



INVESTMENTS

Managed By

bpe partners

**B INVESTMENTS – 1Q21 EARNINGS RELEASE**  
**JUNE 2021**



# I. Financial Highlights



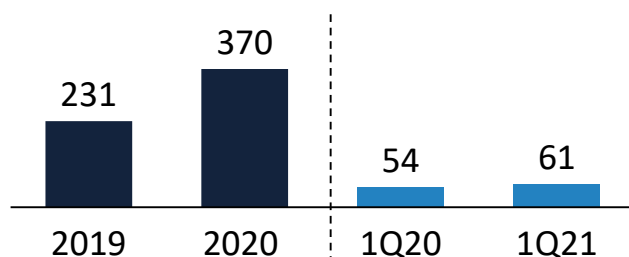
# FINANCIAL HIGHLIGHTS | 1Q21 FINANCIAL PERFORMANCE



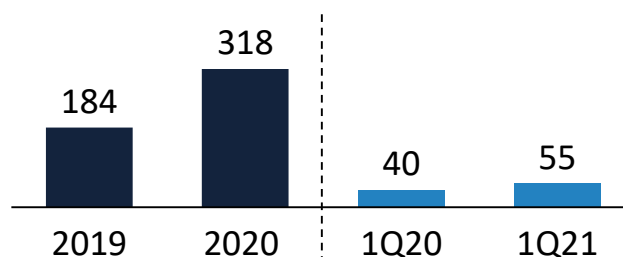
INVESTMENTS



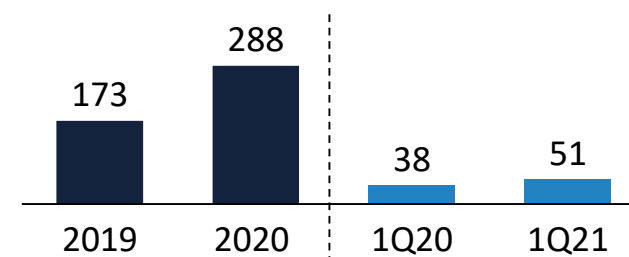
Revenues  
EGP mn



EBT  
EGP mn



Net Income  
EGP mn



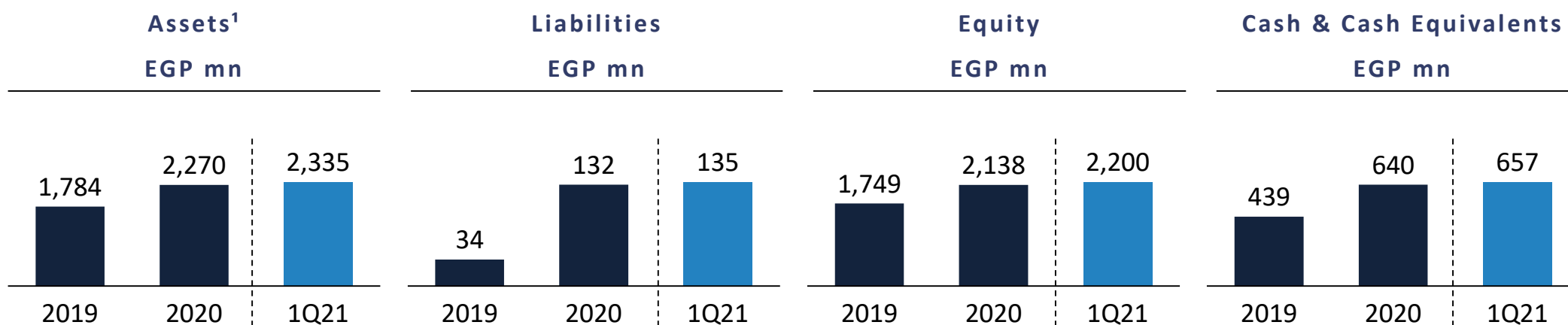
- B Investments recorded revenues of EGP 61mn in 1Q21, compared to EGP 54mn in 1Q20, implying a 13% y-o-y growth
- The growth in revenues is mainly attributed to the increase in the share of profits of Giza Systems which amounted to EGP 33mn in 1Q21 compared to EGP 0.4mn in 1Q20 in addition to the finance income which came in at EGP 21mn in 1Q21 compared to EGP 17.1mn in 1Q20
- EBT came in at EGP 55mn compared to EGP 40mn in 1Q20, implying a 36% y-o-y growth
- Net income after tax increased to EGP 51mn in 1Q21, up from EGP 38mn in 1Q20, implying a 34% y-o-y growth

# FINANCIAL HIGHLIGHTS | 1Q21 FINANCIAL POSITION



INVESTMENTS

Assets	Liabilities	Equity	Cash & Cash Equivalents
<b>EGP 2,335mn</b>	<b>EGP 135mn</b>	<b>EGP 2,200mn</b>	<b>EGP 657mn</b>



- B Investments assets amounted to EGP 2,335mn on March 31st 2021 compared to EGP 2,270mn on December 31st 2020
- B Investments continues to have no interest-bearing debt
- Total equity grew to EGP 2,200mn as of March 31st 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 | 1Q21 INCOME STATEMENT



