CAIRO, EGYPT: 30 April 2021

# Qalaa Holdings Reports FY 2020 Results

- *Qalaa recorded a strong increase in consolidated revenues on the back of a significant contribution from ERC, however, consolidated EBITDA was hampered due to the impacts of COVID-19 on ERC's margins;*
- *Consolidated recurring EBITDA excluding ERC recorded an increase of 30% on the back of a strong performance from TAQA Arabia as well as improved operational efficiencies at National Printing and Nile Logistics, despite covid19 ;*
- *Gradually recovering market conditions in the second half of the year saw Qalaa's subsidiaries record c.USD 118 million in exports in 2020;*
- *Continuous adherence to health, safety, and business continuity measures to help manage risks related to COVID-19 and navigate upcoming period of uncertainty without layoffs.*

| **4Q 2020 Consolidated Income Statement Highlights** | |
|---|---|
| Revenues<br>EGP 9,435.4 mn<br>vs. EGP 3,731.3 mn in 4Q19 | |
| EBITDA*<br>EGP 302.8 mn<br>EGP 626.2 (excluding ERC)<br>vs. EGP 327.7 mn in 4Q19 | Net Profit After Minority<br>EGP (992.3) mn<br>vs. EGP (361.1) mn in 4Q19 |
| **FY 2020 Consolidated Income Statement Highlights** | |
| Revenues<br>EGP 35,973.4 mn<br>vs. EGP 14,916.8 mn in FY19 | |
| EBITDA*<br>EGP 1,645.1 mn<br>EGP 1,626.4 (excluding ERC)<br>vs. EGP 1,249.2 mn in FY19 | Net Profit After Minority<br>EGP (2,553.0) mn<br>vs. EGP (1,135.5) mn in FY19 |
| **Highlights from Consolidated Balance Sheet as at 31 December 2020** | |
| Consolidated Assets<br>EGP 81,987.5 mn<br>At current book value vs. EGP 86,199.3 mn in FY19 | Consolidated Debt<br>EGP 58,016.4mn<br>Of which EGP 42,984.4 mn related to ERC |

**Recurring EBITDA excludes one-off selling, general and administrative expenses*

Qalaa Holdings, a leader in energy and infrastructure (CCAP.CA on the Egyptian Exchange, formerly Citadel Capital), released today its consolidated financial results for the year ended 31 December 2020. Qalaa recorded a consolidated top line of EGP 35,973.4 million in FY20, an increase of 148% y-o-y that was primarily driven by the EGP 21,558.8 million contribution from the Egyptian Refining Company (ERC) in FY20. Excluding ERC, Qalaa would record largely flat revenues at EGP 14,414.6 million in FY20 despite the adverse impacts of COVID-19. Qalaa Holdings' resilient performance was supported by solid results at TAQA Arabia as well as improved performance at National Printing and Nile Logistics in FY20. Additionally, easing restrictions and a gradual recovery in international trade drove an increase of exports volumes at Qalaa's subsidiaries, particularly at ASCOM, with the group recording total exports of c. USD 118 million during FY20.

Qalaa's ERC was officially inaugurated by President Abdel Fattah El Sisi on 27 September 2020 as a cornerstone of Egypt's energy security and sustainable economic growth. The megaproject provides a local alternative to imports, helping to meet the increase in consumption in the local market, and integrates economic, social, and environmental returns that are fully in accordance with Egypt's Vision 2030.

ERC is operating smoothly at 100% capacity utilization. While management had been anticipating strong bottom-line support from ERC upon commencement of operations, a highly challenging external environment caused by COVID-19, coupled with historically low global prices of refined petroleum products – leading to narrowing spread between diesel and heavy fuel oil (HFO) – hindered the refinery's profitability. ERC recorded an EBITDA of only EGP 18.7 million in FY20 on the back of a positive performance in the first quarter of the year prior to the impact of COVID-19.

Qalaa Holdings recorded a recurring EBITDA – excluding one-off selling, general and administrative expenses – of EGP 1,645.1 million in FY20, up 32% y-o-y. Excluding ERC, Qalaa's recurring EBITDA recorded an increase of 30% y-o-y to EGP 1,626.5 million in FY20. The positive performance came on the back of improved profitability across TAQA Arabia's divisions, improved operational efficiencies and cost reductions at both Nile Logistics and ASEC Cement, as well as higher volumes at National Printing.

Qalaa Holdings booked a net loss after minority interest of EGP 2,553.0 million in FY20 compared to a net loss of EGP 1,135.5 million in the previous year. This was mainly due to losses incurred by ERC on account of COVID-19 with consequent pressure on HFO & diesel spreads (Qalaa's effective stake in ERC stands at c. 13.1%). Additionally, Qalaa booked impairments, write-downs and provisions related to COVID-19 totaling EGP 1,012.6 million in FY20.

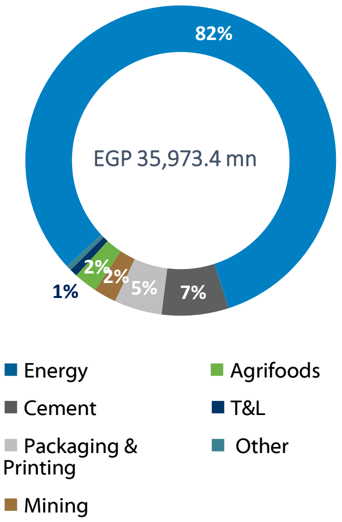
## COVID-19 Developments

Qalaa Holdings' management is closely monitoring the COVID-19 situation and is in constant communication with leadership teams across its subsidiaries to identify risks posed by the pandemic and develop appropriate measures to ensure the health and safety of its employees and business continuity. It is worth highlighting that during these difficult times Qalaa is prioritizing the well-being of its more than 17,500 employees across its subsidiaries and has decided to maintain its full work force without resorting to any layoffs.

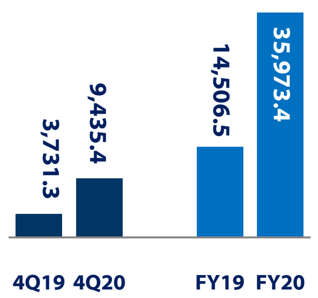
Financial and operational highlights follow, as do management's comments and overview of the performance of different business units. Full financials are now available for download at ir.qalaaholdings.com.

# Financial and Operational Highlights

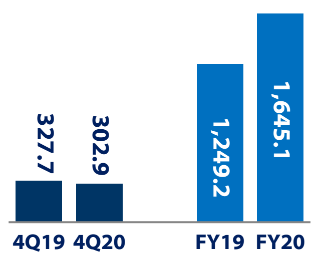
**QALAA HOLDINGS CONSOLIDATED REVENUES FY20**




**REVENUE PROGRESSION**
(EGP mn)




**RECURRING EBITDA PROGRESSION**
(EGP mn)




- **Qalaa's consolidated revenues increased 148% y-o-y to EGP 35,973.4 million in FY20, primarily driven by ERC's contribution.**

  ERC booked revenues of EGP 21,558.8 million in FY20, constituting 60% of Qalaa Holdings' top line for the year. Excluding ERC, Qalaa's revenues were EGP 14,414.6 million in FY20, reflecting the company's resilience considering the harsh market conditions due to COVID-19. Qalaa Holding's performance for the period was supported by a 3% y-o-y increase in revenues at TAQA Arabia to EGP 7,923.7 million in FY20. The increase came on the back of a solid performance at TAQA's gas division, sustained operational performances at its marketing division, as well as growing contribution from TAQA Solar.

  In parallel, Nile Logistics recorded a 24% y-o-y increase in revenues, driven by a strong performance at its grain and coal storage warehouses as well as maintaining stable operations across its other lines of business in FY20. Finally, revenues remained largely flat at Dina Farms at year end.

- **Qalaa recorded a 32% increase in recurring EBITDA to EGP 1,645.1 million in FY20, primarily driven by a strong performance at TAQA Arabia, National Printing, and Nile Logistics. Additionally, ERC recorded a positive EBITDA of only EGP 18.7 million in its first full year of operations due to the impact of COVID-19. Excluding ERC, Qalaa would record a recurring EBITDA increase of 30% y-o-y in FY20 despite the operational difficulties and external challenges due to COVID-19.**

  TAQA Arabia recorded a 20% y-o-y increase in EBITDA driven by a 24% y-o-y increase in the number of higher-margin infill clients at its gas division in FY20. At Nile Logistics, growing contributions from the company's grain and coal storage warehouses as well as its container depot's connection to the national electricity grid, which resulted in improved operational efficiencies and reduced costs, drove a 164% y-o-y growth in the company's EBITDA in FY20. At National Printing, operational efficiency measures coupled with business expansions at the company's subsidiaries drove a solid 30% y-o-y increase in EBITDA in FY20.

  At ERC, management has implemented multiple initiatives to mitigate the impacts of COVID-19 and soft oil markets on the refinery's margins. Key efforts included optimizing the product mix by reducing jet fuel production and prioritizing diesel, as well as shifting the refinery's input to 100% atmospheric residue oil instead of previously sourcing a portion in crude oil which was a more costly process.

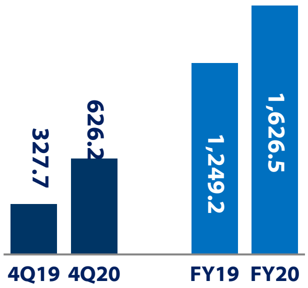
- **Selling, general and administrative expenses (SG&A) recorded EGP 1,749.1 million in FY20, an increase of 48% y-o-y on the back of ERC beginning to post a full income statement in 1Q20.**

- **Depreciation and amortization expenses stood at EGP 4,400.0 million in FY20, up from EGP 538.7 million in FY19, driven by the consolidation of ERC's assets as the refinery became fully operational.**

- **Bank interest expense recorded EGP 3,646.3 million in FY20 compared to EGP 1,539.0 million in FY19.**

  The increase in interest expense in FY20 was primarily driven by ERC, which booked EGP 2,339.5 million in interest on its debt during the year. It is worthy to note that ERC's interest expense was down 18% in FY20 primarily due to the drop in LIBOR.

**RECURRING EBITDA PROGRESSION (Excluding ERC)**
(EGP mn)




**NET PROFIT PROGRESSION**
(EGP mn)


**Total impairments and write downs reached EGP 230.9 million in FY20, the bulk of which was booked in 4Q20 at EGP 186.5 million related to the cement group.**

- **Qalaa booked provisions of EGP 781.7 million in FY20, up from EGP 429.4 million recorded in FY19.**

  Provisions were primarily driven by ASEC Holding, which recorded EGP 388.3 million in provisions in 4Q20 relating to debt restructuring efforts.

- **Qalaa recorded an FX gain of EGP 50.9 million in FY20 due to the strengthening of the EGP against the USD and its effect on Qalaa's USD-denominated liabilities. The effect was driven primarily by ASEC Holding which recorded a gain of EGP 153.0 million in FY20.**

- **Qalaa Holdings recorded a consolidated net loss after minority interest of EGP 2,553.0 million in FY20 compared to a net loss of EGP 1,135.5 million in FY19.**

  Bottomline losses were driven by ERC due to the impacts of COVID-19 and historically low global prices of refined petroleum products – leading to narrowing spread between diesel and heavy fuel oil (Qalaa's effective share in ERC currently stands at c. 13.1%). Additionally, Qalaa booked impairments, write-downs and provisions related to COVID-19 totaling EGP 1,012.6 million in FY20.

