

Egypt Kuwait Holding Co. Releases Q3 2020 Earnings Results

EKH continues to deliver a resilient performance in the face of COVID-19 recording 3% top-line growth; operational efficiencies yielded an 11% increase in attributable EBITDA in Q3-2020 with significant margin expansions showcasing EKH's continued robust profitability.

Key Highlights of Q3 2020

USD 145.6 mn

in Revenues

56.1 mn

in Gross Profit

39%

Gross Profit Margin

USD 48.2 mn

in Operating Income

USD 59.4 mn

EBITDA

USD 49.5 mn

Attributable EBITDA

USD 38.0 mn

in Net Income

USD 29.2 mn

in Attributable Net Income

Key Highlights of 9M 2020

USD 456.7 mn

in Revenues

USD 170.8 mn

in Gross Profit

37%

Gross Profit Margin

USD 144.8 mn

in Operating Income

USD 179.5 mn

EBITDA

USD 148.0 mn

Attributable EBITDA

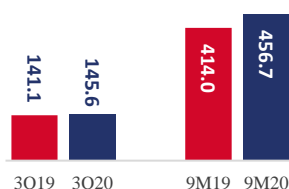
USD 118.3 mn

in Net Income

USD 89.3 mn

in Attributable Net Income

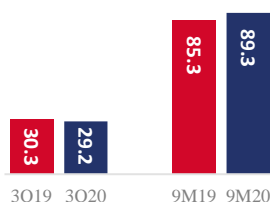
Group Revenue (USD mn)



12 November 2020 | Cairo | Egypt Kuwait Holding Company (EKHO.CA on the Egyptian Exchange and EKHOLDING on the Kuwaiti Exchange), one of the MENA region's leading investment companies, reported today its consolidated results for the third quarter ended 30 September 2020.

EKH recorded revenues of USD 145.6 million in Q3-2020, driven by robust operations at its Energy and Energy-Related segment, which recorded 8% y-o-y growth, and a growing contribution from EKH's subsidiary Delta Insurance. Growth at the gross profit level outpaced revenues, recording a 10% y-o-y increase to USD 56.1 million in Q3-2020, while gross profit margin expanded 2.5 percentage points to 39%. Improved gross profitability was driven primarily by EKH's Fertilizers and Petrochemicals segment, with improved efficiencies at AlexFert and optimal product mix at Sprea Misr. Similarly, EBITDA reported a strong 11% y-o-y increase to USD 59.4 million in Q3-2020, with a 3.7 percentage-point expansion in EBITDA margin. EKH reported an attributable net income of USD 29.2 million in Q3-2020, down 4% y-o-y on account of lower interest income following successive rate cuts during the period.

Attributable Net Income (USD mn)



On a nine-month basis, EKH recorded revenues of USD 456.7 million in 9M-2020, up 10% year-on-year as operations across the company's subsidiaries proved resilient in the face of COVID-19, with continued adherence to strict safety and business continuity measures to minimize the impact. EBITDA recorded an impressive 17% y-o-y growth to USD 179.5 million, while attributable net income increased 5% y-o-y to USD 89.3 million in 9M-2020.

Comments from the Chairman, Mr. Moataz Al-Alfi

EKH's diversified portfolio and increasingly integrated operations reinforced its position against the impact of COVID-19, allowing our group to deliver top-line growth amid these challenging times while maintaining robust profitability.

Our Energy and Energy-Related operations proved resilient, with lower residential gas installations being offset by improved pricing and increased penetration of the commercial and industrial space. Additionally, EKH's growing presence in the electricity generation and distribution business through

Kahraba is seeing a growing contribution to revenues, and in turn helped drive EKH's top-line growth in the third quarter of the year.

