



INVESTMENTS

Managed By

bpe partners

**B INVESTMENTS – 1H21 EARNINGS RELEASE**  
**16 AUGUST 2021**



# I. Financial Highlights

# FINANCIAL HIGHLIGHTS | 1H21 FINANCIAL PERFORMANCE



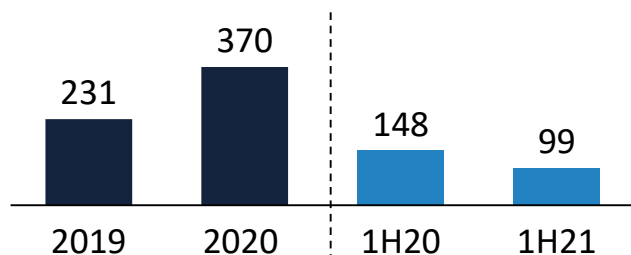
INVESTMENTS

## Revenues

**EGP 99mn**

Revenues

EGP mn

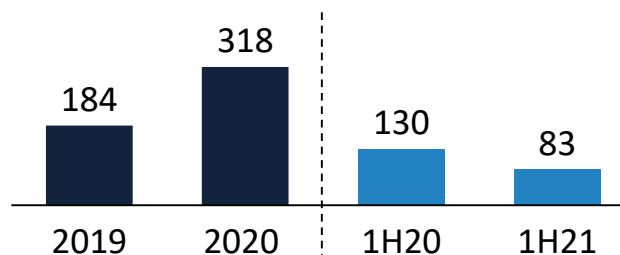


## EBT

**EGP 83mn**

EBT

EGP mn

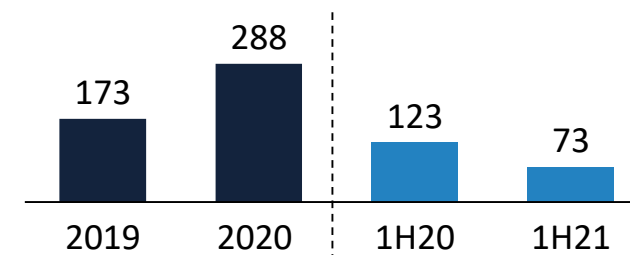


## Net Income

**EGP 73mn**

Net Income

EGP mn



- B Investments recorded revenues of EGP 99mn in 1H21, compared to EGP 148mn in 1H20 on the back of the decline in the share of profits of portfolio companies as well as the dividends received from TOTAL Egypt
- The share of profits of portfolio companies came in at EGP 28mn in 1H21 compared to EGP 71mn during the same period last year
- Finance income increased to EGP 39mn compared to EGP 36mn in 1H20 due to the increase in cash balance
- EBT came in at EGP 83mn compared to EGP 130mn in 1H20
- Net income after tax reached EGP 73mn in 1H21, down from EGP 123mn in 1H20

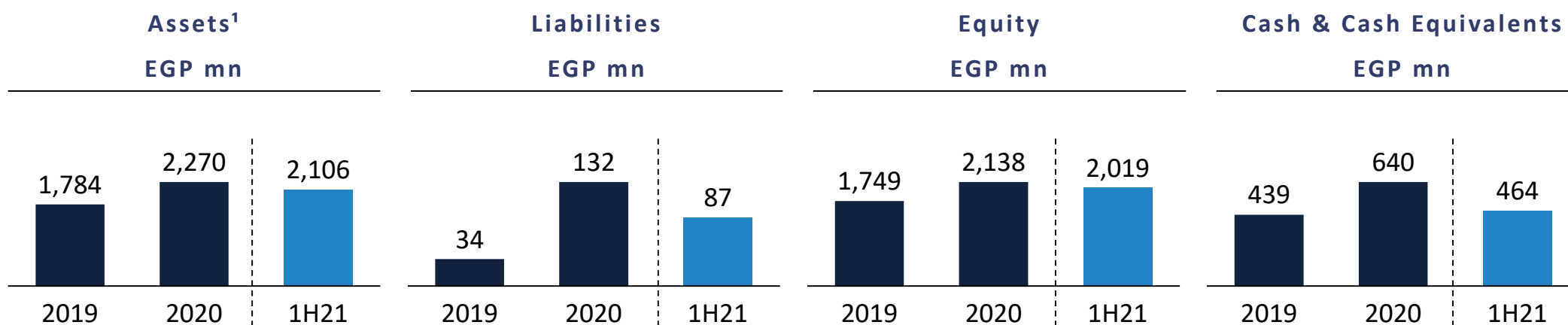


# FINANCIAL HIGHLIGHTS | 1H21 FINANCIAL POSITION



INVESTMENTS

Assets	Liabilities	Equity	Cash & Cash Equivalents
<b>EGP 2,106mn</b>	<b>EGP 87mn</b>	<b>EGP 2,019mn</b>	<b>EGP 464mn</b>



- B Investments assets amounted to EGP 2,106mn on June 30<sup>th</sup> 2021 compared to EGP 2,270mn on December 31<sup>st</sup> 2020 due to dividends payment
- B Investments continues to have no interest-bearing debt
- Total equity reached EGP 2,019mn as of June 30<sup>th</sup> 2021

Note (1): Portfolio companies are recorded on B Investments' financial statements at book value (i.e. not recorded at market value) with the exception of the available for sale investments (Total Egypt)

