

**PIL TRADING EGYPT (L.L.C)  
AUDITOR'S REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AT 31 MARCH 2026**

**Strategy Financial Advisors  
Audit, Tax and Advisory Services**

**PIL Trading Egypt (L.L.C.)**  
**Financial statement and auditor report**  
**For the year ended at 31 March 2026**

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## Auditor's Report

**To: The Quota Holders' of PIL Trading EGYPT - (L.L.C)**

### Report on the Financial Statements

We have audited the accompanying financial statements of **PIL TRADING EGYPT - (L.L.C)**, which comprise the financial position as of 31 March 2026, income statement, statement of changes in quota holders' equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

### Company's management responsibility for the financial statements

Company's management is responsible for the preparation and fair presentation of these financial statements in accordance with Egyptian Accounting Standards and with the requirements of applicable Egyptian laws and regulations. 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.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing. Those Standards require that we comply with ethical requirements and 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 a basis for our audit opinion.

## Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 March 2026, financial performance and of its cash flows for the period then ended in accordance with Egyptian Accounting Standards and with the requirements of applicable Egyptian laws and regulations.

### **Emphasis of matter: Material Uncertainty Related to Going Concern**

Without qualifying our opinion on the financial statements, we draw attention that the company has accumulated net loss of EGP (15,407,963) during the year ended 31 March 2026. This financial statement is prepared on the basis of the shareholders willingness to support the Company's financials in order to continue its planned business. In accordance with Article 69 of the Companies Law No. 159 of 1981, the amendments require the Shareholders Extraordinary General Meeting to decide on the continuation of the Company's operations.

### **Report on Other Legal and Regulatory Requirements**

The Company keeps proper financial records, which includes all that is required by the law and the Company's statute, and the accompanying financial statements are in agreement therewith, the Company applies a proper costing system and the inventory counts were taken in accordance with recognized practices.

The financial information included in the director' report prepared in accordance with law no159 of 1981 and its executive regulations, is in agreement with the company's book of account.



**Amr Arafa Hassan**

Member at Egyptian society of taxation

Registered Accountants and Auditors No. 20137

**Strategy Financial Advisors**

Cairo, 30 April 2026



**PIL TRADING (EGYPT) L.L.C**  
**Financial Position At 31 MARCH 2026**

|   | Note No. | 31 March 2026<br>EGP | 31 March 2025<br>EGP |
|---|----------|----------------------|----------------------|
| <b><u>Assets</u></b>                                      |          |                      |                      |
| <b><u>Non-current assets</u></b>                          |          |                      |                      |
| Fixed Assets ( Net book value )                           | (3)      | 48,758               | 69,062               |
| Deferred tax  | (13)     | -                    | -                    |
| <b>Total non-current Libilites</b>                        |          | <b>48,758</b>        | <b>69,062</b>        |
| <b><u>Current assets</u></b>                              |          |                      |                      |
| Inventory   | (4)      | 9,061,108            | 7,733,215            |
| Trade receivables   | (5)      | 4,680,657            | 6,762,001            |
| Other receivables and prepayments                         | (6)      | 3,727,972            | 3,733,668            |
| Cash and cash equivalents                                 | (7)      | 5,415,033            | 2,631,298            |
| <b>Total current assets</b>                               |          | <b>22,884,770</b>    | <b>20,860,182</b>    |
| <b>Total assets</b>                                       |          | <b>22,933,528</b>    | <b>20,929,244</b>    |
| <b><u>Quotaholders' equity</u></b>                        |          |                      |                      |
| Paid up capital   | (8)      | 5,440,000            | 5,440,000            |
| Retained losses   |          | (11,219,041)         | (10,575,171)         |
| Net loss for the year                                     |          | (4,188,922)          | (643,870)            |
| <b>Total shareholders' equity</b>                         |          | <b>(9,967,963)</b>   | <b>(5,779,041)</b>   |
| <b><u>Non-Current liabilities</u></b>                     |          |                      |                      |
| Deferred tax  | (13)     | 355,346              | 197,429              |
| <b>Total non-current Liab</b>                             |          | <b>355,346</b>       | <b>197,429</b>       |
| <b><u>Current liabilities</u></b>                         |          |                      |                      |
| Income tax Authority                                      |          | -                    | -                    |
| Trade Payables  | (9)      | 30,270,025           | 24,853,058           |
| Other Payables  | (10)     | 2,276,120            | 1,657,798            |
| <b>Total current liabilities</b>                          |          | <b>32,546,145</b>    | <b>26,510,856</b>    |
| <b>Total shareholders' equity and Current liabilities</b> |          | <b>22,933,528</b>    | <b>20,929,244</b>    |