On the other hand, whilst external market dynamics pressured revenues at our Fertilizers and Petrochemicals division, our flexible business model and proactive efficiency initiatives saw it deliver enhanced profitability and better margins. At Spea Misr, management continued to leverage the company's wide product mix to extract maximum value from prevailing market conditions, and simultaneously capture favorable raw materials quotes as oil-based inputs witnessed a decline in prices. Meanwhile at AlexFert, we are reaping the benefits of our overhaul and maintenance initiatives completed last year, extracting higher value from our nameplate capacity with increased efficiencies to deliver enhanced profitability even amid volatility in urea global prices.

Thanks to the breadth of our portfolio and our company's agility, EKH top-line gains filtered through to stronger gross and EBITDA profitability during the quarter and nine-month period. I also note that management took the strategic decision to extend the productivity profile of Offshore North Sinai's current fields instead of tapping new fields and increasing daily production. While this has impacted ONS's margin, it ultimately extends the lifetime of our wells and minimizes forgone reserves.

As we approach the final weeks of 2020, I am confident in EKH's ability to sustain its performance through to year-end, particularly as COVID-19 restrictions are eased and market conditions begin normalizing. Most notably, we are anticipating a top-line recovery at Sprea Misr with improved access to export markets following a period of restrictions, while on the local front we expect construction activity to pick up from the previously imposed temporary ban, in turn driving demand for Sprea cement additive SNF. At NatEnergy, we see a growing number of residential installations with any lost business during the curfew period and on account of safety concerns being deemed only deferred rather than cancelled, with deferrals typically implemented at better pricing. Finally, at Kahraba, we have recently commissioned a 20MW turbine in October, part of our larger plan to bring online 40MW in new generation capacity over the coming quarters. This together with our growing distribution business is will continue to see Kahraba constitute a larger share of our top line going forward.

Over the longer-term, we continue to push forward with our strategic initiatives that will drive long-term growth and value creation for our shareholders. Key initiatives include the push for increased integration at our Fertilizers and Petrochemicals segment, with Sprea Misr venturing into non-formaldehyde derivatives, namely sulphuric acid, as the latest addition to its product mix. We have already secured funding for the facility with a design capacity of 165 thousand tons and total CAPEX of USD 18 million, benefitting from the CBE's initiative to offer lower-priced loans to encourage investment. Sulphuric acid is one of Sprea's and AlexFert's inputs, opening the door to significant cost savings while tapping into new markets. Construction is set to begin in Q1-2021 and commissioning by 1H-2022.

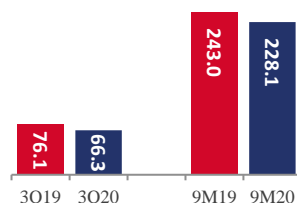
In parallel, EKH is making a significant headway with its investment in MDF production, having already secured debt financing of EGP 794 million at an exceptional 8% interest as part of the CBE initiative. We have also acquired a forest in Sadat City with 1,420 planted feddans and plans to grow a further 6 thousand feddans. These will provide the raw materials for our planned 180 thousand cubic meters per annum production facility, a 20% increase over the original design capacity.

Finally, I am pleased to announce that EKH has increased its stake in Delta Insurance to 61.5% and acquired a 9.98% stake in Mohandes Insurance Company in June 2020, which was later increased to 20.38% in November and targeting to reach 24.99% by the end of 2020. Our increasing exposure to the sector reflects our view that insurance holds promising potential, as evidenced by the growth multiple delivered by Delta over the previous quarters. Management sees a unique opportunity to target its existing client base of over nine million residential natural gas customers, providing them with complementing insurance and microfinance products and opening a significant growth opportunity for the Group.

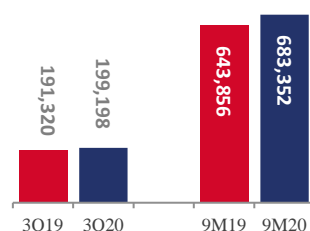
Overall, I am confident in EKH's ability to remain resilient in the face of these challenging times, and we are cautiously optimistic that the worst of the global pandemic is behind us. As we head into the new year, I look forward to continue reporting to you here on the progress across all of our growth initiatives to sustain our long-term trajectory and continue delivering sustainable shareholder value.

