



INVESTMENTS

Managed By

bpe partners

**B INVESTMENTS – 1H18 EARNINGS RELEASE**

**AUGUST 2018**

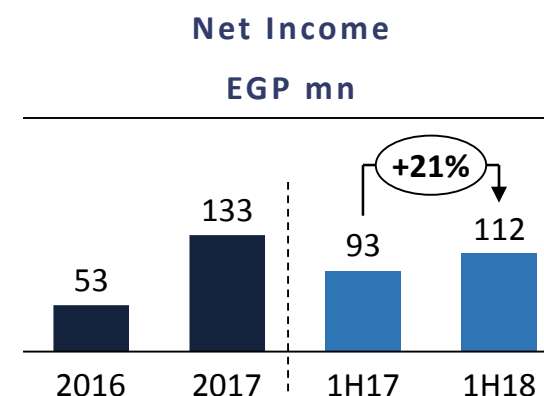
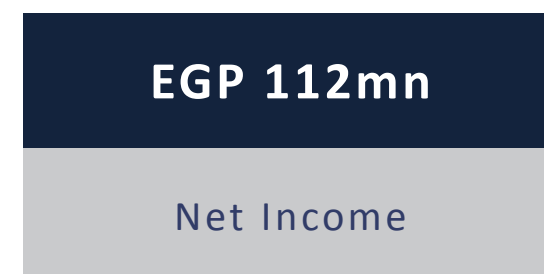
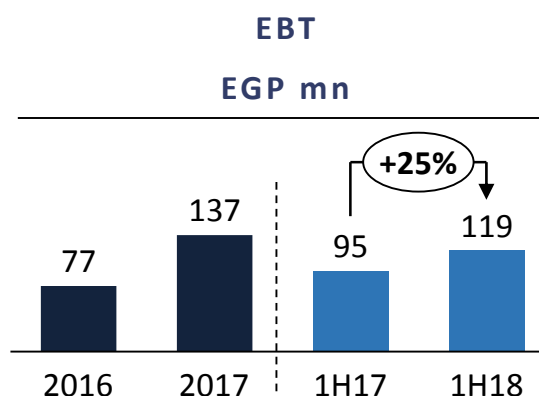
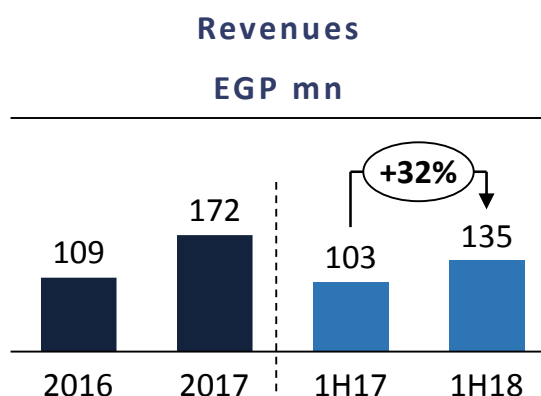


# I. Financial Highlights

# FINANCIAL HIGHLIGHTS | 1H18 CONSOLIDATED FINANCIAL PERFORMANCE



INVESTMENTS



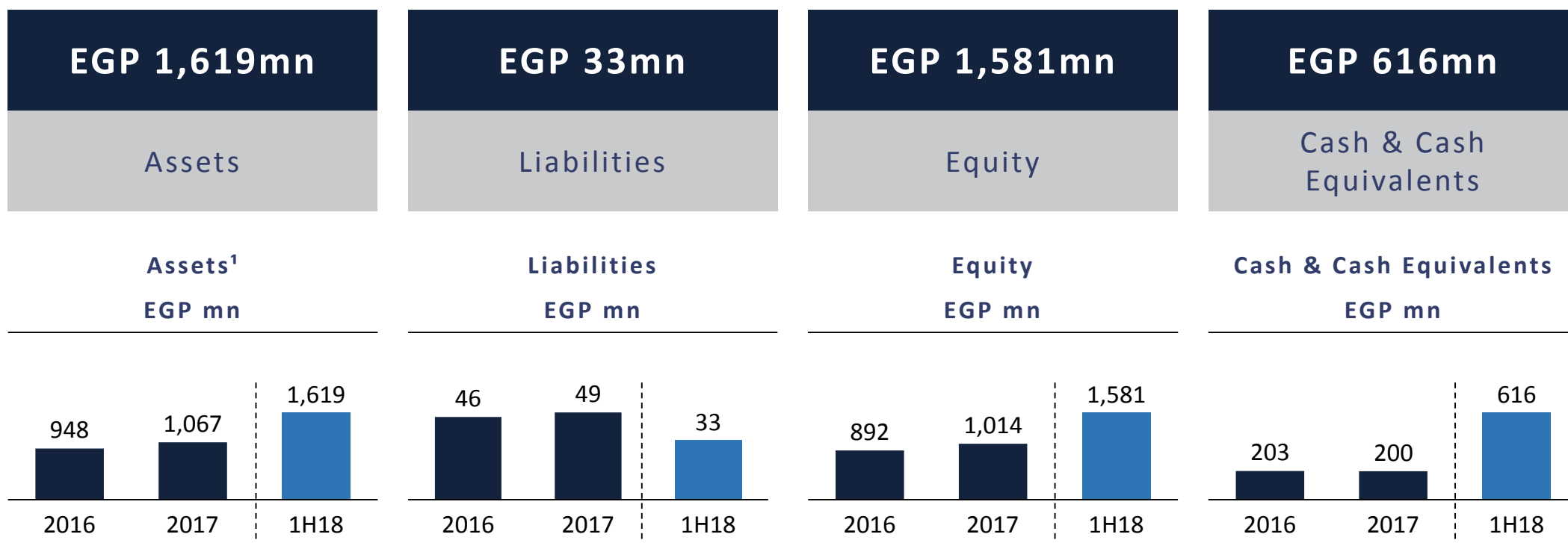
- B Investments recorded Revenues of EGP 135mn recording a growth of 32% in Revenues from the same period last year, this is mainly on the back of strong performance of portfolio companies
- Earnings Before Tax grew by 25% to reach EGP 119mn despite one-off consultancy fees of EGP 8mn
- Net Income After Tax came in at EGP 112mn recording a Net Income margin of 83% and a Y-o-Y growth of 21%