The accompanying policies and the notes from page number (8) to (16) form an integral part of these financial statements

Auditor's Report Attached

**Mohamed Mowafi**  
**General Manager**

**Mohamed Saleh**  
**Financial Controller**

**PIL TRADING (EGYPT) L.L.C****INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2026**

|   | <b>Note<br/>No.</b> | <b>2026<br/>EGP</b> | <b>2025<br/>EGP</b> |
|---|---------------------|---------------------|---------------------|
| Sales   |                     | 37,665,707          | 44,557,166          |
| Cost of sales   |                     | (27,544,544)        | (32,412,692)        |
| <b><u>Gross Profit</u></b>                              |                     | <b>10,121,163</b>   | <b>12,144,474</b>   |
| Selling & Marketing Expenses                            | (11)                | (11,018,914)        | (10,708,465)        |
| General & Administrative Expenses                       | (12)                | (2,844,420)         | (2,365,248)         |
| Allowance for doubtful debts                            |                     | 260,365             | (190,923)           |
| Bad Debt  |                     | (261,144)           | (72)                |
| Profit / (Loss) on Foreign Exchange                     |                     | (323,019)           | 482,233             |
| Other income  |                     | 34,963              | 548,714             |
| Gross Expenses  |                     | <b>(14,152,168)</b> | <b>(12,233,761)</b> |
| <b>Net profit (loss) for the year before income tax</b> |                     | <b>(4,031,005)</b>  | <b>(89,287)</b>     |
| Deferred tax  |                     | (157,917)           | (554,583)           |
| Income tax  |                     | -                   | -                   |
| <b><u>Net( loss) for the year</u></b>                   |                     | <b>(4,188,922)</b>  | <b>(643,870)</b>    |

The accompanying policies and the notes from page number (8) to (16) form an integral part of these financial statements

**PIL TRADING (EGYPT) L.L.C****Other comprehensive income statement for the year ended at 31 March 2026**

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|  | <b>2026</b>               | <b>2025</b>             |
|--|---------------------------|-------------------------|
|  | <b>EGP</b>                | <b>EGP</b>              |
| Net (loss )after income tax                    | (4,188,922)               | (643,870)               |
| Other comperhensive income                     | -                         | -                       |
| <b>Total comperhensive income for the year</b> | <b><u>(4,188,922)</u></b> | <b><u>(643,870)</u></b> |

**PIL TRADING (EGYPT) L.L.C**

**STATEMENT OF CHANGES IN QUOTASHOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2026**

|                                       | Paid up<br>Capital<br>EGP | Accumulated<br>Losses<br>EGP | Net Profit/<br>(Loss)<br>EGP | Total<br>EGP       |
|---------------------------------------|---------------------------|------------------------------|------------------------------|--------------------|
| <b>Balance at 31 March 2024</b>       | <b>5,440,000</b>          | <b>(12,831,635)</b>          | <b>2,256,464</b>             | <b>(5,135,171)</b> |
| Transfer to Retaind Earnings (Losses) | -                         | 2,256,464                    | (2,256,464)                  |                    |
| Net profit for the year               | -                         | -                            | (643,870)                    | <b>(643,870)</b>   |
| <b>Balance at 31 March 2025</b>       | <b>5,440,000</b>          | <b>(10,575,171)</b>          | <b>(643,870)</b>             | <b>(5,779,041)</b> |
| Transfer to Retaind Earnings (Losses) | -                         | (643,870)                    | 643,870                      | -                  |
| Net profit (loss) for the year        | -                         | -                            | (4,188,922)                  | <b>(4,188,922)</b> |
| <b>Balance at 31 March 2026</b>       | <b>5,440,000</b>          | <b>(11,219,041)</b>          | <b>(4,188,922)</b>           | <b>(9,967,963)</b> |