INVESTMENTS

EGP mn	2019	2020	1Q20	1Q21
<b>Revenues</b>				
Dividend Income from Available for Sale Investments (Total Egypt)	27.7	38.1	-	-
Group's share of profits (losses) in associates & joint venture entities	122.8	129.3	35.9	39.8
Rental Income	0.7	3.9	1.0	1.0
Finance Income	77.1	70.4	17.1	20.5
Provisions no Longer Required	-	-	0.1	-
FX Gain	-	-	-	-
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	0.1	-
<b>Total Revenues</b>	<b>230.7</b>	<b>370.3</b>	<b>54.2</b>	<b>61.3</b>
<b>Expenses</b>				
Management Fees	(18.6)	(18.7)	(4.6)	(4.6)
Performance Fees	-	(15.9)	-	-
Consulting Fees & Other Expenses	(7.8)	(5.6)	(1.0)	(1.1)
Capital Gain Tax	(0.9)	(7.0)	-	-
Depreciation of Investment Properties	(0.6)	(1.7)	(0.4)	(0.4)
FX Gains (Losses)	(19.1)	(3.0)	(3.0)	(0.5)
Dividend Tax on Investment in Associates	-	-	(4.9)	-
Provisions	-	-	-	-
<b>Total Expenses</b>	<b>(47.0)</b>	<b>(52.0)</b>	<b>(13.9)</b>	<b>(6.6)</b>
<b>Net Profit Before Tax</b>	<b>183.6</b>	<b>318.3</b>	<b>40.3</b>	<b>54.7</b>
Income Tax	(14.4)	(38.4)	(9.9)	(3.8)
Deferred Tax	4.5	7.2	7.2	(0.3)
<b>Net Profit After Tax</b>	<b>173.8</b>	<b>287.1</b>	<b>37.7</b>	<b>50.6</b>
Minority Interest	(0.5)	(0.8)	(0.1)	-
<b>Net Profit After Tax and Minority Interest</b>	<b>173.2</b>	<b>287.9</b>	<b>37.8</b>	<b>50.6</b>

# FINANCIAL HIGHLIGHTS | 1Q21 BALANCE SHEET



INVESTMENTS

EGP mn	2019	2020	1Q21
<b>Non-current assets</b>			
Intangible Assets	2.4	-	-
Investments in Associates (MNHD, Beard <sup>1</sup> and Infinity Solar)	456.8	455.6	464.4
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	597.2
Investment Properties	95.0	93.3	93.1
Loans to Associates <sup>2</sup> (Infinity Solar)	103.9	112.3	105.0
Loans to Joint Ventures (Gourmet Egypt)	-	11.2	11.2
Notes Receivable	-	9.9	9.9
<b>Total-Non Current Assets</b>	<b>1,327.0</b>	<b>1,601.2</b>	<b>1,650.7</b>
<b>Current Assets</b>			
Treasury Bills	368.5	460.8	644.4
Due from Related Parties	5.6	2.0	0.01
Other Debit Balances	12.2	11.8	13.0
Cash and Cash at Banks	70.5	179.3	12.8
Notes Receivable	-	3.7	2.7
Loans to Joint Ventures (Gourmet Egypt)	-	11.2	11.8
<b>Total Current Assets</b>	<b>456.7</b>	<b>668.8</b>	<b>684.8</b>
<b>Total Assets</b>	<b>1,783.7</b>	<b>2,270.0</b>	<b>2,335.5</b>
<b>Equity</b>			
Issued and Paid-up Capital	800.1	800.1	800.1
Treasury Shares	-	(5.5)	-
Reserves	272.7	264.2	276.3
Reserves Related to the Sale of Available for Sale Investment	-	602.3	884.0
Retained Earnings	497.4	189.2	189.2
Net Profit for the Period	173.2	287.9	50.6
<b>Equity Attributable to Shareholders of the Parent Company</b>	<b>1,743.5</b>	<b>2,138.2</b>	<b>2,200.3</b>
Minority Interest	5.8	-	-
<b>Total Equity</b>	<b>1,749.4</b>	<b>2,138.2</b>	<b>2,200.3</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	20.6
Accounts Payable and Other Credit Balances	8.3	4.2	4.7
Income Tax	14.4	38.4	42.2
Provisions	2.0	2.0	2.0
<b>Total Current Liabilities</b>	<b>29.5</b>	<b>66.3</b>	<b>69.5</b>
<b>Total Equity and Liabilities</b>	<b>1,783.7</b>	<b>2,270.0</b>	<b>2,335.5</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



