

# RESILIENCE AND AGILITY FOR **SUSTAINABLE GROWTH**

**BUILDING  
THE FUTURE**



**SUSTAINABLE  
MATERIALS**



**ENERGY  
SECURITY**



**FOOD  
SECURITY**



**SUSTAINABLE  
TRANSPORT**



**RESOURCE  
MANAGEMENT**



# TABLE OF CONTENTS

Chairman's Note	06
Our Heritage & DNA	08
Qalaa Holdings at a Glance	10
Our Strategy & Investment Thesis	12
2021 Financial Highlights	16
Sustainability & Responsible Investing	22
Corporate Governance	56
2021 Operational Highlights	70
Financial Statements	122

## RESILIENCE AND AGILITY FOR SUSTAINABLE GROWTH

Amid seismic shifts in the global economy and a rapidly shifting operating environment this past year, Qalaa Holdings has continued to respond with resilience and agility. As the world enters into a period of adjustment from globalization, the Group's solid investment thesis will help provide support as the Group navigates upcoming challenges and a new global environment. Qalaa is proud to remain a pivotal player in Egypt's national economic strategy, continuing to be at the forefront of private sector development in Egypt.



# ABOUT QALAA HOLDINGS



# Chairman's Note

## Fellow Shareholders,

This past year saw the Group react to seismic shifts in the global economy and a rapidly shifting operating environment with resilience and agility. This comes as no surprise to me as I have always been optimistic about the future of our businesses and a strong believer in the opportunities in our markets waiting to be harnessed. We have a solid investment thesis with incredible potential that will support us on our path of navigating upcoming challenges and a new global environment.

As the world enters into a period of adjustment from globalization, we see difficult times ahead, especially for emerging markets. Heading into a new phase of increasing protectionism and diminishing interdependence between nations, significant inflationary pressures – which show no signs of slowing down – have impacted every corner of the world, driving sluggish economic growth globally.

### A Period of Adjustment and Unprecedented Global Challenges

During the past decade, globalization has been put to the test through a series of significant events that posed serious challenges and offset the benefits it once provided. With tumultuous times bringing structural global issues to the surface, protectionism and nationalism have given way to a less connected world, shifting away from openness and interdependency between national economies. This period will be one of long-term adjustment as nations move to both safeguard and untangle themselves from global value chains, which exacerbated the ripple effect of localized economic and political shocks to uncover systemic vulnerability.

In an uncertain post-COVID recovery, the ongoing US-China trade tensions have sparked further localized

regulations and cross-border controls, while core policy reforms in the US remain to be seen, changing the rules of the game. The shifting role of China amid its unfavorable demographics is evidenced by successive delistings from the New York Stock Exchange, coupled with a gradual move away from its position as the manufacturing hub for the US and Europe. As a result, we see a dwindling level of access to capital for Asia's largest economy, creating a significant deceleration globally.

To the West, unfunded liability levels are placing US pension funds at a risk of imploding, driving fundamental national policy changes. On the capital markets front, rising interest rates had a substantial negative impact on fixed income instruments in parallel to shaking up company valuations, which witnessed sharp declines. With markets entering repricing mode following interest rate tightening, we can expect an economic slowdown to persist in the fight against global inflationary pressures. In addition, we see increasing yields that result in funding difficulties across emerging markets, leaving record levels of government debt in its wake.

The repercussions of the Russia-Ukraine conflict have further exacerbated adverse market conditions. Its impact on energy and food security has caused supply scarcity across European and emerging economies, leading to energy price hikes. It is more imperative now than ever to continue our path towards diversifying energy supply sources and routes. Qalaa is exceptionally positioned to support the accelerated deployment of renewables and is already solidly rooted in the sector with Taqa Arabia's EGP 1.35 billion solar power plant in Aswan's Benban Solar Park that connects 65 MW of solar energy to the national grid.

“

We are benefitting from a strong competitive advantage across our platforms that have a high percentage of local inputs and resources or high volumes of export sales.



Qalaa Holdings has proved more than able to navigate these tough waters in the past couple of years, as inflation shifts pricing power to producers across all sectors, and as local manufacturing gains more support. We are benefitting from a strong competitive advantage across our platforms that have a high percentage of local inputs and resources or high volumes of export sales, and I am proud of our adaptability. We have been able to maneuver difficult macroeconomic dynamics to come out stronger on the other side, and I continue to look to our future optimistically, with big hopes for the progress of our investment strategy.

### A Reengineered World Order Benefits Emerging Markets

The reengineering of the international economic order will in essence create a trade divide akin to the Cold War era. It is amid the turbulent global landscape that emerging markets will need to identify unique opportunities to bridge the divide and overcome their struggle to seek funding and investment support in the absence of carry trade and timid appetites for long-term bond issuances. To drive GDP growth and nurture trade and investment, emerging markets will be pushed to seek structural solutions from within and to harness their own competitive advantages. Emerging markets will forge key positions for themselves among the ranks of the realigned economic order through the successful

and advantageous deployment of natural resources and capital. The ability to buoy up cross-trade efforts will unlock huge potential for non-aligned markets.

In a world plagued by misallocated resources resulting from conflicts and disruptions, we see trade bottlenecks and rising prices bringing about supply shortages for critical inputs to European markets. With these shortages come abundant opportunities for emerging markets to fill in supply gaps and ramp up productivity, acting as regional hubs and exporters. Qalaa Holdings is particularly well positioned, geographically and operationally, to fill the gap of much needed energy resources in developed markets as well as African countries.

While this is a period characterized largely by adjustment, it is also one of massive opportunity. With Europe looking less viable as a manufacturing hub, Egypt is uniquely positioned to benefit from

**97.7** EGP  
bn

total revenues FY21

the changing dynamic of the global economy. The Egyptian government continues to strongly encourage the private sector on all fronts, as the country grapples with energy and food security threats as a result of a historic FX disequilibrium.

Qalaa is proud to play a pivotal role in Egypt's national economic strategy, as we meet its challenges with determination and resolve, and continue to be at the forefront of private sector development in our home country. ERC, Africa's largest privately-led infrastructure project and Qalaa's leading energy subsidiary, increased its contribution to national demand for quality and cost-efficient fuel in 2021. ASCOM was able to penetrate new international markets and grow export sales volumes on the back of global supply chain disruptions, and Dina Farms stepped up local sales to meet rising food demand leveraging facility enhancements and a diverse offering.

### Looking Ahead

Aided by decentralization, Egypt stands to benefit from the trend of "reverse immigration", which will create new pools of talent across a diverse range of local industries. As a nation, the influx of expertise and talent can help us act as a springboard granting international access to new and untapped African markets abound with potential.

We will continue to leverage our presence across various sectors that show promising growth opportunities in line with our appetite for calculated risk. With an already diversified portfolio, Qalaa will focus on expanding and growing investments within our existing portfolio. In line with this strategy, we successfully invested in TAQA Arabia and more than doubled the number of CNG stations at TAQA Gas in 2021. Similarly, a new state-of-the-art facility was inaugurated at National Printing, which has already shown significant potential for export.

Growing responsibly and positioning sustainability at the core of our investment strategy gives me great pride, and we remain steadfast in our mission to reduce our carbon footprint and contribute to Egypt's transition to clean energy. It was a great moment for us in 2021 when we inaugurated our 6MWp solar plant at Dina

Farms to reduce Co2 emissions generated by our 4,000 acre project, as well as when we were recognized by the Financial Regulatory Authority as a pioneer in the field of sustainability and responsible investment in its Inaugural Publication: "Sustainability Champions: Leading the Way Forward". Moreover, both TAQA and ERC are on the path to eliminate a substantial volume of the country's emissions, contributing to sustainable economic growth.

We have been shielded from the shocking impact of the local currency devaluation by a solid portfolio structure. Leveraging the same management of 30 exceptional professionals that helped bring us to where we are today, our strategy is to continue humming on all four cylinders across Qalaa, especially as energy prices and a strong USD play in our favor. Risks will decline as we focus on deleveraging and prudent – yet lucrative – investments, in parallel with executing strategic large investments over the few years. I'm very pleased that the debt restructuring at Qalaa Holdings is nearing an agreed term sheet, which is making me more and more optimistic about the coming medium-term results for the Group.

I see this as a time of countless opportunities for progress for Qalaa Holdings. We will continue on our investment path, safe with the knowledge of a secure and favorable risk return trade-off. As we near the tail end of our 15-year restructuring journey, we look forward to unlocking the inherent value of our existing portfolio in the near term.

The incredible progress that we have achieved could not have been possible without the commitment, innovation, and forward thinking of our employees, Board of Directors, and shareholders. Their contribution is key to our continued success, and I am confident in our ability to achieve future accomplishments and milestones together.

### Ahmed Heikal

Founder and Chairman



# Our Heritage & DNA

Qalaa Holdings has evolved over the course of 16 years from a two-person partnership, to Africa’s leading private equity firm, and finally transitioning to an investment holding company with a focus on strategic sectors in Egypt and the broader region.

## ► 2004–2012

### Our founders’ vision

- Founded in 2004 by two entrepreneurs, Ahmed Heikal and Hisham El Khazindar, as Citadel Capital—a private equity firm with EGP 2 million in capital.
- Invested in a diversified portfolio spanning 15 countries and 15 industries, including energy distribution, solid waste management, agrifoods, cement, refining, transportation, and glass manufacturing.
- Became the leading private equity firm in the Middle East and Africa by 2012 with 19 Opportunity-Specific Funds controlling platform companies with investments of USD 9.5 billion.

### Taking the lead in African infrastructure investments

- With Egypt as its center of gravity and springboard, Qalaa Holdings completed a total of 80+ acquisitions and new company formations, pursuing control investments across the deal-type spectrum, including turnarounds, buyouts, consolidations/industry roll-ups, and green-fields.
- Raised equity via Opportunity-Specific Funds that would in turn control a subsidiary company in a specific industry.
- Reached financial close in 2012 on the equity and debt components of the Egyptian Refining Company (ERC), Qalaa’s flagship USD 4.3 billion

refinery, a co-investment made alongside Gulf and international investors, global export credit agencies, and development finance institutions.

- Established the Qalaa Holdings Scholarship Foundation (QHSEF) in 2007, which grew to become the largest private sector scholarship foundation in Egypt providing scholarships to Egyptian students pursuing graduate studies at prestigious universities abroad.

## ► 2013-2014

### Transformation and divestment plan

- Rebranded into Qalaa Holdings, and transformed its business model from private equity to conglomerate and investment holding.
- Narrowed focus on strategic industries, including Energy, Cement, Agrifoods, Transportation and Logistics, and Mining.
- Divested non-core investments gradually in an orderly manner over a three-year period, with proceeds from their sale being reinvested to accelerate growth of core subsidiaries.

## ► 2015-2017

### Strengthening portfolio and investment value

- Made significant strides toward reshaping the business model and positioning for future growth while creating shared value.
- Gave weight to impact, in addition to profit, in all our investments and actively encouraged other private sector companies in Egypt to take similar steps.
- Took concrete steps to lead by example as early adopters of the United Nations Sustainable Development Goals (SDGs).
- Celebrated the 10<sup>th</sup> anniversary of QHSEF awarding a total of 156 scholarships since inception.

## ► 2018-2019

### Upward Momentum

- Maximized financial and operational efficiencies across the portfolio.
- Reached exceptionally important preoperational milestones at ERC and entered pre-launch trial operations in 2018.
- Started full commercial operations at ERC at the end of 2019.
- Commenced full operations at TAQA Arabia’s EGP 1.35 billion, 65 MW Solar Power Plant in Benban Aswan.

## ► 2020-2021

### Resilience & Sustainability

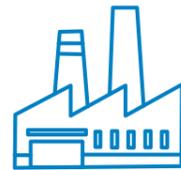
- Continued product mix optimization at ERC to mitigate pressure on the gross refining margin and support profitability.
- Increased subsidiary exports on gradual market recovery in the second half of 2020.
- Began negotiations for full debt restructuring at ERC to hedge against market uncertainties.
- 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.
- Precautions and measures were taken by Qalaa’s management to effectively safeguard the health and safety of its employees and business continuity, while maintaining the full workforce without resorting to layoffs.
- Reached financial close in 2021 on the equity and debt components of the Egyptian Refining Company (ERC), Qalaa’s flagship USD 4.3 billion refinery, a co-investment made alongside Gulf and international investors, global export credit agencies and development finance institutions.

# Qalaa Holdings at a Glance



## Improving lives and livelihoods

At Qalaa Holdings, our primary purpose is to improve lives and livelihoods by building sustainable businesses for our employees and community while creating long-term value and prosperity for all our stakeholders.



## Transformative investments

Investing in and supporting a diverse array of companies that will fuel sustainable economic growth and job creation in Egypt and across Africa is a key component of our mission.



# c.17,500

### EMPLOYEES

work each day to deliver energy to consumers and businesses alike; to provide reliable, fuel-efficient transportation solutions; to grow or manufacture safe, healthy food; to add value to natural resources; and to help build critical national infrastructure.



# 80+

### BUSINESSES

Founded & Developed

# 16

### YEARS

Drawing on our roots as Africa's largest private equity firm, we have worked since 2004 to build world-class businesses that cater to the needs of more than 1.3 billion consumers across our footprint in Egypt, East Africa and North



# 40,000

### JOB



## Regional Footprint

### WE INVEST IN HIGH-GROWTH MARKETS ACROSS AFRICA AND THE MIDDLE EAST

With landmark investments in 15 countries, we are a leading regional energy and infrastructure investor beyond our home market of Egypt.

## We are dedicated to promoting diversity and inclusiveness

Qalaa Holdings prides itself on the strength of its diverse management team. Our highly inclusive work environment promotes female leaders across our subsidiaries and our female CEOs, division heads, and investment professionals are regionally and locally recognized for their valuable contributions



# 25%

of Qalaa's board members are women

# Our Strategy & Investment Thesis

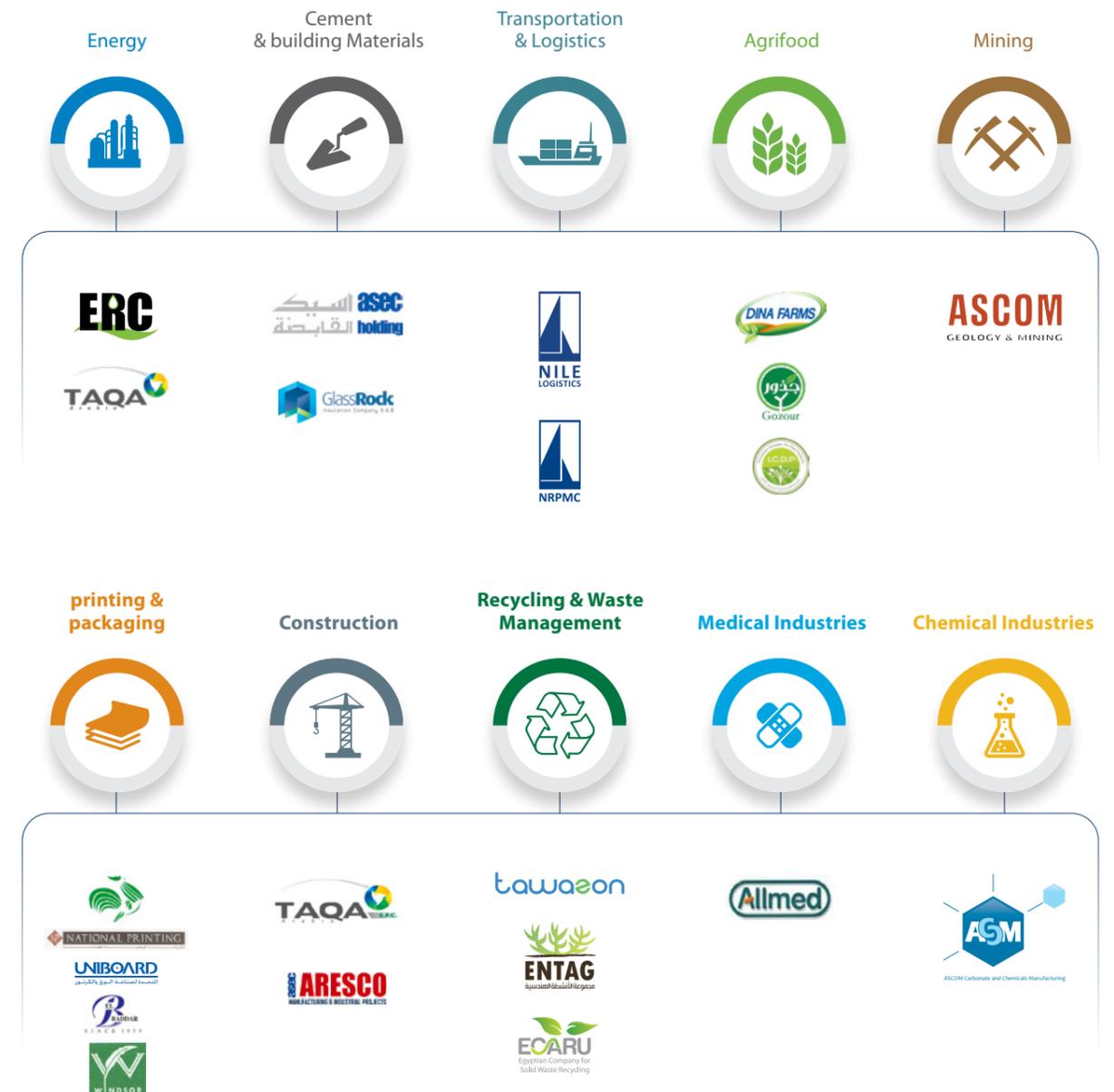
## What differentiates us?