The accompanying policies and the notes from page number (8) to (16) form an integral part of these financial statements

**PIL TRADING (EGYPT) L.L.C****STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026**

|   | <b>2026</b>        | <b>2025</b>         |
|---|--------------------|---------------------|
|   | <b>EGP</b>         | <b>EGP</b>          |
| <b><u>Cash flows from operating activities</u></b>                |                    |                     |
| Net profit (loss) for the year before tax                         | (4,031,005)        | (89,287)            |
| Depreciation  | 20,304             | 18,542              |
| <b>Operating loss before changes in working capital</b>           | <b>(4,010,701)</b> | <b>(70,745)</b>     |
| <b><u>Change in working capital</u></b>                           |                    |                     |
| Change in inventory   | (1,327,893)        | (1,184,269)         |
| Change in trade receivables and prepayments                       | 2,087,040          | (5,175,794)         |
| Change in creditors and other payable                             | 6,035,289          | (12,486,589)        |
| Paid income tax   |                    | (240,400)           |
| <b>Cash flow generating from (Used in) operating activities</b>   | <b>6,794,436</b>   | <b>(19,087,052)</b> |
| <b>Cash flows from financing activities</b>                       |                    |                     |
| <b>Cash flows (used in) / generated from financing activities</b> | <b>-</b>           | <b>-</b>            |
| <b><u>Cash flows from investing activities</u></b>                |                    |                     |
| Payment in respect of purchasing fixed assets                     | -                  | (43,600)            |
| <b>Net cash flows used in investing activities</b>                | <b>-</b>           | <b>(43,600)</b>     |
| Change in cash and cash equivalents during the year               | <b>2,783,735</b>   | <b>(19,201,397)</b> |
| Cash and cash equivalents at the beginning of the year            | 2,631,298          | 21,832,695          |
| <b>Cash and cash equivalents at the end of the year</b>           | <b>5,415,033</b>   | <b>2,631,298</b>    |

## **PIL TRADING EGYPT (L.L.C)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**

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#### **1. GENERAL**

**1-1** The Company was established as a Limited liability company, The Company was registered In the Investment Commercial Registry under no. 40376 on July 30, 2009.

**1-2 The objectives of the company are:**

Trading in all types of building chemicals, paints and adhesive materials.

#### **2. SIGNIFICANT ACCOUNTING POLICIES**

**2-1 Basis of preparation**

The financial statements have been prepared under the going concern assumption on a historical cost basis, except for available for sale financial assets that have been measured at fair value.

**2-2 Statement of compliance**

The financial statements of the company have been prepared in accordance with the Egyptian accounting standards and the applicable laws and regulations.  
The Financial Statements are authorized for issue by The Board of Directors.

**2-3 Changes in accounting policies**

The accounting policies adopted this year are consistent with those of the previous year.

**2-4 Foreign currency translation**

The financial statements are prepared and presented in Egyptian pound, which is the company's functional currency.

Transactions in foreign currencies are initially recorded using the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated using the exchange rate prevailing at the balance sheet date.

## PIL TRADING EGYPT (L.L.C)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

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#### 2-5 Fixed assets and depreciation

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 plant and equipment when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred, and this cost depreciated with similar annual premium during the producing life of each asset according to the following rates:

|                      |      |
|----------------------|------|
| Furniture & Fixtures | 20 % |
| Tools                | 20 % |
| Office Equipment     | 10 % |
| Computer             | 33 % |
| Automobiles          | 25%  |

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.

#### 2-6 The inventory elements are valued as follows:

Finished products: at the lower of the cost of production (based on the costing sheets) or net realizable value.

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 shall be recognized in the statement of income in the year the write down or loss occurs according to an authorized study takes into consideration all technical and market bases to estimate any write down. The amount of any reversal of any write down of inventories, arising from an increase in net realizable value, shall be recognized in the statement of income in the year in which the reversal occurs.

#### 2-7 Provisions

Provisions are recognized when the Company 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.

## **PIL TRADING EGYPT (L.L.C)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**

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#### **2-8 Revenue recognition**

Revenue from sales is recognized when all the following conditions have been satisfied:

- (a) The company has transferred to the buyer the significant risks and rewards of ownership of the sales;
- (b) The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably;
- (d) It is probable that the economic benefits associated with the transaction will flow to the company; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **2-9 Expenses**

All expenses including operating expenses, general and administrative expenses and other expenses are recognized and charged to the statement of income in the financial year in which these expenses were incurred.