# FINANCIAL HIGHLIGHTS | 1H18 CONSOLIDATED FINANCIAL POSITION



INVESTMENTS



- B Investments Assets grew by 52% in comparison to 4Q17 primarily due to the capital increase concluded via the IPO and also due to the increase in the equity value of portfolio companies
- B Investments continues to have no bank debt and the nature of the Liabilities are non-interest bearing
- Equity grew to EGP 1.58bn on the back of the completed capital increase and growth in earnings

# FINANCIAL HIGHLIGHTS | CONSOLIDATED INCOME STATEMENT



INVESTMENTS

EGP mn	1H17	1H18
<b>Revenues</b>		
Dividend Income from Available for Sale Investments	17.7	26.2
Group's Share of Profits of Joint Venture and Associate Entities	70.0	67.7
Finance Income	7.2	34.4
Reverse of Impairment in Notes Receivable	3.2	-
Other Income	4.4	4.0
Provisions no Longer Required	-	2.5
<b>Total Revenues</b>	<b>102.5</b>	<b>134.8</b>
<b>Expenses</b>		
Management Fees	(5.8)	(7.0)
Consulting Fees	(0.8)	(8.2)
Other Expenses	(1.0)	(2.3)
Depreciation of Investment Properties	(0.2)	(0.2)
FX Gains (Losses)	(0.2)	1.6
<b>Total Expenses</b>	<b>(7.9)</b>	<b>(16.1)</b>
<b>Net Profit Before Tax</b>	<b>94.6</b>	<b>118.7</b>
Income Tax	(2.0)	(6.7)
<b>Net Profit After Tax</b>	<b>92.6</b>	<b>112.1</b>
Minority Interest	0.2	0.3
<b>Net Profit After Tax and Minority Interest</b>	<b>92.4</b>	<b>111.8</b>

# FINANCIAL HIGHLIGHTS | CONSOLIDATED BALANCE SHEET



INVESTMENTS

EGP mn	31/12/2017	30/06/2018
<b>Non-current assets</b>		
Intangible Assets	2.7	2.7
Investments in Associates	314.6	355.0
Available for Sale Investments	141.3	141.3
Investments in Joint Ventures	190.8	279.4
Investment Properties	113.5	113.3
Loans to Associates <sup>1</sup>	94.7	100.4
<b>Total-Non Current Assets</b>	<b>857.6</b>	<b>992.0</b>
<b>Current Assets</b>		
Treasury Bills	105.5	483.2
Due from Related Parties	1.2	1.5
Other Debit Balances	8.2	9.2
Cash and Cash at Banks	95.0	132.8
<b>Total Current Assets</b>	<b>209.8</b>	<b>626.6</b>
<b>Total Assets</b>	<b>1,067.4</b>	<b>1,618.6</b>
<b>Equity</b>		
Issued and Paid-up Capital	584.5	775.1
Payment under Capital Increase	-	53.8
Legal Reserve	10.6	227.3
Other Reserves	28.2	24.1
Retained Earnings	257.6	388.5
Net Profit for the Period	133.2	111.8
<b>Equity attributable to shareholders of the parent company</b>	<b>1,014.0</b>	<b>1,581.0</b>
Minority Interest	4.4	4.8
<b>Total Equity</b>	<b>1,018.5</b>	<b>1,585.3</b>
<b>Non-Current Liabilities</b>		
Deferred Tax Liability	8.9	9.3
<b>Total Non-Current Liabilities</b>	<b>8.9</b>	<b>9.3</b>
<b>Current Liabilities</b>		
Due to Related Parties	3.0	4.0
Accounts Payable and Other Credit Balances	8.3	7.0
Income Tax	18.4	5.2
Provisions	10.4	7.9
<b>Total Current Liabilities</b>	<b>40.0</b>	<b>24.0</b>
<b>Total Equity and Liabilities</b>	<b>1,067.4</b>	<b>1,618.6</b>

Note (1): Loans to Associates is a shareholder loan extended to the project companies of Infinity Solar