Creating sustainable businesses, long-term value, and shared prosperity

# Our Sectors & Investments

In 2019, Qalaa reclassified some of its existing investments into new sectors that indicate a renewed focus on expanding into crucial segments of the economy.



# 2021 FINANCIAL **HIGHLIGHTS**



# Management Discussion & Analysis

Qalaa's resilience and robust growth strategies across its subsidiaries – most significantly, ERC – resulted in a triple-digit increase in recurring EBITDA in 2021.

Throughout the year, Qalaa expertly responded to shifting macroeconomic dynamics, demonstrating its resilience and agility in the face of an uncertain operating environment through strategic investment and efficient growth tactics. The company recorded consolidated revenues of EGP 45.8 billion, representing a 27% y-o-y increase, largely driven by ERC's contribution.

Qalaa's energy subsidiaries made up the majority of the Group's total consolidated revenues, contributing 82% to its top line, mainly on the back of impressive growth from ERC, which recorded EGP 28.5 billion in 2021, constituting 62% of the Group's top line for the year. ERC is the largest private sector-led infrastructure project in Africa and PPP megaproject in Egypt, playing a vital role in strengthening Egypt's energy security through providing a local alternative to imported diesel. TAQA Arabia continued to display strong performance, recording a revenue increase of 15% y-o-y to EGP 9.1 billion during the year. Maintaining its position as Egypt's leading private sector one-stop-shop for energy distribution and utilities, TAQA Arabia's growth during the year was mainly attributable to improved market conditions, with higher volumes at TAQA Gas and increased power distribution volumes at TAQA Power.

ASEC Holding, Qalaa's operational cement platform, recorded revenues of EGP 3.1 billion, increasing 24% y-o-y in 2021. The growth witnessed is primarily owed to stronger performance in the production segment. Widening demand gap drove volumes and prices at Al-Takamol Cement, with prices further hiked up due to the devaluation

and inflation of the Sudanese pound. The cement platform contributed 7% to the Group's total consolidated revenues for the year.

National Printing, Qalaa's subsidiary in the printing and packaging sector, recorded an impressive 46% y-o-y growth in revenues to EGP 2.6 billion, contributing 6% to the Group's top line. One of Egypt's largest producers of packaging and printing products, the company operates four subsidiaries, Shorouk, El Baddar, Uniboard, and Windsor. Supply chain disruptions impacted volumes at Shorouk, however, the company succeeded in achieving a 5% y-o-y increase in revenues during the year. Uniboard's revenues grew 50% y-o-y in 2021, supported by a price hike and volume increase, in addition to an expansion across eight new overseas markets. El Baddar's operations began reaping the benefits of its new state-of-the-art facility, which led to a 75% increase in sales volume and a 132% y-o-y rise in revenues.

Regarding the Group's mining operations, ASCOM's revenues grew 14% y-o-y in 2021, reaching EGP 937.7 million. In order to offset surges in variable cost components, ACCM's management raised the average price per ton, leading to a 54% y-o-y revenue increase, which was additionally attributable to an increase in export volumes. GlassRock also witnessed progress during the year, penetrating new international markets and growing its volumes, leading to a 19% y-o-y increase in revenues. Regarding ASCOM's quarry management services, which are heavily dependent on the cement sector, prolonged pressure on Egypt's cement industry due to oversupply and



robust market competition continued to negatively affect the company's operating environment. The Group's mining platform contributed 2% to the Group's total consolidated revenues.

Qalaa's agrifoods sector performed well during the year, with Dina Farms Holding Co. recording a 19% y-o-y increase in revenues to EGP 1.0 billion, on improved overall operations due to facility enhancement projects, as well as recovered post-pandemic market conditions. The performance of Qalaa's transportations and logistics companies' stevedoring and storage services were partially mitigated by the inland depot operations, alongside macroeconomic events in South Sudan, which resulted in a 13% y-o-y revenue decrease to EGP 253.1 million in 2021.

At the profitability level, Qalaa's recurring EBITDA surged 178% to EGP 4.1 billion in 2021, primarily on the back of improving refining margins that reflected positively on ERC's performance, along with enhanced profitability across almost all of the Group's subsidiaries. ERC's gross refining margin rose significantly following the start of the Russo-Ukrainian war, even exceeding pre-pandemic levels.

TAQA Arabia witnessed higher profitability during the year, benefitting from CNG station expansions at TAQA Gas and an increase in household and industrial clients at TAQA Power. ASCOM also contributed to positive EBITDA performance, driven by a growth in export volumes and price per ton.

The Group's selling, general, and administrative expenses (SG&A) recorded EGP 1.9 billion during the

year, up 9% y-o-y, of which EGP 553.5 million are related to ERC. Meanwhile, depreciation and amortization expenses stood at EGP 4.4 billion in 2021, up 4% y-o-y compared to EGP 4.2 billion in 2020.

Qalaa recorded bank interest expense of EGP 3.6 billion during the year, similar to the EGP 3.6 billion recorded in the previous year. The Group's total impairments and write downs reached EGP 308.4 million compared to EGP 230.9 million in 2020, mainly due to inventory and debtors' impairments at ASEC Engineering. Provisions for 2021 reached EGP 1.4 billion, mostly recorded at the cement platform, with unpaid interest on restructured loans accounting for EGP 219.3 million. The Group recorded an FX gain of EGP 228.6 million compared to EGP 50.9 million in 2020, of which EGP 206.3 million was attributed to ASEC Cement.

Qalaa's consolidated net loss after minority interest was down almost 11% in 2021 to EGP 2.3 billion from a net loss of EGP 2.5 billion in 2020. The Group's bottom line losses narrowed during the year due to the improved performance of ERC and the collective benefit of enhanced market conditions across all subsidiaries.

The Group has further progressed its debt restructuring efforts both at the holding and subsidiary levels. Additionally, ERC continues to negotiate with its lenders for a full debt restructuring. Qalaa's consolidated debt stood at EGP 16.1 billion as of 31 December 2021 compared to EGP 11.8 billion as of 31 December 2020, with the increase mainly driven by expansions at TAQA Arabia.

## Outlook

Entering 2022, Qalaa remains confident in the government's stewardship of the economy and in the Group's competitive position thanks to our diverse energy portfolio, local manufacturing operations, and export-driven businesses. This next phase will be characterized by constant supply chain shortages and resource constraints as a result of an uncertain geopolitical atmosphere. However, the Group has proved its ability to successfully navigate these pressures and plans on continuing in its path towards expansion in its local production, services, and agriculture sectors along with the tide of the broader Egyptian economy.

**45.8** EGP  
BN

2021 revenues

**27%**

y-o-y revenue growth

Qalaa will maintain its strategy of pushing its growth tactics forward across its platforms through capturing potential acquisition opportunities while making focused investments in its existing companies. One specific area the Group intends on expanding is TAQA Arabia's renewable energy business, as part of the global fight against climate change through a shift towards increasing our reliance on sources of natural gas. There are also plans on ramping up volumes at TAQA Power and TAQA Gas, while National Printing's operations are set to benefit from new capacities and optimized pricing strategies. Additionally, higher export proceeds at ACCM and GlassRock are seen driving performance at ASCOM, and higher petroleum product prices are set to help improve ERC's profitability.

The Group will uphold its record of adaptability in the face of environmental volatility, pushing towards delivering even more impressive results across its operations and markets. The upcoming period will also be one of ever-increasing government encouragement for private sector projects, which Qalaa is ideally positioned to capitalize on as a leading Egyptian investor in infrastructure and industry. We are confident in the experienced abilities of our teams and our Board in driving increased growth and profitability in the upcoming period, with a focus on long-term value creation and strategic expansion.



# 2021 Milestones

## January

- TAQA Arabia – Qalaa Holdings' energy company – participates in Egypt's Go Green Expo under the auspices of President Abdel-Fattah El-Sisi.
- Qalaa Holdings recognized by the Financial Regulatory Authority (FRA) in its Inaugural Publication: "Sustainability Champions: Leading the Way Forward" as a pioneer in the field of sustainability and responsible investment.
- Qalaa Holdings participates in AmCham's webinar titled "The Power of Mentorship".

## February

- Hisham El-Khazindar, Qalaa Holdings' Co-Founder and Managing Director, launches the executive plan for "Bridging the Gender Gap Catalyst" as Co-Chair of the initiative.
- Ghada Hammouda, Qalaa Holdings' Group Sustainability and Marketing Officer, participates in SDGs Impact and Impact Investing event organized by AmCham.
- For the sixth consecutive year, Citadel Capital won the award for the 100 Best Performing Companies on the EGX, in recognition of its environmentally, socially, and economically responsible business model, including its role as a founding partner in launching the implementation plan for the "Bridging the Gender Gap Catalyst" represented by Hisham Al-Khazindar, and its part in women and youth empowerment in economics.

## March

- Ghada Hammouda, Qalaa's Group Sustainability and Marketing Officer, participates in the International Women's Day event organized by IOM UN Migration, Ring the Bell for Gender Equality organized by the Egyptian Exchange (EGX), and The Women on Boards event organized by the Swedish Ambassador.

## April

- Qalaa Holdings records a 148% y-o-y increase in consolidated revenues to EGP 35.9 billion in FY2020, on the back of significant contributions from ERC.
- Ghada Hammouda, Qalaa's Group Sustainability and Marketing Officer, participates in Technedrift event under the theme "Scaling Without Failing: Things That Small Companies Can Learn from Large Ones".

## June

- Qalaa Holdings recorded a 23% y-o-y decline in revenues to EGP 8 billion and 87% y-o-y decline in recurring EBITDA to EGP 90.5 million in 1Q21, impacted by lower contribution from ERC due to a 29-day stoppage. Excluding ERC, Qalaa Holdings recorded a 9% y-o-y increase in revenues to EGP 3.8 billion and a 12% y-o-y increase in recurring EBITDA to EGP 357 million in 1Q21, on the back of strong performances across the subsidiaries, including TAQA Arabia, ASCOM, National Printing, and Dina Farms.
- Hisham El-Khazindar, Qalaa's Co-founder and Managing Director, participates in Thndr Claps & Waya Event.

## July

- QHSF announces the names of the new group of recipients of the scholarship program for the academic year 2021/2022 to complete their post-graduate studies at world-class international universities, bringing the total grants offered to 206 in more than 34 disciplines at 69 leading universities in the US and Europe.

## September

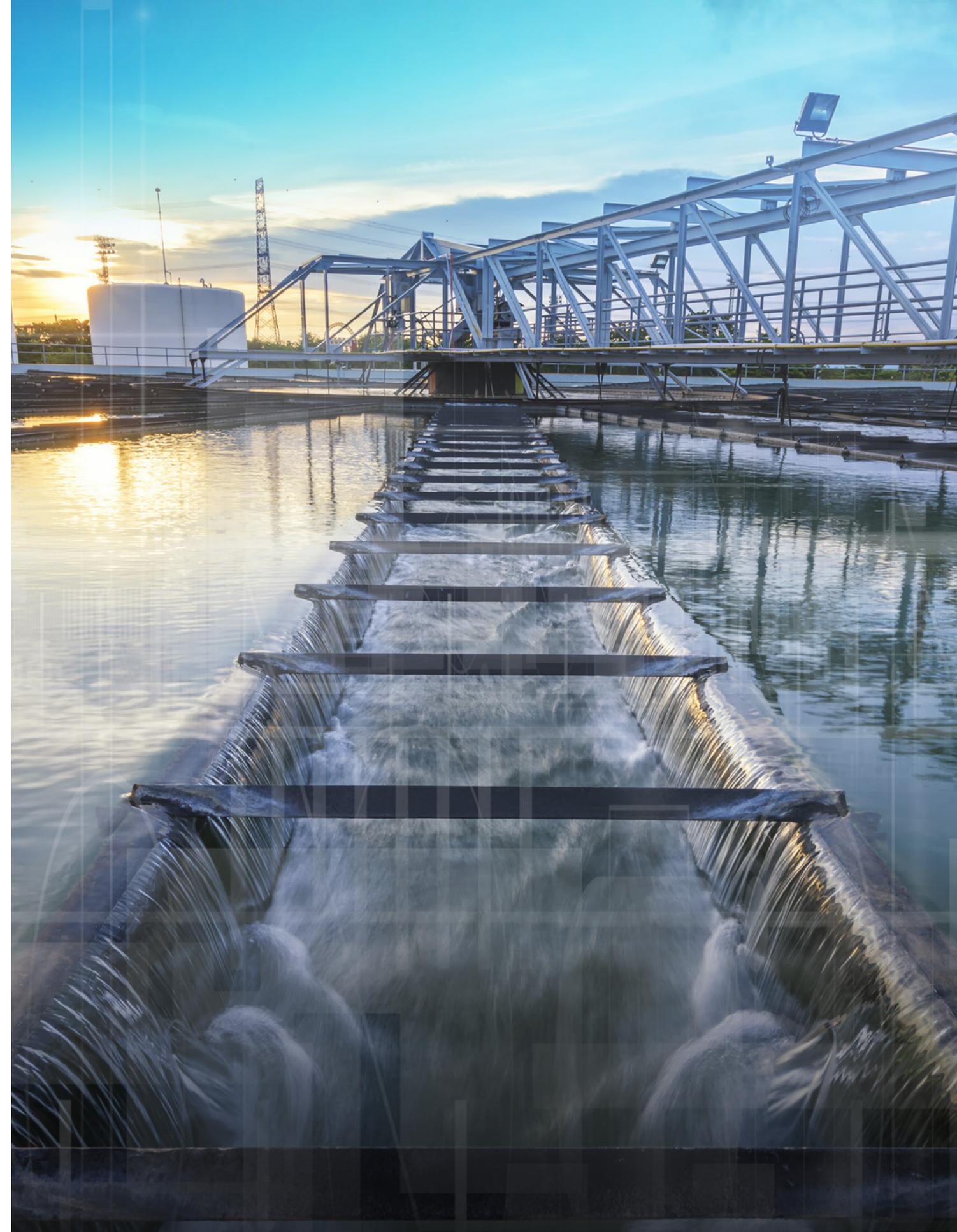
- Qalaa Holdings revenues grew 37% y-o-y to EGP 10.2 billion and recurring EBITDA grew 105% y-o-y in 2Q21, supported by a positive performance across the subsidiaries and a gradually improving refining margins reflecting positively on ERC's performance.

## October

- Qalaa Holdings' Chairman and Founder, Ahmed Heikal, takes center stage with global leaders to discuss maximizing economic growth and securing sustainable, long-term job creation, during the fifth annual Future Investment Initiative (FII), held under the theme "Invest in Humanity".

## December

- Qalaa Holdings records 46% y-o-y increase in revenues to EGP 12.8 billion and recurring EBITDA nearly sevenfold to EGP 1.2 billion in 3Q21, supported by strong performance across almost all subsidiaries, a global rally in commodity prices, and improved refining margins at ERC.
- ERC celebrates five years of "Mostaqbali", and 300 scholarships offered to technical education students and teachers.