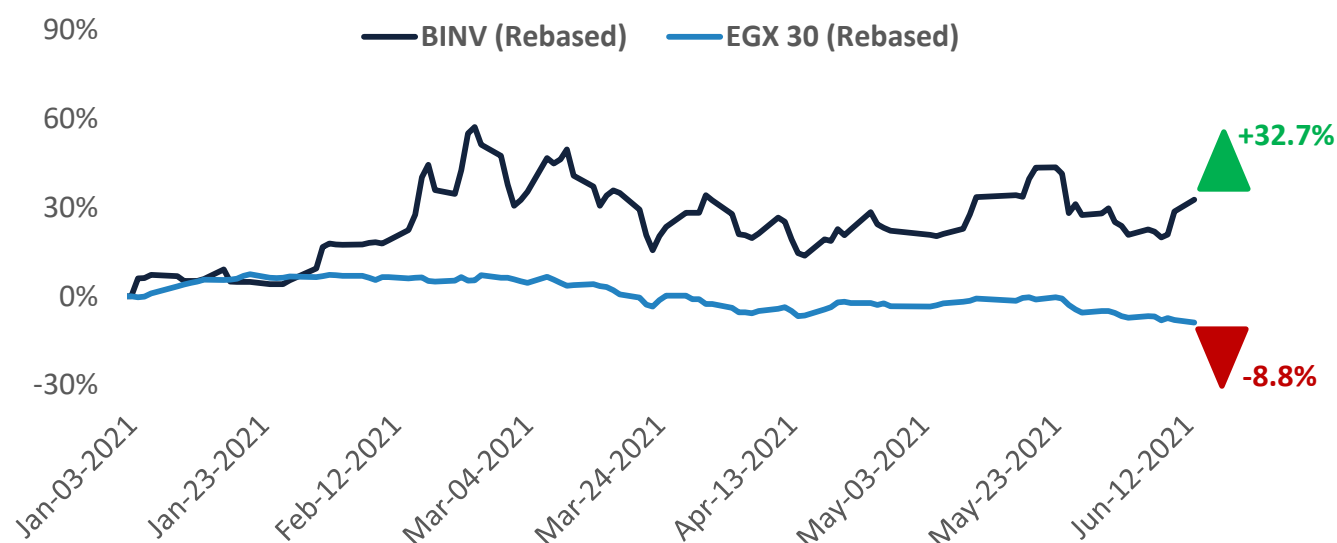
## II. Investor Relations

## BINV 1Q21 Key Updates and Share Performance

### Key Updates

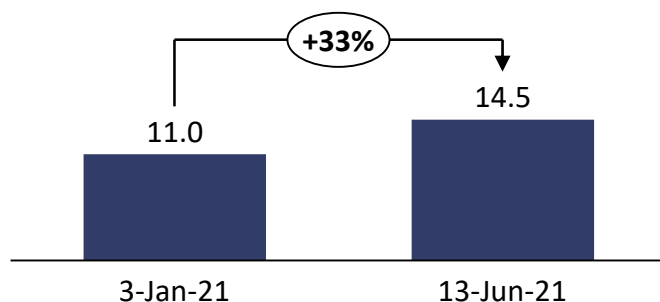
- B Investments' ordinary general assembly (OGM) convened on 29 April 2021 and approved a dividend distribution of EGP 1.25/share
- Prime Holding conducted an initiation of coverage on B Investments with an overweight recommendation to buy
- B Investments share price increased YTD by c. 33%, outpacing the EGX 30 Index, which declined by c. 9% during the same period

### BINV Share Price vs. EGX (Rebased)

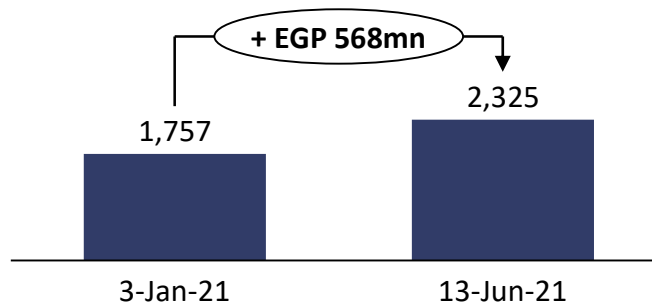


## BINV Key Highlights

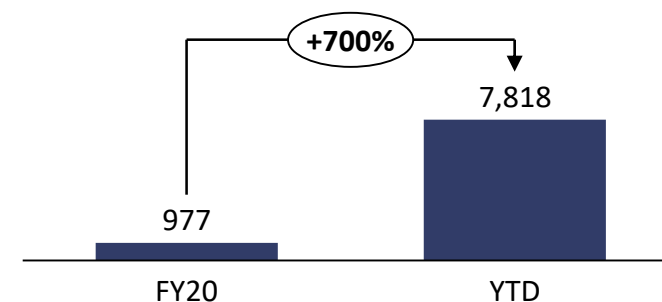
### Share Price (EGP)



### Market Cap (EGP mn)



### Average Daily Turnover (EGP '000)



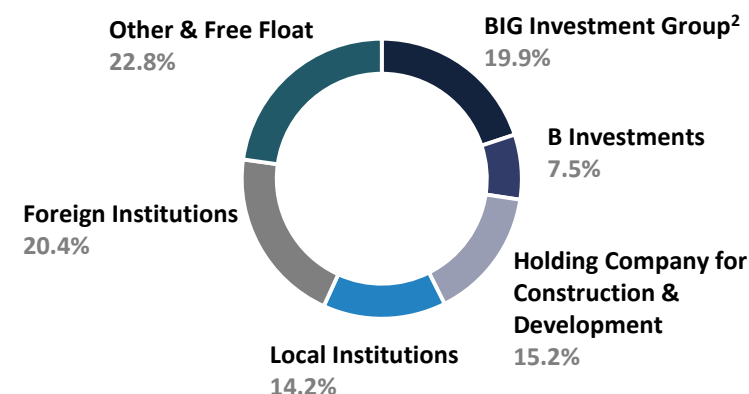


# III. Portfolio Companies

## Key Updates

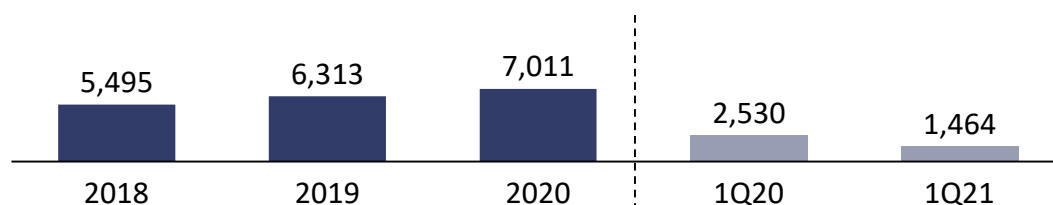
- MNHD's 1Q21 figures are flat in comparison to normalized 1Q20 figures (excluding land sale) due to the significant one-off land sale that occurred in 1Q20
- Normalized revenue (excluding the net present value of the land sale booking which amounted to EGP 717mn) in 1Q20 reached EGP 395mn compared to EGP 493mn in 1Q21
- Pre-sales, revenues and net income reached EGP 1.4bn, EGP 493mn and EGP 114mn respectively due to the c. 40% decline in pre-sales y-o-y
- EBITDA and net income margins decreased to 33% and 23% respectively due to higher revenue mix generated from deliveries, which have lower profitability margins than land sale booking
- The company is currently expanding its developments beyond Cairo through securing a 430,000 sqm land plot in Assiut (expected to be launched in 2H21)