## B Investments 2Q18 Updates

- B Investments successfully concluded its name change from “BPE Holding for Financial Investment S.A.E” to “B Investments Holding S.A.E”
- B Investments completed the capital increase tranche of the initial public offering increasing the company’s capital by EGP 409mn, currently B Investments’ total equity stands at EGP 1.59bn
- During the second quarter of 2018, B Investments completed 2 acquisitions under its Non-Banking Financial Services platform - Ebtikar
  - Ebtikar announced as part of a consortium the signature of the share purchase agreement to acquire c.87% of Tamweel Group. Ebtikar’s stake amounts to c.37% of Tamweel Group
  - Ebtikar concluded the c.34% acquisition of one of Egypt’s leading E-payment providers; Masary

### BINV Key Highlights (As of June 28<sup>th</sup>, 2018)

155,024,416

Outstanding Shares<sup>1</sup>

EGP 11.62

Share Price

EGP 1.8bn

Market Cap

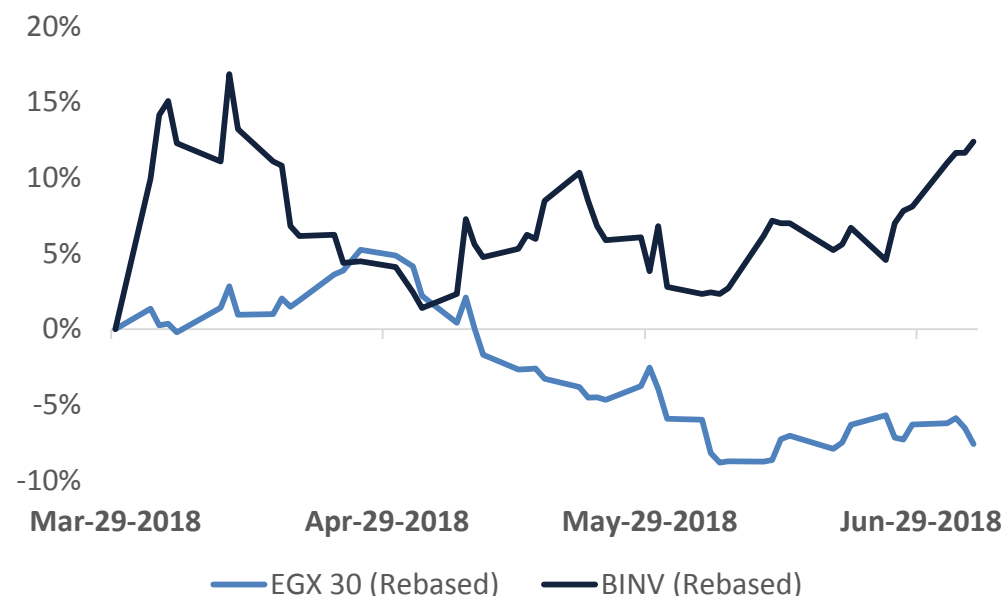
EGP 12.56/EGP 10.75

YTD Price High/Low

267,357

YTD AVG Daily  
Volume








### BINV vs. EGX 30



<sup>1</sup> A subsequent capital increase of 5,000,000 was completed after the 30<sup>th</sup> of June 2018 and thus is not reflected in 2Q18