46%
of Group Revenues
in Q3 2020

Revenues (USD mn)



Total Fertilizer Sales
(Tons)



Fertilizers & Petrochemicals

Egypt Kuwait Holding has investments in two operational companies in the Fertilizer & Petrochemical Segment: Alexandria Fertilizers Company (AlexFert) and Sprea Misr for Production of Chemicals & Plastics Company. The company's fertilizer and petrochemical investments encompass products ranging from urea, ammonium nitrate and melamine to formaldehyde, and liquid and powder glue. With more than 10 years of nitrogen fertilizer operational expertise, EKH has targeted investments with access to key export markets including the United States and Europe, diverse products across several industries, and strong cash-flow generating businesses.

Fertilizers & Petrochemicals

in US\$ mn unless otherwise indicated						
	Q3 2019	Q3 2020	% Change	9M 2019	9M 2020	% Change
Revenues	76.1	66.3	-13%	243.0	228.1	-6%
Gross Profit Margin	26%	32%	6%	29%	31%	1%
EBITDA Margin	29%	37%	7%	33%	34%	1%
Net Profit	15.2	18.4	20%	54.2	59.9	11%
Net Profit Margin	20%	28%	8%	22%	26%	4%
Net Profit attributable to EKH	11.8	13.5	14%	38.7	43.3	12%

EKH's Fertilizers & Petrochemicals segment revenues declined 13% y-o-y to USD 66.3 million in Q3-2020, impacted by lower exports at Sprea Misr and depressed urea prices for AlexFert. However, operational efficiencies at AlexFert and declining raw material prices for Sprea Misr saw net profit for the segment increase by a significant 20% y-o-y to USD 18.4 million and yielding a net profit margin expansion of eight percentage points year-on-year to 28% in Q3-2020. Consequently, EKH's attributable net profit increased by 14% y-o-y to USD 13.5 million. On a nine-month basis, segment revenues declined by 6% y-o-y to USD 228.1 million, while net profits increased by 11% y-o-y to USD 59.9 million. Attributable net profit increased by a similar 12% to USD 43.3 million in 9M-2020.

AlexFert recorded revenues of USD 42.8 million, down by 3% y-o-y due to lower urea prices in Q3-2020, which offset capacity gains following the completion of the facility's overhaul and maintenance works in the previous year. Nonetheless, AlexFert's profitability witnessed a significant improvement, with EBITDA and gross profit margins increasing by two and four percentage points year-on-year in Q3-2020, respectively. Moreover, net profit grew by 42% y-o-y to USD 9.0 million in Q3-2020. Improved profitability came on the back of improved efficiencies following the overhaul last year. It is also worth period that the comparable period last year included 18 days of downtime during the overhaul. On a nine-month basis, revenues declined by 3% y-o-y to USD 144.9 million in 9M-2020 due to sub-optimal urea prices. EBITDA and gross margins remained flat for the nine-month period at 34% and 27%, respectively. Additionally, net profit increased by 8% y-o-y to USD 30.4 million in 9M-2020.

AlexFert is expected to maintain steady performance and positive results for the last quarter of FY-2020. The company continues to have less bearing on EKH's top-line performance, due to the Group's growing, diversified portfolio. On the profitability front, AlexFert could potentially benefit from a new regulation to the country's investment law, stating that companies utilizing natural gas as feedstock could be considered a free zone. It is worthy to note that AlexFert was initially established as a free zone in 2006 until 2008, and the potential return to a free zone, based on this new regulation, would bode well for the company's profitability.