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

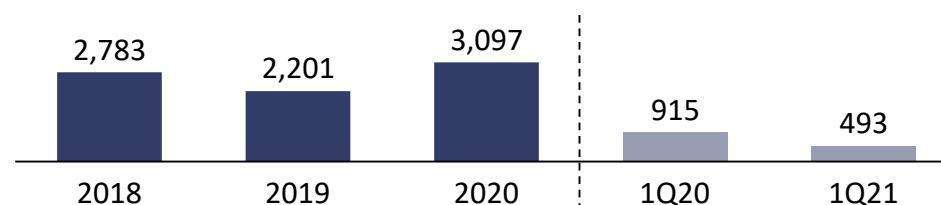


## Financial Highlights

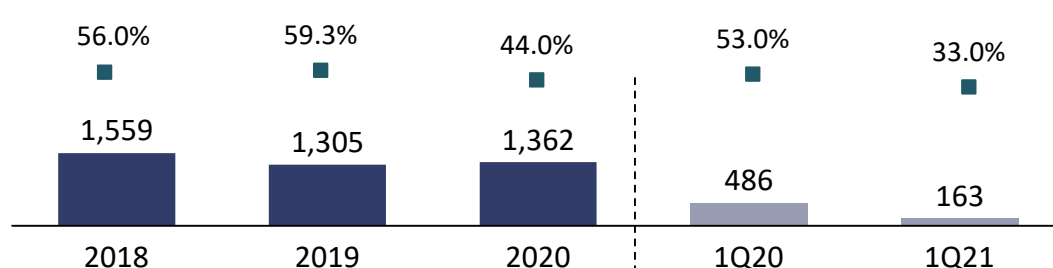
### Pre-Sales (EGP mn)



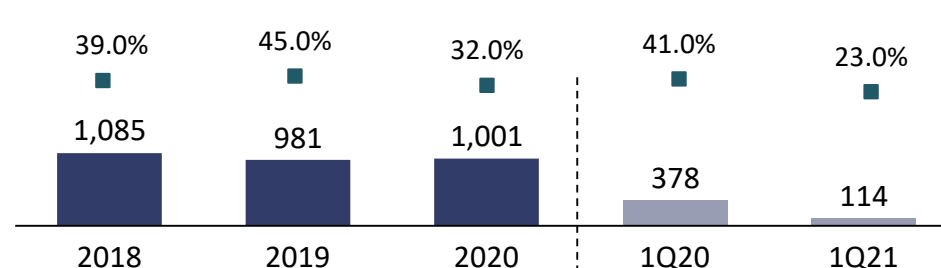
### Net Revenues (EGP mn)



### EBITDA (EGP mn)



### Net Profit (EGP mn)



■ Margin, %

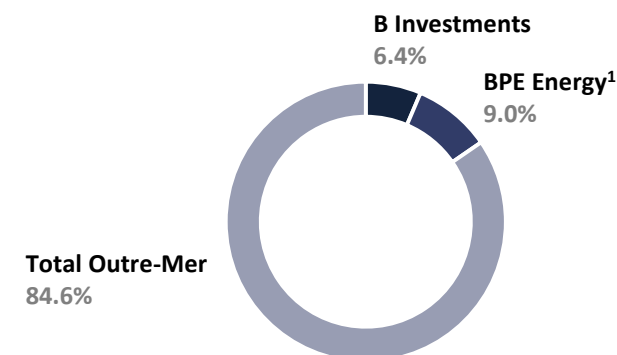
Note (1) As of May 1st, 2021

Note (2) BPE Partners' managed vehicle

## Key Updates

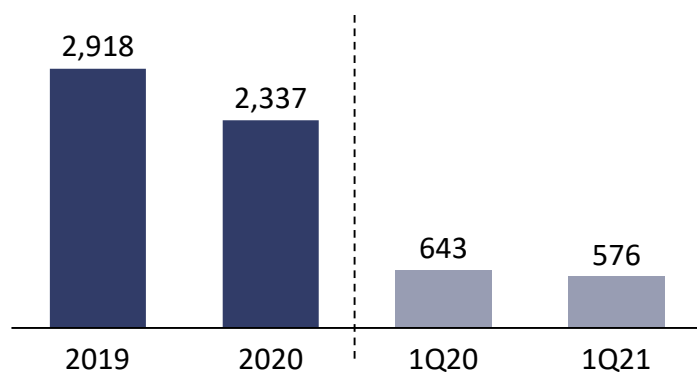
- BPE Partners exercised its right to sell 20% of B Investments' and BPE Energy's stakes in TOTAL Egypt, whereby B Investments' capital gain from the partial exit amounted to EGP 118mn
- During 2020, airport shutdowns and travel restrictions due to Covid-19 pandemic have negatively impacted TOTAL's aviation business
- TOTAL Egypt's sales volume decreased by 11% y-o-y in 1Q21 mainly due to lower sales in the retail segment
- Revenue decreased 14% y-o-y, following the drop in volumes as a result of a sharp decrease in the aviation segment as well as lower fuel prices in 1Q21 vs. 1Q20
- Total Egypt's gross profit decreased by 19% compared to 1Q20 on the back of a sharp decrease in the aviation segment