- **Few remaining debt restructurings at the holding level and subsidiaries are progressing.**

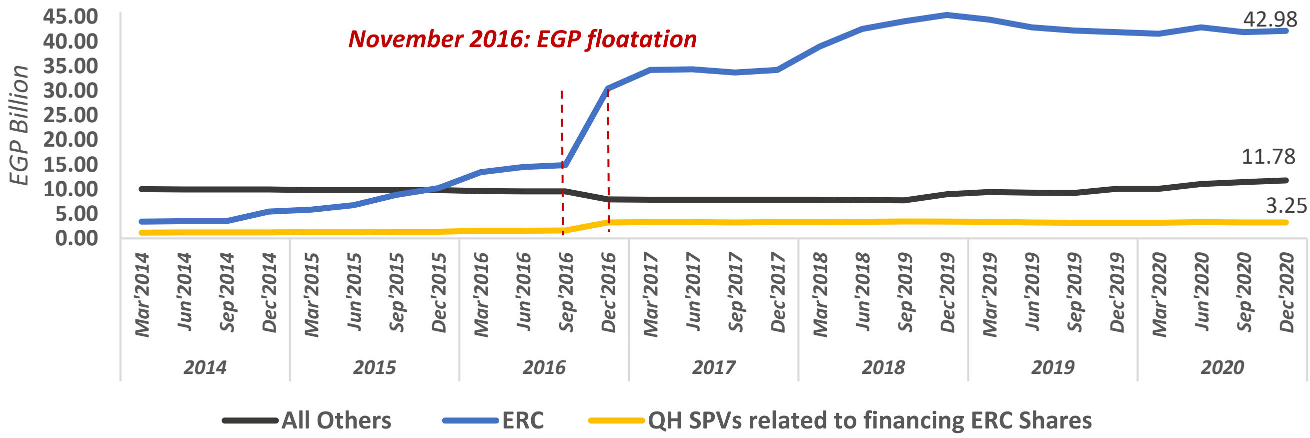
  Qalaa's debt restructuring efforts at the holding level and at the few remaining subsidiaries are progressing.

  It is worth noting that the debt of GlassRock, a company under ASCOM Holding, has been successfully restructured during 2020.

  Additionally, given the recent macroeconomic situation and the impact of COVID-19, ERC agreed with its lenders to defer its June and December 2020 senior loan principal payments pending a total restructuring of its debt.

- **Qalaa's consolidated debt excluding ERC and ERC-related debt stood at EGP 11.78 billion as of 31 December 2020 compared to EGP 10.05 billion at year end 2019. Qalaa's senior debt at the holding level stands at c. USD 207 million, with the EGP's strengthening against the USD decreasing the holding company's EGP liabilities.**

**Debt Progression (EGP bn)**



# Management Comment

*"Amidst unprecedented market conditions due to the pandemic, we have seen a multitude of operational developments and strategic initiatives across our platform companies that supported our resilience over the course of the year."*

"Qalaa Holdings' performance over the course of 2020 reflected the resilience of our operations thanks to a comprehensive portfolio of companies that hold leading positions across their sectors," **said Qalaa Holdings' Chairman and Founder Ahmed Heikal.** "Amidst unprecedented market conditions due to the pandemic, we have seen a multitude of operational developments and strategic initiatives across our platform companies that supported our resilience over the course of the year. In parallel, we have also witnessed the beginnings of recovering market conditions in the second half of 2020, which have further supported Qalaa Holdings' operations and mitigated the impacts of COVID-19 on the company's revenue performance when excluding ERC in 2020.

"Despite the harsh market conditions, TAQA Arabia was able to deliver an uptick in revenues by 3% year-on-year, driven by growing household conversions and an expansion in its industrial client base that saw increasing gas volumes at TAQA's gas division in 2020. Moreover, TAQA Arabia's power division commenced operations at its Sixth of October industrial zone substation in March 2021 and management is optimistic about the substation's contributions going forward. At National Printing, we have commenced operations at our new state-of-the-art facility at the El Baddar subsidiary and are planning to ramp up production throughout the new year to further unlock value from this promising market. Meanwhile, a slowly improving international trade environment, which came on the back of a gradual easing of COVID-19 restrictions in the second half of the year, saw our consolidated exports record c.USD 118 million in 2020. On that front, ASCOM was able to ramp up production and capitalize on the opening of ports to significantly increase its exports at its subsidiary ACCM. In parallel, easing restrictions on global trade reflected positively on Nile Logistics, which saw a strong performance at its stevedoring operations as well as strong results at its grain and coal storage warehouses. Overall, exports by subsidiaries along with dividend income from affiliates and our local foreign currency revenue constitute Qalaa's three primary sources of foreign currency."

"At ERC, a challenging market environment coupled with price pressures on global petroleum products have impacted the refinery's margins in 2020. Consequently, management has shifted ERC's product mix to reduce jet fuel production and focus on diesel, as well as shifting the refinery's input to 100% atmospheric residue oil to support the refinery's overall profitability. Moreover, ERC witnessed some operational difficulties in 1Q21 and has yet to undertake scheduled maintenance in 2Q21. Looking ahead, we are hopeful that as COVID-19 vaccines are increasingly made available, global market conditions will continue to gradually recover, delivering further support for prices of refined petroleum products."

"Excluding ERC, Qalaa Holdings recorded largely flat revenues of EGP 14.4 billion, reflecting only a 1% year-on-year slowdown despite the harsh market conditions. However, operational efficiency measures across our subsidiaries saw Qalaa Holdings record recurring EBITDA growth excluding ERC of 30% year-on-year," **said Heikal.**

"Our strong EBITDA performance reflects the intense and sustained focus by management teams at Qalaa Holdings and its subsidiaries on operational improvements and increased efficiencies across our platform companies. This allowed us to deliver improved profitability, despite a highly challenging operating environment, which would have been substantially stronger had it not been for COVID-19," **said Hisham El-Khazindar, Qalaa Holdings' Co-Founder and Managing Director**. "At TAQA Arabia, the company recorded a 20% year-on-year increase in EBITDA to EGP 795.0 million in FY20 on the back of the company exceeding management's target for household conversions as well as increasing the number of higher-margin infill clients. At National Printing, management's focus on lowering overall production costs reflected positively on the company's profitability, which recorded an EBITDA increase of 30% year-on-year in 2020. At Nile Logistics, the inland container depot's successful connection to the national electricity grid resulted in increased operational efficiencies and improved profitability as well as a reduction in the company's carbon footprint. Furthermore, we have made significant headways in our investments in ERP systems upgrades at the holding level and across our platform companies. The upgrades are expected to be completed by the end of 2021 and are aimed at further improving our operational efficiencies and strengthening our profitability.

"On the debt front, management has adopted a conservative approach at ERC and has already begun negotiations for a full debt restructuring to hedge against market uncertainties as well as the potential for a third wave of COVID-19. At ASCOM's subsidiary, GlassRock, we have inked new payment terms with lenders and are hopeful that they will enhance GlassRock's profitability going forward. This also aligns with Qalaa's priority to finalize the few remaining debt restructurings at its subsidiaries, in addition to Qalaa Holdings' senior debt," added El-Khazindar.

"Looking ahead, we will continue identifying strategic add-on investment opportunities that can enhance Qalaa Holdings' operations across the board as well as exploring the potential exit from four entities that Qalaa Holdings has no controlling interest in. Moreover, while vaccination campaigns continue to ramp up across the world, we remain cognizant of the uncertainties that may arise across our markets and will continue to leverage Qalaa Holdings' exceptional team and comprehensive health and safety measures to adapt accordingly. Measures implemented across the company's operations have ensured the well-being of Qalaa's c. 17,500 employees who have formed the key pillar of our resilience. We will continue to protect our existing staff that drive Qalaa Holdings' success and resilience in the face of unprecedented external challenges. We look forward to emerge from this pandemic a stronger organization and achieve our desired profitability levels," **concluded El Khazindar**.

*Detailed overviews of the performance of operational companies in each of Qalaa's core industries follow; complete financials are available for download on [ir.qalaaholdings.com](ir.qalaaholdings.com)*

# Methods of Consolidation

**Fully Consolidated Companies**

| | |
|---|---|
| Energy | Egyptian Refining Company; TAQA Arabia |
| Cement | ASEC Holding |
| Packaging and Printing | National Printing (Grandview) |
| Mining | ASCOM |
| Agrifoods | ICDP & Dina Farms |
| Transportation & Logistics | Nile Logistics; Nile Barges (Sudan) |
| Metallurgy | United Foundries |

**Equity Method Consolidated Companies** (Share of Associates)

| | |
|---|---|
| Mining | ASCOM Precious Metal (APM - Ethiopia) |
| Cement | Zahana Cement |
| Energy | Castrol Egypt (TAQA Marketing – British Petroleum JV); Tawazon |
| Publishing & Retail | Tanweer |
| Healthcare | Allmed |

## Qalaa Holdings Consolidated Income Statement (in EGP mn)

| | 1Q 2020 | 2Q 2020 | 3Q 2020 | 4Q 2020 | FY 2020 | 1Q 2019 | 2Q 2019 | Q3 2019 | Q4 2019 | FY 2019 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Restated** | | |
| Revenue | 10,375.4 | 7,402.5 | 8,760.1 | 9,435.4 | 35,973.4 | 3,426.4 | 3,519.6 | 3,829.1 | 3,731.3 | 14,506.5 |
| COS | (9,248.1) | (6,678.5) | (8,161.9) | (8,526.2) | (32,614.8) | (2,838.1) | (2,957.1) | (3,244.1) | (3,065.9) | (12,105.2) |
| **Gross Profit** | **1,127.3** | **724.0** | **598.2** | **909.2** | **3,358.6** | **588.4** | **562.4** | **585.0** | **665.4** | **2,401.2** |
| **Total Operating Profit** | **1,127.3** | **724.0** | **598.2** | **909.2** | **3,358.6** | **588.4** | **562.4** | **585.0** | **665.4** | **2,401.2** |
| SG&A | (368.6) | (360.7) | (396.2) | (623.6) | (1,749.1) | (270.7) | (281.7) | (283.1) | (344.3) | (1,179.8) |
| Other inc/exp-Net | 3.0 | 3.3 | 12.0 | 17.3 | 35.7 | 10.8 | 9.7 | 0.6 | 6.5 | 27.7 |
| **EBITDA before one-off charges** | **761.7** | **366.6** | **214.0** | **302.9** | **1,645.1** | **328.5** | **290.4** | **302.6** | **327.7** | **1,249.2** |
| SG&A (Non recurring) | 21.8 | (15.0) | (7.9) | (30.4) | (31.5) | (5.3) | (8.4) | (27.1) | (6.6) | (47.4) |
| **EBITDA** | **783.6** | **351.5** | **206.1** | **272.4** | **1,613.6** | **323.3** | **282.0** | **275.5** | **321.0** | **1,201.8** |
| Dep./Amort. | (707.5) | (1,165.0) | (980.1) | (1,547.5) | (4,400.0) | (122.2) | (132.4) | (133.1) | (150.9) | (538.7) |
| **EBIT** | **76.1** | **(813.4)** | **(774.0)** | **(1,275.1)** | **(2,786.4)** | **201.1** | **149.6** | **142.4** | **170.1** | **663.1** |
| Bank interest exp. | (1,039.5) | (1,032.4) | (878.9) | (695.5) | (3,646.3) | (365.3) | (375.6) | (370.6) | (427.5) | (1,539.0) |
| Other Finance cost | - | - | - | (1,635.4) | (1,635.4) | - | - | - | - | - |
| Bank PIK | (32.6) | (26.4) | (26.4) | (32.9) | (118.4) | (32.8) | (24.3) | (23.6) | (33.6) | (114.3) |
| Bank Fees (ERC - PIK) | - | - | - | - | - | (37.6) | 3.3 | 0.5 | (0.7) | (34.5) |
| 3rd party Shareholder | (74.3) | (79.7) | (68.5) | (65.4) | (287.9) | (64.8) | (71.8) | (76.6) | (71.9) | (285.1) |
| Interest income | 104.6 | 98.0 | 92.3 | 85.6 | 380.5 | 72.2 | 64.3 | 60.6 | 57.0 | 254.1 |
| Lease payments | (32.7) | (13.7) | (66.4) | (17.3) | (130.0) | (8.6) | (3.7) | (13.6) | 11.9 | (14.0) |
| **EBT (before one-offs)** | **(998.5)** | **(1,867.6)** | **(1,721.9)** | **(3,635.9)** | **(8,223.9)** | **(235.9)** | **(258.1)** | **(281.1)** | **(294.7)** | **(1,069.8)** |
| Gain (Loss) on sale of investments | 47.0 | 0.0 | - | (96.4) | (49.4) | - | 27.8 | - | 0.1 | 27.8 |
| Impairments/write downs | (18.5) | (15.6) | (85.7) | (111.1) | (230.9) | (4.8) | (3.0) | 2.2 | (138.9) | (144.4) |
| Acquisitions and restructuring | (25.9) | (0.3) | - | 88.9 | 62.8 | (6.8) | (3.9) | (2.7) | (2.1) | (15.5) |
| Share in associates' results | (2.4) | 2.0 | 21.6 | (44.1) | (22.8) | (29.9) | 38.9 | (12.8) | (50.3) | (54.0) |
| Layoffs/Severances | (5.3) | (10.8) | (1.2) | (38.0) | (55.3) | (2.7) | (1.4) | (4.9) | (31.3) | (40.4) |
| CSR | (6.3) | (2.8) | (1.5) | (26.7) | (37.4) | (2.5) | (0.1) | (0.2) | (34.0) | (36.8) |
| Provisions | (108.3) | (96.8) | (52.2) | (524.5) | (781.7) | (54.4) | (159.7) | (158.2) | (57.1) | (429.4) |
| Discontinued operations * | (14.6) | (28.0) | (35.1) | - | (77.7) | 47.3 | (57.2) | (1.9) | (21.8) | (33.6) |
| Forex | 150.4 | (166.5) | 147.4 | (80.4) | 50.9 | 181.3 | 221.1 | 189.1 | 33.0 | 624.5 |
| **EBT** | **(982.5)** | **(2,186.4)** | **(1,728.6)** | **(4,468.2)** | **(9,365.7)** | **(108.4)** | **(195.7)** | **(405.5)** | **(597.2)** | **(1,306.7)** |
| Taxes | (600.6) | (315.3) | (450.4) | 1,158.9 | (207.4) | (63.1) | (82.5) | (46.0) | (26.9) | (218.5) |
| **NP/L Including Minority Share** | **(1,583.1)** | **(2,501.7)** | **(2,178.9)** | **(3,309.3)** | **(9,573.1)** | **(171.5)** | **(278.2)** | **(451.6)** | **(624.0)** | **(1,525.3)** |
| Minority Interest | (1,178.0) | (1,789.6) | (1,735.4) | (2,317.0) | (7,020.0) | (16.8) | (53.7) | (56.2) | (262.9) | (389.7) |
| **NP/L for the Period** | **(405.1)** | **(712.1)** | **(443.5)** | **(992.3)** | **(2,553.0)** | **(154.6)** | **(224.5)** | **(395.3)** | **(361.1)** | **(1,135.5)** |