## II. Portfolio Companies

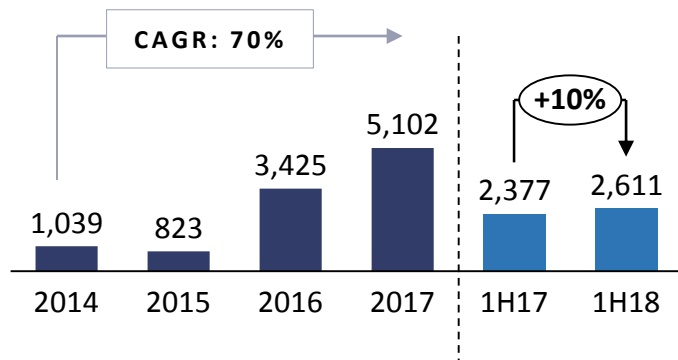


Sector	Real Estate	Oil & Gas	IT System Integration	Non-Banking Financial Services	Renewable Energy	Manufacturing
Company	 MADINET NASR HOUSING & DEVELOPMENT			 EBTIKAR FOR NON BANKING FINANCIAL SERVICES		
Description	<ul style="list-style-type: none"> <li>One of Egypt's leading and most profitable listed mixed-use real estate developer</li> <li>Caters to the growing middle and upper-middle market demand</li> <li>Sizeable land bank (9mn sqm at premium locations)</li> </ul>	<ul style="list-style-type: none"> <li>One of the largest downstream private sector players in Egypt with a network of 246 retail stations</li> <li>In partnership with B Investments, TOTAL Egypt acquired Shell and Chevron's downstream networks in Egypt</li> <li>TOTAL Egypt operates four business lines: Retail Network, Commercial &amp; Industrial, Aviation &amp; Bunkering and Lubricants</li> </ul>	<ul style="list-style-type: none"> <li>One of the leading systems integration and engineering services (IT / BPO) platform in Egypt, the Middle East and Africa</li> <li>Offers a vast range of mission critical IT based solutions to a range of industries, aiding clients' efficiency and effectiveness in running operations</li> </ul>	 <ul style="list-style-type: none"> <li>Ebitkar is a holding company established through a partnership between B Investments and MM Group For Industry And International Trade (MTI) and is the designated vehicle to invest in the Non-Banking Financial Services sector</li> </ul>	<ul style="list-style-type: none"> <li>A portfolio of three solar power generation plants located in Ben Ban, Egypt with a total capacity of 130MW</li> <li>In partnership with Infinity Solar Energy SAE; a local solar power plant developer and ib vogt; an international solar developer established in Germany</li> <li>Commercial operations are expected to start Q1 2019</li> </ul>	<ul style="list-style-type: none"> <li>Established in 1888, BÉARD is one of the world's leading Swiss brand names in the flatware and hollowware industry</li> <li>The company leverages on the vibrant hospitality sector in Egypt</li> </ul>
Transaction Type	Buyout	Growth Capital	Management Buyout	Greenfield <sup>1</sup> / Growth Capital	Growth Capital	Management Buyout
Vintage Year	2006	2013	2006	2017	2017	2006

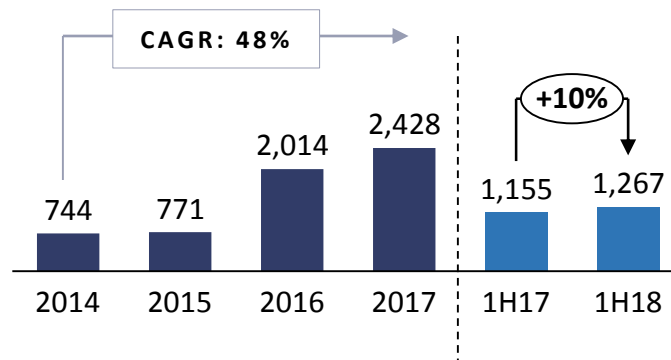
Note (1): It is note worthy to mention that Ebtikar is considered a greenfield transaction as it is a holding company established by B Investments as the designated vehicle to invest in the Non-Banking Financial Services sector, yet all of its investments other than Vitas Misr are growth capital and buyout transactions



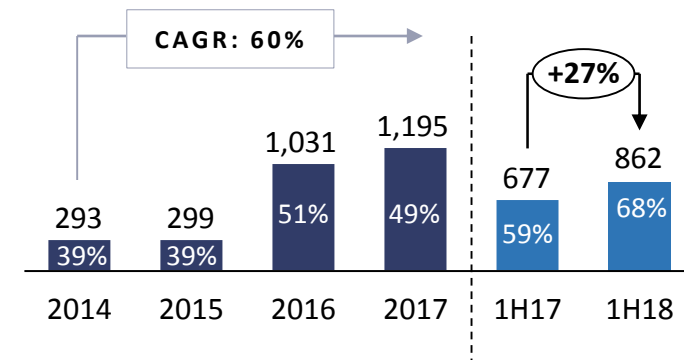
## Pre-Sales (EGP mn)



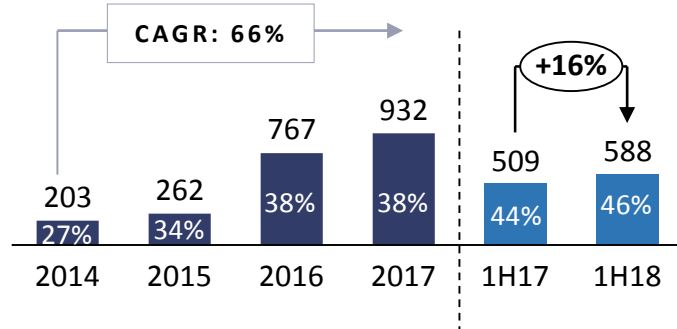
## Net Revenues (EGP mn)



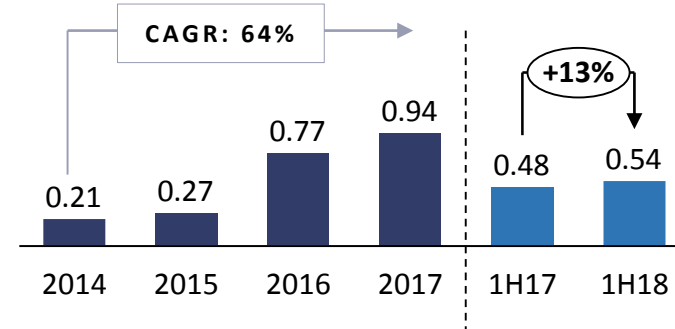
## EBITDA (EGP mn) Margin (%)