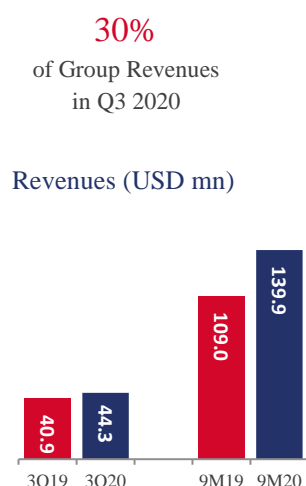
Sprea Misr recorded a revenue decline of 11% q-o-q and 27% y-o-y to USD 23.5 million in Q3-2020, driven by slower export activities as well as the six-month government suspension of issuing new construction licenses, which restricted demand for SNF. However, profitability improved for the period with the company's gross profit and EBITDA margins increase by three percentage points quarter-on-quarter to 41% and 39%, respectively in Q3-2020. In year-on-year terms, gross profit margin increased by nine percentage points and EBITDA margin increased by ten percentage points. Margin expansion was driven management's efficiency strategy, which saw Sprea capitalize on declining prices of methanol and other oil-based raw materials to bolster profitability. The strategy's success trickled down to net profit, witnessing an increase of 7% y-o-y to USD 9.4 million in Q3-2020, yielding a net profit margin of 40%, a 12 percentage-points expansion. On a nine-month basis, revenues contracted by 11%

y-o-y in 9M-2020 to USD 83.2 million given the restricted external environment. However, net profits witnessed a significant 14% y-o-y increase to USD 29.6 million and yielded a net profit margin expansion of fourteen percent.

Spree's diversification plans are on track, with management identifying an opportunity to inaugurate a Sulphuric acid factory, which is anticipated to begin operations in 2022. The factory will create additional avenues of revenue generation by expanding Spree's portfolio beyond formaldehyde derivatives and will support the company's profitability by virtue of vertical integration. Management have capitalized on the CBE's subsidized 8% interest on loans to receive financing for the project and construction is expected to begin in Q1-2021.

Energy & Energy-Related

Egypt Kuwait Holding's investments in the Energy and Energy-Related Segment includes NatEnergy and Offshore North Sinai (ONS). EKH builds and operates gas distribution networks in Egypt through its 100%-owned subsidiary NatEnergy, which covers a wide spectrum of activities, including the transportation of natural gas to power stations and the independent production of power.



Energy & Energy-Related

in US\$ mn unless otherwise indicated						
	Q3 2019	Q3 2020	% Change	9M 2019	9M 2020	% Change
Revenues	40.9	44.3	8%	109.0	139.9	28%
Gross Profit Margin	42%	42%	-	44%	41%	-4%
EBITDA Margin	48%	48%	-1%	49%	47%	-1%
Net Profit	15.1	16.8	11%	44.6	52.2	17%
Net Profit Margin	37%	38%	1%	41%	37%	-4%
Net Profit attributable to EKH	13.6	15.1	11%	40.1	47.3	18%

EKH's Energy and Energy Related segment recorded a revenue increase of 8% y-o-y to USD 44.3 million in Q3-2020, primarily on the back of growth at NatEnergy. Net profits reached USD 16.8 million, an increase of 11% y-o-y in Q3-2020 and yielding a net profit margin of 38% versus 37% in Q3-2019. On a nine-month basis, the segment recorded revenues of USD 139.9 million, up by 28% y-o-y in 9M-2020. Net profits increased by 17% y-o-y to USD 52.2 million, yielding a margin of 37% versus 41% in 9M-2019, owing to margin pressure in the first quarter of the year.