# SUSTAINABILITY AND **RESPONSIBLE INVESTING**



# Our Commitment to ESG and the Triple Bottom Line

Building Business and Communities for a Greener and Sustainable Future

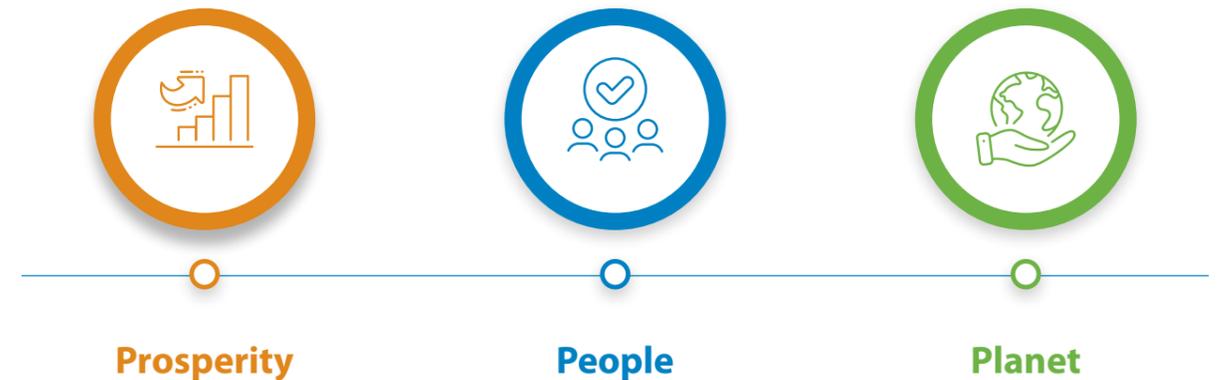
We remain committed to contributing to the propagation of a circular greener economy through a multi-faceted, inclusive growth, and development strategy. Qalaa Holdings has continued to retain its position as a regional pioneer in sustainability and ESG reporting standards.

## Our Approach to Sustainability

Mindful of its position as a regional pioneer, Qalaa Holdings has adopted a multi-dimensional investment strategy, focused on a balanced environmental, social, and governance (ESG) framework. Since our inception, we worked actively to ensure that each of our investments is responsible across the economic, environmental, and social fronts. Today, and as a result of this triple bottom line approach to our investments, Qalaa Holdings encompasses a diverse portfolio of companies spanning multiple sectors, which have positively impacted sustainable economic growth and job creation in Egypt and Africa.

Moreover, we uphold our commitment to ensuring the positive impact of our operations through our diverse sustainability and ethical corporate governance efforts. Capitalizing on these efforts, we have promoted collective action during 2019 to achieve quantifiable sustainability targets in order to maximize our operational efficiencies and better identify how to deliver on our responsibilities to our people and the communities in which we operate.

## The triple bottom line



Enabling our People  
Developing our Communities  
Neutralizing our Environmental Impact





# Shared Prosperity

Pushing Egypt's Economic Growth

Qalaa Holdings invests in a diverse array of strategic sectors ranging from industry to infrastructure. We seek to provide innovative solutions, facilitate knowledge transfer, introduce the best international practices, and empower employees to spur innovation in the sectors in which we invest. The Egyptian Refinery Company (ERC) was constructed by leading international experts who transferred knowledge and innovation to local workers. It utilizes advanced technology to convert the lowest value fuel oil into middle and light distillates.

In efforts to promote innovative forms of transportation and infrastructure, Qalaa Holdings invests in water and rail transport to reduce pressure on clogged highways in Egypt and other regional countries.

Qalaa Holdings believes that partnering with like-minded local and international organizations who are working towards similar goals is a key enabler to extend our reach and add more value to our local communities. As such, wherever we operate, we partner with governments, civil society, international organizations, and think tanks to increase the size and scope of our impact. Qalaa Holdings is currently an active member of the UN Global Compact (UNGC) and has founded its Egyptian chapter. We are also members of the Integrity Network Initiative (INI), which seeks to engage the Egyptian business community in a collective effort to fight corruption and create an efficient and enabling business environment.

Despite economic challenges and an ongoing global pandemic, Qalaa Holdings has successfully established new businesses and transformed local companies into regional leaders.

**44**

civil society organizations as partners

**5+**

government organizations in Egypt

**13+**

academic and international organizations

**C.17,000**

employees currently employed by Qalaa Holdings and its subsidiaries

“

Qalaa Holdings invests in water and rail transport to reduce pressure on clogged highways in Egypt and other regional countries.

**40,000+**

jobs created

**4.3** USD bn

refinery to provide environmentally friendly Euro V diesel and refined products for the local market

**50**

river barges, serving as a one stop shop for transporting goods efficiently and economically

**39**

businesses developed by Qalaa Holdings

**80+**

businesses founded & developed

**43**

businesses founded by Qalaa Holdings

# Our Contributions to Egypt's Economic Growth

## Founded by Qalaa Holdings



## Acquired, developed, and added production lines



## Founded by Dr. Ahmed Heikal\*



\* EFG Hermes: Dr. Ahmed Heikal in partnership with Dr. Mohamed Taymour  
 \* Qalaa Holdings: Dr. Ahmed Heikal in partnership with founding partner, Hisham El-Khazindar  
 \* Raya Holding: Dr. Ahmed Heikal in partnership with Eng. Medhat Khalil  
 \* Arab Co. for Arts: Dr. Ahmed Heikal in partnership with others  
 \* City Gas: Dr. Ahmed Heikal in partnership with Eng. Abd Elhamid Abu Bakr  
 \* Arab Co. for Arts and Publishing: Dr. Ahmed Heikal in partnership with Dar El Shorouk



# People

## Empowering Our People

At Qalaa Holdings, we firmly believe that people are the backbone of our company and the engine that will drive growth in our societies. Accordingly, we actively work to protect and develop our people by ensuring that they are well-trained, well-cared for, and given equal opportunities to excel and advance within the company.

### Management

Qalaa Holdings seeks to cultivate a highly inclusive and diverse work environment that empowers all employees, particularly women. We pride ourselves on the strength of our diverse management team, bringing together some of the most qualified calibers in the industry. Some 25% of Qalaa Holdings' board members and 39.5% of Qalaa Holdings' upper and middle management are women.

### Developing Human Capital

As part of our commitment to contributing to the ongoing development of human capital in Egypt, Qalaa Holdings established the Qalaa Holdings Scholarship Foundation in 2007. The foundation awards scholarships to around 15 talented students to pursue graduate studies abroad at leading global universities in the US and Europe.



“

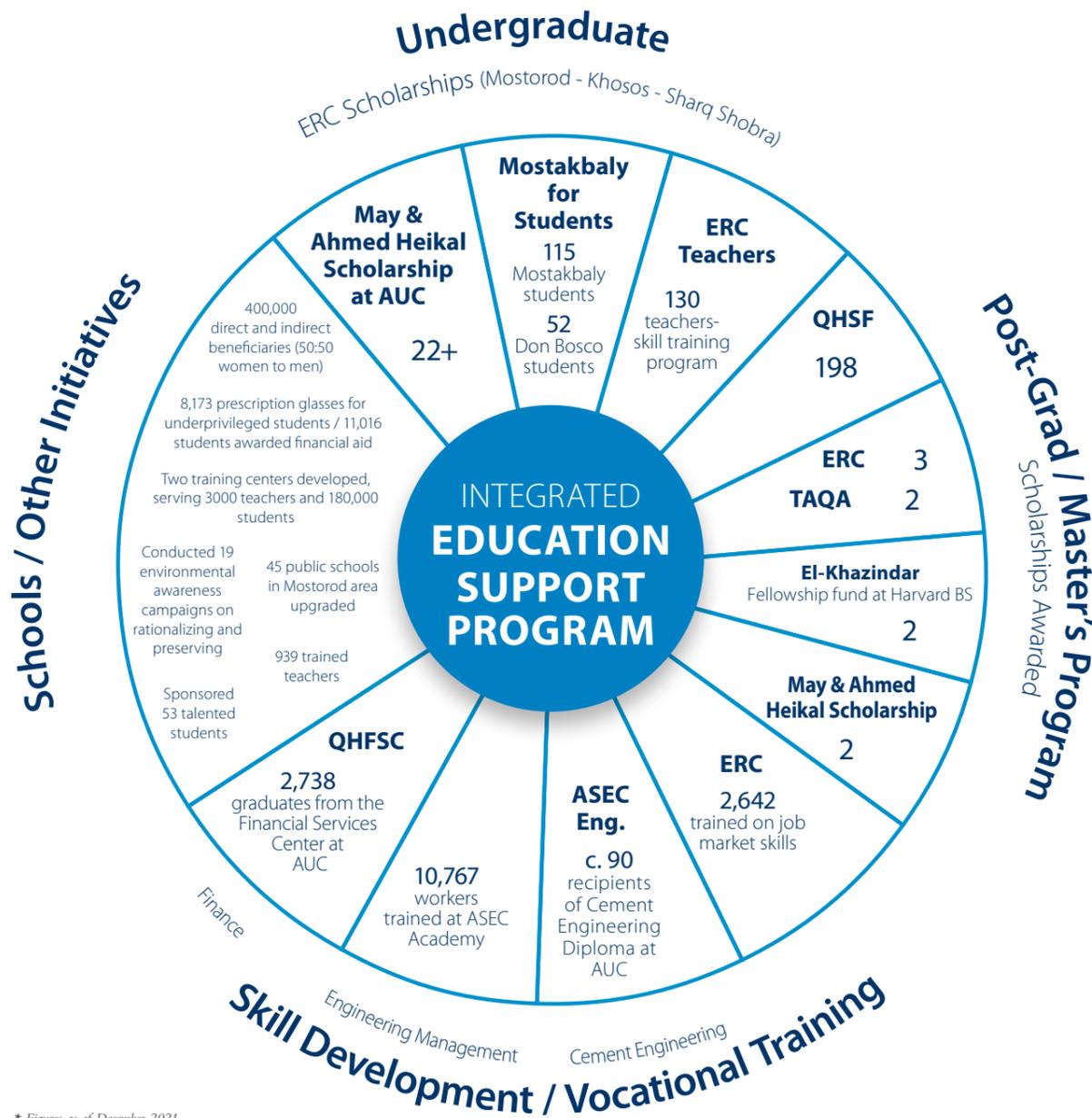
Some 25% of Qalaa Holdings' board members and 39.5% of Qalaa Holdings' upper and middle management are women.



# Investing in Human Capital Development

# 36,900

Total direct and indirect beneficiaries of QH human capital development programs\*



\* Figures as of December 2021



مؤسسة القلعة للمنح الدراسية  
Qalaa Holdings Scholarship Foundation

Every year, Qalaa Holdings Scholarship Foundation (QHSF) gives approximately 15 of Egypt's brightest students the chance to pursue graduate studies abroad at leading global universities in the U.S. and Europe. Established in 2007, the Foundation provides youth from cities throughout Egypt with educational opportunities, enabling them to make a positive impact on Egypt's economic and social well-being. To ensure the program's continuity, Qalaa Holdings established an endowment to fund the activities of the Foundation.

Today, QHSF has grown to become the largest private sector funded scholarship program in Egypt. Over the past 14 years, it has awarded 198 scholarships to students from more than 15 governorates across Egypt to attend more than 60 global universities. The program

is inclusive of all genders with approximately 46% of all QHSF scholarships going to female scholars.

As a condition of acceptance, QHSF scholars pledge to return and contribute to Egypt following the completion of their studies. As a result, many of our scholars have returned to make significant contributions in their respective fields from nanotechnology to public policy, as well as heritage conservation to political development.

Next to its primary scholarships, QHSF has awarded scholarships funded by Qalaa subsidiaries, TAQA Arabia and the Egyptian Refining Company (ERC), to students pursuing studies in the fields of renewable energy and petroleum.

15  
governorates

15  
scholarship rounds

46%  
female scholars

# Our Community Impact



**8,900**

Direct and Indirect beneficiaries

**1,498**

Women trained to enter the labor market

**212**

Small projects supported for women empowerment

**85**

Grants for craft training



**113,000**

Direct and indirect beneficiaries

**1,144**

Youths trained to enter labor market

**212**

Small projects for youth empowerment

**25**

Grants for craft training

**4**

Computer centers supported



**1,400**

invested in infrastructure megaproject, ERC

**8**

Community development initiatives

**14**

Human capacity building trainings

**3**

Incentive activities



**9,500**

Direct and Indirect beneficiaries

**4**

Childcare centers supported

**1,500**

People with diabetes supported

**4**

Schools for people with special needs supported



**470,000**

Direct and indirect beneficiaries

**8,173**

Childcare centers supported

**45**

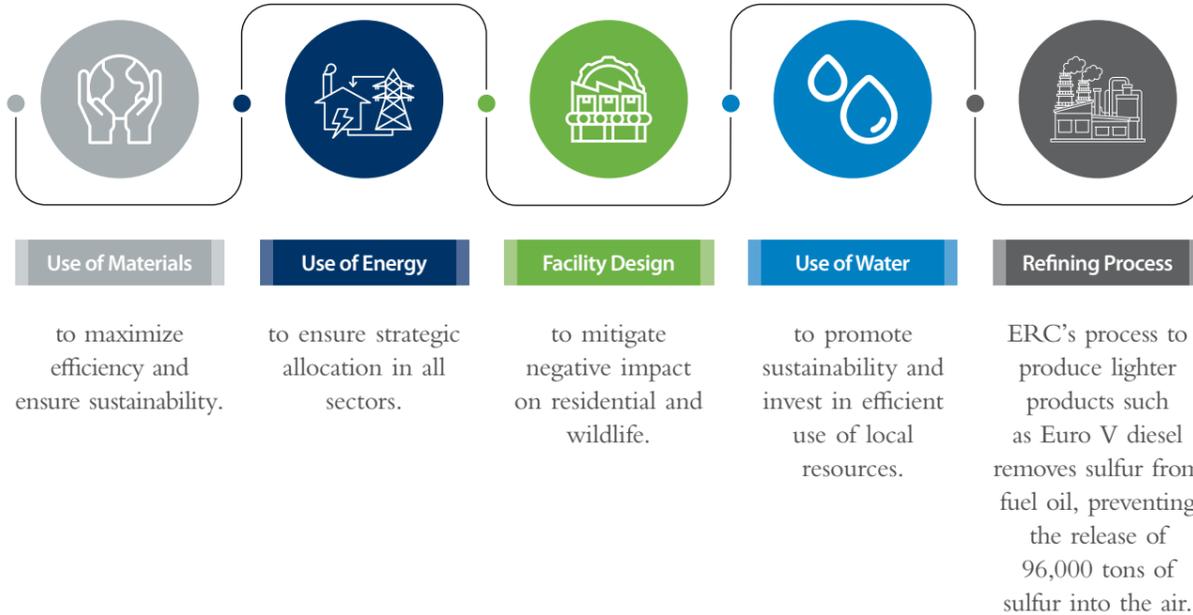
Public schools in Mostorod upgraded



# Planet

## Climate Action & Minimizing Environmental Impact

At Qalaa Holdings, we believe that offsetting our environmental impact and managing resources and waste are fundamental to the realization of the SDGs and overall climate change goals. To that end, we developed a rigorous environmental policy that covers the full breadth of our operations. The policy covers:



### 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Qalaa Holdings subsidiaries employ strict waste management policies, with some using waste as input to produce a variety of materials from clean alternative energy (Tawazon) to duplex boards (Shorouk, a subsidiary of National Printing Company). ERC utilizes an environmentally friendly closed-circuit cooling system that makes the best use of a limited supply of water and reuses it efficiently in the cooling

process with the aid of cooling towers. ERC performs upgrades including the installation of environmental monitoring equipment at neighboring refinery CORC as per the contractual agreement between ERC and CORC. TAQA has also made significant strides in providing clean energy via mobile CNG and dual fuel. It has also established a fund with EBRD to construct a solar PV plant in Dina Farms.

### Responsible Consumption and Production: The circular economy is based on less consumption and creating new green products.



## Key Subsidiary Environmental Highlights



### ERC

Qalaa Holding's flagship USD 4.3 billion refinery became fully operational in November 2019 and officially inaugurated in September 2020 by President Abdel Fattah El Sisi. ERC takes atmospheric fuel oil from an adjacent government-owned refinery (CORC) and transforms it into Euro V diesel, considered to be the cleanest fuel of its type in the world. It achieves energy efficiency by preventing 186,000 tons of sulfur dioxide and 96,000 tons of sulfur from being emitted into Cairo's air annually. Moreover, ERC has established a three-stage industrial wastewater treatment plant, in accordance with the highest local and international standards, which contributes to preserving water quality given that it is not diverted to the Ismailia Canal. To see more of ERC's environmental performance, please visit Qalaa Holding's COP.