## Shareholding Structure

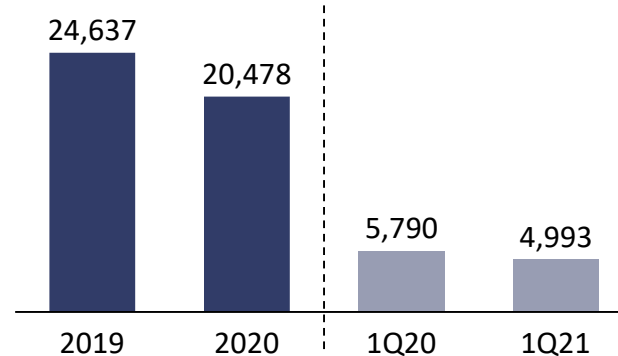


## Financial Highlights

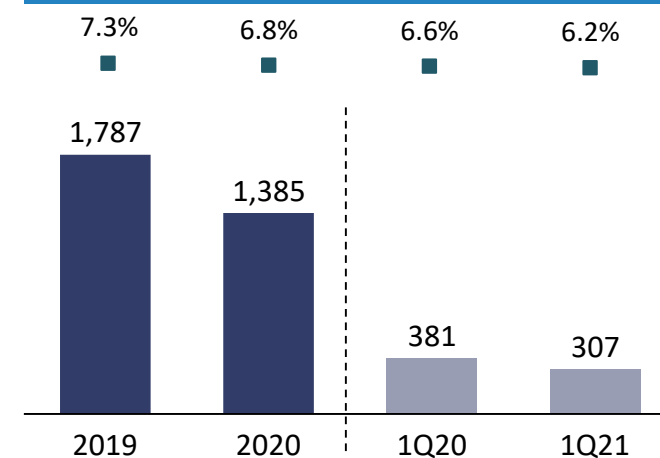
### Volume ('000 Tons)



### Revenues (EGP mn)



### Gross Profit (EGP mn)



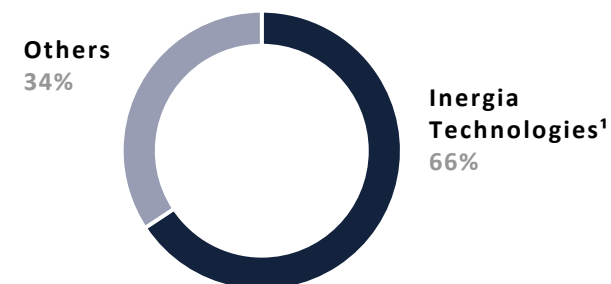
■ Margin, %

Note (1) BPE Partners' managed vehicle

## Key Updates

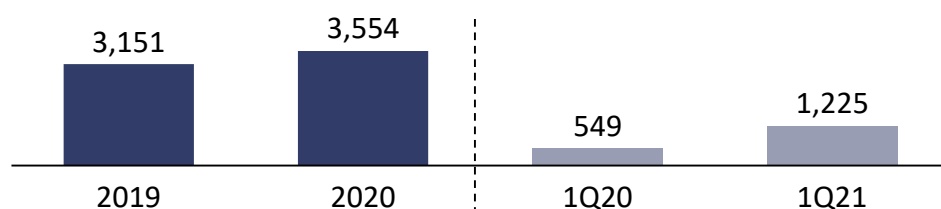
- In 1Q21, Giza Systems was awarded projects worth EGP 1,583mn
- Giza Systems has been undergoing several new initiatives to expand its footprint in the digitalization space and support its role as an agent of digitalization
- Giza Systems' 1Q21 revenue came in at EGP 1,225mn representing a 123% y-o-y growth
- Growth in revenue was mainly driven by significant revenue bookings in 1Q21 stemming from major projects previously awarded
- The effect of the significant revenues booked in 1Q21 is expected to normalize in 1H21

## Shareholding Structure

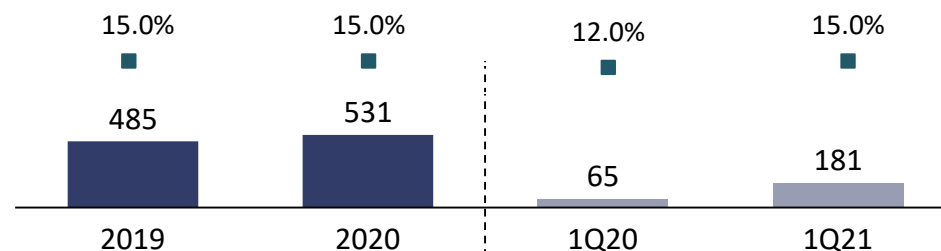


## Financial Highlights

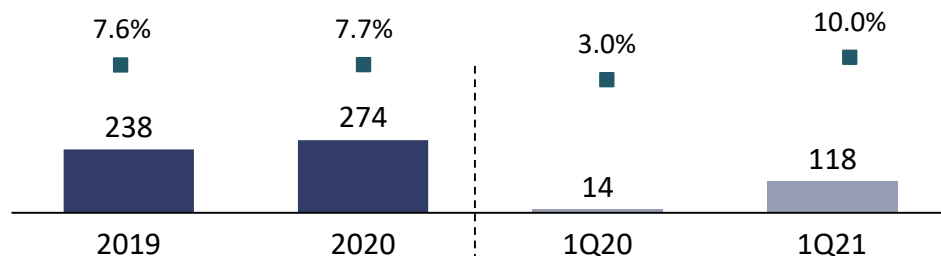
### Revenue (EGP mn)



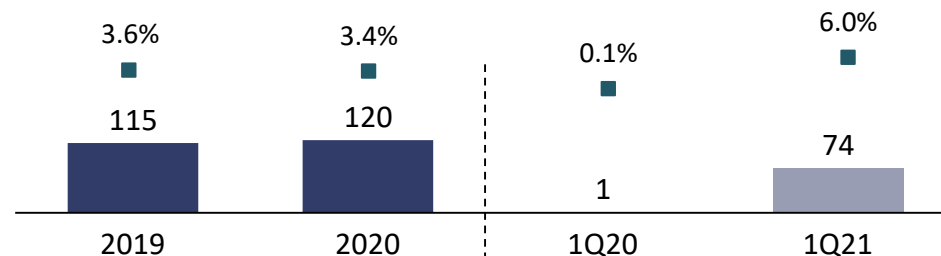
### Gross Profit (EGP mn)