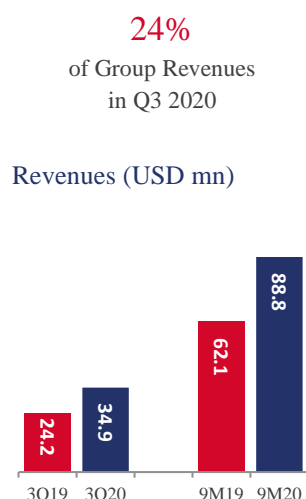
NatEnergy registered a revenue expansion of 15% y-o-y to USD 31.0 million in Q3-2020. Improved performance came on the back of increasing revenues from installations and greater contribution from Kharaba's electricity generation and distribution business towards NatEnergy's top line for the period. Revenues from installations increased by 7% y-o-y in Q3-2020, despite a decline in household installations, which fell by 24% y-o-y to 32K installations. The decline was offset by a significant increase in industrial/commercial installations, which grew by 86% y-o-y to 276 in Q3-2020, as well improved average pricing per installation. On the electricity front, NatEnergy witnessed increased contribution from Kahraba, which generated revenues of USD 8.6 million in Q3-2020, marking an increase of 38% y-o-y for the period. NatEnergy's profitability increased slightly at the gross profit and EBITDA levels, both witnessing improvements of one percentage point year-on-year to 37% in Q3-2020. Attributable net profit for the period increased by 30% y-o-y to USD 9.6 million. On a year-to-date basis, NatEnergy revenues grew by 24% y-o-y to USD 98.1 million, and attributable net profit increased by 8% y-o-y to USD 28.8 million in 9M-2020. Net profit margin for the nine-month period declined four percentage points, reflecting the adoption of IFRS 15 & 16 at the beginning of 2020.

NatEnergy expects operation to continue improving as the Egyptian government continues to increase of natural gas to residential households, with EKH having renewed its concessions for 15 years and providing for good long-term revenue visibility. Additionally, the government is mulling the expansion of the nation's CNG networks to remote locations, providing for a greater opportunity from the automotive market. On the electricity front, Kahraba has added an additional turbine in October, which increased its generation capacity to 95MW, which will reflect on revenues starting Q4-2020 and is the first phase of the company's planned 40MW expansion. Additionally, Kahraba's operations expect no disruptions due to their dependence on the locally-abundant natural gas and also expects to

see improved performance on the back of its new distribution revenue stream, particularly in light of the 60MW distribution contract it signed in 2019 with the Anshas Industrial Zone.

ONS' top-line remained flat year-on-year at USD 13.3 million in Q3-2020 on the back of lower gas consumption in Egypt and reservoir management to extend the lifetime of ONS' wells. Profitability declined, with gross profit decreasing by 6% y-o-y to USD 7.0 million and EBITDA declining by 3% y-o-y to USD 9.6 million in Q3-2020. However, gross profit margin remained flat at 53%, while the EBITDA margin inched upwards by 1 percentage point year-on-year to 72% in Q3-2020 on the back of optimal depletion rates across ONS' wells. Net income decreased by 11% y-o-y to USD 5.5 million in Q3 2020, yielding a net profit margin of 41% versus 44% Q3-2019. On a year-to-date basis, ONS recorded a revenue increase of 41% y-o-y to USD 41.8 million and a net profit increase of 47% y-o-y to USD 18.5 million in 9M-2020.

ONS' outlook is positive as natural gas production operations remain largely immune from recent volatility in oil markets, with pricing being determined by a preset formula. Additionally, ONS is better shielded from demand fluctuations, owing to its relatively small size versus larger international players. On the long term, the company continues to hold promising potential as it prepares for phase three of its development plan, which entails the use of advanced engineering planning and methodologies to dig seven new wells in its Kamose field in medium term.



Diversified

Egypt Kuwait Holding's Diversified segment includes a wide array of strategic investments, from cement production, telecommunications and infrastructure to cooling systems and insurance. In line with the company's strategy to invest in local businesses with large and defensible market positions, EKH owns c. 38% of the Building Materials Industries Company (BMIC) in Egypt, a country home to the largest cement market in Africa, with total consumption of c. 50 mtpa. Other group assets in the sector include Delta Insurance, Al-Shorouk for Melamine and Resins, Globe Telecommunications, Gas Chill and Bawabet Al Kuwait Holding Company.