## Net Income (EGP mn) Margin (%)

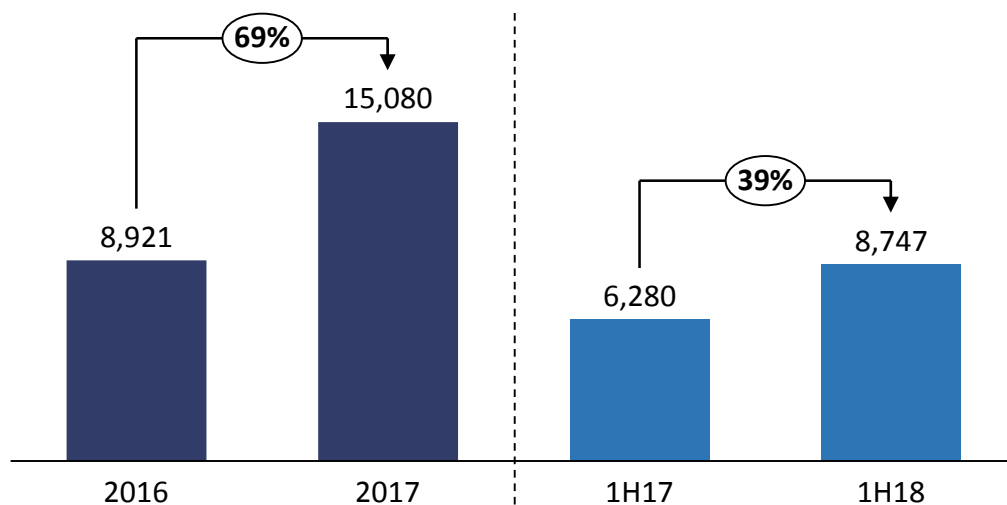


## EPS (EGP)

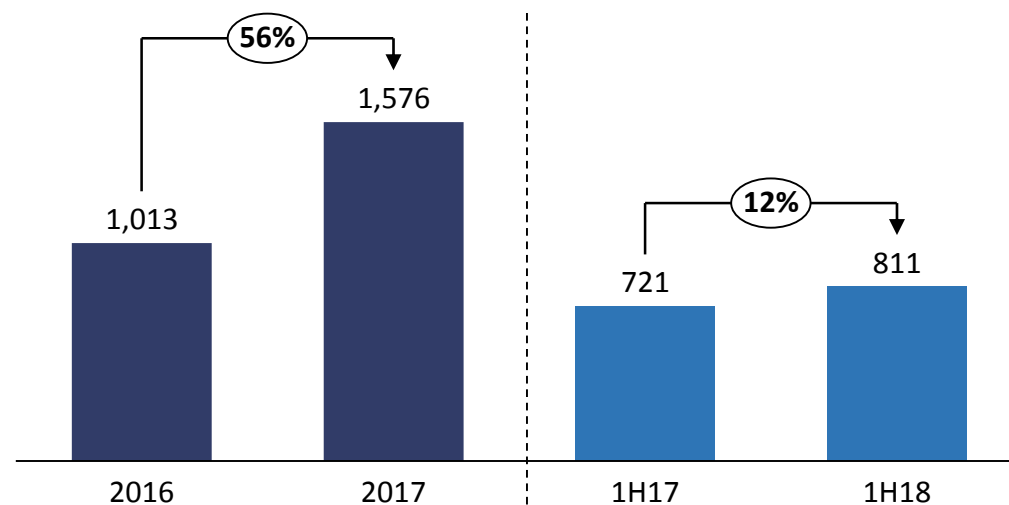


- MNHD recorded EGP 2.6bn in Pre-Sales for 1H18 up from EGP 2.4bn recorded during the same period last year. The increase was attributed to the new launches of Croons and Lake Park Studios
- EBITDA increased by 27% to reach EGP 862mn in 1H18 in comparison to EGP 677mn in 1H17, due to the high revenue contribution of contracted sales, which have increased profitability margins compared to new deliveries
- Net Income increased by 16% to reach EGP 588mn compared to EGP 509mn in the same half last year. The Net Income increase was lower than the growth in EBITDA due to an increased cost of financing