# FINANCIAL HIGHLIGHTS | 1H21 INCOME STATEMENT



INVESTMENTS

EGP mn	2019	2020	1H20	1H21
<b>Revenues</b>				
Dividend Income from Available for Sale Investments (Total Egypt)	27.7	38.1	38.1	20.2
Group's share of profits (losses) in associates & joint venture entities	122.8	129.3	71.5	28.4
Rental Income	0.7	3.9	2.0	2.0
Finance Income	77.1	70.4	35.7	38.9
Capital Gain from Partial Exit from Available for Sale Investments (Total Egypt)	-	118.1	-	-
Capital Gain from the Exit from an Investment in Subsidiary (Beard)	-	10.0	-	-
Capital Gains from sale of Mohandessin Real Estate Asset	1.6	-	-	-
Other Income	0.8	0.5	0.2	9.4 <sup>1</sup>
<b>Total Revenues</b>	<b>230.7</b>	<b>370.3</b>	<b>147.5</b>	<b>98.9</b>
<b>Expenses</b>				
Management Fees	(18.6)	(18.7)	(9.3)	(9.2)
Performance Fees	-	(15.9)	-	-
Consulting Fees & Other Expenses	(7.8)	(5.6)	(2.5)	(3.1)
Capital Gain Tax	(0.9)	(7.0)	-	-
Depreciation of Investment Properties	(0.6)	(1.7)	(0.9)	(0.9)
FX Gains (Losses)	(19.1)	(3.0)	(0.2)	(0.7)
Dividend Tax on Investment in Associates	-	-	(4.9)	(2.4)
<b>Total Expenses</b>	<b>(47.0)</b>	<b>(52.0)</b>	<b>(17.7)</b>	<b>(16.2)</b>
<b>Net Profit Before Tax</b>	<b>183.6</b>	<b>318.3</b>	<b>129.8</b>	<b>82.7</b>
Income Tax	(14.4)	(38.4)	(13.5)	(9.9)
Deferred Tax	4.5	7.2	6.6	(0.2)
<b>Net Profit After Tax</b>	<b>173.8</b>	<b>287.1</b>	<b>122.9</b>	<b>72.5</b>
Minority Interest	(0.5)	(0.8)	(0.4)	-
<b>Net Profit After Tax and Minority Interest</b>	<b>173.2</b>	<b>287.9</b>	<b>123.3</b>	<b>72.5</b>

Note (1): Reflects the c. USD 600k received from Infinity Solar

# FINANCIAL HIGHLIGHTS | 1H21 BALANCE SHEET



INVESTMENTS

EGP mn	2019	2020	1H21
<b>Non-current assets</b>			
Intangible Assets	2.4	-	-
Investments in Associates (MNHD, Beard <sup>1</sup> and Infinity Solar)	456.8	455.6	424.2
Available for Sale Investments (Total Egypt)	141.3	369.9	369.9
Investments in Joint Ventures (Giza Systems, Ebtikar, Gourmet Egypt and Basata)	527.6	549.0	578.1
Investment Properties	95.0	93.3	92.6
Loans to Associates <sup>2</sup> (Infinity Solar)	103.9	112.3	107.4
Loans to Joint Ventures (Gourmet Egypt)	-	11.2	11.2
Notes Receivable	-	9.9	9.0
<b>Total-Non Current Assets</b>	<b>1,327.0</b>	<b>1,601.2</b>	<b>1,592.4</b>
<b>Current Assets</b>			
Treasury Bills	368.5	460.8	422.6
Due from Related Parties	5.6	5.7	2.6
Other Debit Balances	12.2	11.8	34.5
Cash and Cash at Banks	70.5	179.3	41.2
Loans to Joint Ventures (Gourmet Egypt)	-	11.2	12.4
<b>Total Current Assets</b>	<b>456.7</b>	<b>668.8</b>	<b>513.4</b>
<b>Total Assets</b>	<b>1,783.7</b>	<b>2,270.0</b>	<b>2,105.9</b>
<b>Equity</b>			
Issued and Paid-up Capital	800.1	800.1	800.1
Treasury Shares	-	(5.5)	-
Reserves	272.7	264.2	277.0
Reserves Related to the Sale of Available for Sale Investment	-	602.3	680.5
Retained Earnings	497.4	189.2	189.2
Net Profit for the Period	173.2	287.9	72.5
<b>Equity Attributable to Shareholders of the Parent Company</b>	<b>1,743.5</b>	<b>2,138.2</b>	<b>2,019.3</b>
Minority Interest	5.8	-	-
<b>Total Equity</b>	<b>1,749.4</b>	<b>2,138.2</b>	<b>2,019.3</b>
<b>Non-Current Liabilities</b>			
Deferred Tax Liability	4.9	65.4	65.6
<b>Total Non-Current Liabilities</b>	<b>4.9</b>	<b>65.4</b>	<b>65.6</b>
<b>Current Liabilities</b>			
Due to Related Parties	4.7	21.7	4.6
Accounts Payable and Other Credit Balances	8.3	4.2	4.3
Income Tax	14.4	38.4	9.9
Provisions	2.0	2.0	2.0
<b>Total Current Liabilities</b>	<b>29.5</b>	<b>66.3</b>	<b>20.9</b>
<b>Total Equity and Liabilities</b>	<b>1,783.7</b>	<b>2,270.0</b>	<b>2,105.9</b>