* Discontinued operations include:
(1) Assets included in 2019: Enjoy (Falcon, sold in 1Q20)
(2) Assets included in 2020: Tawazon
**Restatements relate to ARESCO being recognized as continued operations and Tawazon as discontinued operations.

## Qalaa Holdings Consolidated Income Statement by Sector for the three-month period ending 31 December 2021 (in EGP mn)

| | QH | SPVs | Energy | | Cement | T&L^ | Mining | Agrifoods | | Others | | Elimination | 4Q 2020 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Orient | Silverstone | NDT | CCTO | ASCOM | Falcon | Wafra | Misc.* | Grandview | | |
| Revenue | - | - | 5,400.1 | 2,139.3 | 934.7 | 67.1 | 228.0 | 205.2 | - | 32.2 | 432.1 | (3.3) | 9,435.4 |
| Cost of Sales | - | - | (5,421.3) | (1,840.9) | (641.7) | (17.9) | (157.8) | (137.3) | - | (24.4) | (286.4) | 1.6 | (8,526.2) |
| **Gross Profit** | **-** | **-** | **(21.2)** | **298.5** | **293.0** | **49.2** | **70.1** | **67.9** | **-** | **7.7** | **145.7** | **(1.7)** | **909.2** |
| Advisory fee | 36.6 | - | - | - | - | - | - | - | - | - | - | (36.6) | - |
| **Total Operating Profit** | **36.6** | **-** | **(21.2)** | **298.5** | **293.0** | **49.2** | **70.1** | **67.9** | **-** | **7.7** | **145.7** | **(38.3)** | **909.2** |
| SG&A | (44.8) | (9.1) | (302.7) | (65.3) | (73.1) | (4.1) | (65.2) | (34.5) | (0.1) | (7.8) | (53.2) | 36.3 | (623.6) |
| Other Income/Expenses (Net) | - | (2.5) | 0.6 | (3.7) | 0.8 | 0.5 | 0.8 | 0.1 | - | 2.8 | 18.2 | (0.2) | 17.3 |
| **EBITDA (before one-offs)** | **(8.1)** | **(11.6)** | **(323.4)** | **229.4** | **220.7** | **45.5** | **5.7** | **33.4** | **(0.1)** | **2.7** | **110.8** | **(2.2)** | **302.9** |
| Dividends Income | - | 9.0 | - | - | - | - | - | - | - | - | - | (9.0) | - |
| SG&A (Non recurring) | - | 0.1 | - | - | (8.1) | - | (21.3) | (4.2) | - | - | 0.9 | 2.2 | (30.4) |
| **EBITDA** | **(8.1)** | **(2.5)** | **(323.4)** | **229.4** | **212.6** | **45.5** | **(15.6)** | **29.2** | **(0.1)** | **2.7** | **111.7** | **(9.0)** | **272.4** |
| Depreciation & Amortization | (0.5) | - | (1,387.2) | (39.4) | (29.7) | (16.9) | (22.5) | (22.0) | - | (1.1) | (14.5) | (13.6) | (1,547.5) |
| **EBIT** | **(8.7)** | **(2.5)** | **(1,710.6)** | **190.1** | **182.9** | **28.6** | **(38.2)** | **7.1** | **(0.1)** | **1.6** | **97.2** | **(22.6)** | **(1,275.1)** |
| Bank Interest Expense | (89.5) | (49.0) | (402.1) | (85.5) | (11.3) | (30.1) | (22.9) | (5.3) | - | (0.9) | (10.8) | 11.8 | (695.5) |
| Other Finance cost | - | - | (1,635.4) | - | - | - | - | - | - | - | - | - | (1,635.4) |
| Bank PIK | - | (32.9) | - | - | - | - | - | - | - | - | - | - | (32.9) |
| 3rd Party Shareholder | - | (12.8) | (6.8) | - | (127.9) | (18.5) | - | - | - | (8.2) | - | 108.9 | (65.4) |
| Interest Income | 65.3 | 36.1 | - | 96.1 | 1.7 | - | (5.0) | 0.1 | - | (0.3) | (7.0) | (101.4) | 85.6 |
| Lease Payments | - | - | (13.1) | (9.9) | (0.2) | (7.0) | 16.0 | (1.8) | - | - | (1.4) | - | (17.3) |
| **EBT (before one-offs)** | **(32.8)** | **(61.2)** | **(3,768.0)** | **190.8** | **45.2** | **(26.9)** | **(50.1)** | **0.2** | **(0.1)** | **(7.8)** | **78.0** | **(3.3)** | **(3,635.9)** |
| Gain (Loss) on sale of investments | - | (13.8) | - | - | - | - | - | - | - | (80.4) | - | (2.2) | (96.4) |
| Impairments/Write-downs | (43.9) | (29.7) | (1.8) | 12.0 | (186.5) | 2.0 | (0.8) | (0.1) | - | 74.4 | (1.2) | 64.5 | (111.1) |
| Acquisitions and restructuring | (0.5) | - | - | (2.6) | - | - | 92.0 | - | - | - | - | - | 88.9 |
| Share in associates' results | - | - | - | - | 13.0 | - | (52.1) | - | - | - | - | (5.0) | (44.1) |
| Layoffs/Severances | (0.4) | - | - | - | (37.5) | - | - | - | - | - | - | - | (38.0) |
| CSR | - | - | (24.0) | (2.5) | - | - | - | (0.2) | - | - | - | - | (26.7) |
| Provisions | (56.0) | (42.9) | - | 8.3 | (388.3) | (2.1) | 4.5 | (1.7) | - | (19.4) | (27.4) | 0.6 | (524.5) |
| Discontinued Operations ** | - | - | - | - | - | - | - | - | - | - | - | - | - |
| FOREX | (30.8) | 14.0 | 1.0 | (10.7) | (16.8) | 2.2 | 26.3 | 1.1 | (0.1) | 1.5 | (54.2) | (14.1) | (80.4) |
| **EBT** | **(164.4)** | **(133.6)** | **(3,792.7)** | **195.4** | **(571.0)** | **(24.9)** | **19.8** | **(0.8)** | **(0.2)** | **(31.7)** | **(4.8)** | **40.6** | **(4,468.2)** |
| Taxes | - | - | 1,188.9 | (37.2) | 13.5 | 0.8 | 2.0 | (1.2) | - | (0.1) | (9.1) | 1.4 | 1,158.9 |
| **Net P/L Before Minority Share** | **(164.4)** | **(133.6)** | **(2,603.8)** | **158.2** | **(557.5)** | **(24.1)** | **21.8** | **(2.1)** | **(0.2)** | **(31.8)** | **(13.8)** | **42.0** | **(3,309.3)** |
| Minority Interest | - | - | (1,382.8) | 41.6 | (15.4) | (8.3) | 5.9 | - | - | - | 15.3 | (973.4) | (2,317.0) |
| **Net Profit (Loss)** | **(164.4)** | **(133.6)** | **(1,221.1)** | **116.6** | **(542.1)** | **(15.8)** | **15.9** | **(2.1)** | **(0.1)** | **(31.8)** | **(29.1)** | **1,015.4** | **(992.3)** |

Miscellaneous includes UCF and Sphinx Egypt
** Discontinued operations include:
(1) Assets included in 2019: Enjoy (Falcon, sold in 1Q20)
(2) Assets included in 2020: Tawazon