#### **2-10 Accounting estimates**

The preparation of financial statements in accordance with Egyptian Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses during the financial years. Actual results could differ from these estimates.

#### **2-11 Statement of cash flows**

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

#### **2-12 Cash and cash equivalent**

For the purpose of preparing the cash flow statement, the cash and cash equivalent comprise cash on hand, current accounts with banks and time deposits maturing within three months less bank credit balance.

PIL TRADING (EGYPT) L.L.C

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

3. Fixed Assets

|  | Tools         | Automobiles    | Furniture & Fixtures | Computer      | Office<br>Equipment | Total          |
|--|---------------|----------------|----------------------|---------------|---------------------|----------------|
|  | EGP           | EGP            | EGP                  | EGP           | EGP                 | EGP            |
| Cost at 1 April 2025                   | 11,400        | 128,000        | 27,174               | 68,765        | 57,285              | 292,624        |
| Additions                              | -             | -              | -                    | -             | -                   | -              |
| <b>Balance at 31 March 2026</b>        | <b>11,400</b> | <b>128,000</b> | <b>27,174</b>        | <b>68,765</b> | <b>57,285</b>       | <b>292,624</b> |
| <b>Accumulated Depreciation</b>        |               |                |                      |               |                     |                |
| Depreciation at 1 April 2025           | 11,400        | 128,000        | 23,745               | 56,177        | 4,240               | 223,562        |
| Depreciation for the year              | -             | -              | 2,389                | 12,224        | 5,691               | 20,304         |
| <b>Balance at 31 March 2026</b>        | <b>11,400</b> | <b>128,000</b> | <b>26,134</b>        | <b>68,401</b> | <b>9,931</b>        | <b>243,866</b> |
| <b>Net Book Value at 31 March 2026</b> | <b>-</b>      | <b>-</b>       | <b>1,040</b>         | <b>364</b>    | <b>47,354</b>       | <b>48,758</b>  |
| <b>Net Book Value at 31 March 2025</b> | <b>-</b>      | <b>-</b>       | <b>3,429</b>         | <b>12,588</b> | <b>53,045</b>       | <b>69,062</b>  |

**PIL TRADING (EGYPT) L.L.C**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**

|                           | <b>31 March 2026</b> | <b>31 March 2025</b> |
|---------------------------|----------------------|----------------------|
|                           | <b>EGP</b>           | <b>EGP</b>           |
| <b>Note 4 : Inventory</b> |                      |                      |
| Inventory                 | 10,385,995           | 8,454,305            |
| Provision for Inventories | (1,324,888)          | (721,090)            |
|                           | <b>9,061,108</b>     | <b>7,733,215</b>     |

|  | <b>31 March 2026</b> | <b>31 March 2025</b> |
|--|----------------------|----------------------|
|  | <b>EGP</b>           | <b>EGP</b>           |
| <b>Note 5 : Trade receivables</b>          |                      |                      |
| <b>Account Receivables</b>                 |                      |                      |
| Trade Receivables                          | 4,920,529            | 7,262,238            |
| Provision for doubtful account receivables | (239,872)            | (500,237)            |
| <b>Total Receivables</b>                   | <b>4,680,657</b>     | <b>6,762,001</b>     |
| <b>Trade receivables from:</b>             |                      |                      |
| Others                                     | 4,920,529            | 7,262,238            |
| Related Parties                            | -                    | -                    |
| <b>Total</b>                               | <b>4,920,529</b>     | <b>7,262,238</b>     |
| <b>Current</b>                             | <b>4,920,529</b>     | <b>7,262,238</b>     |

|   |                |                |
|---|----------------|----------------|
| <b>Note 1/5: Movement in the allowance for doubtful debts</b> |                |                |
| <b>Balance at beginning of the year - April 1, 2025/2024</b>  | 500,237        |                |
| a) Impairment losses recognised in the year                   |                | 309,313        |
| On receivables originated in the year                         | -              | 190,924        |
| Other receivables   | -              | -              |
| Allowance for instruments modified in the year                | -              | -              |
| Amounts written off during the year as uncollectible          | -              | -              |
| Amounts recovered during the year                             | (260,365)      | -              |
| Impairment losses reversed                                    | -              | -              |
| <b>Balance at end of the year - March 31, 2026 / 2025</b>     | <b>239,872</b> | <b>500,237</b> |