Note (1): Beard investment was fully exited in 4Q20

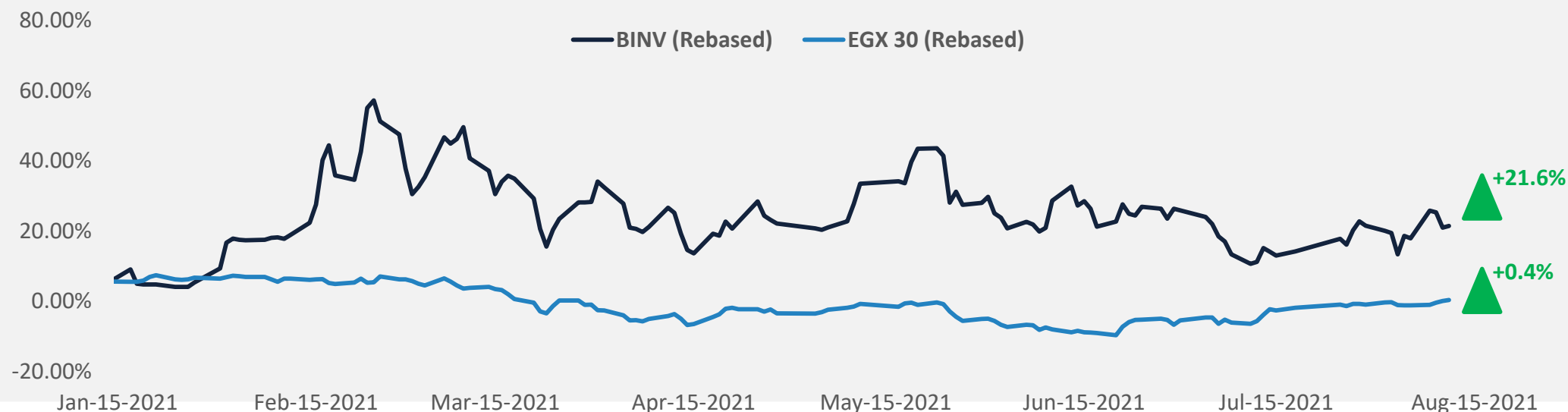
Note (2): Loans to Associates is a shareholder loan extended to the project companies of Infinity Solar



## II. Investor Relations

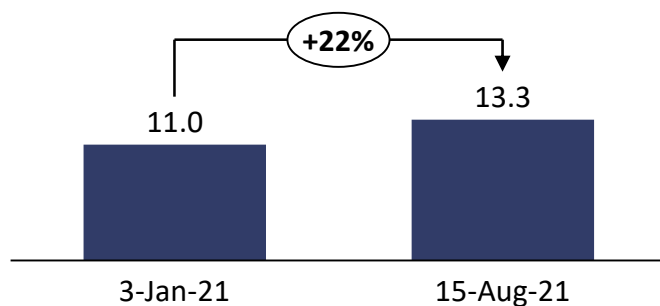
## BINV Share Performance

BINV Share Price vs. EGX (Rebased)

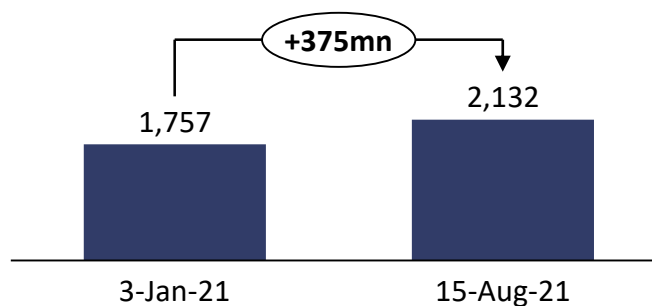


## BINV Key Highlights

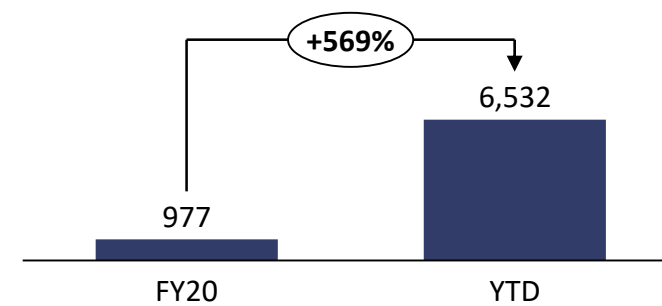
Share Price  
(EGP)



Market Cap  
(EGP mn)



Average Daily Turnover  
(EGP '000)



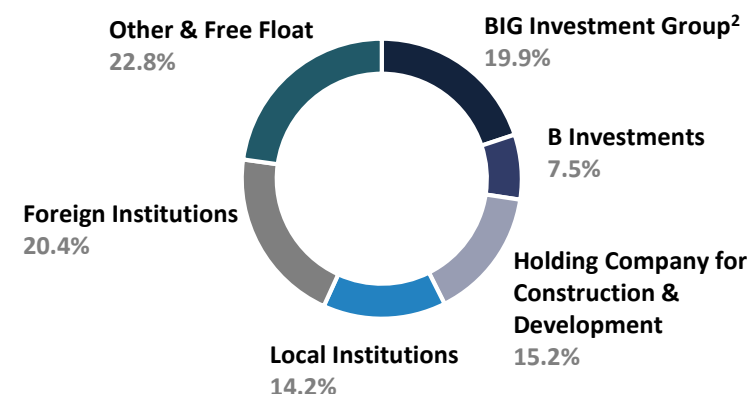


# III. Portfolio Companies

## Key Updates

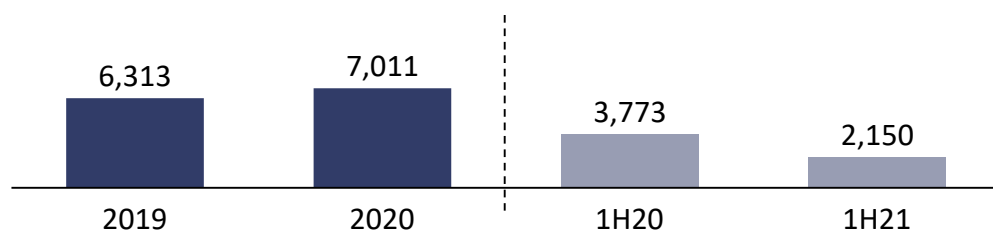
- MNHD's 1H21 pre-sales came in at EGP 2,150mn compared to EGP 3,773mn during the same period last year
  - Pre-sales figures in 1H21 decreased by c. 18% compared to normalized 1H20 pre-sales (excluding the land sale that took place in 1Q20)
- Net revenues in 1H21 came in at EGP 955mn compared to EGP 1,314mn in 1H20 on the back of the decline in pre-sales. However, 2Q21 net revenues reached EGP 462mn as opposed to EGP 399mn during the same period last year, implying a 16% y-o-y growth on the back of higher deliveries during 2Q21
- 1H21 EBITDA and net income margins decreased to 35% and 24% respectively compared to 1H20 due to higher revenue mix generated from deliveries, which have lower profitability margins than land sale booking