### EBITDA (EGP mn)



### Net Profit (EGP mn)



■ Margin, %

Note (1) BPE Partners' managed vehicle



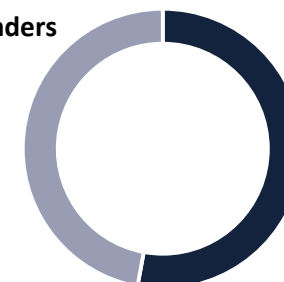
## Key Updates

- In 2021, Gourmet opened two flagship stores, one in El Gouna (Red Sea governorate) and another in Arkan Mall (West Cairo), bringing its total number of stores to 16<sup>1</sup> and retail area to 4,623 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 the quarter increased 26% versus 1Q20, on the back of growth in online sales, larger product offering and increased retail area
- In 1Q21, the company's profitability decreased due to the company laying the foundation to accommodate for the next cycle of growth; rent, depreciation and interest expense increased on the back of the new investments

## Shareholding Structure

**Gourmet Founders**

47.1%

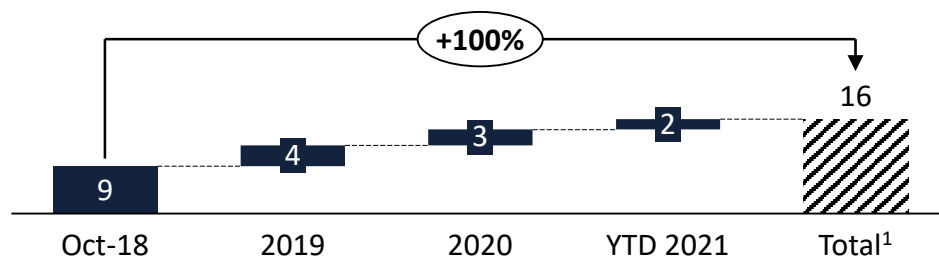


**B Investments**

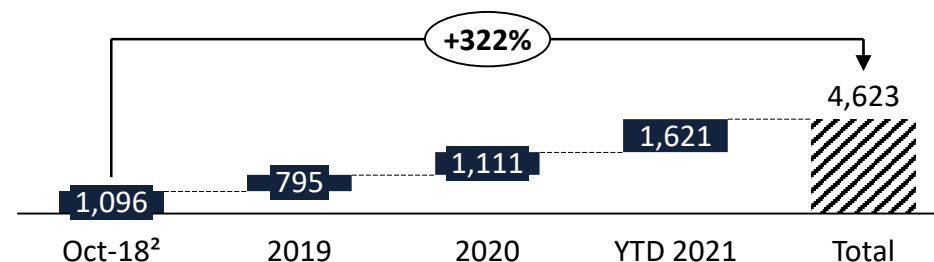
52.9%

## Financial Highlights

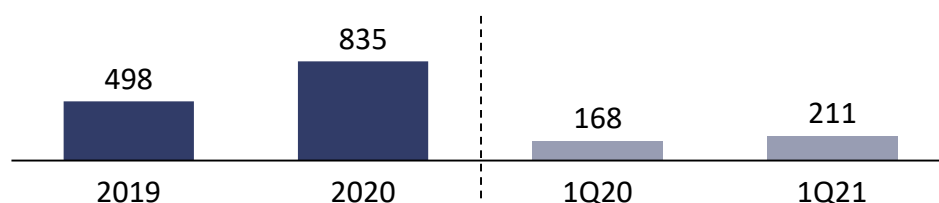
### Number of Stores



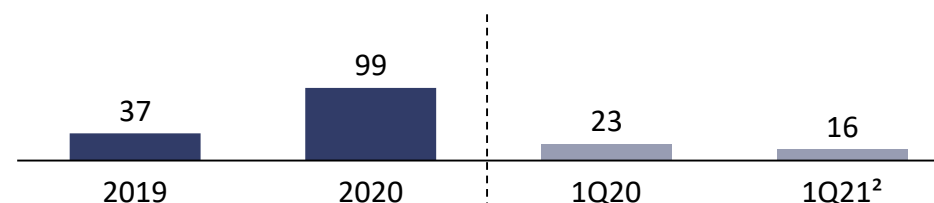
### Retail Area (sqm)



### Revenue (EGP mn)



### EBITDA (EGP mn)



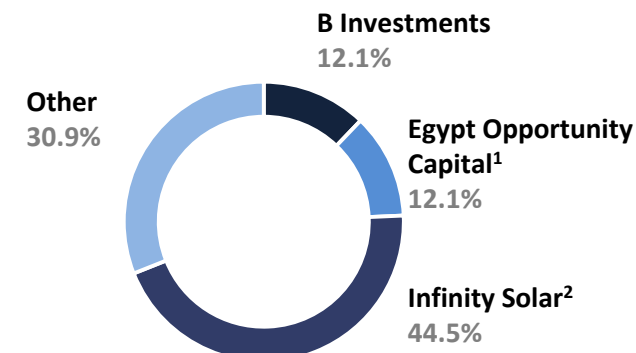
Note (1) In 2020, Gourmet closed one of its seasonal stores and in 2021 the company closed its Guezira Plaza store which was replaced by Arkan Mall flagship store in West Cairo

Note (2) In 2021, the company adopted the new Egyptian Accounting Standards (EAS 49) related to the treatment of lease contracts