**2,010.5** tons

of total waste disposed

**239,686,093** Nm<sup>3</sup>

total fuel gas consumption in manufacturing

**3,992,985** M<sup>3</sup>

wastewater treated/reused



### TAQA Arabia

TAQA Arabia works within the larger ESG framework of Qalaa Holdings to work towards the group's collective journey towards increased sustainability through adherence to responsible practices across all spheres. It is compliant with a number of reporting standards that assess and analyze the impact of its activities on the environment, allowing it to effectively strategize the way forward. The company annually calculates its total carbon emissions, total water consumption, volume of direct energy consumption, and the total waste produced and recycled.

The energy subsidiary remains committed to diversifying its portfolio and reaffirms its goals to expand in renewable energy with the launch of its 65 MW solar power plant in Benban Solar Park in Aswan, Egypt. This EGP 1.35 billion investment is now part of the largest solar park in the world, and factors in Egypt's 2022 plan of producing 20% of its electricity needs through renewable resources. TAQA has also continued examining opportunities for expansion into alternative energy and wind power. TAQA transmits and distributes natural gas connections to more than 1.5 million customers in 48 cities across Egypt and is expected to reduce emissions by c.78,000 tons annually from its solar plant. To see more of TAQA Arabia's environmental performance, please visit Qalaa Holding's COP.

**130.87** tons

total TAQA Arabia waste disposed in 2021

**2,557.4**

total TAQA Gas emissions in 2021

**123.95** tons

total TAQA Gas waste disposed in 2021

**437.62** parts/million

total TAQA Oil emissions in 2021

**5.04** tons

total TAQA Oil waste disposed in 2021



**tawazoon Tawazon**

Qalaa's solid waste management subsidiary, Tawazon, maintained strong efforts in providing cleaner and recycled alternative fuels from waste such as biomass-derived fuel (BDF), solid recovery fuel (SRF) and refuse-derived fuel (RDF) to heavy consumers as a source of thermal energy throughout 2021.



**Nile Logistics**

The river transportation subsidiary remains one of the most fuel-efficient and environmentally friendly methods of transportation available in Egypt, Sudan, and South Sudan. Nile Logistics has a large fleet of fuel-efficient, environmentally friendly river barges that transport cargo along the Nile. The company continues to transport the equivalent of 20-40 truckloads on each barge using a fraction of the fuel and money usually invested in other modes of transport. The company uses diesel-powered equipment (loaders, winches, and river equipment) and all engines are operated only during work hours, with waste is disposed of according to the periodic maintenance rates of the equipment to achieve the highest efficiency using the least amount of energy.

Nile Logistics is contracted with several Egyptian institutions in the field of environmental preservation, including the Institute of Environmental Research and Studies at Cairo University and EnviGlobe, an environmental consultant, in order to conduct environmental impact assessments for each site to reduce pollution, greenhouse gases, and carbon emissions.



**Gozour**

Dina Farms stands as a model for integrated economic projects committed to environmental and social sustainability practices. In addition to using technology to provide irrigation water, the company is currently expanding the use of solar energy to generate electricity, leading to a reduction in its carbon footprint. Dina Farms also takes into account its social responsibility by committing to employ and train members of its local community.

A total of 68,000 m3 compost (green manure) produced in 2021, 100% of which was reused as soil fertilizers.



**GlassRock**

GlassRock's thermal insulation solutions can save up to 40% of the cooling and heating load and minimize the global carbon dioxide footprint from heating and cooling while using calculated percentage of recycled materials. The company maintains a total annual production capacity of 30,000 metric tons of rock wool and 20,000 metric tons of glass wool, both considered key in environment-friendly construction.



**El Baddar**

National Printing Company's subsidiary develops corrugated sheets and boxes that are widely used for shipping, particularly in the food industry. El Baddar products are renowned in the market for their strength, durability, lightness, recyclability, and cost-efficiency. The company recycles paper and materials used in the production of packaging and printing products. The company established its new state-of-the-art facility, finalized its relocation there, and commenced initial production.



At Qalaa Holdings, we believe that offsetting our environmental impact and managing resources and waste are fundamental to the realization of the SDGs and overall climate change goals.



## Our Commitment to the SDGs

As an active member of the UNGC, we continue to uphold our commitment to the compact’s ten principles, focusing on the notions of human rights, labor, environment, and anti-corruption. Qalaa Holdings and its subsidiaries employ local and international best practices and adhere to robust codes of conduct, regulations, and procedures, which are in line with the UNGC’s principles and the United Nations’ Sustainable Development Goals (SDGs). On a corporate level, Qalaa Holdings has also integrated the below SDGs into the core fabric of its triple bottom line and ESG initiatives across its operations.



### Shared Prosperity



### Affordable and Clean Energy

- With the inauguration of ERC and TAQA Arabia’s Benban solar power plant, Qalaa Holdings remains dedicated to investing in renewable energy ventures, reducing its carbon footprint and lowering harmful emissions. TAQA is also driving Qalaa Holdings’ green economy efforts through its use of more environmentally friendly options such as CNG and dual fuel.




### Economic Growth

- Investing in and supporting a diverse array of companies that will fuel sustainable economic growth and job creation in Egypt and across Africa is a key component of our mission. Since our founding in 2004, we have built and developed more than 80 businesses and created more than 40,000 jobs.
- To further fuel our economic growth, we provide vocational training and other educational opportunities to our employees to close the skill gaps. At our subsidiaries, our employees learn from onsite specialists. We believe that empowering local skilled labor is a sustainable business practice that will result in a positive impact for Egypt.



### Industry Innovation and Infrastructure

- Qalaa Holdings’ flagship energy project, ERC, is converting lowest value fuel oil into middle and light distillates that is meeting domestic consumption. The project has generated more than 18,000 jobs at peak construction, and 1,000 permanent positions. ERC was constructed alongside leading international experts GS Engineering & Construction Corp. and Mitsui & Co. Ltd who provided crucial transfer of knowledge to local workers throughout the project’s lifecycle.




### Partnerships for the Goals

- This is the age of unprecedented collaboration. Qalaa believes that partnering with like-minded local and international organizations such as the UNGC and the WEF, who are working towards common goals, will enable us to further our reach and add more value to our communities.





## Enabling People



### Quality Education

- Qalaa Holdings follows a holistic approach to supporting education in Egypt, with multiple programs that support all levels of vocational education in various industries, higher education both in Egypt and abroad, teacher education to train the trainers, and the education and personal development of our employees. Through this approach, we are heavily invested in training future generations and fortifying the Egyptian workforce with the skills needed to climb corporate ranks and give back to their communities and the country as a whole.
- Appointing and honoring Egyptian female competencies to create successful female cadres and models as an example to be emulated in the Egyptian and international business communities.
- QH is an active participant in local and international initiatives that enhance the status of women and achieve equality and equal opportunities as an active participant in the Gender Accelerator, UNGC initiative. Management understands and has integrated the SDGs framework in business operations, thinking, and practices, prioritizing SDG 5 – Gender equality.
- Qalaa Holdings' women empowerment strategy is built on four main pillars:



### Gender Equality

- At Qalaa Holdings, equality is at the core of our beliefs. Gender balance and female economic empowerment fuel Qalaa's human capital development programs. We believe in fostering a highly inclusive work environment that promotes women's impact. Our strategy is to empower and support women to unleash their potential by providing fair and equal opportunities in high-level positions. We actively pursue the recruitment of women at Qalaa and its subsidiaries. We provide tailored employment policies to create a supportive environment for women such as flexible working hours during pregnancy and after maternity leave.
- Achieving 100% female representation in the international legal affairs and corporate sustainability and communications teams.
- Supporting and empowering women in the workplace in line with the principle of "Gender Fairness and Equal Opportunities", where 25% of Qalaa Holdings' board members and 39.1% of upper and middle management are women.
- Appointing and rewarding successful female executive leaders and positioning them as role models that lead by example in the local and international business arena.
- Launching diverse community development programs to train and empower women to fill the gender gap. Currently, c. 50% of our direct and indirect beneficiaries from our community development programs are women, reaching c. 300,000 beneficiaries.
- Participating and collaborating with international organizations on initiatives that aim to empower women and achieve gender balance and equality, and pushing male workers to support and empower such initiatives.



### Reduced Inequalities

- The ultimate goal of all our initiatives and projects is to help reduce economic and social inequalities by building capacities through education and human capital development. Through our

community development initiatives – Tamkeen, Mashrouy, Reyada, and Takaful – we empower women, youth, and individuals with special needs.



## Our Responsible and Consumption Practices

Production	Consumption	Waste Management
ERC produces Euro V diesel, which will eliminate c. 29% of Egypt's sulfur dioxide emissions	Dina Farms applies an efficient irrigation system and practices sustainable farming	Tawazon is a full-service solid waste management provider that recycles waste into environmentally friendly alternatives for coal and natural gas
El Baddar uses recycled material in the production of packaging and printing products	ERC employs a closed water circuit and sanitation system to minimize water consumption	



## Affordable and Clean Energy

<b>78 g/kWh</b> eliminated emissions as a result of Benban Solar Park	<b>370+ tons</b> of solid waste removed from ERC to a specialized solid waste management facility	<b>1K+ tons</b> of hazardous waste removed from ERC to specialized hazardous waste management facilities	<b>29%</b> reduction in total SO2 emissions on cleaner Euro O V diesel from ERC	<b>68 K m3</b> of compost (green manure) produced, 100% of which were used as fertilizers at Dina Farms in 2021
--------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------



## Responsible Consumption and Production

<b>135K tons</b> annual production capacity of duplex boards from recycled wastepaper by Uniboard	<b>C.10K feddans</b> developed by Dina Farms using technologically advanced and efficient irrigation systems	<b>50K</b> metric tons of environment-friendly insulation materials
------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------



## Climate Action

<b>70 USD mn</b> investment in sustainable insulation materials company by GlassRock	<b>40%</b> reduction in carbon dioxide emissions in buildings that use GlassRock insulation materials	<b>1.5 mn</b> residential customers converted to cleaner burning natural gas by TAQA
-----------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------

## Our Subsidiaries' Responsible Investing



Since the start of operations in early 2019, ERC has effectively reduced diesel imports, had a positive environmental impact, and created thousands of jobs. For years prior, the company made a positive social

impact on its surrounding community in Mostorod, with a focus on education, economic empowerment, youth capacity building, and special needs. It launched multiple initiatives, including:



### Educational support through Mostakbaly, with 470,000 direct and indirect beneficiaries (50% female and 50% male):

- 8,173 medical eyeglasses for the students.
- 11,016 students provided with financial aid.
- 939 trained teachers.
- 45 refurbished and developed schools.
- Two training centers developed, serving 3,000 teachers and 180,000 students.
- Sponsored 53 talented students.
- 19 environmental awareness campaigns on rationalizing water and electricity.



### Economic empowerment and income raising through Tamkeen with 8,780 beneficiaries:

- 1,498 women trained to enter the labor market.
- 189 small projects supported for women empowerment.
- 85 grants for craft training.



### Economic empowerment and income raising through Mashrouy with 56,000 direct and indirect beneficiaries (15% female and 85% male):

- 1,144 youths trained to enter the labor market.
- 70 small projects for youth empowerment.
- 25 grants for craft training in the field of mobile maintenance.
- 4 computer centers supported to service youth in the Mostorod area.



### Youth volunteering and capacity building through Reyada with 1,400 direct and indirect beneficiaries (60% female and 40% male):

- 100 volunteers (30 active).
- 8 community development initiatives.
- 14 human capacity building trainings.
- 3 incentive activities.



### Special needs support via Takaful. 9,500 direct & indirect beneficiaries (50% female, 50% male):

- 4 childcare centers supported.
- 1,500 people with disabilities supported.
- 4 schools for people with special needs supported.



TAQA Arabia has developed the TAQA International Master's program to fully fund the post-graduate studies of students in the field of renewable energy.



Built what is now a leading cement manufacturer in Sudan.



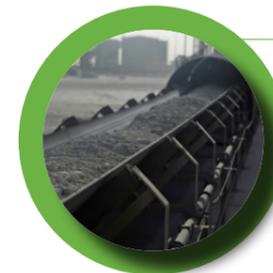
As of December 2021, TAQA Arabia had awarded a total of two scholarships to qualified Egyptian students.



ASEC Subsidiary ASENPRO is a leader in the MENA region when it comes to environmental preservation. The company specializes in controlling pollution and dust emissions resulting from cement production.



TAQA Arabia participated in Egypt's Go Green Expo, where it showcased its latest technologies to support the state's plan to expand the usage of natural gas by converting vehicle engines to run on dual fuel, using both natural gas and diesel. In accordance with the transition plan, TAQA Arabia looks to expand Egypt's network of natural gas stations along with two other publicly owned stations, aiming to build 200 stations around the country by 2023.



ASEC instituted the ASEC Academy for vocational training as well as training for engineers, chemists and geologists employed in the cement industry. In 2021, the number of trainees reached 10,767.



Commitment to quality, health, safety, and environment is delivered through adopting an integrated approach to the management systems in line with international standards, and complying with all relevant legislation, regulations, and other legal requirements. This provides a framework for integration of the ISO 9001:2015, ISO 14001:2015, ISO 45001:2018.

## Transportation & Logistics



Each river barge transports the equivalent of 20-40 truckloads using a fraction of the fuel, emissions and money usually invested in other methods of transport.



Grain handling and storage in Alexandria with a capacity of 100,000 tons and a target turnover of 6-7 times per annum.



The company's inland container depot's recent connection to the national electricity grid has further enhanced the efficiency, reduced operational costs, and reduced the portfolio's carbon footprint.



Operates fleet of fuel efficient, environmentally friendly barges in Egypt, Sudan, and South Sudan.

## Gozour



Dina Farms stands as a model for integrated economic projects committed to environmental and social sustainability practices.



In addition to using technology to provide irrigation water, the company is currently expanding the use of solar energy to generate electricity, leading to a reduction in its carbon footprint.



A total of 68,000 m3 compost (green manure) produced in 2021, 100% m3 of which was reused as soil fertilizers.



Dina Farms also takes into account its social responsibility by committing to employ and train members of its local community.

## Packaging and Printing



One of Egypt's largest sustainable producers of printing and packaging materials.  
National Printing provides safe and environmentally friendly non-plastic packaging solutions.



Shorouk is certified by the Forest Stewardship Certification (FSC).



Uniboard's volume increased to 132,642 tons.



NPC and its subsidiaries employ c.2,000 people.

“

Since the start of operations in early 2019, ERC has effectively reduced diesel imports, had a positive environmental impact, and created thousands of jobs.

## Our COVID-19 Response

Since the outbreak of the COVID-19 pandemic in 2020, Qalaa Holdings has prioritized the safety of its 17,000+ employees as it navigates through the numerous challenges posed by the pandemic. It instated strict protocols to ensure the health and safety of all stakeholders throughout the crisis, with a focus on:



### Balancing Lives and Livelihoods

- Qalaa Holdings placed the health and safety of employees at the helm of its business continuity strategy and maintained its full workforce without layoffs. A portion of the salaries for top management was temporarily deferred to ensure that the company could meet its financial obligations.
- Throughout this challenging period, Qalaa Holdings and its subsidiaries remained fully functional and open for business. All subsidiaries continued to meet the needs of stakeholders safely and efficiently, monitoring the evolving situation in a manner that allowed companies to make informed and rational decisions that ensured health and safety and maintained business continuity.



### Supporting the Fight to Preserve Jobs

- Qalaa Holdings joined the Ministry of Planning and Economic Development's 'Egypt Will Pass' initiative, a campaign aimed at fighting the COVID-induced employment crisis and encouraging the business community to maintain workforces and provide new job opportunities. The campaign included announcing plans for four new projects that could potentially provide an additional 2,000 jobs.
- Qalaa Holdings and its subsidiaries have donated EGP 30 million to the Tahya Masr Fund to support its COVID-19 vaccination efforts.



### Supporting Front Liners

- Through its energy subsidiary, TAQA Arabia, Egypt's largest private-sector energy distribution company, Qalaa Holdings supported hospitals and medical teams by:
- Partnering with the American Chamber of Commerce (AMCHAM) on the "AmCham Private Sector Alliance Against COVID-19" which gathered donations to purchase critical medical supplies and personal protective equipment (PPE), through UNICEF's Global Supply Division.
  - Contributing to the Ahl Masr Foundation to support COVID-19 patients and medical staff.
  - Participating in the Tahya Misr Fund's initiative "Partners in Prosperity".