## Shareholding Structure<sup>1</sup>

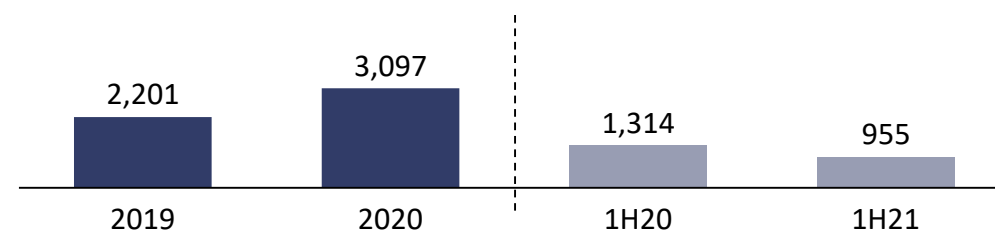


## Financial Highlights

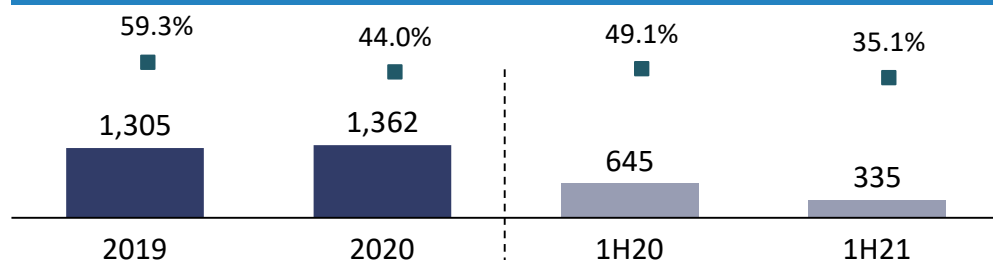
### Pre-Sales (EGP mn)



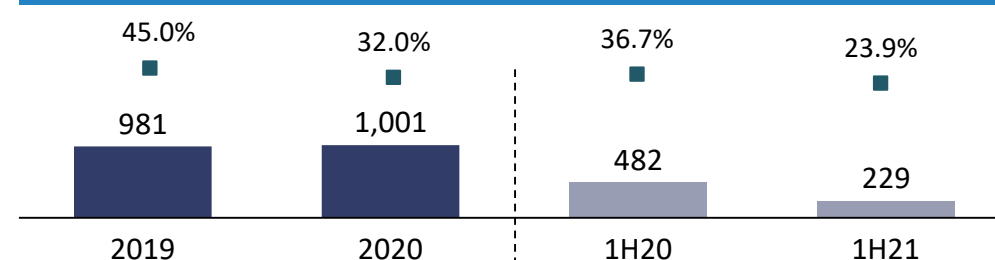
### Net Revenues (EGP mn)



### EBITDA (EGP mn)



### Net Profit (EGP mn)



■ Margin, %

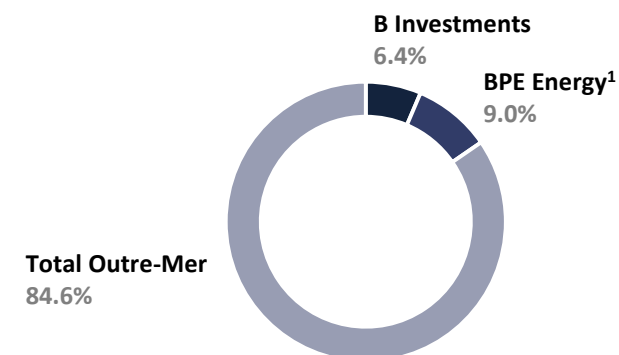
Note (1) As of August 1<sup>st</sup>, 2021

Note (2) BPE Partners' managed vehicle

## Key Updates

- TOTAL Egypt's sales volume marginally increased by 1% y-o-y in 1H21. The drop in the commercial and aviation segments was compensated by the increase in the retail segment
- 2Q21 saw an increase in volumes versus 1Q21, however still below pre-COVID levels
  - During FY20, airport shutdowns and travel restrictions due to COVID-19 pandemic adversely impacted TOTAL's aviation business
- Revenue also increased 1% y-o-y, following the uptick in volumes
- TOTAL Egypt's gross profit increased by 5% compared to 1H20