^ T&L represents Transportation & Logistics

## Qalaa Holdings Consolidated Income Statement by Sector for the year ended 31 December 2020 (in EGP mn)

| | | | Energy | | Cement | T&L^ | Mining | Agrifoods | | Others | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | QH | SPVs | Orient | Silverstone | NDT | CCTO | ASCOM | Falcon | Wafra | Misc.* | Grandview | Elimination | FY 2020 |
| Revenue | - | - | 21,558.8 | 7,923.7 | 2,508.7 | 292.4 | 841.9 | 877.6 | - | 198.5 | 1,788.3 | (16.6) | 35,973.4 |
| Cost of Sales | - | - | (20,927.5) | (6,906.9) | (2,121.9) | (113.9) | (580.6) | (600.2) | - | (158.8) | (1,216.8) | 11.9 | (32,614.8) |
| **Gross Profit** | **-** | **-** | **631.3** | **1,016.8** | **386.8** | **178.4** | **261.3** | **277.5** | **-** | **39.7** | **571.5** | **(4.7)** | **3,358.6** |
| Advisory fee | 110.8 | - | - | - | - | - | - | - | - | - | - | (110.8) | - |
| **Total Operating Profit** | **110.8** | **-** | **631.3** | **1,016.8** | **386.8** | **178.4** | **261.3** | **277.5** | **-** | **39.7** | **571.5** | **(115.4)** | **3,358.6** |
| SG&A | (192.1) | (21.3) | (614.0) | (217.7) | (177.1) | (43.1) | (211.1) | (149.1) | (0.4) | (31.0) | (196.9) | 104.7 | (1,749.1) |
| Other Income/Expenses (Net) | - | (2.8) | 1.4 | (4.1) | 3.2 | (0.5) | 1.8 | 0.9 | - | 8.9 | 25.8 | 1.0 | 35.7 |
| **EBITDA (before one-offs)** | **(81.3)** | **(24.1)** | **18.7** | **795.0** | **213.0** | **134.8** | **52.0** | **129.3** | **(0.4)** | **17.5** | **400.5** | **(9.8)** | **1,645.1** |
| Dividends Income | - | 11.7 | - | - | - | - | - | - | - | - | - | (11.7) | - |
| SG&A (Non recurring) | - | (28.3) | (15.0) | - | 11.1 | - | (21.3) | (17.6) | - | - | 12.2 | 27.4 | (31.5) |
| **EBITDA** | **(81.3)** | **(40.8)** | **3.7** | **795.0** | **224.1** | **134.8** | **30.7** | **111.7** | **(0.4)** | **17.5** | **412.8** | **5.9** | **1,613.6** |
| Depreciation & Amortization | (2.4) | - | (3,800.2) | (144.8) | (100.7) | (65.9) | (91.1) | (78.4) | (0.2) | (4.6) | (57.4) | (54.3) | (4,400.0) |
| **EBIT** | **(83.7)** | **(40.8)** | **(3,796.5)** | **650.3** | **123.4** | **68.9** | **(60.5)** | **33.3** | **(0.6)** | **12.9** | **355.4** | **(48.4)** | **(2,786.4)** |
| Bank Interest Expense | (393.2) | (210.4) | (2,339.4) | (330.9) | (42.2) | (135.7) | (65.5) | (24.1) | - | (4.1) | (112.7) | 11.8 | (3,646.3) |
| Other Finance cost | - | - | (1,635.4) | - | - | - | - | - | - | - | - | - | (1,635.4) |
| Bank PIK | - | (118.4) | - | - | - | - | - | - | - | - | - | - | (118.4) |
| 3rd Party Shareholder | - | (51.6) | (53.6) | - | (512.2) | (63.1) | - | - | - | (33.1) | - | 425.6 | (287.9) |
| Interest Income | 258.4 | 144.7 | 4.7 | 357.2 | 6.6 | 0.2 | 0.1 | 0.4 | - | (0.3) | 1.1 | (392.6) | 380.5 |
| Lease Payments | - | - | (54.9) | (32.3) | (0.9) | (28.9) | (2.0) | (5.7) | - | - | (5.4) | - | (130.0) |
| **EBT (before one-offs)** | **(218.5)** | **(276.5)** | **(7,875.1)** | **644.3** | **(425.3)** | **(158.6)** | **(127.8)** | **3.9** | **(0.6)** | **(24.5)** | **238.4** | **(3.7)** | **(8,223.9)** |
| Gain (Loss) on sale of investments | (12.6) | (20.2) | - | - | - | - | - | 47.0 | - | (80.4) | | 16.9 | (49.4) |
| Impairments/Write-downs | (173.6) | (314.7) | 10.6 | (10.1) | (198.1) | (0.6) | (2.9) | (0.4) | - | (12.8) | (13.3) | 485.0 | (230.9) |
| Acquisitions and restructuring | (10.5) | - | - | (18.7) | - | - | 92.0 | - | - | - | - | - | 62.8 |
| Share in associates' results | - | - | - | - | 14.4 | - | (28.7) | - | - | - | - | (8.6) | (22.8) |
| Management Fees | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Layoffs/Severances | (6.0) | - | (6.7) | - | (42.3) | - | - | (0.3) | - | - | - | - | (55.3) |
| CSR | (0.1) | - | (25.4) | (8.6) | (3.0) | - | - | (0.2) | - | - | - | - | (37.4) |
| Provisions | (56.2) | (136.7) | - | (3.9) | (522.4) | (3.4) | 2.5 | (1.7) | - | (19.5) | (31.5) | (8.9) | (781.7) |
| Discontinued Operations ** | - | - | - | - | - | - | - | - | - | (77.7) | - | - | (77.7) |
| FOREX | (33.1) | 26.7 | (17.8) | (22.5) | 153.0 | 15.6 | (8.8) | 5.8 | (3.1) | 18.4 | (57.0) | (26.4) | 50.9 |
| **EBT** | **(510.6)** | **(721.3)** | **(7,914.5)** | **580.4** | **(1,023.8)** | **(147.0)** | **(73.7)** | **53.9** | **(3.7)** | **(196.5)** | **136.7** | **454.4** | **(9,365.7)** |
| Taxes | - | - | (3.6) | (175.9) | 7.5 | 0.8 | 2.0 | (8.0) | - | 0.1 | (35.9) | 5.6 | (207.4) |
| **Net P/L Before Minority Share** | **(510.5)** | **(721.3)** | **(7,918.0)** | **404.6** | **(1,016.2)** | **(146.2)** | **(71.7)** | **45.9** | **(3.7)** | **(196.4)** | **100.8** | **459.9** | **(9,573.1)** |
| Minority Interest | - | - | (4,497.4) | 116.3 | (13.9) | (50.7) | (1.0) | - | (0.2) | (32.0) | 93.0 | (2,634.3) | (7,020.0) |
| **Net Profit (Loss)** | **(510.5)** | **(721.3)** | **(3,420.7)** | **288.2** | **(1,002.4)** | **(95.6)** | **(70.7)** | **45.9** | **(3.6)** | **(164.4)** | **7.7** | **3,094.2** | **(2,553.0)** |

* Miscellaneous includes UCF and Sphinx Egypt
** Discontinued operations include:
(1) Assets included in 2019: Enjoy (Falcon, sold in 1Q20)
(2) Assets included in 2020: Tawazon

^ T&L represents Transportation & Logistics

## Qalaa Holdings Consolidated Balance Sheet as at 31 December 2020 (in EGP mn)

| | | Energy | | Cement | T&L^ | Mining | Agrifoods | | Others | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | QH | Orient | Silverstone | NDT | CCTO | ASCOM | Falcon | Wafra | Misc.* | Grandview | Aggregation | Eliminations/ SPVs | FY 2020 | FY 2019 |
| **Current Assets** | | | | | | | | | | | | | | |
| Trade and Other Receivables | 2,032.4 | 1,929.8 | 1,524.1 | 1,722.9 | 89.0 | 294.5 | 80.9 | - | 426.4 | 460.9 | 8,560.9 | (2,805.1) | 5,755.8 | 7,099.3 |
| Inventory | - | 959.1 | 338.0 | 728.9 | 10.7 | 96.8 | 160.6 | - | 44.7 | 311.6 | 2,650.3 | - | 2,650.3 | 2,670.7 |
| Assets Held For Sale | - | - | - | 5.7 | - | - | - | - | 118.2 | 22.2 | 146.2 | (111.1) | 35.1 | 432.2 |
| Cash and Cash Equivalents | 5.9 | 454.8 | 3,050.2 | 83.0 | 18.2 | 33.4 | 19.9 | - | 4.1 | 183.9 | 3,853.3 | 51.0 | 3,904.3 | 3,667.8 |
| Others | - | - | - | - | - | - | 12.8 | - | - | - | 12.8 | 5.4 | 18.2 | 21.2 |
| **Total Current Assets** | **2,038.3** | **3,343.6** | **4,912.2** | **2,540.6** | **117.9** | **424.7** | **274.2** | **-** | **593.4** | **978.6** | **15,223.5** | **(2,859.8)** | **12,363.7** | **13,891.2** |
| **Non-Current Assets** | | | | | | | | | | | | | | |
| PP&E | 33.0 | 59,234.4 | 2,576.1 | 1,295.4 | 814.6 | 750.0 | 752.0 | - | 39.1 | 1,041.3 | 66,535.9 | 560.9 | 67,096.8 | 70,047.5 |
| Investments | 5,547.0 | - | 52.1 | 354.9 | - | 125.8 | - | - | 4.9 | 101.2 | 6,185.9 | (5,575.4) | 610.4 | 293.4 |
| Goodwill / Intangible assets | - | 280.0 | 413.3 | - | - | 0.5 | - | - | - | - | 693.8 | 89.0 | 782.8 | 563.6 |
| Others | 4,094.0 | 39.2 | 248.8 | 342.8 | - | - | 430.7 | - | - | 61.1 | 5,216.7 | (4,082.9) | 1,133.8 | 1,403.6 |
| **Total Non-Current Assets** | **9,674.0** | **59,553.6** | **3,290.3** | **1,993.2** | **814.6** | **876.3** | **1,182.7** | **-** | **44.0** | **1,203.7** | **78,632.3** | **(9,008.5)** | **69,623.8** | **72,308.1** |
| **Total Assets** | **11,712.3** | **62,897.2** | **8,202.4** | **4,533.7** | **932.5** | **1,301.1** | **1,456.9** | **-** | **637.4** | **2,182.3** | **93,855.9** | **(11,868.3)** | **81,987.5** | **86,199.3** |
| **Shareholders' Equity** | | | | | | | | | | | | | | |
| **Total Equity Holders of the Company** | **4,672.4** | **7,494.5** | **1,185.9** | **(5,364.1)** | **(881.9)** | **(0.8)** | **89.1** | **(1,109.7)** | **(410.0)** | **90.4** | **5,765.8** | **(15,957.6)** | **(10,191.8)** | **(7,553.4)** |
| Minority Interest | - | 6,002.2 | 558.1 | 1,137.4 | (412.6) | (79.3) | 0.0 | (12.9) | 11.5 | 327.7 | 7,532.1 | 5,001.5 | 12,533.5 | 19,736.7 |
| **Total Equity** | **4,672.4** | **13,496.7** | **1,743.9** | **(4,226.6)** | **(1,294.5)** | **(80.1)** | **89.1** | **(1,122.6)** | **(398.6)** | **418.1** | **13,297.9** | **(10,956.1)** | **2,341.8** | **12,183.3** |
| **Current Liabilities** | | | | | | | | | | | | | | |
| Borrowings | 5,295.2 | 35,324.1 | 1,328.1 | 1,111.4 | 884.9 | 164.9 | 82.4 | - | 37.8 | 815.4 | 45,044.3 | 2,744.2 | 47,788.6 | 16,967.9 |
| Trade and Other Payables | 1,585.1 | 4,271.3 | 2,673.4 | 1,741.6 | 147.1 | 425.6 | 1,042.5 | 1,121.4 | 604.7 | 420.0 | 14,032.6 | (696.6) | 13,336.0 | 11,642.1 |
| Shareholder Loan | - | 317.3 | - | 2,230.3 | 884.9 | - | - | - | 128.0 | - | 3,560.4 | (884.9) | 2,675.5 | 2,329.9 |
| Provisions | 159.6 | - | 230.1 | 1,115.0 | 30.8 | 26.7 | 28.6 | 1.2 | 38.1 | 67.4 | 1,697.5 | 411.6 | 2,109.0 | 1,627.7 |
| Liabilities Held For Sale | - | - | - | 0.2 | - | - | - | - | 0.7 | - | 1.0 | 0.8 | 1.8 | 132.5 |
| **Total Current Liabilities** | **7,039.9** | **39,912.7** | **4,231.6** | **6,198.4** | **1,947.6** | **617.2** | **1,153.5** | **1,122.6** | **809.3** | **1,302.8** | **64,335.8** | **1,575.1** | **65,910.9** | **32,700.1** |
| **Non-Current Liabilities** | | | | | | | | | | | | | | |
| Borrowings | - | 7,660.3 | 1,467.8 | - | - | 730.2 | 106.0 | - | - | 263.6 | 10,227.9 | - | 10,227.9 | 39,568.9 |
| Shareholder Loan | - | 553.1 | - | 2,545.6 | 147.7 | - | - | - | 226.1 | 100.9 | 3,573.4 | (2,532.8) | 1,040.6 | 789.3 |
| Long-Term Liabilities | - | 1,274.4 | 759.0 | 16.3 | 131.7 | 33.8 | 108.2 | - | 0.6 | 96.9 | 2,420.8 | 45.5 | 2,466.3 | 957.8 |
| **Total Non-Current Liabilities** | **-** | **9,487.8** | **2,226.9** | **2,561.9** | **279.4** | **764.0** | **214.2** | **-** | **226.7** | **461.4** | **16,222.2** | **(2,487.3)** | **13,734.9** | **41,315.9** |
| **Total Liabilities** | **7,039.9** | **49,400.5** | **6,458.5** | **8,760.4** | **2,227.0** | **1,381.2** | **1,367.8** | **1,122.6** | **1,036.0** | **1,764.2** | **80,558.0** | **(912.2)** | **79,645.7** | **74,016.0** |
| **Total Equity and Liabilities** | **11,712.3** | **62,897.2** | **8,202.4** | **4,533.7** | **932.5** | **1,301.1** | **1,456.9** | **-** | **637.4** | **2,182.3** | **93,855.9** | **(11,868.3)** | **81,987.5** | **86,199.3** |

* Miscellaneous includes UCF and Sphinx Egypt
^ T&L represents Transportation & Logistics

## Sector Review: Energy

Qalaa Holdings' operational energy companies include the Egyptian Refining Company (petroleum refining) and TAQA Arabia (energy generation and distribution).

