65 467	576 517
	25 725 630	**34 762 164**

16. (LOSS) PER SHARE

The Company presents basic loss per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

	31/3/2026	31/3/2025
Net (Loss) for the year	(31 833 629)	(41 396 428)
Divided to:		
Weighted average no of shares	70 000	70 000
Basic (Loss) per share for the year (EGP/share)	**(436.51)**	**(591.37)**

17. TAX POSITION

Corporate Tax

The beginning of the operation on November 16, 2022 and recorded in the Commercial Register under the number 197 on November 23, 2022, the tax card was issued on December 14, 2022.

18. SUBSEQUENT EVENTS

The reporting date, geopolitical tensions and military developments involving Iran, United States, and Israel have increased, leading to volatility in global markets and economic uncertainty. Management is closely monitoring these developments; however, as of the date of issuing the financial statements, the potential financial impact cannot be reliably determined. Accordingly, no adjustments have been made to the accompanying financial statements.