“

Qalaa Holdings placed the health and safety of employees at the helm of its business continuity strategy and maintained its full workforce without layoffs.

# CORPORATE **GOVERNANCE**



# Promoting Good Business: Ethics & Integrity

Qalaa Holdings has created a solid governance structure that is centered around accountability, transparency, and ethical business practices to ensure sound governance across its portfolio.

A pioneer in sustainable and ethical business practices, Qalaa Holdings firmly believes in the importance of private-sector leadership in boosting positive social change and economic development in Egypt. The firm considers stellar governance to be the key driver of superior corporate performance and relies on its components to help reduce risk, identify internal and external threats, and assist in capturing profitable business opportunities.

instill diversity, trust, fairness, openness, and transparency as fundamental pillars of its corporate culture.

Qalaa Holdings is currently a part of the Egyptian Junior Business Association's Integrity Network Initiative (INI), which connects Egypt's leading companies with its most promising SMEs in a collective effort to fight corruption and create a culture of accountability and transparency.

In line with its commitment to institutionalizing the corporate governance processes across all its companies, Qalaa Holdings is working diligently to



## Qalaa's Diverse Board of Directors



**Ahmed Heikal**  
Chairman & Founder representing Citadel Capital Partners Ltd.



**Hisham El-Khazindar**  
Co-Founder & Managing Director representing Citadel Capital Partners Ltd.



**Karim Sadek**  
Managing Director, Head of Transportation & Logistics



**Moataz Farouk**  
Managing Director representing Citadel Capital Partners Ltd.



**Magdy El Desouky**  
Board Member (Independent)



**Philip Blair Dundas Jr.**  
Board Member (Independent)



**Mona Makram Ebeid**  
Board Member (Independent)



**Dina Hassan Sherif**  
Board Member (Independent)

## Corporate Governance Committees

An interdisciplinary approach is taken for our specialized committees that include both executive and non-executive members. These committees are tasked with carrying out specific, distinct duties and report directly to the Board of Directors.

### Management Committee

Qalaa Holdings' Management Committee is comprised of a diverse group of individuals with complementary skill sets who are responsible for the day-to-day management of the company. The committee meets regularly to ensure a rigorous process of participation by a wide cross section of executives from Qalaa Holdings.



### Finance & Investment Committee

**Ahmed Heikal**  
Chairman & Founder

**Moataz Farouk**  
Managing Director and Group Chief  
Financial Officer

**Tarek Salah**  
Co-Chief Operating Officer

**Mohamed Abdellah**  
Managing Director

**Hisham El-Khazindar**  
Co-Founder & Managing Director

**Karim Sadek**  
Managing Director, Head of  
Transportation & Logistics

**Amir Naguib**  
Co-Chief Operating Officer

**Amr M. El-Kadi**  
Head of IR & Risk Management

### Audit Committee

**Philip Blair Dundas Jr.**  
Chairman of the Committee

**Magdy El-Desouky**  
Committee Member

**Dina Hassan Sherif**  
Board Member

### Compensation Committee

**Philip Blair Dundas Jr.**  
Chairman of the Committee

**Magdy El-Desouky**  
Committee Member

### Sustainability Committee

The committee assists Qalaa Holdings management in drafting short- and long-term policies, and guidance on strategies and goals that promote responsible and sustainable practices across the company and its subsidiaries as well as to relevant stakeholders to mediate risks and create shared value.

**Dina Hassan Sherif**  
Chairman of the Committee

**Hisham El-Khazindar**  
Committee Member

**Ghada Hammouda**  
Committee Member

# Internal Audit and Controls

Qalaa Holdings' Internal Audit lies at the heart of its corporate governance framework, with a mission to add value and improve the firm's overall operations by providing relevant, timely, independent, and objective assurance and advisory activities.

Internal Audit is an independent body that maintains functional reporting lines to the audit committee and administrative reporting lines to the chairman and chief executive officer. The function is responsible for assisting the board and management in their oversight of the integrity of the company's financial statements, overseeing the financial reporting process, and monitoring the independence and performance of both the team and the firm's internal auditors, as well as regularly assessing the firm's compliance with legal and regulatory requirements.

The Internal Audit team uses a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes,

providing Qalaa Holdings' stakeholders with reasonable assurance over the Group's operations and strengthening the firm's ability to maximize stakeholder value.

Qalaa Holdings deploys various policies and systems to protect its assets, reputation, and employees. As part of the firm's zero-tolerance approach, an Anti-Fraud Policy continues to be implemented to protect corporate integrity, as well as honest and ethical behavior within the company and its subsidiaries. An anonymous whistleblowing channel is also available to receive information from inside and outside the company through the Qalaa Holdings website.

Qalaa Holdings employs the services of the most reputable external auditors for both ongoing statutory audits and due diligence for all subsidiaries. Financial and operational reports are always transparent to all parties with a vested interest — from management and board members to shareholders.

## Internal Audit Objectives

Provide independent reasonable assurance on the following:



## Internal Audit Charter

The Charter outlines the mission, framework, authorities, and responsibilities of the Internal Audit Function:



# Risk Management

Qalaa Holdings upholds its commitment to the process of institutionalization at both the holding and subsidiary levels to enhance all systems, policies, and procedures that can assist management in further supporting and growing the business.

Qalaa Holdings strongly believes that promoting and empowering the control environment within the company is crucial to achieving and maintaining its sustainability. As such, the Internal Audit function developed and constantly refined a Risk Assessment

Framework, which contributes to the effective and efficient realization of objectives and the improvement of performance throughout the firm.

During the year, the existing charters such as the audit committee and compensation committee were revisited. The developed policies included the risk assessment framework, as well as the anti-fraud and insider trading policies. In addition, audit committees modelled on the Qalaa Holdings' audit committee charter have been established for all major subsidiaries.

“

Qalaa Holdings upholds its commitment to the process of institutionalization at both the holding and subsidiary levels



# 2021 OPERATIONAL HIGHLIGHTS





ENERGY



## The Egyptian Refining Company (ERC)

Egyptian Refinery Company (ERC), Qalaa Holdings' USD 4.8 billion greenfield petroleum refinery, is Egypt's largest state-of-the-art PPP infrastructure megaproject and the largest private sector-led infrastructure megaproject in Africa.



ERC was officially inaugurated by President Abdel Fattah El Sisi on 27 September 2020 as a key tenet of Egypt's energy security and sustainable economic growth. As Egypt's largest PPP infrastructure megaproject, the company represents a pivotal import substitution project that will bolster Egypt's energy security and provide environmentally-friendly fuel for sustainable economic growth, in line with Egypt's Vision 2030.

ERC converts lowest value fuel oil into middle and light distillates, meeting domestic consumption needs and eliminating 186,000 tons of sulfur dioxide and 96,000 tons of sulfur annually, representing c. 29% of Egypt's present-day total, and improving the quality of the national refined product supply. Since completion in 2019, with all project units in operation since August 2019, ERC has seen total production exceed 8 million tons.

ERC receives fuel as feedstock from EGPC's Cairo Oil Refining Company (CORC), the nation's largest refinery, with 20% of Egypt's current refining capacity. ERC has the capacity to produce 4.7 million tons of refined products and high-quality oil derivatives per year, including 2.3 million tons of Euro V diesel (30-40% of Egypt's current imports) and 600,000 tons of jet fuel. Liquid stock products are sold to EGPC at international prices under a 25-year off-take agreement.



## 2021 Operational Updates

**C. 3,802.6** thousand tons

Total feedstock refined in 2021

**C. 3,298.6** thousand tons

Refined products supplied to the EGPC

**C. 429,300** tons

Pet coke

**C. 74,600** tons

Sulphur

In 2021, management's decision to halt tolling crude oil at Cairo Oil Refining Company for a portion of its inputs to increase ERC's gross refining margin was reflected in lower volumes. This decision, alongside rising refined oil product prices, resulted in a significant improvement in the gross refining margin and hence, profitability.

During the year, ERC refined total feedstock of c. 3,802.6 thousand tons, including 3,551.9 thousand tons of atmospheric residue. During the year, ERC supplied c.3,298.6 thousand tons of refined product to the Egyptian General Petroleum Corporation (EGPC), and approximately c.429.3 thousand tons of pet coke and 74.6 thousand tons of Sulphur to cement and fertilizer companies, respectively.

Product	Quantity* (tons)
LPG	106,269
Light Naphtha	212,880
Reformate	425,017
Fuel Oil	370,782
Jet Fuel	327,249
Diesel	1,671,700
<b>Total</b>	<b>3,113,897</b>

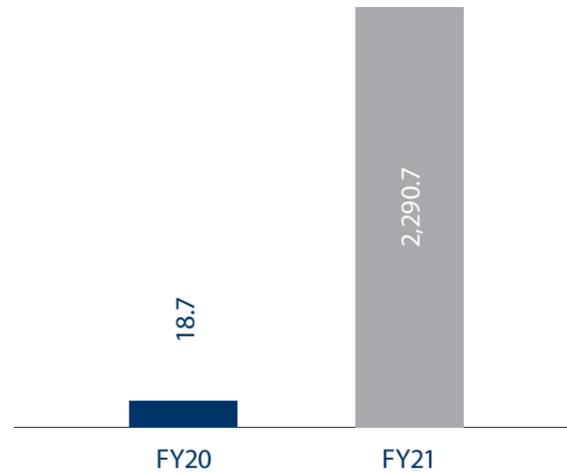
\*As of end of 2021

## 2021 Financial Updates

ERC's financial results for the full year were largely supported by a recovery in refined petroleum product prices, as total feedstock volumes remained relatively flat y-o-y at 1.2 million tons in both 4Q21 and 4Q20. Additionally, refining margins improved in 4Q21 to average USD 1.8 million per day and there were no shutdowns or slowdowns in operations during the quarter compared to the 10 days of slowdowns in October and December in 4Q20.

For FY21, ERC recorded a 32% y-o-y increase in revenue to EGP 28,501.8 million, driven by a recovery in refined petroleum product prices. The revenue growth was achieved despite a 22% y-o-y decline in ERC's sales, which averaged 3.8 million tons in FY21 compared to 4.9 million tons in FY20.

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



## Sustainability Achievements: ERC Community Development Initiatives

Since the start of operations in early 2019, ERC has effectively reduced imports of diesel, made a positive environmental impact, and created thousands of jobs. Years prior to the start of operations, the company began making a positive social impact on its surrounding community in Mostorod, with a particular focus on the areas of education, economic empowerment, youth capacity building, and special needs.

Within these four areas, multiple initiatives have been launched, including:

- Economic empowerment and income raising through Mashrouy with 56,000 direct and indirect beneficiaries (15% female and 85% male), including:
  - 1,144 youths trained to enter the labor market
  - 70 small projects for youth empowerment
  - 25 grants for craft training in the field of mobile maintenance
  - 4 computer centers supported to service youth in the Mostorod area
- Youth volunteering and capacity building through Reyada with 1,400 direct and indirect beneficiaries (60% female and 40% male), including:
  - 100 volunteers (30 active)
  - 8 community development initiatives
  - 14 human capacity building trainings
  - 3 incentive activities
- Special needs support through Takaful with 5,700 direct and indirect beneficiaries (50% female and 50% male), including:
  - 4 childcare centers supported
  - 995 people with disabilities supported
  - 4 schools for people with special needs supported
- Educational support through Mostakbaly, with 300,000 direct and indirect beneficiaries (50% female and 50% male) including:
  - 8,173 medical eyeglasses for the students
  - 11,016 students provided with financial aid
  - 939 trained teachers
  - 45 refurbished and developed schools
  - Two training centers developed, serving 3000 teachers and 180,000 students
  - Sponsored 53 talented students
  - Conducted 19 environmental awareness campaigns on rationalizing and preserving water and electricity
- Economic empowerment and income raising through Tamkeen with 8,780 beneficiaries, including:
  - 1,498 women trained to enter the labor market
  - 189 small projects supported for women empowerment
  - 85 grants for craft training



**2,290.7** EGP million

ERC Holding Co. EBITDA in FY21

**28,501.8** EGP million

ERC Holding Co. Revenues in FY21, constituting 62% of Qalaa's top line

**4.3** USD billion

Total investments



ENERGY



TAQA Arabia

TAQA Arabia is Egypt's largest private sector energy distribution company with over 25 years of experience investing and operating energy infrastructure, including a 65MW PV plant in Benban, Aswan.



A pioneer in energy distribution in several countries in the Middle East and Africa, TAQA Arabia is a “one-stop-shop” fully-fledged energy distribution & utilities private-sector leader in Egypt that provides more than 1.4 million residential, touristic, industrial, and commercial customers with their daily energy needs. The company’s activities are distributed among four main platforms: TAQA Gas, TAQA Power, TAQA Petroleum, and TAQA Water — covering all aspects of the energy distribution value chain.

The company’s gas business, TAQA Gas, 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, TAQA Power, business generates and distributes electrical power across the country and has recently expanded into renewable energy through TAQA Solar. The company is also licensed to market petroleum products, including fuels and lubricants through a retail network of service stations through TAQA Petroleum across Egypt. In the first quarter of 2021, TAQA Arabia expanded its business portfolio by launching a new subsidiary, TAQA Water, which has transformed the group into the very first integrated services provider in the field of energy and water utilities throughout the MENA region.

TAQA Arabia is committed to exploring new opportunities to further diversify the company’s operations and enter new lines of business. After venturing into the field of solar energy, with positive results, TAQA is currently assessing possible projects in the energy efficiency sector including the design and implementation of energy saving solutions. The company is also ventured in photovoltaic (PV) opportunities in the second half of 2021, incorporating TAQA Photovoltaic as a private-private renewable energy business.



## 2021 Operational Review

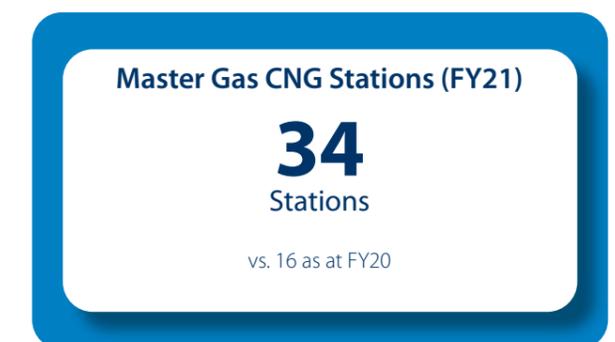
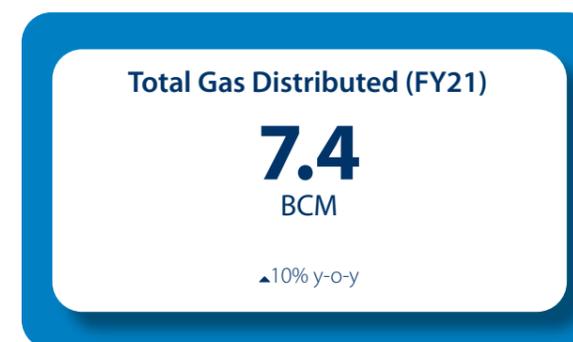
### TAQA Gas

One of the country’s largest and most diversified private-sector companies in the gas distribution and transmission sectors, TAQA Gas holds more than 40% of the share of the private LDC’s market in Egypt. The company provides over 1.5 million residential, commercial, and industrial customers with approximately 7.4 BCM of natural gas distributed annually, with an existing capacity of distributing 9.6 BCM/year. It oversees four natural gas distribution concessions covering eight governorates and 49 cities across Egypt, as well as natural gas operations in the MENA region. TAQA Gas converts c.150,000 customers to natural gas each year as part of the Egyptian government’s plan to expand the natural gas network to residential customers nationwide.

Witnessing impressive progress throughout the year, TAQA Gas is well-positioned to capture growth in the CNG field, serving off-grid clients through a growing network of CNG filling stations and mobile CNG units, in addition to its strong gas distribution and construction business. Four new CNG filling stations in 4Q21, bringing

the total number of stations to 34 by year-end. Consequently, CNG gas volumes sold for vehicles increased 141% y-o-y to 75.7 MCM in FY21. TAQA Gas also successfully converted 1,082 gasoline-powered vehicles in 4Q21, bringing the FY21 total to 4,233, exceeding its target of 4,000 vehicles for the year. The company aims to double the number of converted vehicles in 2022 through corporate deals to convert commercial fleets of trucks and buses to CNG.