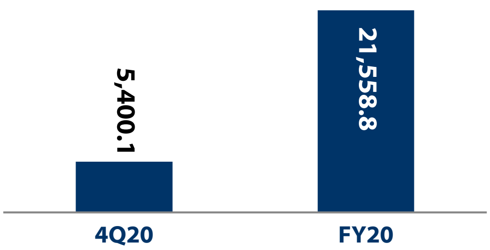
ERC

QH OWNERSHIP — c.13.1%

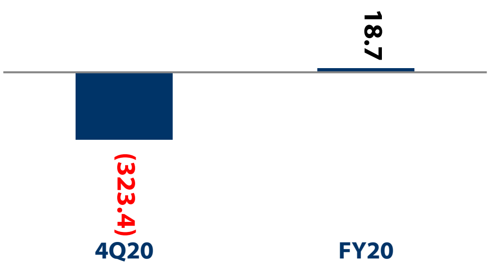
### ERC recorded EGP 21.5 billion in revenues and a positive recurring EBITDA of EGP 18.7 million despite a challenging external environment and soft global prices of petroleum products.

**Egyptian Refining Company (ERC)** is a USD 4.4 billion second-stage greenfield petroleum refinery in the Greater Cairo Area (GCA). The project was completed in early 2019 and all project units have been in operation since August 2019. ERC's official inauguration by President Abdel Fattah El Sisi on the 27th of September 2020 is testament to the project's strategic importance for Egypt's economy and energy security as it provides a local alternative to imports and helps meet growing local demand. Starting January 2020, ERC was recognized as an operational asset and thus began booking sales revenue and a full income statement for the first time in 1Q20.

**Orient (ERC Holding Co.) Revenues** *(EGP mn)*




**Orient (ERC Holding Co.) EBITDA** *(EGP mn)*



In 2020, ERC refined total feedstock of c.4.8 million tons, including 3.8 million tons of atmospheric residue and c.0.7 million tons of tolling crude. During the same period, ERC supplied c.4.2 million tons of refined product to the Egyptian General Petroleum Corporation (EGPC), and approximately 519 thousand tons of pet coke and 98 thousand tons of Sulphur to key cement and fertilizer players, respectively.

| Product | LPG | Light Naphtha | Reformate | Fuel Oil | Jet Fuel | Diesel | *Total Supplied to EGPC* |
|---|---|---|---|---|---|---|---|
| 4Q20 Quantity (tons) | 33,576 | 62,683 | 136,376 | 124,888 | - | 606,856 | ***964,379*** |
| FY20 Quantity (tons) | 125,249 | 281,569 | 512,765 | 468,928 | 147,635 | 2,420,618 | ***3,956,765*** |

ERC's Gross Refining Margin (GRM) was growing steadily since the start of production in August 2019 and peaked at c.USD 3 million per day during the Nov-Dec 2019 period. However, the challenging external environment caused by COVID-19, coupled with historically low global prices of refined petroleum products – leading to narrowing spread between diesel and heavy fuel oil – hindered the refinery's profitability. In 2020, the GRM declined to an average of c. USD 593.7k per day, leading to a significant year-on-year drop in ERC's EBITDA performance.

Consequently, management has implemented multiple initiatives to mitigate the impacts caused by the challenging external environment. This included optimizing ERC's product mix by reducing jet fuel production and prioritizing diesel. Additionally, the company shifted the refinery's input to 100% atmospheric residue oil from the Cairo Oil Refining Company (CORC, the state-owned refinery) instead of previously sourcing a portion in crude oil to toll through CORC, which helped alleviate some profitability pressures. ERC was affected by some operational issues in 1Q21 and is yet to undertake a scheduled maintenance in 2Q21.

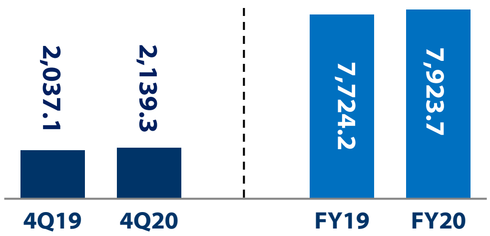
ERC deferred its June and December 2020 senior loan principal payments. Negotiations for a full debt restructuring are currently underway.


*ERC's inauguration ceremony attended by Egypt's President Abdel Fattah El Sisi*

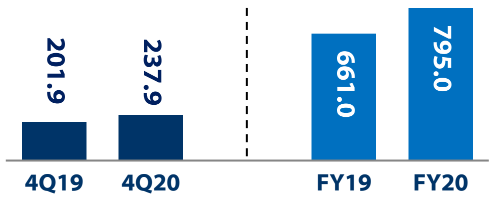
QALAA HOLDINGS OWNERSHIP — 55.9%

## TAQA Arabia delivered a strong 20% growth in EBITDA in FY20 driven by improved performance across all its divisions.

**Silverstone (TAQA Arabia Holding Co.) Revenues**
(EGP mn)




**Silverstone (TAQA Arabia Holding Co.) EBITDA**
(EGP mn)




*TAQA is a leading integrated energy distribution company in Egypt, offering customers one-stop-shop energy solutions. TAQA operates three separate divisions covering all aspects of the energy distribution value chain. The company's gas business connects and distributes natural gas to households and industrial customers as well as compressed natural gas "CNG" via its Master Gas retail stations and mobile CNG units. TAQA's power business generates and distributes electrical power across the country and has recently expanded into renewable energy through TAQA Solar. Finally, the company's oil marketing division is a fuel and lubricant retailer and distributor.*

TAQA Arabia booked strong results in FY20 with consolidated revenues up by 3% y-o-y to EGP 7,923.7 million, and EBITDA recording a 20% y-o-y growth to EGP 795.0 million. The company's gas division contributed 21% to TAQA's FY20 revenue and 45% to EBITDA, with the latter being driven by increased volumes of the higher-margin infill clients. Meanwhile, TAQA's power division contributed 18% to revenue in FY20 and 33% to EBITDA. Finally, TAQA's marketing arm contributed the lion's share of TAQA Arabia's top line at 61% in FY20, while the division's EBITDA contribution was 22%, in line with the lower margins typically associated with the nature of the business.

### Segment Breakdown

| (EGP mn) | 4Q19 | 4Q20 | % chg | FY19 | FY20 | % chg |
|---|---|---|---|---|---|---|
| TAQA Arabia Gas Revenues | 371 | 460 | *24%* | 1,397 | 1,659 | *19%* |
| TAQA Arabia Gas EBITDA | 89 | 92 | *4%* | 291 | 365 | *25%* |
| TAQA Arabia Power Revenues* | 334 | 391 | *17%* | 1,495 | 1,424 | *-5%* |
| TAQA Arabia Power EBITDA* | 63 | 70 | *12%* | 249 | 269 | *8%* |
| TAQA Marketing Revenues | 1,333 | 1,286 | *-3%* | 4,833 | 4,840 | *0.1%* |
| TAQA Marketing EBITDA | 48 | 55 | *14%* | 166 | 181 | *9%* |

** Includes distribution, conventional generation, and renewable generation*
*Note: The EBITDA figures in the table above are pre-consolidation.*

**TAQA Gas**

TAQA's gas division closed out the year on a positive note and recorded improved revenue and EBITDA performances on the back of multiple operational achievements in FY20. Overall, the division's total gas distribution recorded an increase of 7% y-o-y to reach 6.6 BCM in FY20, with higher volumes supported by the addition of 32 new industrial clients to reach a total of 263 clients in FY20. Additionally, the division implemented 155,475 household conversions during the year, on par with FY19 despite the challenging external environment and disruptions related to COVID-19. It is worth noting that household conversions in FY20 exceeded management's target of 150,043 and reflect a higher percentage of infill clients, in turn accelerating EBITDA growth to 24% y-o-y in FY20.

Parallel with TAQA's strong gas distribution and construction business, where the company holds a leading market position, TAQA is also ideally positioned to capture growth in the CNG field, serving off-grid clients through a growing network of CNG filling stations and mobile CNG units. TAQA successfully increased its number of CNG filling stations to 16 in FY20, up from 7 stations in FY19, which led to a 53% y-o-y increase in Natural Gas for Vehicles to 31.5 MCM in FY20. It is worth nothing that the gas division would have been able to launch a greater number of CNG stations had it not been for the six-month nationwide freeze on construction licenses in 2020.

TAQA Gas continues to monitor COVID-19 developments and the possible resurgence of a third wave, constantly tailoring its safety protocols to ensure continued mitigation of the pandemic's impacts on operations and alignment with public health measures.

**Total Gas Distributed (FY20)**

6.6
BCM
▲7% y-o-y

**Master Gas CNG Stations (FY20)**

16
Stations
vs. 7 as at FY19

**TAQA Power**

TAQA Power closed FY20 with a 7% y-o-y decline in revenue, a modest drop considering the impact of COVID-19 on the tourism and commercial sectors. The near halt in tourism during the year as well as the impact of curfews on commercial clients such as shopping malls led to a 12% y-o-y decline in the division's power distribution in FY20. Meanwhile, power generation declined 23% y-o-y owing to the conclusion of the Marsa Allam contract in 2019 and the impact of COVID-19.

TAQA Power inaugurated and commenced operations at its Sixth of October industrial zone substation in March 2021. Management is optimistic about the substation's anticipated contributions to TAQA Power's top and bottom line going forward.

**Total Power Generated (FY20)**

104
M KW/hr
▼17% y-o-y

**Total Power Distributed (FY20)**

921
M KW/hr
▼12% y-o-y

**TAQA Solar**

TAQA's renewable energy arm, TAQA Solar, began commercial production at its 65MW solar power plant in Benban, Aswan, in February 2019. TAQA Solar delivered an improved performance and contributed EGP 172 million in revenues in FY20, reflecting an increase of 15% y-o-y. Additionally, TAQA Solar booked a 10% y-o-y increase in EBITDA to EGP 146.2 million and recorded robust margins in FY20 on the back of the feed-in-tariff 2 program's pricing formula.

Looking forward, TAQA Solar aims to capture value from the government's plan of generating 20% of the country's energy from renewable sources by 2022 and doubling that by 2035.