## Shareholding Structure

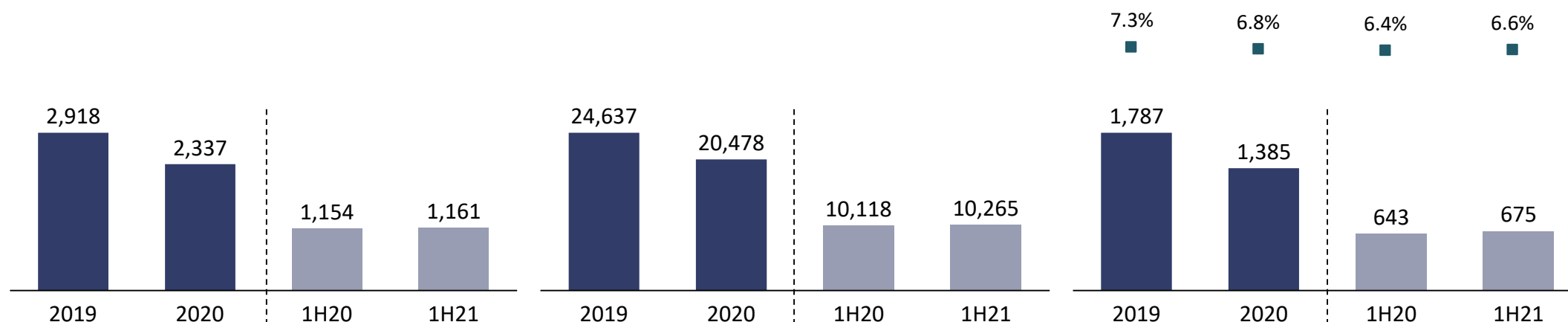


## Financial Highlights

### Volume ('000 Tons)

### Revenues (EGP mn)

### Gross Profit (EGP mn)



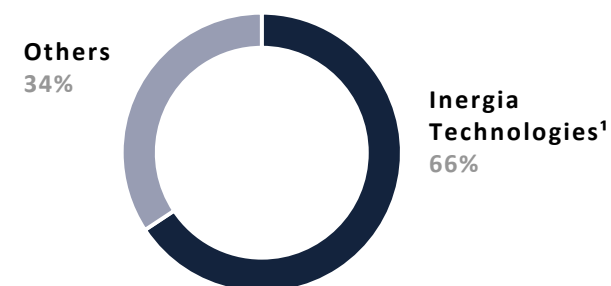
■ Margin, %

Note (1) BPE Partners' managed vehicle

## Key Updates

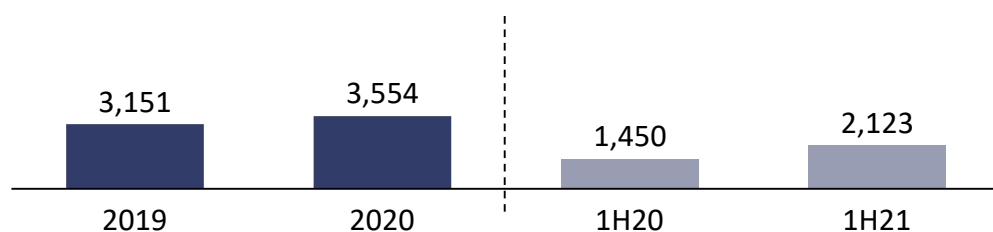
- In 1H21, Giza Systems was awarded projects worth EGP 3,053mn
- Giza Systems' 1H21 revenue came in at EGP 2,123mn representing a 46% y-o-y growth
- Growth in revenues is stemming from growing IT infrastructure projects related to Egypt's digital transformation program and new opportunities in the digitization space such as smart buildings and smart cities
- The company's net profit for 1H21 grew 23% y-o-y to reach EGP 71mn vs. EGP 58mn during the same period in 2020

## Shareholding Structure

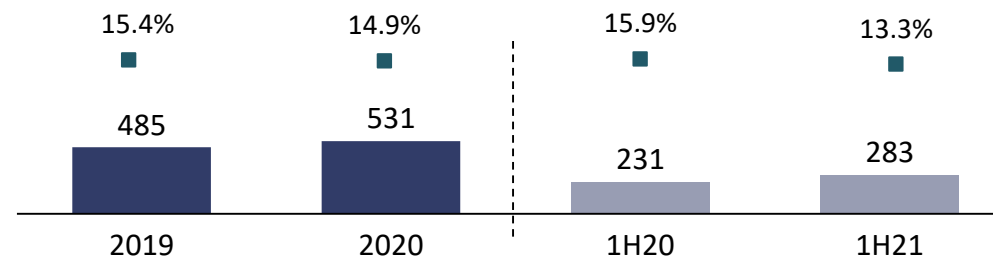


## Financial Highlights

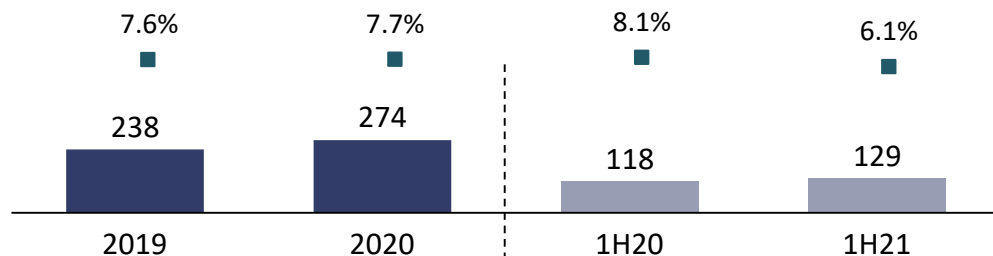
### Revenues (EGP mn)



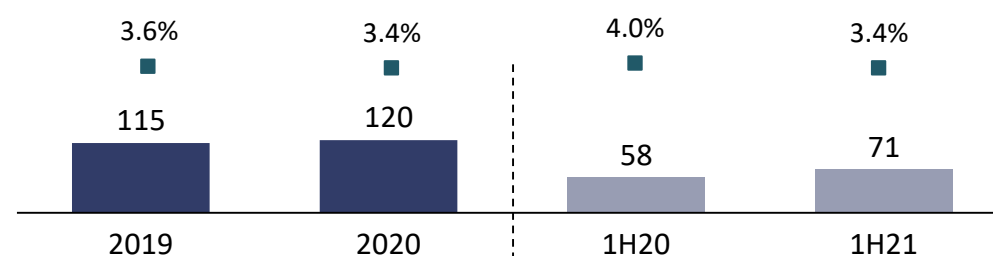
### Gross Profit (EGP mn)