TAQA Gas also operates a network of CNG stations across Egypt under the brand name Master Gas as part of its downstream value chain. The stations convert vehicles to compressed natural gas (CNG) and provide CNG Mobile Services for clients in remote areas beyond the reach of natural gas networks. Master Gas currently operates 34 CNG stations and 13 conversion centers in prime locations distributing over 447 MCM and converting around 23,500 vehicles per year with an ambitious plan to increase the cars conversion rate to more than 8000 vehicles yearly and increase filling stations to 108 stations by 2023.





### TAQA Power

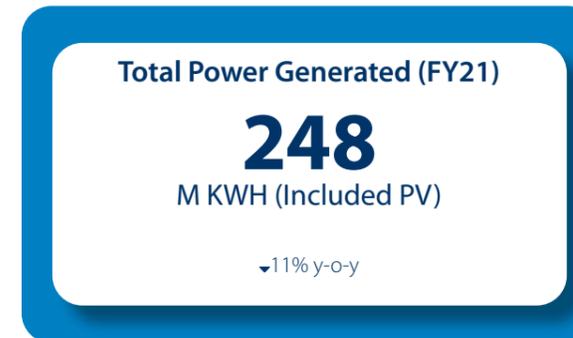
TAQA Power, a leading private sector developer, constructs, operates, and maintains power generation plants and distribution networks for a wide range of commercial, oil and gas, tourism, and residential clients. TAQA Power is the first private sector company in Egypt licensed to distribute power in an industrial zone. It also operates and maintains low-, medium-, and high-voltage power plants and distribution networks geared towards the oil and gas, industrial, residential, commercial, and tourism sectors in Egypt.

TAQA Power subsidiaries, Global Energy, TAQA Industrial Zones, TAQA for Electricity Generation & Distribution, TAQA Solar, and TAQA PV, have a track record that includes developing more than 150 MW of

conventional power generation projects, of which 27 MW are currently operating projects, 1200 MW power distribution projects, and 81 MW Solar PV generation projects.

TAQA Power is also a pioneering company licensed to distribute power in the South Sinai touristic area since 2000. It began operations in several real estate projects in Cairo since 2006, making it the first private sector company in Egypt licensed to distribute power for residential, commercial, and tourism sectors.

The company's performance in 2021 was supported by improving market conditions, which drove growth in TAQA Power's number of industrial and household clients served by 14% y-o-y and 15% y-o-y, respectively,



### TAQA Solar

TAQA Solar's flagship 65 MW solar power plant in Aswan is part of Egypt's Benban Solar Park, one of the world's largest PV solar parks comprising 32 solar power plants generating a total of 1,650 MW of electricity. The project, which began commercial production in February 2019, falls under the government of Egypt's Feed-in-Tariff 2 framework, and is in line with Qalaa Holdings' strategy to invest in sustainable energy solutions in Egypt and Africa. The company experienced

improved profitability throughout the year, which was primarily attributable to the commencement of operations at the industrial zone substation in 6th of October City.

TAQA Solar aims to capture value in line with the government's plan to generate 20% of the country's power needs from renewable sources by 2022 and doubling that by 2035.



Solar Energy Generated (FY21)

**152**  
MKW

1% y-o-y

Revenues Generated (FY21)

**EGP 171.4 mn**

1% y-o-y

### TAQA Petroleum

TAQA Petroleum is the first and only privately owned Egyptian company licensed to supply petroleum products to retail, industrial, and wholesale clients, focusing on under-served areas and favorable competitive landscapes. Strong performance during the year was mainly driven by diesel gasoline sales, as well as an increase in lubricant volumes.

The company inaugurated one new station in 2021, bringing the total number of stations to 60 by year-end, one station short of its target due to a license and permit delay. A total of 758,826 liters of liquid fuels were distributed in FY21.

### TAQA Water

TAQA Water was established as a subsidiary of TAQA Arabia in March 2021, boasting an experienced team in the water treatment industry. The company aims to develop a variety of valuable water treatment solutions to serve the industrial, touristic, real estate and agricultural sectors. It is focused on investing, designing, constructing, automating, installing, and operating reliable, cost-effective, and smart water solution systems using the latest energy-saving technology and utilizing a wide range of contractual models.

Total number of clients served

**14,500**  
prs

Total Liquid Fuels Distributed (FY21)

**758,826**  
Liters

Filling Stations (FY21)

**60**  
Stations



Total number of units

**4,667**  
unit

### TAQA Photovoltaic (PV)

TAQA Arabia's recently incorporated renewable energy subsidiary, TAQA PV, was introduced in September 2021, with the goal of developing a private-to-private renewable energy business. The company began operations in late 3Q21, recording revenues of EGP 1.6 million and a net profit of EGP 1.3 million in 4Q21.

TAQA PV completed the construction of a 6MW solar photovoltaic power plant located at Dina Farms. The company will sell the electricity to Dina Farms

under a 25-year power purchase agreement (PPA). Other projects currently being developed include establishments in touristic zones in Soma Bay and Nabq, as well as in the industrial zones of 6th of October City and Minya. The plant is the first private-to-private renewable energy project financed by the EBRD in Egypt involving direct electricity supply from a privately owned generator to a private off-taker through a corporate PPA.

### 2021 Financial Updates

TAQA Arabia bounced back quickly from the slowdown in 2020, with FY21 revenues reaching EGP 9,102.0 million, recording a 15% increase. EBITDA came in at EGP 972.5 million compared to EGP 795.0 million in 2020.

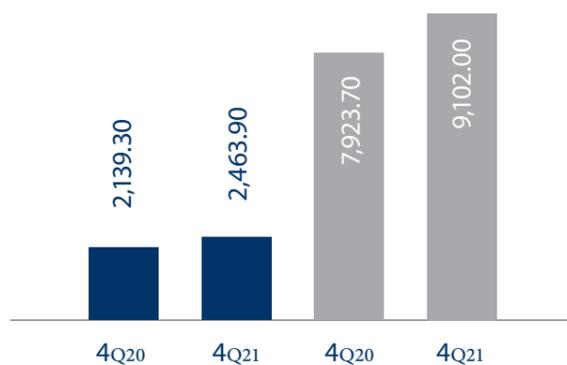
52.1% to total EBITDA. Meanwhile, TAQA's power division contributed 19.7% to revenue in FY21 and 36.3% to EBITDA, with revenues of EGP 1,624.4 million. Finally, TAQA's petroleum arm contributed the lion's share of TAQA Arabia's top line at 59.8% in FY20, with revenues of EGP 5,448.2 million, while the division's EBITDA contribution was 20%.

The company's gas division saw a 15% increase in revenues to EGP 1,899.9 million in FY21, with EBITDA growing 29% to EGP 506.7 million, contributing 20.8% to TAQA's FY21 revenue and

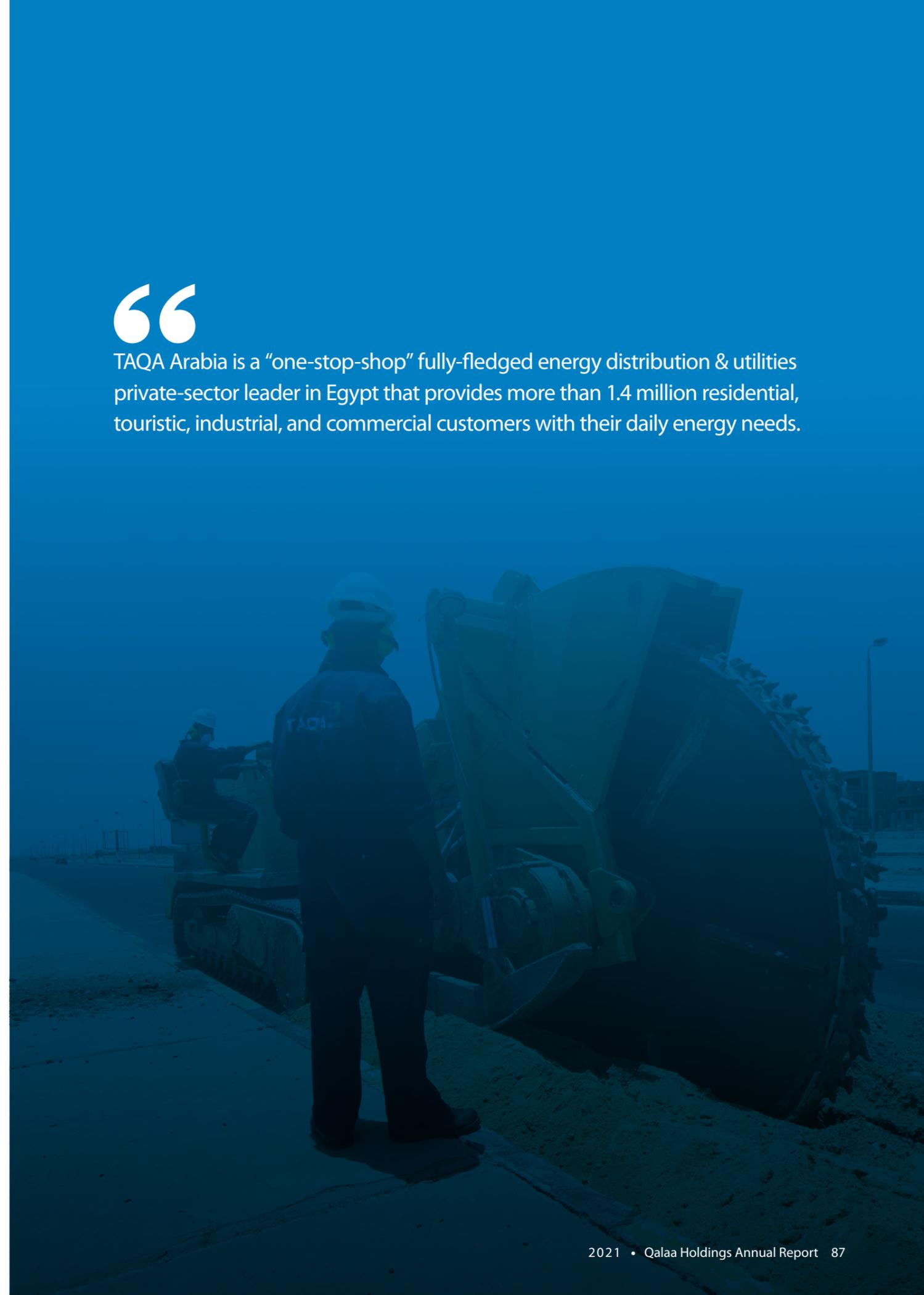
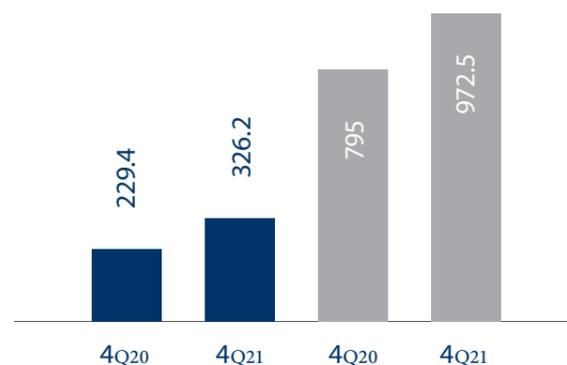


TAQA Arabia is a "one-stop-shop" fully-fledged energy distribution & utilities private-sector leader in Egypt that provides more than 1.4 million residential, touristic, industrial, and commercial customers with their daily energy needs.

Silverstone (TAQA Arabia Holding Co.)  
Revenues



Silverstone (TAQA Arabia Holding Co.)  
EBITDA



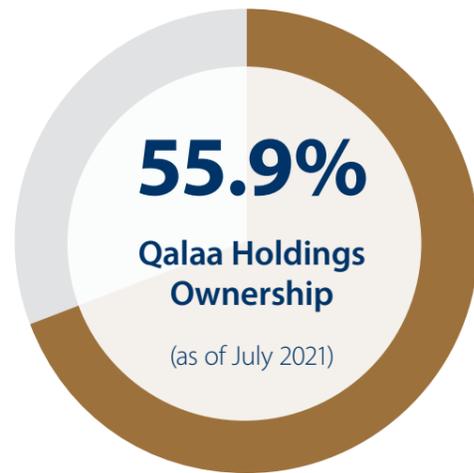


MINING

**ASCOM**  
GEOLOGY & MINING

**ASCOM**

Qalaa Holdings' operational platform in the mining sector, ASCOM specializes in mining services, cement quarrying services, and the exploration and production of precious metals, including gold.



ASCOM is a mining, geology, and materials company operating in North and East Africa with operations in geological drilling and mining consultancy, and precious metals exploration.

ASCOM has significantly expanded its scope and operational vision from providing products and services for Egypt's cement sector. With two subsidiaries, ASCOM Carbonate and Chemical Manufacturing (ACCM), one of Egypt's leading exporters in the industrial minerals sector, and GlassRock Insulation Company, ASCOM has successfully diversified its revenue streams by focusing on capturing potential growth in the industrial minerals sector.

ASCOM's activities and operations include quarry management, precious metals mining, and quarrying for the cement industry. It also includes the production of world-class ground technical calcium carbonate through ASCOM Calcium Carbonate (ACCM). At the same time, the company produces insulation materials rockwool and glasswool through subsidiary GlassRock.

ASCOM established ASCOM Precious Metals Mining (APM) as a logical progression to consolidate all precious metal mining exploration operations under one entity. ASCOM Precious Metals Mining (APM) originally had concessions in Ethiopia and Sudan. However, the one concession in Sudan has been placed under force majeure since 2011 due to security concerns in the region. As for the Ethiopian mining arm, APM Ethiopia, which acquired a gold concession in 2008, ASCOM sold a controlling stake in it to Australian firm Allied Gold Corp in December 2017.



## 2021 Operational Updates

### ASCOM Calcium Carbonate (ACCM)

During 2021, management raised the average price/ton in order to offset the substantial surges in two vital variable cost components: global freight costs and stearic acid. In the second half of the year, global freight costs nearly doubled for several destinations, leading to an evident rise in ACCM's variable costs, as it sells on CIF basis. Likewise, stearic acid, an essential element in the milling process, saw its price more than double y-o-y.

#### ACCM Volumes Sold (FY21)

**369.03**  
K Tons

↓16% y-o-y

### Egypt Quarrying (ASCOM Mining)

Given ASCOM Mining's heavy reliance on the cement sector, with around 90% of its revenues attributed to cement clients, the company continues to face challenges due to sustained pressure on Egypt's cement industry, characterized by oversupply and strong market competition. To mitigate these effects, management has been actively revising contracts and implementing a minimum take criterion, in addition to renewing other contracts on a take-or-pay basis to recoup costs incurred when markets are underperforming.

#### Egypt Quarrying Volumes Sold (FY21)

**15.5**  
M Tons

↓32% y-o-y

The company's profitability was impacted by the non-renewal of some contracts due to several clients shifts to own-operations for cost-saving purposes. ASCOM had also terminated defaulting contracts and voluntarily shutdown some non-profitable projects to replace them with profitable ones in the future.

**GlassRock**

GlassRock managed to penetrate new international markets during the year, building an international portfolio of 14 export markets across Africa, Europe, and Asia. Total sales volumes reached 8,867 tons, up 18% y-o-y, and revenues were further supported by higher average selling prices across the company’s local product mix.

**GlassRock Volumes Sold (FY21)**

**8.867**  
K Tons

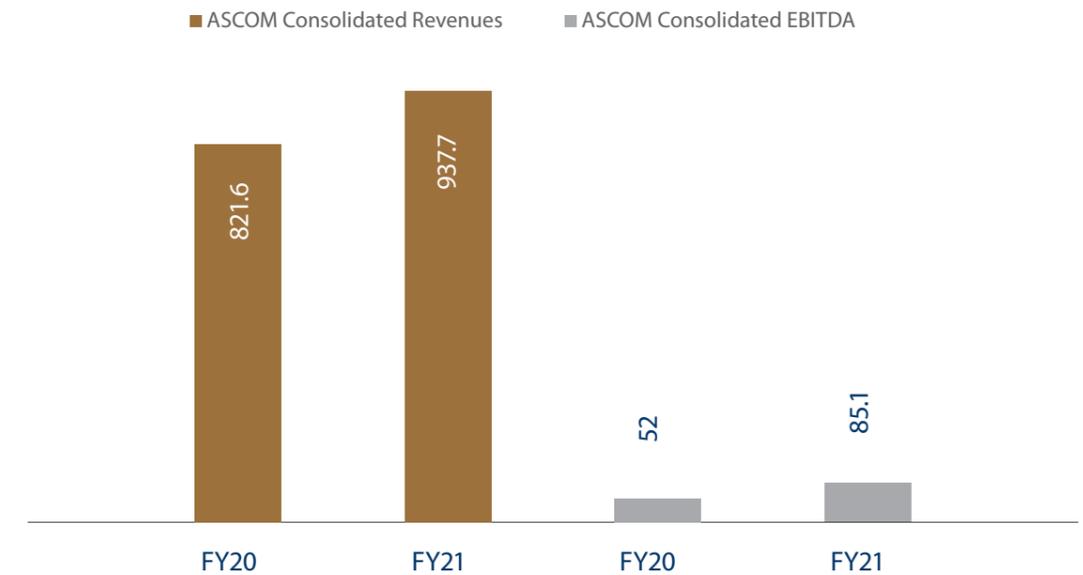
↓18% y-o-y



“  
ASCOM has significantly expanded its scope and operational vision from providing products and services for Egypt’s cement sector.