## Revenues (EGP mn)

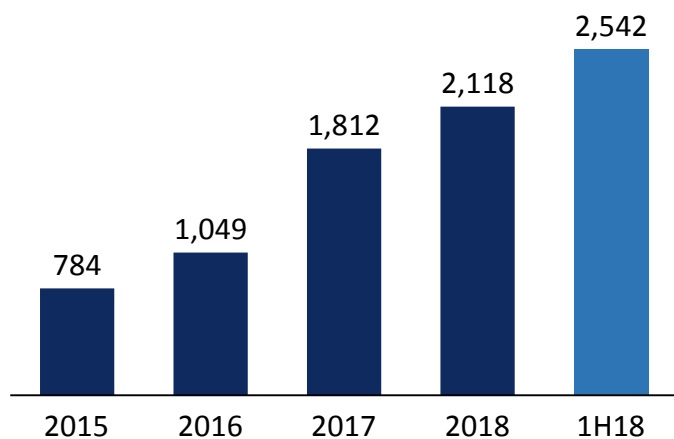


## Gross Profit (EGP mn)

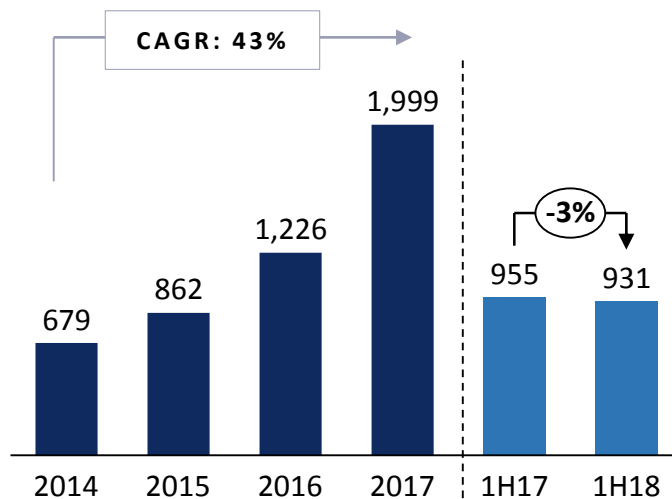


- Revenues increased by 39% Y-o-Y to reach EGP 8.75bn mainly on the back of fuel price increases in the gas station network segment and an increase in sales in TOTAL Egypt's aviation segment
- TOTAL Egypt recorded sales of 1,545 KT of fuel products in the first half of the year. There was a slight decline in the volume of fuel products sold which is mainly attributed to the increase in fuel prices over the last year

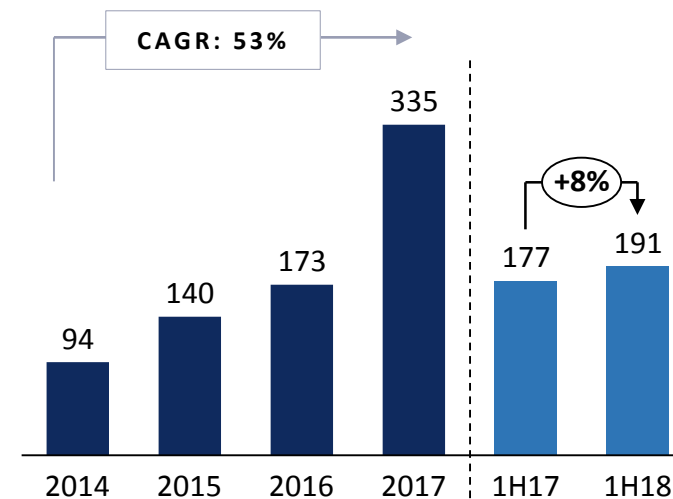
## Backlog<sup>1</sup> (EGP mn)



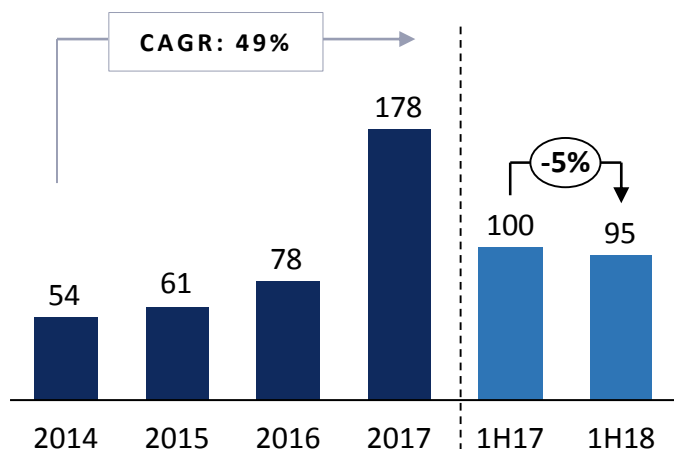
## Revenues (EGP mn)



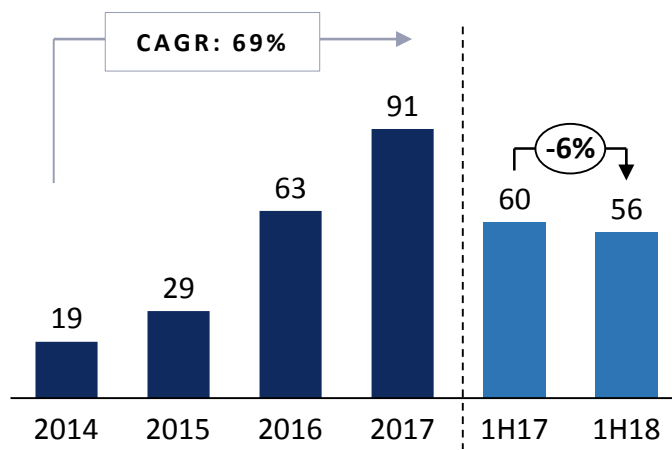
## Gross Profit (EGP mn)



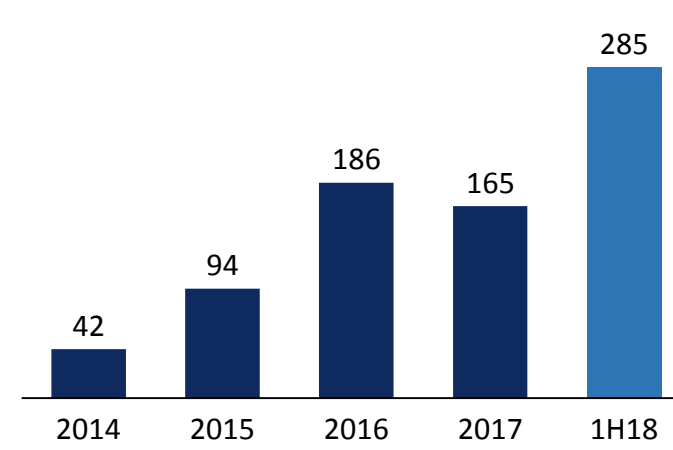
## EBITDA (EGP mn)