### EBITDA (EGP mn)



### Net Profit (EGP mn)



■ Margin, %

Note (1) BPE Partners' managed vehicle



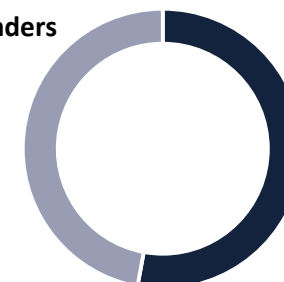
## Key Updates

- In 2021, Gourmet opened two flagship stores, one in El Gouna (Red Sea governorate) and another in Arkan Mall (West Cairo), as well as a seasonal store in Almaza Bay (North Coast) bringing its total number of stores to 17<sup>1</sup> with a total retail area of 4,764 sqm
- The new investments in the flagship stores coupled with the company's investments in the delivery hubs (on the back of increased online demand and wider product portfolio) have set up the company for the next cycle of growth
- Revenue for 1H21 increased 10% versus 1H20, primarily due to new store openings
- In 1H21, the company's profitability dropped as a result of increased store operating expenses, rent and depreciation as well as higher interest expense stemming from the opening of additional stores and delivery hubs
- It is noteworthy to mention that 1H21 financials are prepared in accordance with the new Egyptian Accounting Standards, accounting for the new treatment of lease/rental contracts

## Shareholding Structure

**Gourmet Founders**

47.1%

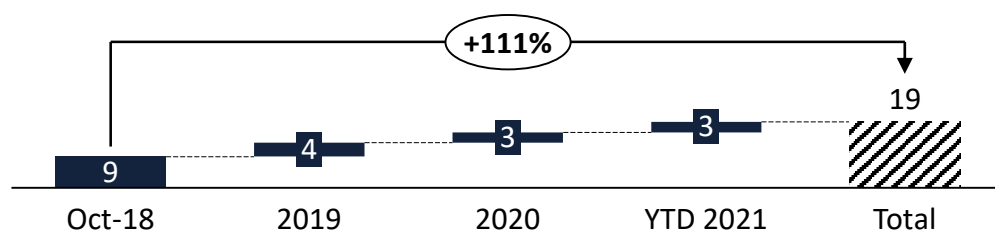


**B Investments**

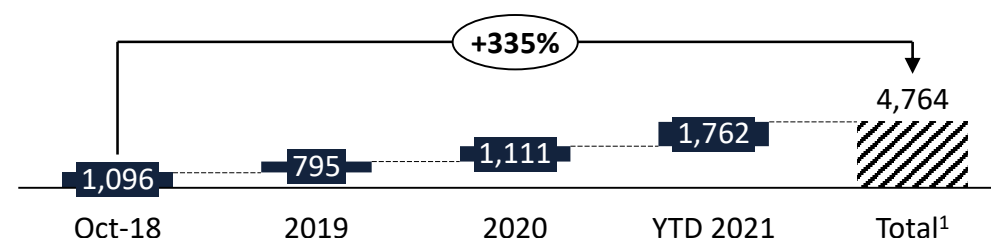
52.9%

## Financial Highlights

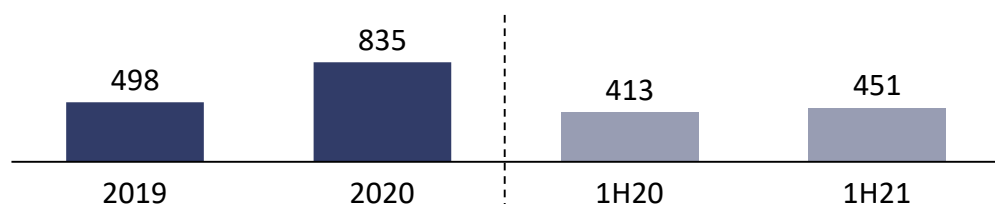
### Number of Stores



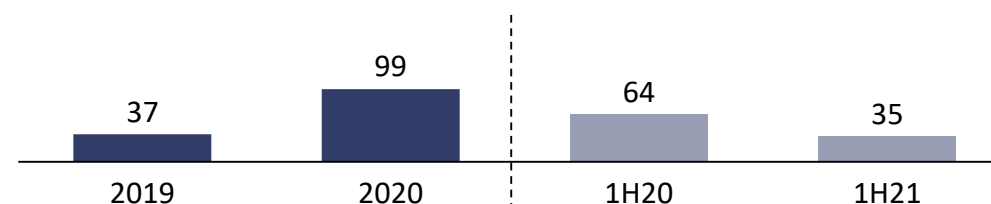
### Retail Area (sqm)



### Revenues (EGP mn)



### EBITDA (EGP mn)

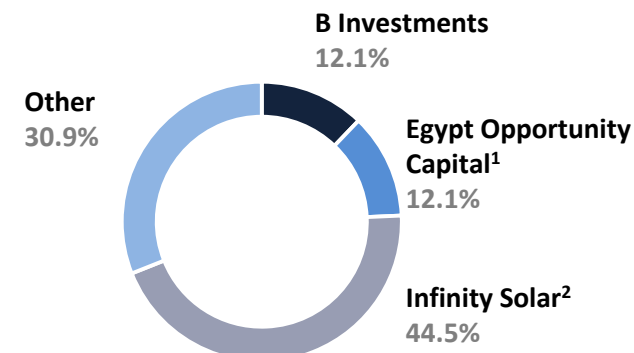


Note (1) In 2020, Gourmet closed one of its seasonal stores and in 2021 the company closed its Guezira Plaza store which was replaced by Arkan Mall flagship store in West Cairo