## Key Updates

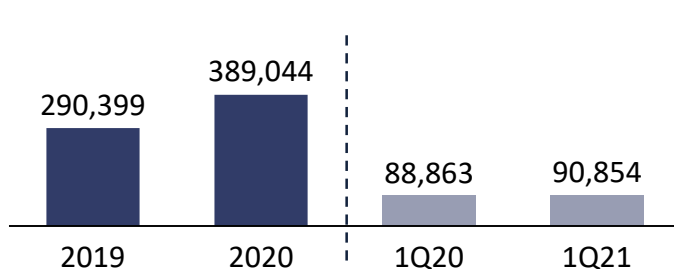
- The three plants have been operational for more than 18 months, generating healthy cash flows
- B Investments received distributions from the plants of USD 626k in FY20 and has received an additional USD 600k in 2Q21
- Total distributions received represent a 23% return on the initial investment cost

## Shareholding Structure

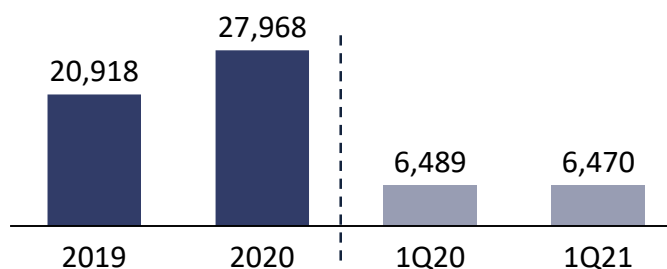


## Financial & Operational Highlights

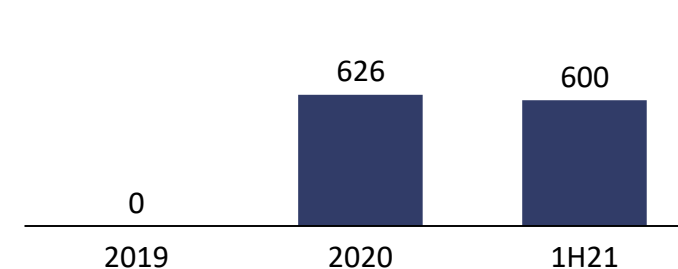
### Produced Energy (MWh)



### Revenue (USD '000)



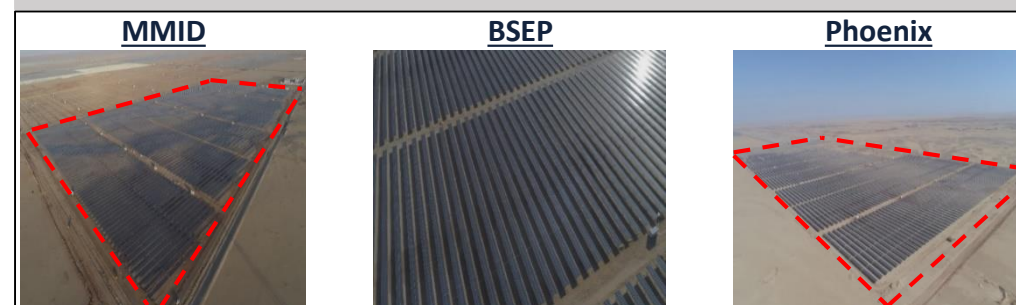
### Distributions (USD '000)