## Net Income (EGP mn)



## Net Debt (EGP mn)



Note (1): Backlog refers to the total value of projects on hand at the beginning of each year/period (January 1<sup>st</sup> for every full year and July 1<sup>st</sup> for 1H18)

Note (2): CAGR figures are based on actual results and do not account for 2018 budget



## OVERVIEW

- In June 2017, BPE Partners established an investment vehicle under the name of “Ebtikar for Financial Investment” as the designated vehicle to invest in the Non-Banking Financial Services sector; B Investments holds a 21.2% stake in the company
- The company currently has an authorized share capital of EGP 750mn and a subscribed and Paid-in Capital of EGP 363mn<sup>1</sup>
- To date, Ebtikar has four investments in its portfolio; TBE Egypt for Payment Solutions and Services “Bee” – one of the leading e-payment solution providers, Vitas Misr for Microfinance – a greenfield microfinance company, Tamweel Group – a group of companies operating in the mortgage, leasing and factoring sectors and Applications & Payment Systems Development (APSD) “Masary”, an e-payment and collection solution provider for mobile network operators
- Ebtikar successfully concluded its first investment by acquiring 60% of TBE Egypt for payment solutions and services S.A.E “Bee”; a leader in the e-payment and cash collection sector in Egypt
- Ebtikar’s second investment was the establishment of “Vitas Misr for Microfinance” a 50:50 greenfield joint venture with Vitas Group, a leading international microfinance player
- As part of a consortium including TCV and Acquire for Investments, Ebtikar acquired c.37% of Tamweel Group from Orascom Development Egypt. Jointly the consortium acquired an 87% stake in the group of companies
- In June 2018, Ebtikar completed its fourth investment in the space by acquiring a 33.7% stake in Masary; the second largest e-payment provider in Egypt