## Key Updates

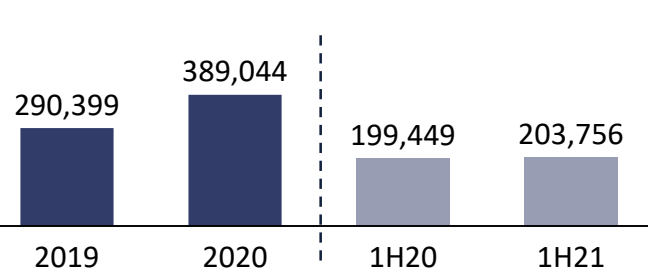
- The three plants have been operational for more than two years, generating healthy cash flows
- B Investments received distributions from the plants of USD 626k in FY20 and has received an additional USD 600k in 2Q21
- To date, a total of USD 1,226k has been received by B Investments, representing c. 25% of the total investment cost

## Shareholding Structure

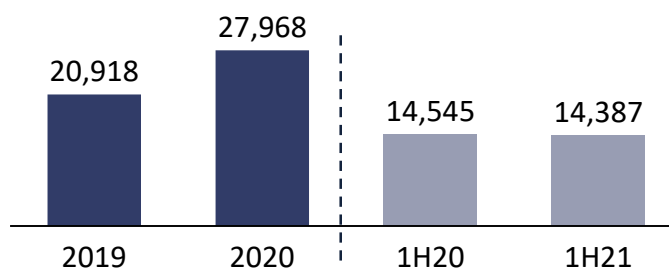


## Financial & Operational Highlights

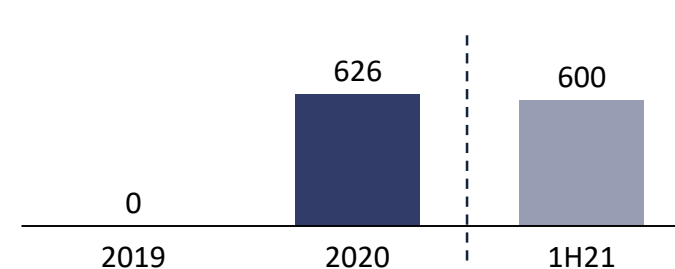
### Produced Energy (MWh)



### Revenues (USD '000)



### Distributions (USD '000)



## Partners & Stakeholders

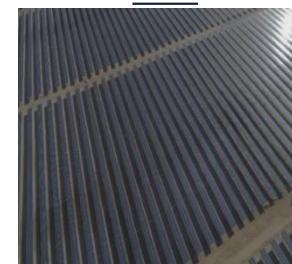


## Aerial Pictures

MMID



BSEP



Phoenix



Note (1) BPE Partners' managed vehicle

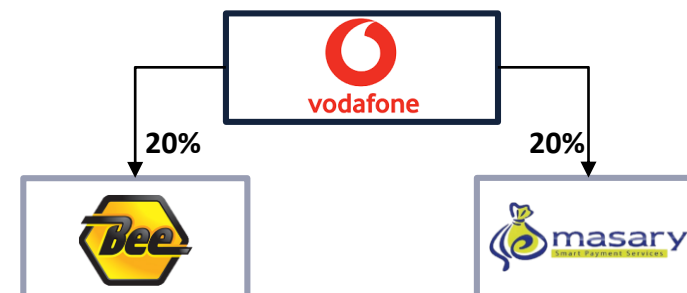
Note (2) Infinity Solar & Affiliates

## Vodafone Transaction Updates



- Due diligence has been finalized by Vodafone and the transaction is currently pending regulatory approvals
- Transaction closure is expected to take place in 3Q21
- This transaction marks a significant milestone for Ebtikar's planned IPO as it is expected to expedite its growth and augment Bee and Masary's value

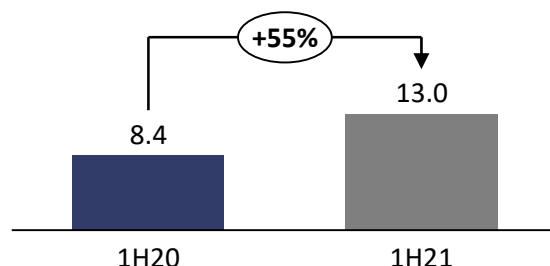
### Transaction Structure



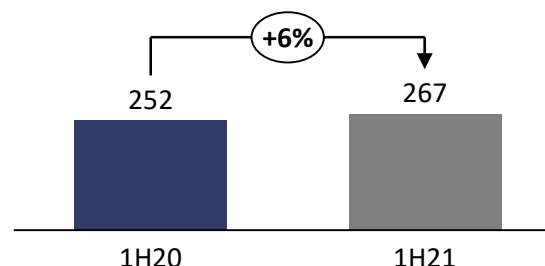
## Ebtikar 1H21 Performance Updates

- Ebtikar's E-payments companies (Bee and Masary) achieved a 55% y-o-y growth in transactions value and a 6% y-o-y growth in revenue
- 1H21 witnessed a change in the product mix of both companies, with higher contribution of low margin business lines (i.e B2B & cash-in and cash-out services, reflecting high-volume transactions), compared to the percentage contribution of high margin business lines (i.e. telecom) last year, which in turn affected the company's revenues and net profit
- The E-payments companies received their cash-in and cash-out services licenses in 4Q20; Bee launched Vodafone Cash in March 2021 and Masary launched Vodafone Cash in May 2021, thus providing great room for growth