|   | <b>31 March 2026</b> | <b>31 March 2025</b> |
|---|----------------------|----------------------|
|   | <b>EGP</b>           | <b>EGP</b>           |
| <b>Note 6 : Other receivables and prepayments</b> |                      |                      |
| Advance to suppliers                              | 1,671,325            | 1,563,968            |
| Value Added-Tax Authority                         | 202,918              | 671,074              |
| Withholding Tax - Clients                         | 617,005              | 479,690              |
| Letters of Gurantees                              | 200,000              | 200,000              |
| Advances for employee                             | 177,402              | 179,280              |
| Social Insurance Authority                        | 133,689              | -                    |
| Prepaid Expense                                   | 661,633              | 575,655              |
| Refundable deposits                               | 64,000               | 64,000               |
|   | <b>3,727,972</b>     | <b>3,733,668</b>     |

**PIL TRADING (EGYPT) L.L.C**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**

| <b>Note 7 : Cash and cash equivalents</b> | <b>31 March 2026</b> | <b>31 March 2025</b> |
|---|----------------------|----------------------|
|   | <b>EGP</b>           | <b>EGP</b>           |
| Bank EGP                                  | 3,943,158            | 773,735              |
| Bank USD                                  | 1,296,034            | 1,780,016            |
| Cash USD                                  | 101,493              | 12,472               |
| Cash EGP                                  | 74,348               | 65,074               |
|   | <b>5,415,033</b>     | <b>2,631,298</b>     |

**Note 8 : Capital**

| <b>Name of the Quotaholders</b> | <b>No. of Shares</b> | <b>Value of Shares</b> | <b>% Shares</b> |
|---------------------------------|----------------------|------------------------|-----------------|
|                                 | <b>EGP</b>           | <b>EGP</b>             | <b>EGP</b>      |
| Pidilite Industries Egypt SAE   | 54,399               | 5,439,900              | <b>99.998%</b>  |
| Khaild EL Khatib                | 1                    | 100                    | <b>0.002%</b>   |
|                                 | <b>54,400</b>        | <b>5,440,000</b>       | <b>100%</b>     |

**Capital after amendment :**

| <b>Name of the Shareholder</b>       | <b>No. of Shares</b> | <b>Value of Shares</b> | <b>% Shares</b> |
|--------------------------------------|----------------------|------------------------|-----------------|
|                                      | <b>EGP</b>           | <b>EGP</b>             | <b>EGP</b>      |
| Pidilite Industries Egypt SAE        | 54,399               | 5,439,900              | <b>99.998%</b>  |
| Pidilite Middel East Limited - U.A.E | 1                    | 100                    | <b>0.002%</b>   |
|                                      | <b>54,400</b>        | <b>5,440,000</b>       | <b>100%</b>     |

**8/2: Going Concern Assumption**

The entity has generated Loss EGP(4,188,922) during the financial year 2025. However, it has accumulated losses of EGP (11,219,041) as at reporting date. Shareholders will continue to support the entity for carrying on its operations".

| <b>Note 9 : Trade payables</b>     | <b>31 March 2026</b> | <b>31 March 2025</b> |
|------------------------------------|----------------------|----------------------|
|                                    | <b>EGP</b>           | <b>EGP</b>           |
| Account payables                   | 51,141               | 55,521               |
| Account Payables - Related Parties | 30,218,884           | 24,797,537           |
|                                    | <b>30,270,025</b>    | <b>24,853,058</b>    |

| <b>Note 10 :Other Payables</b>     | <b>31 March 2026</b> | <b>31 March 2025</b> |
|------------------------------------|----------------------|----------------------|
|                                    | <b>EGP</b>           | <b>EGP</b>           |
| Accrued Expense                    | 1,005,403            | 564,769              |
| Employees end of service provision | 1,180,184            | 220,428              |
| Social Insurance Authority         | -                    | 410,404              |
| Withholding Tax - Suppliers        | 42,503               | 42,078               |
| Payroll Tax Authority              | 46,933               | 33,134               |
| Additional Tax                     | 1,097                | 1,097                |
| Martyres Tax                       | -                    | 2,506                |
| Notes payable                      | -                    | 383,382              |
| Advance payments                   | -                    | -                    |
|                                    | <b>2,276,120</b>     | <b>1,657,798</b>     |