*World Bank President visit at Benban Solar Plant, May 2019*

*TAQA's Solar PV Plant - Benban, Aswan*

**Solar Energy Generated (FY20)**

153
M kW/hr
▲21% y-o-y

**TAQA Marketing**

TAQA's marketing arm delivered a flat top line performance and recorded EGP 4,840.1 million in FY20. This comes despite a 7% y-o-y reduction in diesel and gasoline volumes due to the imposition of a nationwide curfew to contain the spread of COVID-19. Nevertheless, EBITDA recorded an increase of 9% y-o-y on the back of improved operational efficiencies in FY20.

As of FY20, the company operated a total of 59 stations across 14 governorates. The company managed to open four new stations over the course of the year, with two stations commencing operations in the final quarter of 2020. Management's initial target at the start of the year was to open 7 new stations per annum but delays related to COVID-19 and the suspension of new permits hindered the company's progress. However, construction work is progressing at three more stations and management is optimistic that it can accelerate its rollout plan as market conditions recover going forward.

**Total Liquid Fuels Distributed (FY20)**

694,810
M Liters
▼7% y-o-y

**Filling Stations (FY20)**

59
Stations
vs. 55 as at FY19

## Sector Review: Cement

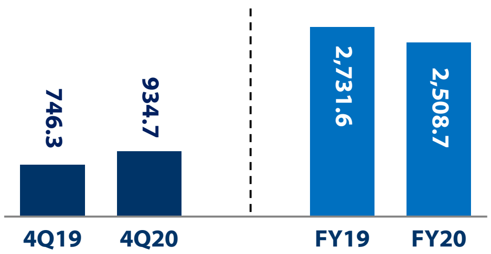
Qalaa Holdings' operational cement platform company is ASEC Holding, which comprises cement manufacturing (ASEC Cement that has two production facilities: Al-Takamol Cement in Sudan and Zahana Cement Co. in Algeria); construction (ARESCO and ASEC Automation); and technical management (ASEC Engineering and ASENPRO).

## Operational and Financial Performance

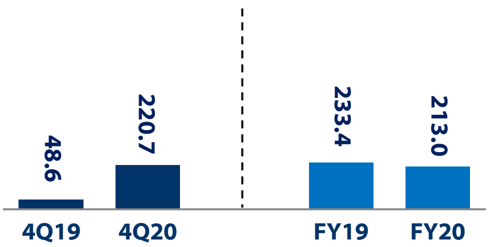
QALAA HOLDINGS OWNERSHIP — 69.3%

### ASEC Holding's revenues in FY20 was weighed down by accounting treatments related to hyperinflation in Sudan.

**ASEC Holding Consolidated Revenues**
(EGP mn)




**ASEC Holding Consolidated EBITDA**
(EGP mn)




ASEC Holding recorded an 8% decline in revenues in FY20 primarily due to accounting treatments related to hyperinflation in Sudan .

Management had previously initiated efforts to restructure ASEC Holdings' debts, resulting in the conclusion of restructuring agreements with all relevant banks. The finalized restructuring is expected to significantly decrease ASEC Holding's interest over the coming period, in turn supporting stronger profitability. Additionally, current borrowings will drop significantly, resulting in a stronger balance sheet and healthier financial/leverage ratios.

As a result of an underperforming cement market, ARESCO has transitioned from being dependent on the cement to a mainstream contracting company and has successfully landed a number of construction contracts. Moreover. ASEC Automation is expected to follow suit and begin to offer its services to non-cement clients going forward.

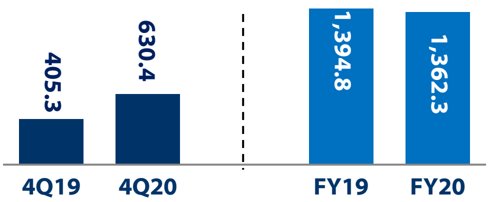
ASEC CEMENT

**QALAA HOLDINGS EFFECTIVE OWNERSHIP — 51.8%^**

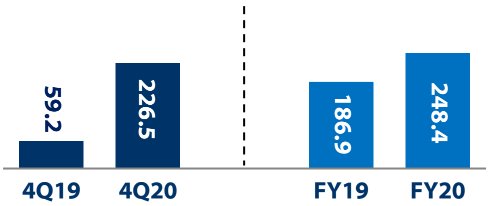
## ASEC Cement recorded a 33% year-on-year increase in EBITDA in FY20 on the back of operational efficiency across its operating companies.

*ASEC Cement disposed of all its cement production companies in Egypt back in 2015 and currently maintains ownership of Al Takamol in Sudan (owned 51% by ASEC Cement) and Zahana Cement in Algeria (owned 35% by ASEC Cement), with the latter's exit process halted in light of political developments in Algeria.*

**ASEC Cement Revenues**
(EGP mn)




**ASEC Cement EBITDA**
(EGP mn)




Owing to the hyperinflationary environment in Sudan, Al Takamol's local auditors opted to implement the accounting principle of applying the market spot rate for the Sudanese pound when translating the year end financials to Egyptian pound, as opposed to applying the average rate for the period. The EGP/SDG rate was significantly volatile over the course of the year due to political instabilities in Sudan, consequently impacting the company's top line when reflected in EGP terms. Al Takamol's figures are thus presented in SDG to provide a more accurate representation of the company's performance excluding the impacts of hyperinflationary adjustments.

| ASEC Cement Subsidiaries and Associates | 4Q19 | 4Q20 | % chg | FY19 | FY20 | % chg |
|---|---|---|---|---|---|---|
| **Al Takamol Cement Revenues (SDG mn)** | 2,030.0 | 6,408.8 | *216%* | 6,278.9 | 13,034.0 | *108%* |
| **Al Takamol Cement EBITDA (SDG mn)** | 340.3 | 1,455.8 | *328%* | 996.8 | 2,135.6 | *114%* |
| **Zahana Cement Revenues (EGP mn)** | 99.1 | 158.1 | *60%* | 531.4 | 414.0 | *-22%* |
| **Zahana Cement EBITDA (EGP mn)** | 3.6 | 72.3 | *High* | 44.9 | 138.9 | *210%* |

*^ QH has a direct ownership in ASEC Cement of 10% and ASEC Holding owns 59.9% of ASEC Cement. Therefore, QH owns an effective stake of 51.8% in ASEC Cement.*

Al Takamol Cement recorded an increase of 108% y-o-y in revenues to SDG 13,033.98 million in FY20, driven by an increase in the average selling price by 133% y-o-y from SDG 6,420/ton in 2019 to SDG 14,946/ton in 2020. The increase in average selling price was driven primarily driven by the devaluation of the SDG as well as a widening demand gap due to local producers facing issues with fuel and spare parts, causing an interruption in local supply. Additionally, despite multiple productions stoppages in FY20 as well as an 11% y-o-y decline in volumes due to logistical difficulties in importing refractories and spare parts in Sudan, Al Takamol Cement recorded a positive EBITDA of SDG 2,135.6 million in FY20.

**Al – Takamol Total Sales Volume (FY20)**

**0.87**
**MTPA**
**▼11% y-o-y**

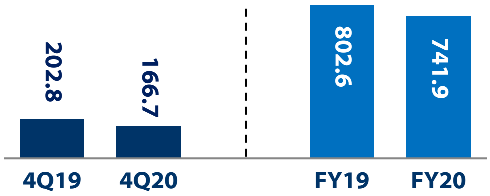
At Zahana, its newly commissioned line in the second half of the year significantly improved the plant's profitability despite a challenging external environment due to political instabilities as well the impacts from COVID-19. The improved profitability came on the back of increased efficiency regarding energy consumption and use of spare parts.

Moreover, despite a reduction in sales prices across public sector cement plants in Algeria, Zahana's profitability margins improved in the second half of the year. It is worthy to note that the plant will begin recognizing interest expense relating to a credit facility Zahana had secured to finance the new line over the course of 2021, which is anticipated to pressure the plant's net income margin going forward.

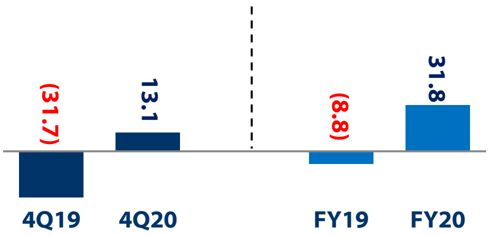
**ASEC HOLDING OWNERSHIP — 99.9% (QH effective ownership c.70%)**

## ASEC Engineering revenues decline 8% y-o-y to EGP 742 million in FY20.

**ASEC Engineering Revenues**
(EGP mn)



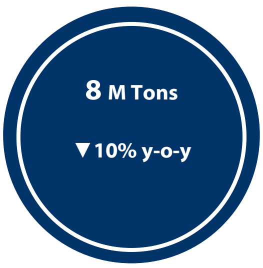

**ASEC Engineering EBITDA**
(EGP mn)




ASEC Engineering recorded a 10% y-o-y decline in managed clinker production to 8 MT in FY20, which led to a revenue decline of 8% y-o-y in FY20. However, the company's profitability witnessed a turnaround and recorded a positive EBITDA of EGP 31.8 million in FY20 compared to a negative EBITDA of EGP 8.8 million in FY19. The improvement in profitability is mainly a result of expensing spare parts costs on an accrual basis which supports EBITDA.

Management has been working to geographically diversify ASEC Engineering's client base and has successfully signed two new overseas contracts during FY20 that have started to offset the negative performance in Egypt.

**Managed Clinker Production**
**(FY20)**



## Sector Review: Packaging & Printing

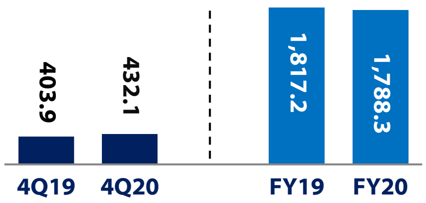
Through its subsidiary National Printing Company, Qalaa Holdings has invested in the printing and packaging sector with investments of over USD 60 million to date. National Printing Company stands today as one of the largest producers of its kind in Egypt

**QALAA HOLDINGS OWNERSHIP – 27%**

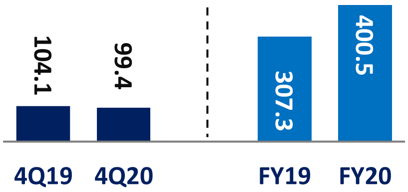
*National Printing was established in 2006 under Qalaa's small and mid-cap investments company, "Grandview". Qalaa Holdings has an effective stake of 48% in Grandview, which owns c.53% of National Printing. National Printing's two subsidiaries, Shorouk for Modern Printing and Packaging ("Shorouk") and El Baddar for Packages ("El Baddar"), are owned 90% and 100%, respectively. The company also maintains an effective ownership of 51% in Uniboard, a 90%-owned subsidiary of Shorouk, and operates a 100%-owned subsidiary called Windsor.*

*National Printing stands today as one of the largest producers of packaging and printing products in Egypt. Through its subsidiaries, namely Shorouk and El Baddar, National Printing has been able to diversify and expand its product range, including corrugated cartons and various types of boxes. Meanwhile Uniboard produces duplex boards using wastepaper, and Windsor manufactures sheeter, single facers, flexos and chemical additives. Windsor generates a large part of its revenues from sales to Shorouk, playing an important role in the company's wider value-adding chain.*