EKH's diversified segment reported revenues of USD 34.9 million in Q3 2020, up by a solid 45% y-o-y on account of growing contribution for Delta Insurance. EKH's share of Delta Insurance's net income grew from 33% y-o-y to USD 2.7 million in Q3-2020, reflecting rapid growth at the company as the business continues to increase its underwriting activities, bolster its market share, and introduce new products that cater to wider segments, such as life insurance and property insurance. On a nine-month basis, Delta Insurance's attributable net income recorded USD 6.1 million, up 52% y-o-y.

It is worth noting that Delta Insurance's bottom line in EGP terms grew from EGP 7 million in 2015 to over EGP 104 million in 9M-2020, owing to management's successful restructuring of the company and ability to capture opportunities in the fast-growing insurance market. As such, EKH has taken the strategic decision to increase its exposure to the market, increasing its stake in Delta Insurance to 61.5%. Additionally, EKH had acquired a 9.98% stake in Mohandes Insurance Company in June 2020, followed by an additional 10.4% in November 2020.

Recent Corporate Developments

Stock Dividend

EKH's Board of Directors approved a stock dividend of 1:10 subject to EGM and regulatory bodies approval.

Acquisition of a stake in Mohandes Insurance Company

On 17 June 2020, EKH acquired a 9.98% stake in Egyptian insurance provider Mohandes Insurance Company for a total consideration of EGP 105.4 million. On 11 November 2020, EKH further increased its stake to 20.38% for an additional consideration of EGP 110 million.

About EK Holding

Egypt Kuwait Holding Company (EKHO.CA on the Egyptian Exchange and EKHOLDING on the Kuwaiti Exchange) is one of the MENA region's leading investment companies, with a diversified portfolio of investments that spans the region in sectors that include fertilizers and petrochemicals, energy, cement production, insurance, information technology, transport and infrastructure. Established in 1997 by a consortium of prominent Kuwaiti and Egyptian businessmen including our former Chairman, the late Nasser Al-Kharafi, the company has flourished during the past decade as the countries of the Arab world began to liberalize their economies and open doors for private sector investments in strategic sectors that had once been off limits.

INVESTOR RELATIONS CONTACT

For further information, please contact:

Haitham M. Abdel Moneim
Egypt Kuwait Holding, Co.
Investor Relations Director
hmoneim@ekholding.com

14 Hassan Mohamed El-Razzaz St.
(Previously Nawal St.)
Dokki, Giza
Tel (Direct) : +20 2 333-633-00

STOCK SYMBOL

EKHO.CA

CAPITAL

Issued and Paid-In Capital: USD
256.1mn

Number of Shares: 1,024 million shares
Par Value: USD 0.25 per share

Forward-Looking Statements

Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Egypt Kuwait Holding Company (EKH). Such statements involve known and unknown risks, uncertainties and other factors; undue reliance should not be placed thereon. Certain information contained herein constitutes "targets" or "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "seek," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Actual events or results or the actual performance of EKH may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of EKH is subject to risks and uncertainties.