## Partners & Stakeholders



## Aerial Pictures

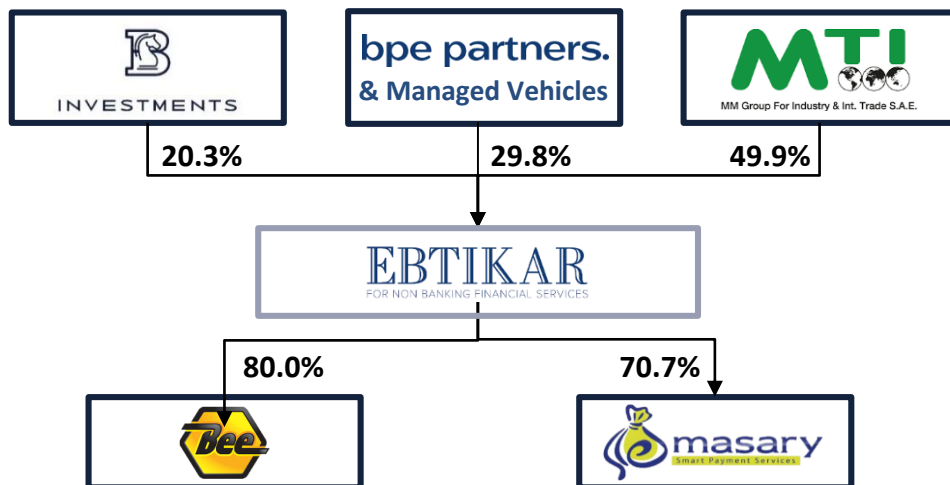


Note (1) BPE Partners' managed vehicle

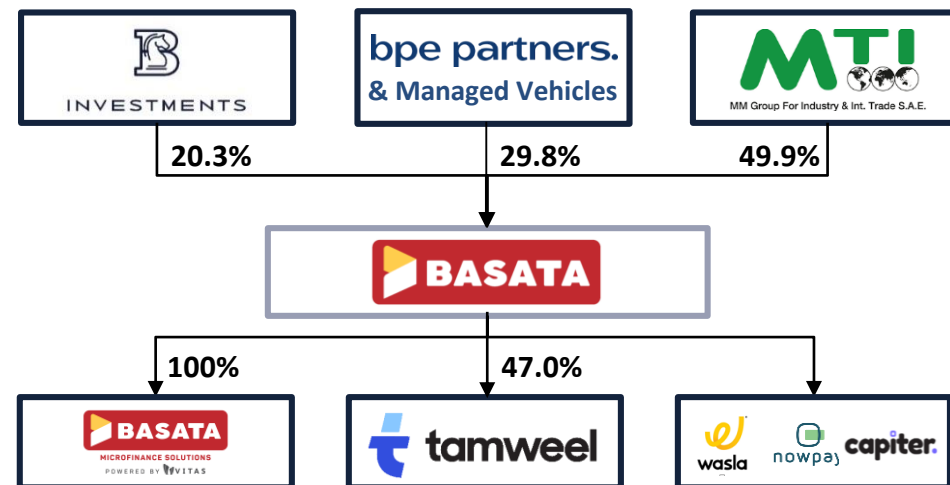
Note (2) Infinity Solar & Affiliates

## Ownership Structure

### Ebtikar Ownership Structure



### Basata Ownership Structure

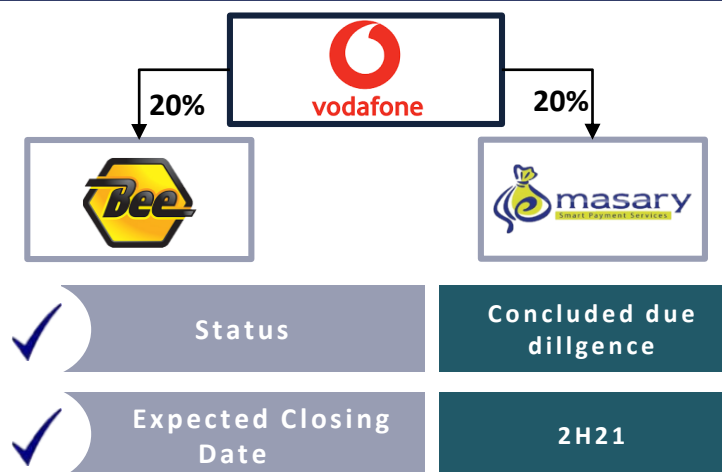


## Vodafone Transaction Updates



- Vodafone has successfully concluded the due diligences on both Bee and Masary
- VFE is expected to acquire a 20% stake in both Bee and Masary (Ebtikar's E-payments portfolio companies) through a capital increase at par value
- This transaction marks a significant milestone for Ebtikar's planned IPO as it is expected to expedite its growth

### Transaction Structure



**EBTIKAR**  
FOR NON BANKING FINANCIAL SERVICES

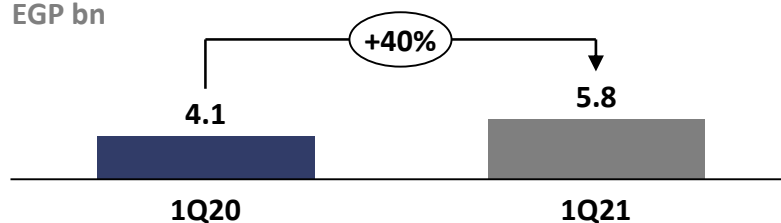
## Ebtikar

- Bee and Masary combined achieved a 40% y-o-y growth in transactions value and a 19% y-o-y growth in revenue
- Bee and Masary received their cash services licenses in 4Q20; Bee launched Vodafone Cash in March 2021 and Masary launched Vodafone Cash in May 2021



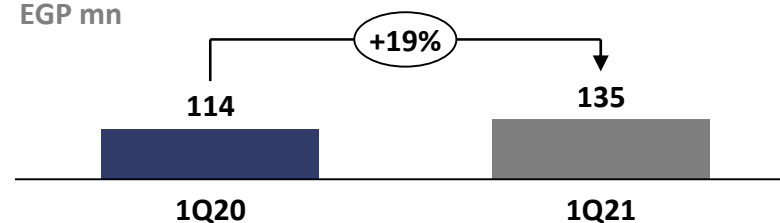
### Transactions Value

EGP bn



### Revenue

EGP mn

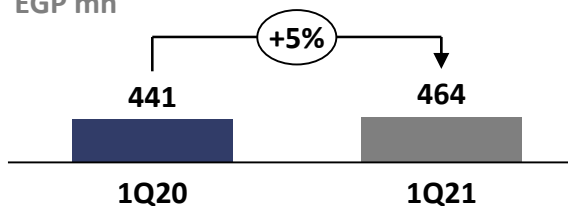


## Basata Financial Holding

- Tamweel Group achieved 5% Y-o-Y growth in terms of loan originations, resulting in a 32% Y-o-Y growth in its net outstanding portfolio, reaching c. EGP 3.0 bn

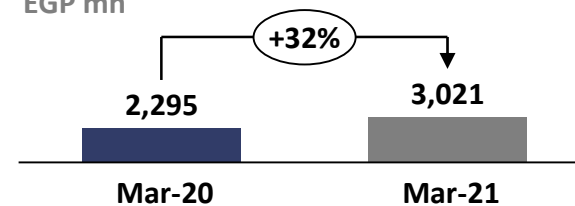
### Loan Originations

EGP mn



### Portfolio Size

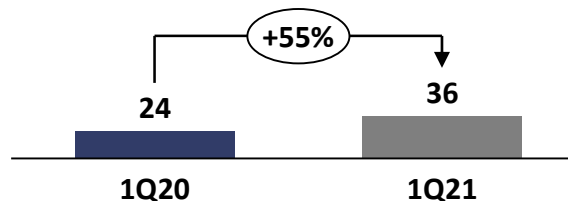
EGP mn



- Basata Microfinance operations picked up in 3Q20 and 4Q20 and is targeting to breakeven and turn profitable in 2021

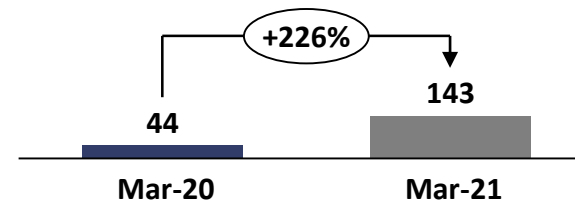
### Disbursed Loans

EGP mn



### Portfolio Size

EGP mn







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INVESTMENTS

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