**Grandview (National Printing Holding Co.) Revenues**
(EGP mn)

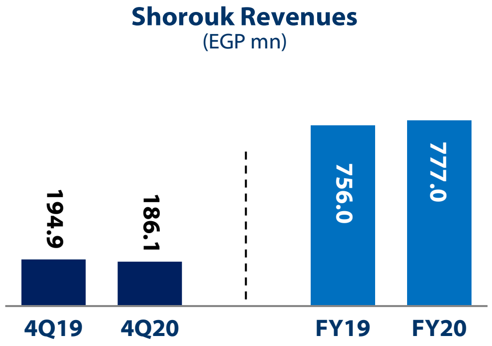


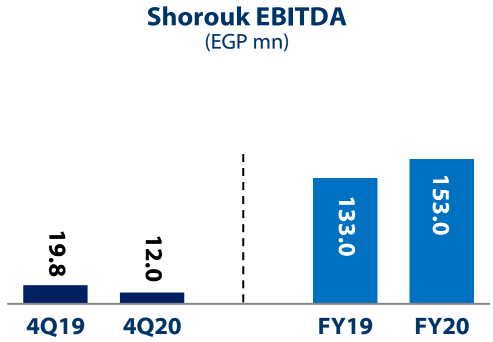

**Grandview (National Printing Holding Co.) EBITDA**
(EGP mn)




| (EGP mn unless otherwise stated) | 4Q19 | 4Q20 | % chg | FY19 | FY20 | % chg |
|---|---|---|---|---|---|---|
| Modern Shorouk Printing & Packaging Revenues | 194.9 | 186.1 | *-5%* | 756.0 | 777.0 | *3%* |
| Modern Shorouk Printing & Packaging EBITDA | 19.8 | 12.0 | *-39%* | 133.0 | 153.0 | *15%* |
| Uniboard Revenues | 201.0 | 259.3 | *29%* | 896.0 | 977.0 | *9%* |
| Uniboard EBITDA | (13.0) | 24.9 | *N/A* | 54.0 | 145.0 | *169%* |
| El Baddar Revenues | 60.1 | 45.8 | *-24%* | 326.0 | 216.0 | *-34%* |
| El Baddar EBITDA | 2.0 | 16.5 | *738%* | 28.0 | 29.0 | *4%* |

**NATIONAL PRINTING OWNERSHIP — 90% (QH effective ownership 24.2%)**

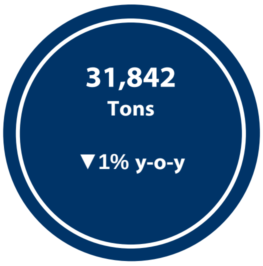



*Shorouk Printing – Duplex and Laminated Carton Production*

Despite a challenging external environment due to COVID-19, Shorouk delivered a 3% y-o-y increase in revenues to EGP 777 million in FY20 on the back of improved pricing and near flat volumes during the year. The company's performance was further supported by a market recovery in the second half of the year, which saw the easing of COVID-19 related restrictions across the nation. Moreover, improved pricing along with a tight rein on fixed expense and overall lower production costs supported EBITDA, which grew by 15% y-o-y to EGP 153 million in FY20.

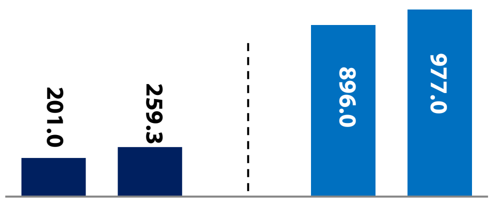
**Shorouk Total Volumes Sold (FY20)**



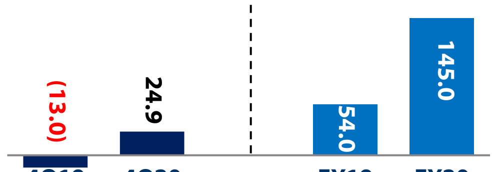
UNIBOARD AL MOUTAHEDA PAPER & BOARD

**NATIONAL PRINTING EFFECTIVE OWNERSHIP — 51%** (QH effective ownership 12.2%)

**Uniboard Revenues**
(EGP mn)




**Uniboard EBITDA**
(EGP mn)




Uniboard's revenues grew by 9% y-o-y on the back of a 12% y-o-y increase in volumes to 122,583 tons in FY20. In parallel, the company's profitability improved significantly on the back of enhanced operational efficiencies that saw a reduction in raw materials and resulted in a near three-fold increase in EBITDA in FY20. It is worth noting that raw materials constitute 72% of Uniboard's total variable cost.

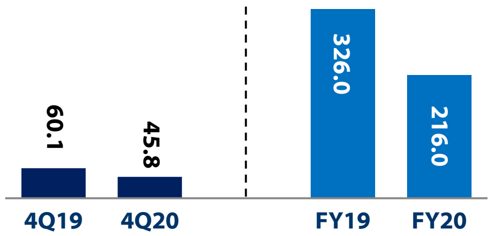
*Uniboard – Duplex Board Production*

**Duplex Board Volumes Sold (FY20)**

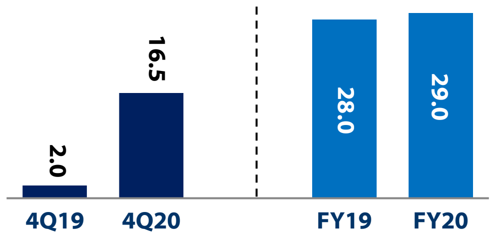
**122,583**
**Tons**
**▲12% y-o-y**

**NATIONAL PRINTING OWNERSHIP — 100% (QH effective ownership 27%)**

**El Baddar Revenues**
(EGP mn)




**El Baddar EBITDA**
(EGP mn)




*El Baddar – Corrugated Sheet Production*

El Baddar’s revenues declined by 34% y-o-y due to a 26% y-o-y drop in corrugated sheets and boxes volumes in FY20. Lower output was a result of the lengthy relocation process of El Baddar’s plant to its new state-of-the-art facility, which led to significant operational disruptions. However, the company has finalized the relocation and commenced initial production and plans to ramp up utilization with a target to achieve production levels of 36,500 tons in 2021.

**Corrugated Sheets/Boxes Volumes Sold (FY20)**

**20,852**
**Tons**
**▼26% y-o-y**

## Sector Review: Mining

Qalaa Holdings' operational platform in the mining sector is ASCOM, which includes operating companies ASCOM, ASCOM for Chemicals & Carbonates Manufacturing (ACCM), GlassRock, and ASCOM Precious Metals (which is consolidated under the equity method as a share of associates' results).

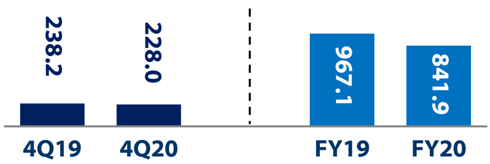
ASCOM GEOLOGY & MINING

**QALAA HOLDINGS OWNERSHIP — 54%**

### ASCOM's performance was impacted by challenging market conditions and global trade restrictions in FY20

**ASCOM Consolidated Revenues**

(EGP mn)




**ASCOM Consolidated EBITDA**

(EGP mn)


*From quarrying for the cement industry to manufacturing world-class technical calcium carbonate and environmentally friendly building materials, Qalaa Holdings' approach to investing in the mining sector focuses on covering the entire value chain. ASCOM's activities and operations include:*

- *Quarry management, precious metals mining, and quarrying for the cement industry.*
- *Production of world-class ground technical calcium carbonate (ASCOM Calcium Carbonate "ACCM").*
- *Production of insulation materials: Rockwool and Glasswool (GlassRock).*
- *A gold concession in Ethiopia at the prefeasibility study phase with significant proven shallow reserves (APM).*

ASCOM's revenues declined by 13% y-o-y in FY20 on the back of harsh market conditions due to the impacts of COVID-19, particularly on volumes at the quarrying activities and GlassRock.

| ASCOM Subsidiaries (EGP mn unless otherwise stated) | 4Q19 | 4Q20 | % chg | FY19 | FY20 | % chg |
|---|---|---|---|---|---|---|
| ACCM Revenues (in USD mn) | 6.0 | 7.2 | *20%* | 24.7 | 23.2 | *-6%* |
| ACCM EBITDA (in USD mn) | 0.7 | 1.0 | *41%* | 3.9 | 2.3 | *-40%* |
| GlassRock Revenues (in USD mn) | 2.4 | 1.8 | *-24%* | 9.6 | 7.8 | *-19%* |
| GlassRock EBITDA (in USD mn) | 0.5 | (1.7) | *N/A* | 1.1 | (1.4) | *N/A* |
| Egypt Quarrying Revenues | 89.4 | 85.9 | *-4%* | 379.8 | 346.7 | *-9%* |
| Egypt Quarrying EBITDA | (10.8) | 6.1 | *N/A* | (5.1) | 26.5 | *N/A* |
| Other Quarry Management Revenues – ex Egypt | 14.3 | 0.7 | *-95%* | 14.5 | 7.9 | *-45%* |
| Other Quarry Management EBITDA – ex Egypt | 2.1 | (0.4) | *N/A* | 0.2 | (0.9) | *N/A* |

**ACCM**

ACCM's operational performance in FY20 reflects a sustained recovery in the second half of the year, during which COVID-19 restrictions were eased and the company was able to ramp up operations to full capacity and grow exports substantially with the opening of ports. However, ACCM's revenue base was pressured due to the strengthening of the EGP against the USD as ACCM exports represents approximately 82% of its total sales. Moreover, the company's revenue was further pressured by amendments in the government's export subsidy, including the elimination of the 46% refund of transportation costs for exports to Africa, and lowering the incentive on export proceeds from 10.5% of CIF prices to 7.5% of FOB prices. Consequently, ACCMs revenue declined by 6% y-o-y in FY20, while EBITDA recorded a 40% y-o-y drop.

*ASCOM – Calcium Carbonate Facility*

Going forward, whilst ACCM will continue to capitalize on growing exports and the recovery across regional markets, management plans to push ahead with its sales channel diversification strategy as well as adding more production lines during the coming years. This will allow the company to expand its capacity as well as penetrate new local and international markets, hence meeting its planned growth targets. Additionally, increased contribution from local markets will act as a hedge against foreign exchange risk and allow ACCM to benefit from the local market's greater working capital dynamics, improved cashflow and healthy margins.

**GlassRock**

The challenging environment due to COVID-19 drove a 15% y-o-y decline in GlassRock's volumes from 9,400 tons in 2019 to 8,000 tons in 2020. Consequently, revenues declined by 19% y-o-y in FY20, while EBITDA recorded a drop to negative USD 1.4 million from a positive USD 1.1 million in FY19. However, Glass Rock's contribution margin is showing signs of improvement, growing 14% y-o-y on the back of better cost savings and pricing strategy. Management's debt restructuring efforts were successful in 2020 and saw the company sign new payment terms with its lenders. The restructuring is anticipated to have a positive impact on GlassRock's profitability going forward.

**Egypt Quarrying (ASCOM mining)**

ASCOM's mining operations are heavily dependent on the cement industry, with around 90% of its revenues generated from quarrying for cement clients. ASCOM is facing an increasingly challenging operating environment due to sustained pressure on Egypt's cement industry, characterized by oversupply and fierce market competition which were further compounded by the freeze of construction licenses during 2020. However, the construction ban has been lifted since October 2020, paving the way for renewed market activity. Moreover, management has been focusing on adjusting contracts and adopting the minimum take criteria as well as renewing other contracts to be on a take-or-pay basis in attempt to cover the costs incurred when markets are not performing well. These contract adjustments have helped the company reduce its variable and fixed costs, leading to better profitability margins with EBITDA reversing from a loss of EGP 5 million in FY19 to a positive EGP 26.5 million in FY20.

| ACCM Volumes Sold (FY20) | Egypt Quarrying Volumes Sold (FY20) | GlassRock Volumes Sold (FY20) |
|---|---|---|
| 311.6 | 15.5 | 8.0 |
| K Tons | M Tons | K Tons |
| ▼4% y-o-y | ▼32% y-o-y | ▼15% y-o-y |

## Sector Review: Agrifoods

Agrifoods companies consolidated under parent company Gozour (multicategory agriculture and consumer foods) include Dina Farms and ICDP (Dina Farms' fresh dairy producer).