Income Statement

(in US \$)	Q3 2020	Q3 2019	9M 2020	9M 2019
Energy & Energy Related				
Revenues	44 308 810	40 889 374	139 864 218	108 951 729
% Contribution	30%	29%	31%	26%
COGS	25 724 287	23 740 771	83 123 138	60 744 759
Gross Profit	18 584 523	17 148 603	56 741 080	48 206 970
% Margin	42%	42%	41%	44%
Fertilizers & Petrochemicals				
Revenues	66 344 449	76 057 776	228 096 518	243 028 769
% Contribution	46%	54%	50%	59%
COGS	44 886 757	56 211 550	158 474 090	172 486 532
Gross Profit	21 457 692	19 846 226	69 622 428	70 542 238
% Margin	32%	26%	31%	29%
Diversified				
Revenues	34 942 307	24 151 753	88 764 457	62 058 079
% Contribution	24%	17%	19%	15%
COGS	18 856 867	10 237 991	44 322 527	30 881 898
Gross Profit	16 085 440	13 913 761	44 441 930	31 176 181
% Margin	46%	58%	50%	50%
Total Revenues	145 595 566	141 098 903	456 725 193	414 038 578
COGS	89 467 911	90 190 313	285 919 755	264 113 189
Gross Profit	56 127 655	50 908 590	170 805 438	149 925 389
% Margin	39%	36%	37%	36%
Selling Expenses	912 953	1 232 750	3 173 426	3 203 979
G&A	7 010 376	8 214 190	22 858 060	24 640 066
Operating Income	48 204 326	41 461 650	144 773 952	122 081 344
% Margin	33%	29%	32%	29%
Interest Net	(2 721 848)	2 793 810	(6 185 212)	7 351 705
FX Gain / Loss	(567 830)	2 361 983	3 204 754	1 721 421
Capital Gain	(91 848)	(125 714)	16 257	(112 983)
Impairment reversal (Impairment)on Assets	1 315 207	(83 194)	3 220 436	3 123 539
Net Provision	(439 427)	(1 383 736)	(3 097 724)	(1 964 324)
Other Income (Expenses)	625 557	674 866	1 704 594	2 638 930
Net Income before Tax	46 324 137	45 699 665	143 637 062	134 839 632
Income Tax	9 257 171	8 155 082	28 590 227	26 784 352
Differed Tax	(961 634)	(651 829)	(3 223 170)	(2 010 207)
Net Income	38 028 600	38 196 412	118 270 005	110 065 487
Non-Controlling Interest	8 846 872	7 916 851	28 995 965	24 776 766
Attributable Net Income	29 181 728	30 279 561	89 274 040	85 288 721

Balance Sheet

(in US\$)	9M 2020	FY 2019
Equity - accounted investees (associates Companies)	7 215 255	7 115 188
Financial assets at fair value through other comprehensive income	239 900 658	13 562 361
Financial assets at amortized cost	299 219 056	130 667 336
Property, plant and equipment and projects under construction	260 264 958	247 240 804
Exploration & development assets	74 959 141	87 764 078
Right of use assets	13 297 173	-
Goodwill	63 467 776	63 044 332
Intangible assets	1 803 681	3 135 663
Biological Assets	1 298 907	765 449
Notes receivables	97 947	1 089 685
Total non-current assets	961 524 552	554 384 896
Cash and cash equivalents	224 808 286	120 025 608
Financial assets at amortized cost	69 814 366	375 206 499
Financial assets at fair value through profit or loss	34 289 511	48 126 690
Trade & notes receivables	102 591 867	81 435 983
Financial derivatives	1 434 055	105 542
Other current assets	73 936 796	67 556 010
Inventory	75 681 456	71 136 984
Work in process	30 432 860	39 514 422
Non current assets held for sale	13 255 557	13 255 557
Total Current Assets	626 244 754	816 363 295
Total Assets	1 587 769 306	1 370 748 191
Issued & paid up capital	256 110 292	256 110 292
Legal reserve	127 895 052	127 240 575
Other reserves	(175 556 853)	(121 605 778)
Share-based payments	-	9 549 602
Retained earnings	321 850 774	303 457 398
Treasury shares	(5 363 753)	-
Total equity of the owners of the parent Company	524 935 512	574 752 089
Non-Controlling Interest	230 611 805	218 525 369
Total equity	755 547 317	793 277 458
Long-Term Loans	138 210 848	72 139 732
Other Long-Term Liabilities	3 770 501	1 490 124
Leasing Liabilities	11 455 780	-
Deferred Tax Liability	17 908 485	21 079 258
Total Non-Current Liabilities	171 345 614	94 709 114
Provisions	27 583 361	24 989 085
Banks overdraft	-	1 052 868
Portion due during a year of long-term loans	70 375 309	46 400 400
Bank facilities	270 945 835	109 313 199
Leasing Liabilities	1 129 422	-
Insurance policy holders' rights	103 614 354	90 624 355
Suppliers, contractors, notes payable & other credit balances	155 087 450	179 369 647
Accrued income tax	32 140 644	31 012 065
Total Current Liabilities	660 876 375	482 761 619
Total Liabilities	832 221 989	577 470 733
Total SHE + Total Liabilities	1 587 769 306	1 370 748 191