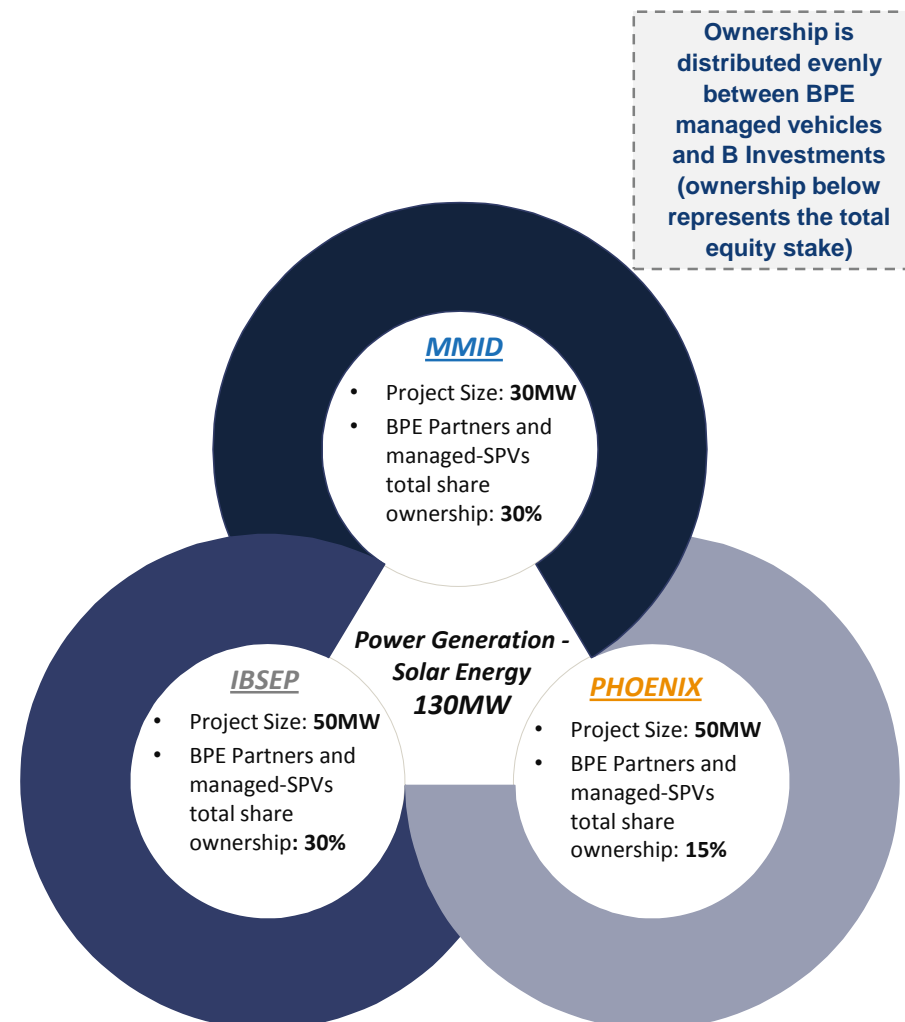
## Infinity Solar Overview

- A portfolio of three solar power generation plants located in Ben Ban, Egypt with a total capacity of 130MW
- The project is in partnership with Infinity Solar Energy SAE, an Egyptian renewable energy developer and ib vogt, an international solar developer and EPC contractor established in Germany
- The total cost of the projects is USD 190mn and is financed through equity and debt from international development finance institutions including European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC)
- The projects are part of the second round of the Feed-in Tariff program (FiT), selling electricity to the Ministry of Electricity
- The FiT is a program established in 2015 by the Ministry of Electricity to encourage renewable energy and private sector involvement in energy generation
- The assets have secured long term sales agreements with the Egyptian government and payments are secured by the Ministry of Finance

## Status Update

- Construction of the three solar power plants commenced during January 2018 making them among the first to start construction in the Ben Ban Solar Park
- The projects are on budget and schedule with a target to begin commercial operation during the 1Q19
- The Projects achieved all necessary approvals to draw down on the debt, including the issuance of the Ministry of Finance guarantee

## Project Overview

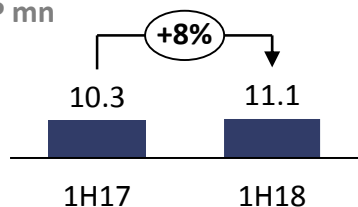


## Partners & Stakeholders

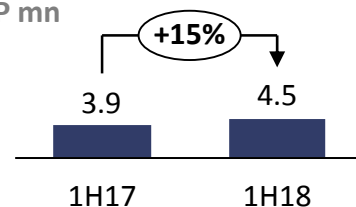


## Metalart Key Financial Highlights

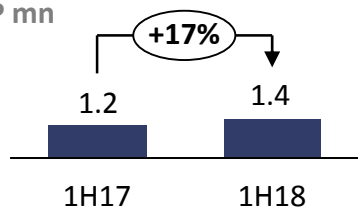
### Revenue EGP mn



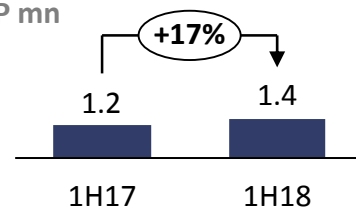
### Gross Profit EGP mn



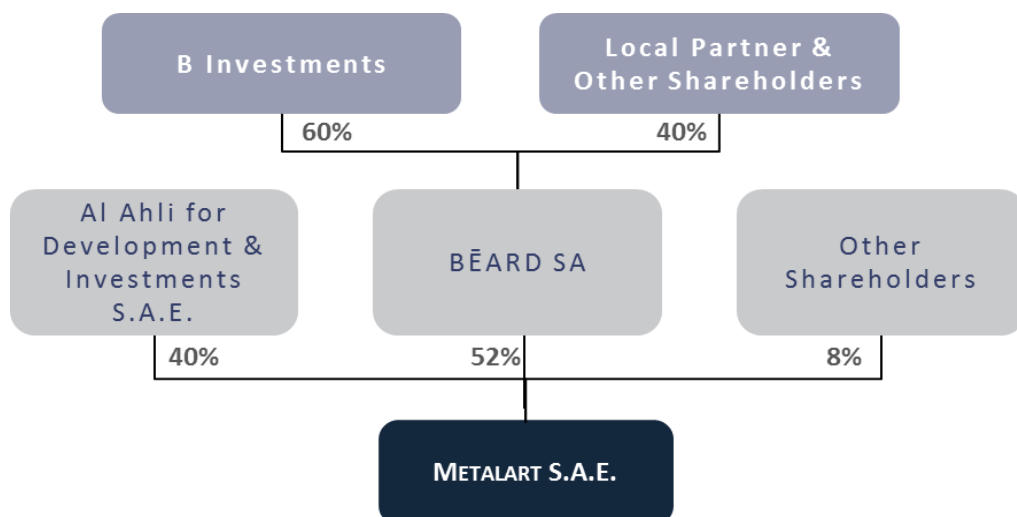
### Operating Income EGP mn



### Net Income EGP mn



## BĒARD Shareholding Structure



## BĒARD Overview

- Established in 1888 and based in Switzerland, BĒARD SA is a global player in the manufacturing of high-grade stainless steel and silver-plated flatware and hollowware
- The company was founded by Noel BĒARD and began as a distributor of chinaware and glassware to hotels in Switzerland
- The BĒARD brand built a reputation for high quality and cemented its position as the leading high-end manufacturer and distributor of silver-plated flatware and hollowware
- BĒARD offers a wide range of top quality products with innovative designs that appeal to both private households and the hospitality sector on a global level
- BĒARD SA operates in Egypt through Metalart S.A.E, an Egyptian Joint Stock company owned by BĒARD SA and other shareholders
- Through a management buyout, B Investments and the local partner acquired the brand name and moved the manufacturing facility to Egypt

## Geographical Coverage





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