**2021 Financial Highlights**



ASCOM’s revenues increased 14% y-o-y to EGP 937.7 million in FY21 driven by a 54% y-o-y growth in revenues at ACCM.

ACCM’s revenues increased 54% y-o-y to USD 35.7 million in FY21 versus USD 23.2 million in FY20. This strong performance was primarily driven by a 26% y-o-y increase in average price per ton from around USD 69 in FY20 to c. USD 87 in FY21, coupled with a 16% y-o-y increase in volumes sold which reached 369,038 tons during the year. ACCM’s total revenues were further supported by a 23% y-o-y increase in export volumes, leading export revenue to rise 50% y-o-y and contribute USD 27.2 million to ACCM’s FY21 revenues.

Pressure on Egypt’s cement industry resulted in ASCOM Mining recording a 15% y-o-y decline in sales in both 4Q21 and FY21 to EGP 73.3 million and EGP 296.0 million, respectively. The company reported a negative EBITDA of EGP 5.0 million in FY21, an improvement compared to the EGP 9.0 million loss recorded in FY20.

Meanwhile at GlassRock, revenues grew 19% y-o-y to USD 9.2 million in FY21 compared to the USD 7.8 million recorded in FY20. The company successfully grew exports 41% y-o-y to USD 2.3 million in FY21 compared to USD 1.6 million in FY20. The growth was primarily led by a 123% y-o-y increase to USD 1.1 million in FY21.

GlassRock’s total export sales for the year were further supported by a 5% y-o-y increase in rockwool exports, which reached USD 1.2 million in FY21, with volumes growing 8% y-o-y to 1,499 tons. In FY21, rockwool revenues grew 24% y-o-y to USD 4.7 million, helping offset a 7% y-o-y decline in local glasswool sales in FY21. On the profitability front, GlassRock’s EBITDA grew 152% y-o-y in FY21 to USD 730 thousand compared to a loss of USD 1.4 million in FY20. Profitability during the year was largely driven by higher export sales and price increases at the local level.



CEMENT & BUILDING MATERIALS



## ASEC Holding

ASEC Holding is Qalaa's operational cement platform company, with subsidiaries comprising cement manufacturing, construction, and technical management



ASEC Holding is a leading national and regional investor in cement production, technical management and consultancy, and construction, comprised of five subsidiaries. In cement manufacturing, ASEC Cement has two production facilities — Al-Takamol Cement in Sudan and Zahana Cement Co. in Algeria. In the construction segment, the company has two subsidiaries — ARESCO and ASEC Automation. ASEC Engineering and ASENPRO are ASEC Holding's technical management arms.

For the overseas contracts, ASEC manages three cement lines — “Qarachog” in Iraq, “Al-Takamol” in Sudan, and “Qatrana” in Jordan — with a combined nominal capacity of 4.96 mtpa.

In 2014, ASEC's expansion plan yielded an O&M contract in Mozambique, which was extended to January 2020.

In 2015, ASEC Engineering signed a one-year short-term Plant Management Agreement in Ethiopia to provide technical assistance for the operation and maintenance of a cement plant in Ethiopia then extended for an additional year, which ended in December 2016 and was not renewed. In addition to regional contracts, ASEC Engineering manages seven cement lines in Egypt with a combined nominal capacity of 9.75 mtpa. In 2016, ASEC was entrusted as the consultant for Egypt's largest cement facility in Beni Suef with six production lines constructed simultaneously.

Additionally, in 2015, Qalaa reduced its exposure to the cement industry, with ASEC Cement concluding the sale of business unit Misr Cement Qena, as well as exiting ASEC Minya and ASEC Ready-Mix.



### Cement Manufacturing



#### ASEC Cement

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

Throughout the year, Al-Takamol's volumes were impacted by the unstable political environment in Sudan, as well as supply shortages in gypsum, an essential ingredient in cement manufacturing. The political unrest also resulted in hyperinflation that has led to increased volatility in the EGP/SDG rate.

Given the hyperinflationary environment in Sudan, Al Takamol's local auditors opted to apply 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 markedly volatile during the year

due to political instabilities in Sudan, impacting the company's top line when reflected in EGP terms.

A slowdown in market demand in Algeria resulted in lower volumes of Sulphate-Resistant Cement (a high-price, high-margin product) sold in 4Q21 for Zahana Cement compared to the same period last year. However, for the full year, total clinker volumes from Zahana grew despite a deterioration in the old line's productivity amidst managed stoppages.



## Construction & Contracting

### ARESCO

Having built a reputation for quality, efficiency, and professionalism over 32 years of operations around the globe, ARESCO is a turnkey contractor specializing in industrial projects. The company provides comprehensive design, engineering, procurement, manufacturing, contract management, and construction services for industries ranging from cement to power plants and water treatment facilities. As a result of an underperforming cement market, ARESCO has transitioned from being dependent on the cement to a mainstream contracting company, successfully landing a number of construction contracts.

### ASEC Automation

ASEC Automation provides automation and electrification solutions for process industries, ranging from design and engineering to instrumentation, commissioning, and maintenance. Among its solutions are enterprise control systems, high-medium voltage cables and systems, and enterprise control software. With extensive operations in Africa, Asia, and Europe, ASEC Automation has also been the supplier of choice for major international cement producers for over two decades, with major clients such as Lafarge, Italcementi, Titan, Cemex, and Cimpor. The company has shifted more towards non-cement clients such as MEP, panels, solar and industrial contracts to mitigate the decline in cement-related activities.

## Operation & Management

### ASEC Engineering



ASEC Engineering is a leading provider of cement plant consultancy, engineering, and management services in the MENA region. It currently manages seven cement lines in Egypt, with a combined nominal capacity of 9.75 mtpa, with growing footholds in Africa and the Middle East. Additionally, ASEC Academy has long been the gateway for professional training on modern cement manufacturing technology. In 2016, ASEC Engineering was appointed as the consultant for Egypt's largest cement facility in Beni Suef with six production lines constructed simultaneously.

The company's 2021 performance was impacted by several on-the-ground developments. This includes the agreement of 23 major cement producers with the Egyptian Competition Authority (ECA) to cut production by at least 10% for a period of one year beginning in June 2021. Other significant events include the termination of a major operational contract and the shutdown of some projects in the second half of 2021 due to fuel and coal shortages brought about price surges.



### ASENPRO

ASENPRO is an environmental protection pioneer in the MENA region, specializing in controlling pollution and dust emissions resulting from cement production. Supported by extensive expertise in environmental control within the cement industry and with the potential to diversify into other industries, the company supplies cement plants with a broad continuum of services and environmental control equipment on a turnkey basis. This is in addition to conducting dust emission measurements and environmental assessment studies to ensure compliance with pollution limits.

ASENPRO's extraordinary general assembly, held on 15 December 2020, decided the following:

- » Temporarily suspending the company's activities for a year, effective 1 April 2021.
- » No new operations will be accepted that expire after 31 December 2020.
- » Notifying the tax authority and all concerned authorities of this decision.
- » Authorizing the Board of Directors to dispose of some of the assets owned by the company.

## 2021 Financial Updates

ASEC Holding Consolidated Revenues



ASEC Holding's revenues increased 24% y-o-y to EGP 3,105.0 million in FY21 versus EGP 2,508.7 million in FY20, owing to a strong performance in the production segment, which accounts for 74% of total group turnover. Continued political turbulence in Sudan led to the hyperinflation calculation methodology being applied, which uses the spot index for revenue translation and the historical index (which is higher than the spot index) for COGS translation, resulting in a disproportionate increase in cost of sales compared to revenue. The Al-Takamol

ASEC Holding Consolidated EBITDA



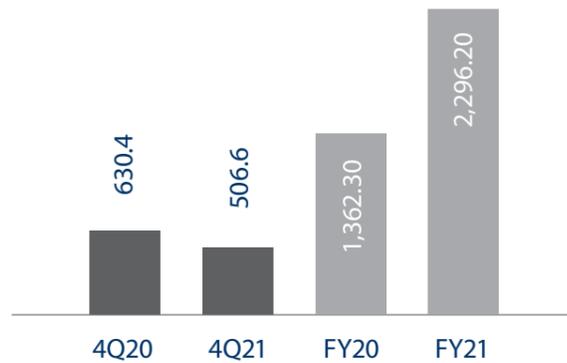
hyperinflation accounting issue had a significant impact on the group's EBITDA, causing a loss of EGP 90.9 million in 4Q21 compared to a gain of EGP 220.7 million in 4Q20. The year ended with an EBITDA of EGP 117.5 million in FY21 compared to EGP 213.0 million in FY20.

Progress is being made on the group's comprehensive debt restructuring and management is optimistic that this will result in a more resilient balance sheet, improve profitability, and healthier financial and leverage ratios.

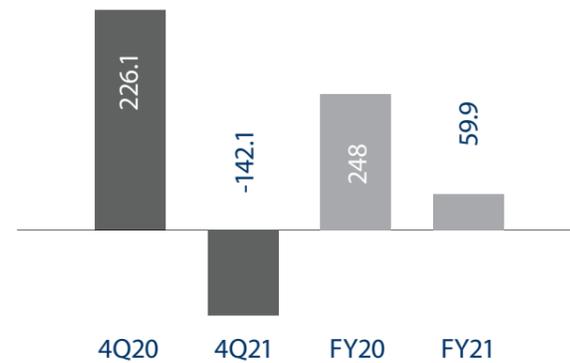


## ASEC Cement

ASEC Cement Revenues



ASEC Cement EBITDA



In FY21, ASEC Cement recorded a 69% y-o-y increase in revenues to EGP 2,296 million versus EGP 1,362.3 million. However, EBITDA declined 76% for the year to EGP 59.9 million compared to EGP 248 million due to the hyperinflation issue in Sudan.

In full-year terms for 2021, revenues for Al-Takamol reached SDG 40.4 billion, up 210% y-o-y, resulting from increased prices coupled with volume growth reaching 920 thousand tons, up 6% y-o-y in FY21. The depreciation of the Sudanese pound resulted in a significant increase in average cement prices from SDG 11,013/ton in FY20 to SDG 41,463/ton in FY21. Prices also benefitted from the widening demand gap, as local producers struggled with fuel and spare parts shortages, causing widespread production disruptions.

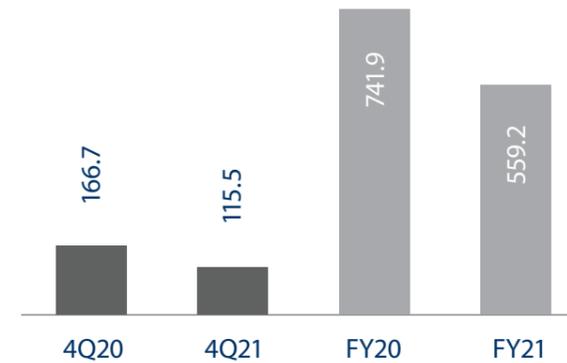
Al-Takamol's EBITDA dropped 6% y-o-y to SDG 1,370.5 million in 4Q21; however, it surged 225% y-o-y to SDG 6,938.6 million in FY21 compared to SDG 2,135.6 million in FY20.

For Zahana Cement, revenues were up 28% y-o-y to EGP 529.2 million in FY21, on the back of a 29% y-o-y increase in cement volumes to 710 thousand tons compared to 550 thousand tons in FY20. Revenues were further supported by a 14% y-o-y increase in total amount of clinker sold reaching 728 thousand tons during the year. In terms of profitability, Zahana's EBITDA was up 52% y-o-y to EGP 211.2 million in FY21, due to increased efficiency in both energy and spare part consumption, as the company increasingly relied on its new production line.

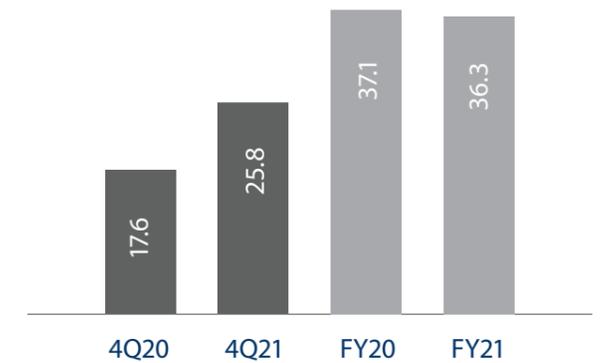


## ASEC Engineering

ASEC Engineering Revenues



ASEC Engineering EBITDA



ASEC Engineering's managed clinker production declined by 42% y-o-y to 0.9 million tons in 4Q21 and by 25% y-o-y to 6.1 million tons in FY21. As a result, revenues dropped 31% y-o-y to EGP 115.5 million in 4Q21 and 25% y-o-y to EGP 559.2 million in FY21 compared to EGP 741.9 million in FY20. However, despite the

challenges of the cement industry in Egypt, the company managed to record a recurring EBITDA of EGP 25.8 million in 4Q21, up 47% y-o-y, and a relatively unchanged recurring EBITDA of EGP 36.3 million in FY21. Overseas projects majorly contributed to the safeguarding of profitability, which offset local market performance.





TRANSPORTATION & LOGISTICS



## Nile Logistics

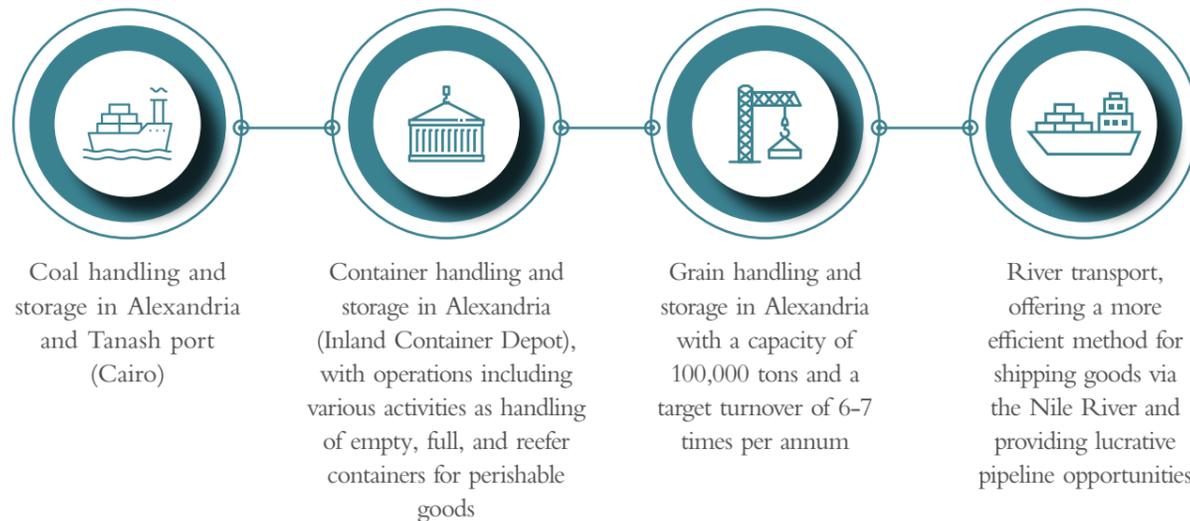
Nile Logistics, Qalaa Holdings' transportation and logistics company, and its subsidiaries deliver transportation efficiencies, including seaport services in Egypt and river transportation solutions for clients in Egypt and South Sudan.



Nile Logistics' three subsidiaries provide river transportation and stevedoring across Egypt and South Sudan, as well as stevedoring on anchor services at many Egyptian ports. This includes an inland container depot in Nubareya, Alexandria that serves a broad base of exporters operating in multiple sectors.