Cash Flows

(in us \$)	9M 2020	9M 2019
Cash flows from operating activities		
Net profit for the period before income tax	143 637 062	134 839 632
Adjustments for:		
Depreciation & amortization	34 692 360	30 702 963
Gain on sale of financial assets at fair value through other comprehensive income	-	(1 545 217)
Company's share of profit of Equity - accounted investees (associates Companies)	(96 410)	(454 475)
Changes in fair value of financial assets at fair value through profit and loss	828 287	(352 961)
Financing expenses	13 089 113	9 160 059
Interest income	(4 185 091)	(16 511 764)
Capital gain	(16 257)	112 983
Provisions no longer required	(252 366)	(23 326)
Provisions formed	3 528 449	1 987 650
Reversal of impairment loss on investments	-	(2 382 441)
Gain on foreign currency forward contracts	(2 718 810)	(411 222)
Income from investments in treasury bills and governmental bonds	(32 218 791)	(17 608 634)
Expected credit Losses	(3 220 436)	(741 098)
	153 067 110	136 772 149
Change in:		
Financial assets at fair value through profit or loss	13 008 892	(29 890 939)
Trade & notes receivables	(20 291 556)	(15 235 357)
Other current assets	(1 280 851)	(20 175 707)
Inventory	(4 546 718)	(1 623 882)
Work in progress	9 081 562	(4 397 502)
Leasing Liabilities	1 129 422	-
Suppliers, contractors, notes payable & other credit balances	(26 021 368)	11 631 978
Insurance policy holders' rights	12 989 999	16 773 686
Time deposits	6 669 000	348 053
Provisions used	(1 641 739)	(575 220)
Income tax paid	(27 299 306)	(24 360 198)
Net cash available from (used in) operating activities	114 864 447	69 267 061
Cash flows from investing activities		
Interest collected	3 056 995	15 968 376
Payments for acquisition of fixed assets and projects under construction	(26 057 758)	(4 635 028)
Payments for acquisition of biological assets	(447 307)	-
Payments for exploration and development assets	-	(45 682 998)
Proceeds from sale of fixed assets and projects under construction	1 107 876	433 372
Proceeds from (payments for) financial assets at fair value through other comprehensive	(282 938 966)	6 587 655
Proceeds from (payments for) financial assets at amortized cost	178 148 338	(40 336 354)
Net cash used in investing activities	(127 130 822)	(67 664 977)
Cash flows from financing activities		
Proceeds from loans and bank facilities	316 888 150	162 849 425
Payment of loans and bank facilities	(65 209 489)	(85 154 216)
Payment of financing expenses	(13 050 804)	(9 160 059)
Non-controlling interests	(4 172 086)	(187 291)
Payments to purchase treasury shares	(5 363 753)	-
Proceeds from sale of treasury shares	-	1 072 470
Dividends paid	(90 465 146)	(79 619 563)
Proceeds from foreign currency forward contracts	1 402 924	-
Payment of lease liabilities	(2 503 519)	-
Net cash used in financing activities	137 526 277	(10 199 234)
Foreign currency translation differences	(89 632)	15 129 038
Net change in cash and cash equivalents during the period	125 170 270	6 531 888
Cash and cash equivalents at beginning of the period	172 688 385	224 172 327
Cash and cash equivalents at end of the period	297 858 655	230 704 215