**PIL TRADING (EGYPT) L.L.C****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**

| <b>Note 11 : Selling &amp; Marketing Expenses</b> | <b>2026</b>       | <b>2025</b>       |
|---|-------------------|-------------------|
| Staff Salary Expenses                             | 4,002,615         | 3,066,276         |
| Freight out charges                               | 2,554,515         | 3,335,293         |
| Rent  | 1,051,870         | 1,398,695         |
| Sales Promotion                                   | 907,262           | 898,837           |
| Employee Welfare                                  | 591,463           | 501,988           |
| Travel and Entertainment                          | 544,108           | 306,471           |
| Repairs and Maintenance                           | 433,985           | 401,297           |
| Social Insurance                                  | 416,545           | 320,816           |
| Miscellaneous expenses                            | 263,418           | 227,776           |
| Internet, Telephone & Fax                         | 86,372            | 56,104            |
| Logistics Expenses                                | 65,510            | 84,220            |
| Heat Light and Power                              | 48,215            | 65,019            |
| Printing & Stationary                             | 39,911            | 27,082            |
| Depreciation                                      | 10,939            | 12,140            |
| Postage   | 2,186             | 780               |
| Dues and Membership                               | -                 | 324               |
| Data Processing Services purchased<br>Over Time   | -                 | 900               |
|   | -                 | 4,447             |
|   | <b>11,018,914</b> | <b>10,708,465</b> |

| <b>Note 12 : General &amp; Administrative expenses</b> | <b>2026</b>      | <b>2025</b>      |
|--|------------------|------------------|
| Staff Salary Expenses                                  | 1,033,755        | 866,002          |
| Petrol & Oil   | 483,258          | 337,148          |
| Rent   | 286,000          | 258,968          |
| Bank Charges   | 217,248          | 287,283          |
| Social Insurance                                       | 141,159          | 115,528          |
| Other admin expenses                                   | 139,568          | 45,727           |
| Employee Welfare                                       | 127,839          | 75,429           |
| Governmental medical charges                           | 94,164           | 111,590          |
| Professional Fees legal and others                     | 80,661           | 29,766           |
| Security Service                                       | 60,000           | 50,000           |
| Insurance  | 41,797           | 68,537           |
| Audit Fees   | 36,446           | 36,000           |
| Miscellaneous - Other expenses                         | 29,259           | 30,774           |
| Internet, Telephone & Fax                              | 19,428           | 11,653           |
| Travel   | 18,007           | 4,300            |
| Heat Light and Power                                   | 17,935           | 13,015           |
| Depreciation   | 9,365            | 6,402            |
| Dues and Memberships Expense                           | 8,111            | 14,426           |
| Postage  | 420              | -                |
| Printing & Stationary                                  | -                | 2,700            |
|  | <b>2,844,420</b> | <b>2,365,248</b> |