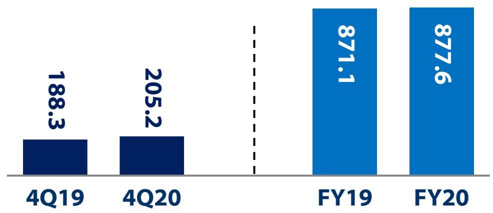
Gozour

QALAA HOLDINGS OWNERSHIP — 54.9%

### Dina Farms reaped the rewards of its facility enhancement initiatives and ICDP recorded improved profitability on the back of its diversification strategy

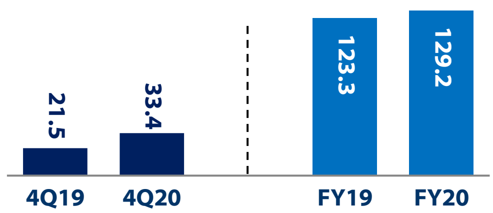
**Consolidated Gozour Revenues**

(EGP mn)




**Consolidated Gozour EBITDA**

(EGP mn)




**Gozour (Dina Farms Holding Co)** recorded largely flat revenues at EGP 877.6 million in FY20 compared to the same period last year. Gozours's EBITDA increased by 5% y-o-y on the back of operational efficiency initiatives and facility enhancements across the company's operations in 2020.

| Gozour Subsidiaries (EGP mn) | 4Q19 | 4Q20 | % chg | FY19 | FY20 | % chg |
|---|---|---|---|---|---|---|
| **Dina Farms Revenues** | 158.5 | 160.5 | *1%* | 679.5 | 713.3 | *5%* |
| **Dina Farms EBITDA** | 27.4 | 39.9 | *45%* | 153.0 | 165.1 | *8%* |
| **ICDP Revenues (Fresh Dairy producer)** | 62.2 | 63.8 | *3%* | 238.5 | 244.6 | *3%* |
| **ICDP EBITDA** | 3.3 | 6.4 | *91%* | 13.3 | 16.0 | *20%* |

**Dina Farms** saw the implementation of multiple efficiency and facility enhancement initiatives in FY20 with the aim of growing its top line and bolstering its profitability. The initiatives included investments in curtains and cooling stations at the company's milking operations in the second half of the year, as well focusing on increasing yields from healthier and higher milk producing cows through the culling process. This strategy led to an increase in raw milk production by 6% y-o-y to 81,388 tons, and a similar increase in raw milk sales per milking cow, which supported Dina Farms' revenue growth in FY20. Moreover, a drop in the consumption of animal feed reflected positively on the company's profitability and drove an increase in EBITDA in FY20.

**ICDP's** total SKU volumes remained largely flat at 12,669 tons in FY20 compared to 12,655 in the previous year. However, an optimized pricing strategy drove a 3% y-o-y increase in ICDP's revenues in FY20. The company also recorded a 20% y-o-y increase in EBITDA driven by the launch of the company's new juice product in 2H20, which recorded healthy margins. Additionally, profitability was supported by a 40% reduction in PET bottle costs, which constituted c. 4% of the company's COGS in FY20.

Management is optimistic that its new juice product segment will support the company's profitability going forward and is also planning a ramp up in production at ICDP's yogurt line to enhance capacities and bolster the company's future performance.

**Raw Milk Sales Per Milking Cow Ratio (FY20)**

**11.7**
**Tons/milking cow**
**▲6% y-o-y**

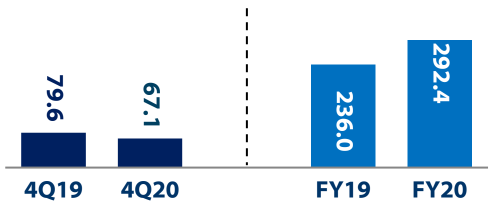
## Sector Review: Transportation & Logistics

Qalaa Holdings' operational Transportation & Logistics companies include Nile Logistics (seaport services in Egypt as well as river transportation in Egypt and South Sudan)

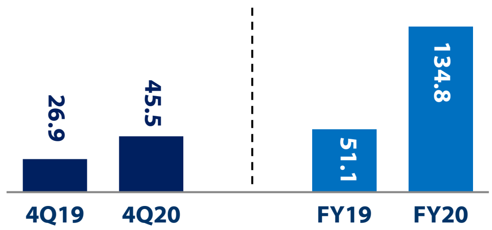
**QALAA HOLDINGS OWNERSHIP — 67.6%**

### Nile Logistics recorded top line growth and delivered over a two-fold increase in EBITDA on the back of operational efficiency initiatives in FY20.

**CCTO (Nile Logistics Holding Co.) Revenues**
(EGP mn)




**CCTO (Nile Logistics Holding Co.) EBITDA**
(EGP mn)




CCTO is the holding company that owns Nile Logistics and consolidates its operations in Egypt and Sudan. The company recorded a revenue increase of 23.9% y-o-y to EGP 292.4 million in FY20. EBITDA recorded a strong increase from EGP 51.1.8 million in FY19 to EGP 134.8 million in FY20 on the back of improved operational efficiencies.

| CCTO Subsidiaries (EGP mn) | 4Q19 | 4Q20 | % chg | FY19 | FY20 | % chg |
|---|---|---|---|---|---|---|
| **Nile Logistics Revenues (EGP mn)** | 81.9 | 58.2 | *-29%* | 218.7 | 252.3 | *15%* |
| **Nile Logistics EBITDA (EGP mn)** | 37.7 | 45.1 | *20%* | 67.0 | 129.8 | *94%* |
| **Nile Barges (South Sudan) Revenues (USD mn)** | 0.0 | 0.5 | *N/A* | 1.2 | 2.5 | *114%* |
| **Nile Barges (South Sudan) EBITDA (USD mn)** | 0.0 | 0.4 | *N/A* | 0.6 | 1.8 | *182%* |

**Nile Logistics (Egypt)**

*Nile Logistics maintains operations in Egypt across four main divisions:*

- *Coal handling and storage in Alexandria and the Tanash port in Cairo.*
- *Container handling and storage in Alexandria (Inland Container Depot), with operations including various activities as handling of empty, full, and reefer containers for perishable goods.*
- *Grain handling and storage in Alexandria with a capacity of 100 thousand tons and a target turnover of 6-7 times per annum.*
- *River transport, which offers a more efficient method for shipping goods via the Nile River and provides lucrative pipeline opportunities.*

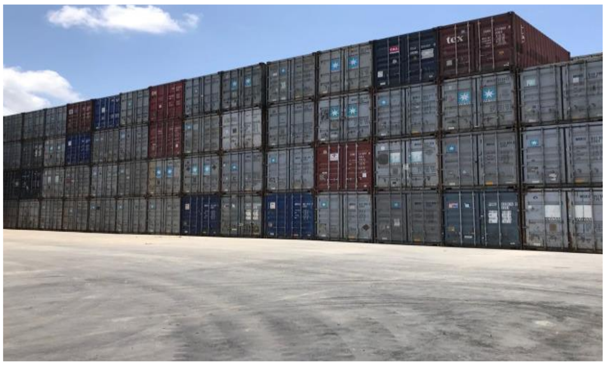
Despite harsh market conditions due to COVID-19, Nile Logistics delivered a revenue increase of 15% y-o-y in FY20. The company's top line growth came on the back of a strong performance at Nile Logistics' grain warehouse in Alexandria and the Tanash coal storage warehouse – both of which were launched in the second half of 2019 – as well as maintaining stable operations across its other business lines. The company's improved performance trickled down to the EBITDA level and delivered robust profitability, recording over a twofold increase to EGP 129.8 million in FY20. The company's profitability was supported by improved operational efficiencies across its divisions in 2020.

At the company's stevedoring operations, Nile Logistics was able to sustain its performance from the previous year, delivering near flat results at 1,235 thousand tons of coal/pet coke handled in FY20 despite the impact of COVID-19. The performance was supported by an increase in demand in the second half of the year following a period of port closures in 1H20. Additionally, growing demand from cement producers after the lifting of the government's freeze on constructions licenses in the final quarter of 2020 supported volumes in FY20.

*Nahda Coal/Pet Coke Storage Facility*

The company's inland container depot delivered a largely flat performance at 71.5 thousand volumes of Twenty-foot Equivalent Units (TEUs) handled in FY20. The muted performance came on the back of restrictions on international trade due to COVID-19. The impact on revenues was more pronounced, recording a decline of 15% y-o-y to EGP 54.9 million in FY20. Revenues in FY20 were primarily impacted by the higher turnover of reefers, with storage days declining 70% y-o-y to 77 thousand days in FY20. Additionally, storage days for dry containers declined 33% y-o-y to 88 thousand days and further impacted revenues in FY20.

Nevertheless, the inland container depot supported Nile Logistics' EBITDA growth in FY20 as the company reaped the rewards of the depot's recent connection to the national electricity grid, as opposed to its previous reliance on more costly diesel generators. This is in line with management's strategy of enhancing efficiency, reducing operational costs – with c. EGP 1 million in monthly savings – and curbing the portfolio's carbon footprint. Moreover, management remains committed to its policy of minimizing the use of third-party outsourcing contracts while maintaining full in-house ownership of assets.

*Nile Logistics Storage Facilities near Alexandria Port*

The company's grain storage warehouse delivered strong results with over 247 thousand tons of grain stored in FY20 compared to 157 thousand tons in FY19. Meanwhile, the company's coal storage warehouse in Tanash handled 513 thousand tons in FY20 compared to 175 thousand tons in FY19. It is worthy to note that both facilities were fully operational in 2020 as opposed to commencing operations only during the second half of 2019.

*Grain Storage Warehouse, Nubareya Port*

**Coal/Pet Coke Tons Handled (FY20)**

**1,235**
**K Tons**
**flat y-o-y**

**Twenty-foot Equivalent Unit (FY20)**

**71.5**
**Thousand**
**▼1% y-o-y**

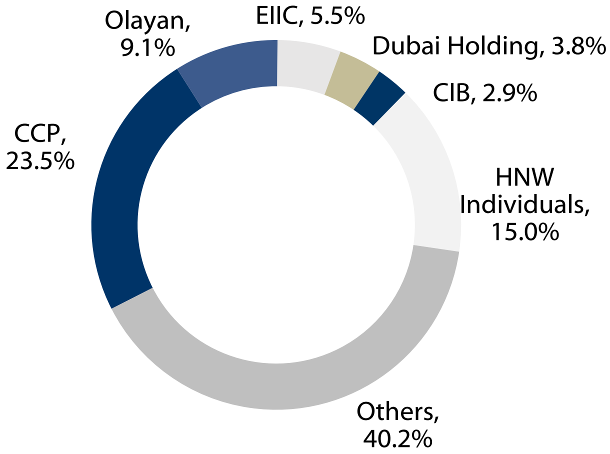
**Nile Barges (Sudan)**

Nile Barges operations in Sudan focuses on the transportation of food products under the auspices of the World Food Program (WFP). The company currently operates using one pusher and is expecting to begin operating a second a one by April 2021. Meanwhile, a third pusher is currently undergoing refurbishment and is expected to commence operations in the second half of the year.

Nile Barges completed five trips using the existing pusher in FY20, compared to three trips in FY19 and is looking to complete eight trips in 2021. The company managed to deliver a 114% y-o-y increase in revenue to USD 2.5 million as well as a near two-fold increase in EBITDA to USD 1.8 million on the back of the growth in trips completed in FY20.


## SHAREHOLDER STRUCTURE

(as at 31 December 2020)




## SHARE INFORMATION

| CCAP.CA on the EGX | |
|---|---|
| Number of Shares | 1,820,000,000 |
| Of which Preferred | 401,738,649 |
| Of which Common | 1,418,261,351 |
| Paid-in Capital | EGP 9.1 bn |

## INVESTOR RELATIONS CONTACTS

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