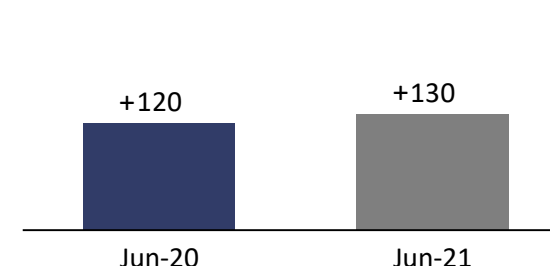
### Transactions Value (EGP bn)



### Revenue (EGP mn)



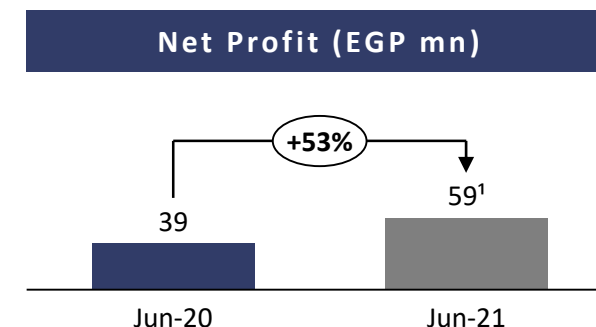
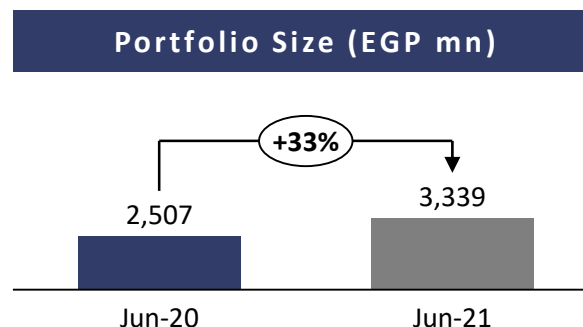
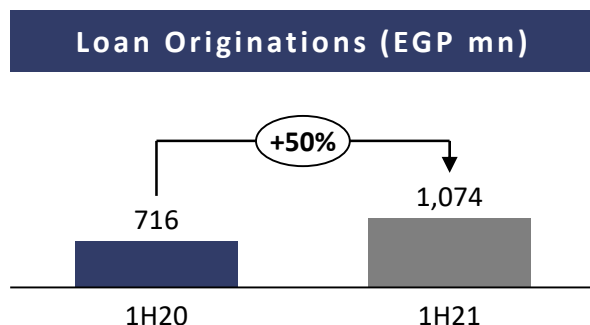
### # of POS - Merchants Wallets ( '000)



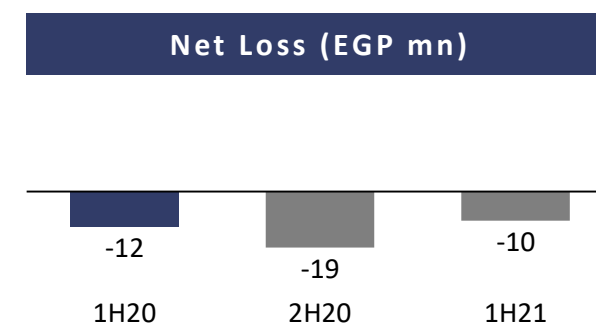
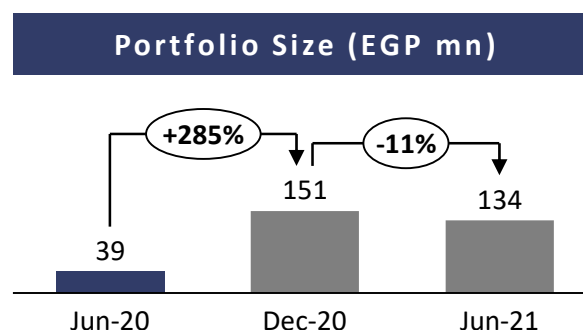
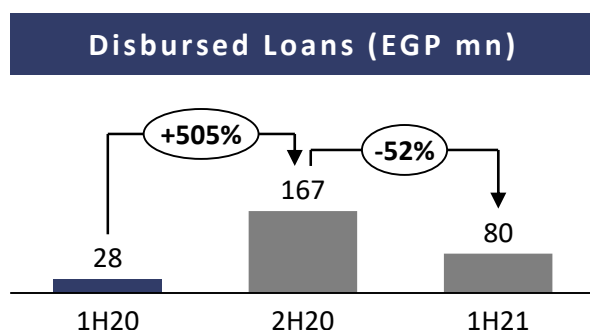
## Basata Financial Holding



- Tamweel Group achieved 50% y-o-y growth in terms of loan originations, resulting in a 33% y-o-y growth in its net outstanding portfolio, reaching c. EGP 3.3bn



- Basata Microfinance (BMF) had initially planned to breakeven by 2Q21. This was not achieved due to the surge in the default repayment rates mainly in Cairo branches and accordingly a significant increase in the loan loss provisions reaching around 13% by end of June 2021. This situation has negatively hit the bottom line of BMF in 1H21 and accordingly, 2021 plan to breakeven was impeded
- BMF management took immediate measures and actions by assigning a risk assessment and collections consultant and has set up a steering committee with Vitas Group to assess the on ground operations of BMF
- Based on the steering committee findings, a detailed action plan was formulated by BMF management jointly with Vitas Group



Note (1): Tamweel Group combined 1H21 net profit excludes a net loss amount of EGP 1.7mn related to Tamweel Holding expenses and a net loss of EGP 0.5mn in Tamweel Insurance Brokerage





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