**PIL TRADING (EGYPT) L.L.C**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**

| <b>Note 13 : Deferred Tax</b>  | <b>31 March 2026</b><br><b>EGP</b> | <b>31 March 2025</b><br><b>EGP</b> |
|--|------------------------------------|------------------------------------|
| <b>Tax effect of items constituting Deferred Tax Liabilities</b>                         |                                    |                                    |
| On difference between book and tax depreciation  | 5,936                              | 7,698                              |
| Tax effect of items constituting Deferred Tax Liabilities                                | <b>5,936</b>                       | <b>7,698</b>                       |
| <b>Tax effect of items constituting Deferred Tax Assets</b>                              |                                    |                                    |
| Provision for inventory  | (1,324,888)                        | (1,101,085)                        |
| Gratuity provision   | -                                  | 25,000                             |
| Provision for Doubtful Debts   | (260,365)                          | 190,923                            |
| Tax effect of items constituting Deferred Tax Assets                                     | <b>(1,585,253)</b>                 | <b>(885,162)</b>                   |
| <b>Tax rate of the year</b>  | <b>22.5%</b>                       | <b>22.5%</b>                       |
| <b>TOTAL NET Deferred Tax Assets/(Liability)</b>   | <b>(355,346)</b>                   | <b>(197,429)</b>                   |
|  | <b>31 March 2026</b><br><b>EGP</b> | <b>31 March 2025</b><br><b>EGP</b> |
| <b>Reconciliation between accounting and Tax Profit</b>                                  |                                    |                                    |
| <b>Book Profit (loss) before tax</b>   | (4,031,005)                        | (89,287)                           |
| <b>Add back</b>  |                                    |                                    |
| <b>Illustrative items :</b>  |                                    |                                    |
| Book depreciation  | 20,304                             | 18,542                             |
| Inventory provision  | (1,324,888)                        | (1,101,085)                        |
| Gratuity provision   | -                                  | 25,000                             |
| Bad debts provision  | (260,365)                          | 190,923                            |
| Governmental Medical Charges   | 94,164                             | 111,590                            |
| Bad debts write off  | 261,144                            | 72                                 |
| <b>Deduct</b>  |                                    |                                    |
| <b>Illustrative items :</b>  |                                    |                                    |
| Tax depreciation   | (26,240)                           | (26,240)                           |
|  | <b>(5,266,886)</b>                 | <b>(870,484)</b>                   |
| Adjustments recognised in the current year in relation to the current tax of prior years |                                    |                                    |
| <b>Tax Profit (loss) before tax</b>  | <b>(5,266,886)</b>                 | <b>(870,484)</b>                   |
| <b>Retained losses</b>   | -                                  | -                                  |
| <b>Net effect loss - no income tax</b>   | <b>(5,266,886)</b>                 | <b>(870,484)</b>                   |
| <b>Income tax provision</b>  | -                                  | -                                  |

| <b>Note 15 : Transactions in Foreign Currencies</b> | <b>31 March 2026</b> |              | <b>31 March 2025</b> |              |
|---|----------------------|--------------|----------------------|--------------|
|   | <b>EGP</b>           | <b>- USD</b> | <b>EGP</b>           | <b>- USD</b> |
| Export Debtors                                      | -                    | -            | 11,654,755           | - 235,356    |
| Import Creditors                                    | -                    | -            | 14,679,471           | - 297,928    |

**Note 16 : Contingent Liabilities & Commitments**

**Tax position**

Due to the nature of the tax assessment process in Egypt, the final outcome of the assessment by the Egyptian Tax Authority (ETA) might not be realistically estimated. Therefore, additional liabilities are contingent upon the tax inspection and assessment of the Tax Authority. Below is a summary of the tax status of the Company as of the date of the financial statements preparation

**Corporate tax position:**

**Years 2009/2025**

The company has submitted tax returns on the legal due date.

The Company was not requested for corporate tax inspection purposes for this years.

**Payroll tax position:**

**Years 2009/2025**

The Company was not requested for payroll tax inspection purposes, noting that the Company deducts the payroll tax due from its employees according to the Egyptian tax laws, and paid the tax due accordingly.

**Stamp tax position:**

**Years 2009/2019**

The Tax Authority sent a form No.19 taxes for the period from 7/2009 till 12/2019 with an issuing number of 2373 on December 17, 2020, and it was appealed against in the legal date on January 13, 2021, and the file is being resolved in the internal committees.

**Years 2020/2025**

The Company has not been requested for Stamp tax inspection.

**VAT position:**

**Years 2009/2015**

The Company submitted The monthly returns on The legal due date and paid The tax due accordingly.

The company was inspected for VAT tax purposes for the period from 2009 to March 31, 2015. The tax authority sent a form No. 15 taxes with an issuing number of 8738 on December 16, 2015, and it was appealed against on December 20, 2015, and the file is being resolved in the internal committees.□

**Years 2016/2025**

The Company has not been requested for VAT tax inspection.

**Withholding tax position:**

**Years 2009/2025**

The Company submitted The returns (Form No.41) on The legal due date and paid The tax due accordingly.

The Company has not been requested for withholding tax inspection.

**Social insurance position:**

the Company paid the social insurance on the legal due date.