Nile Logistics also operates a fleet of fuel-efficient, environmentally friendly river barges – with a capacity amounting to 20–40 truckloads each – used for the transportation of cargo along the Nile. These river barges are more operationally viable, both in terms of fuel consumption and cost, making them an environmentally friendly alternative transport option.

### Nile Logistics maintains operations in Egypt across four main divisions



## Nile Logistics Subsidiaries

### Nile Cargo (NC)

Nile Cargo operates a fleet of barges through which it offers transportation services along the Nile, stevedoring services in several Egyptian ports, and a container feeder service in Port Said between the eastern and western container terminals.

coal prices normalize again. Consequently, the volume of coal and pet coke handled dropped 23% y-o-y to 248 tons in 4Q21, resulting in a total of 1,172.6 tons handled in FY21, down 5% y-o-y compared to FY20.

### National River Ports Management Company (NRPMC)

National River Ports Management Company operates multiple ports and port handling equipment. It offers a range of services, including warehousing and cargo handling in Egypt's major ports in Alexandria, Suez, and Damietta.

During the fourth quarter of the year, coal volume handled at Tanash's coal warehouse remained largely flat at 23.2 thousand tons. Grain stevedoring and storage volume at the Nubaria warehouse similarly edged up 2% y-o-y, with 130.1 tons handled in 4Q21. For the full year, coal volumes handled at Tanash warehouse fell 13% y-o-y to 82.6 thousand tons versus 95.1 thousand tons in FY20. In parallel, grain stevedoring and storage volume at the Nubaria warehouse declined 18% y-o-y to 426.8 thousand tons in FY21. The decline reflects clients' rerouting of grain shipments from the Alexandria to other ports to avoid congestion. Notably, in December 2021, one grain vessel was serviced by the company, signalling a potential recovery in the grain stevedoring and storage activities.

### Nile Barges for River Transport

Nile Barges for River Transport, located in South Sudan, transfers goods across the country using its fleet of three pushers and 11 dumb barges.

## 2021 Operational Updates

Nile Logistics' performance in 2021 was impacted by different external events that affected the company's stevedoring services. Hurricane Ida, which struck the state of Louisiana in the US, an important source of coal, put a strain on coal supply and halted movement in the region, including logistics and vessel loading. Additionally, as economies began to quickly recover from the COVID-19 crisis, the price of natural gas in Europe surged over 250% during the year. As demand for coal soared and prices began to skyrocket, Egyptian cement plants were forced to cancel several tenders until

Inland depot operations partially alleviated the performance of the stevedoring and storage services. In 4Q21, volume at the company's inland container depot increased 4% y-o-y to 19,117 Twenty-foot Equivalent Units (TEUs). A particularly strong performance in the quarter supported the segment's full-year results which saw volume at the inland container depot increase 18% y-o-y to 84,638 TEUs. The growth was also attributed to a 56% y-o-y increase in the number of storage days for the TEUs to 120,000 days in FY21 versus 77,000 days in FY20. Furthermore, reefer power-days increased 16% y-o-y to 102,000 days in FY21.

### Sudan (Nile Barges)

Nile Barges' operations, located in South Sudan, focus on the transportation of food under the auspices of the World Food Program (WFP). The company added its second pusher during the second half of 2021 and expects to add the final pusher late in the first half of 2022, if the political situation allows, bringing Nile Barges' entire fleet to completion.

Due to political unrest in the country in later months of 2021, operations were temporarily halted. Consequently, Nile Barges did not complete any trips in 4Q21, leaving the total number of successful journeys in FY21 at four trips, down from five in FY20. The company currently has two pushers and eight barges in service.

### 2021 Financial Updates

Nile Logistics recorded revenues of EGP 61.1 million in 4Q21, up 5% y-o-y compared to 4Q20. In full-year terms, revenues decreased 4% y-o-y to EGP 242.0 million. Revenue from the company's stevedoring operations fell by 7% y-o-y in 4Q21 to EGP 19.8 million and 9% y-o-y in FY21 to EGP 92.8million compared to EGP 102.3 million in FY20. In 4Q21, volume at the

company's inland container depot generated EGP 18.1 million in revenue, up 85% y-o-y compared to 4Q20. The segment's full-year revenue was at EGP 66.7 million in revenue compared to EGP 54.9 million FY20.

Nile Logistics' EBITDA declined 35% y-o-y in 4Q21, due to an EGP 21.8 million non-operational gain in 4Q20 from a payroll tax provision reversal that is no longer applied. Excluding the non-operational one-off gain, recurring EBITDA in 4Q21 would be up 26% y-o-y compared to 4Q20. Consequently, full-year EBITDA declined 19% y-o-y to EGP 104.7 million compared to EGP 129.8 million in FY20.

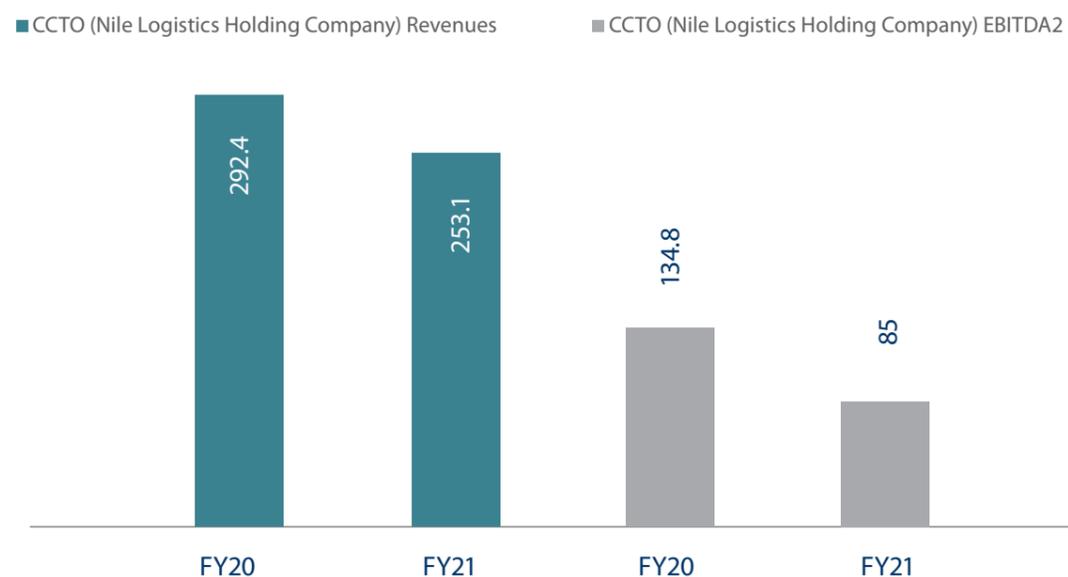
Nile Barges' revenues declined 72% y-o-y to USD 708.4 thousand in FY21, while EBITDA fell 91% y-o-y to USD 164.7 thousand, with the decline in performance compared to FY20 resulting from short trips and price reductions.

CCTO is the holding company that owns Nile Logistics and consolidates its operations in Egypt and Sudan.



Nile Logistics' three subsidiaries provide river transportation and stevedoring across Egypt and South Sudan, as well as stevedoring on anchor services at many Egyptian ports.

### 2021 Financial Highlights





AGRIFOOD



**Gozour**

National Company for Investment and Agriculture S.A.E (Gozour) is a leading agriculture and consumer foods company utilizing environmentally responsible practices.



Committed to advancing the agrifoods sector in Egypt, Qalaa Holding first invested in Dina Farms in 2007. Since then, Qalaa has contributed to developing Dina Farms as a fully integrated commercial farm. Dina Farms' top-notch, fresh, and reliable products are produced from trusted sources. As Egypt's largest private sector farm, Dina Farms has introduced new levels of specialization and consolidation to the market.

Starting 2 April 2021, the ownership of the Investment Co. for Dairy Products (ICDP), which was previously owned by Gozour, has been transferred to Dina Farms while it continues to manufacture, market, and distribute fresh milk and other dairy products.



## 2021 Operational Highlights

### Dina Farms

Acquired by Qalaa Holdings in 2007, Dina Farms has grown to become Egypt and North Africa's largest fully integrated farm, with an agricultural footprint of over 10,000 acres and 13,949 heads of cattle, of which 80,084 are milking and dry cows.

Dina Farms is the leading market player within its sector, as it controls c.70% of the fresh milk market in Egypt. In 2021, the dairy farm supplied 16.5% (on a volume basis) and 17% (on a value basis) of raw milk sales to ICDP, while the remainder is made available to key players in the dairy industry.

Alongside the dairy farm and fresh milk production, Dina Farms also has an onsite retail outlet that sells produce, dairy, and other household items. The four business sectors that Dina Farms operates under — agricultural production, animal production, dairy

production, and the farm's retail outlet — have made room for it to adopt an integrated business model that lends the company a strong competitive advantage in the market.

Dina Farms continued to reap the benefits of its facility enhancement projects during 2021, which improved overall operations across its segments, driving a 20% y-o-y revenue increase. Growth at the agriculture division was supported by the expansion in its parsley cultivated area, which increased 67% to 950 feddans in FY21 compared to 570 feddans in FY20.

The retail division was negatively impacted by road construction work on the Alexandria/Cairo Desert Road, which made it difficult for customers to stop for shopping. However, the robust and vast network of the company's delivery service helped mitigate the loss.

## Investment Co. for Dairy Products (ICDP)

ICDP manufactures, markets, and distributes Dina Farms' dairy products, including six product categories: fresh milk (single serve, multi-serve, flavored, and unflavored), yogurt, cheese, skimmed milk powder (SMP), fresh juice, and butter.

The new range of Dina Farms brand juices, sold at supermarkets nationwide, includes six flavors: orange, mango, strawberry, pomegranate, pineapple, and lemon mint, that come in family size and single-serve packaging. The juices are made from real fruits and have a 15-day shelf life to preserve the health benefits and flavor of the fruits. ICDP was able to transition idle milk production capacity to produce the new juice line with minimal investments to the existing production line.

As market conditions improved post COVID-19, particularly in the HORECA sector (i.e., hotels, restaurants, and cafés), ICDP's total SKU volumes increased by 30% y-o-y to 4,433 tons in 4Q21, closing the year with a 32% y-o-y increase to 16,755 tons in FY21 versus 12,669 tons in FY20. Growth was witnessed across all segments including milk, skimmed milk powder, and cheese, among others.

The new juice segment was off to an impressive start, exceeding expectation with a 77% y-o-y increase in volumes to 681 tons in 4Q21 and a 103% y-o-y increase in volumes to 2,407 tons in FY21. Top line was further supported by increases in juice prices per ton due to soaring variable costs during the year.

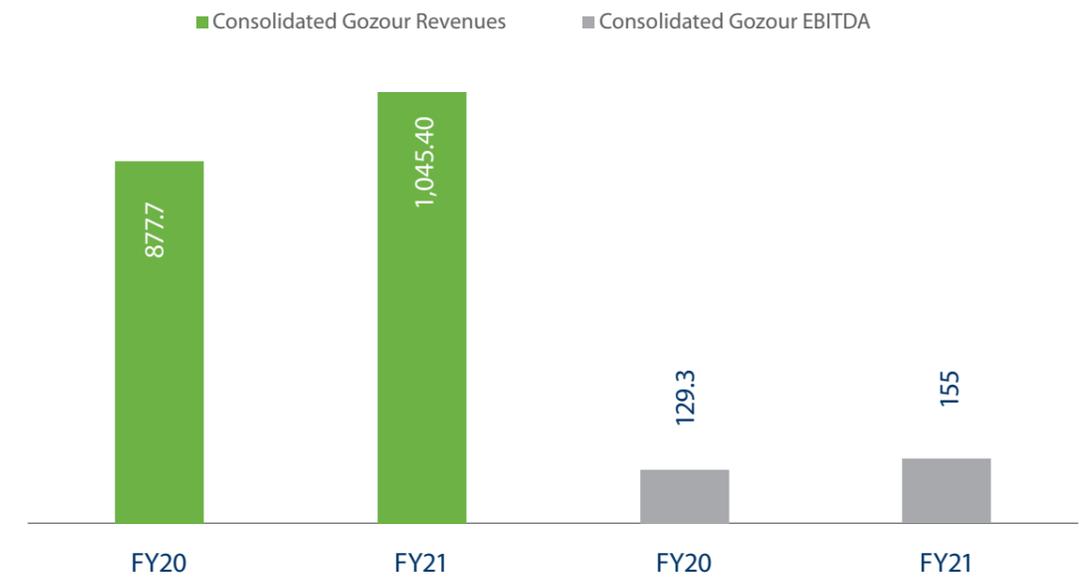
The yogurt segment also expanded during the year, with volumes rising 33% y-o-y to 1,276 tons in FY21. The division's results were positively affected by the new direct distribution channels and various product launches introduced throughout the year.

### 2021 Financial Updates

Gozour recorded a 19% increase in revenues in FY21, reaching EGP 1,045 million, up from EGP 877.6 million in FY20. Similarly, EBITDA also grew 20% to EGP 155 million, primarily driven by a significant improvement in ICDP's EBITDA during the year.

Dina Farms saw its annual revenues increase by 20% y-o-y to EGP 193.4 million in 4Q21, bringing FY21 revenues to EGP 835.0 million, up 17% y-o-y. Growth in EBITDA was supported by the revaluation of the entire herd to its Fair Market Value (FMV), resulting in a gain of approximately EGP 14 million, reaching a total of EGP 174.1 million in FY21.

ICDP grew 50% y-o-y at EGP 366.8 million for FY21. ICDP's profitability significantly improved, with EBITDA recording EGP 9.6 million in 4Q21, up 51% y-o-y, and EGP 30.3 million in FY21, up 89% y-o-y compared to 16.0 million in FY20. Higher sales volumes, zero discounts, and lower fixed costs due to full capacity utilization levels, all contributed towards the growth of ICDP's profitability.



**366.8** EGP mn

ICDP Net Revenues (FY21)

**835.0** EGP mn

Dina Farms Net Revenues (FY21)

**80,335** tons

Dina Farms Total Milk Sales Volume



PRINTING & PACKAGING



## National Printing Company

National Printing Company, Qalaa Holdings' subsidiary, is a leader in Egypt's packaging and printing industry, through which Qalaa Holdings is accelerating its exposure to a promising new sector with investments of more than USD 60 million.



National Printing Company was established in 2006 under Qalaa Holdings' mid-cap investments company, Grandview. The company has solidified Qalaa's presence in the printing and packaging sector and become one of Egypt's most prominent producers of printing and packaging products. The company offers a diverse array of products, including corrugated cartons, a range of boxes, duplex boards manufactured from recycled wastepaper, sheeters, single facers, flexos, and chemical additives, that are able to meet a significant portion of Egypt's local demand.

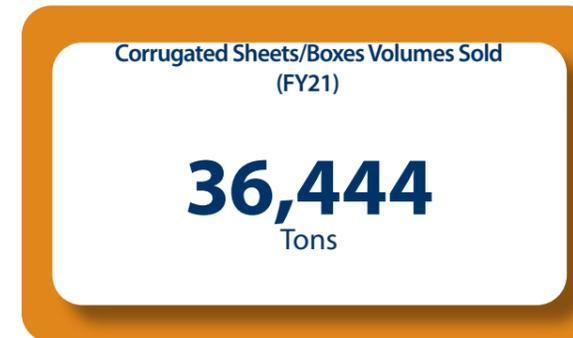
National Printing now has four subsidiaries: Shorouk, El Baddar, Uniboard, and Windsor.

### 2021 Operational Highlights

#### Shorouk for Modern Printing and Packaging (National Printing Company ownership 90%)

Shorouk operates three primary production lines, with an annual production capacity of 50,000 tons, for laminating, cutting, folding, gluing, and printing activities, of which 50% is folded boxes, 40% is laminated packages, and 10% is books. Its primary revenue generators are sales to large multinational corporations in the consumer goods, pharmaceuticals, and paper spaces. Shorouk also generates more than 20% of its annual revenues from exports and plans to expand its production of books.

In 2021, Shorouk began exporting products to two new overseas markets, bringing its international portfolio to 14 countries across three continents. The company continued to navigate supply chain disruptions that hindered its ability to source adequate supplies.



#### El Baddar for Packages (National Printing Company ownership 100%)

El Baddar is a wholly owned subsidiary of National Printing Company, specialized in the production of corrugated sheets and boxes, popular for their favorable properties such as strength, durability, lightness, recyclability, and cost efficiency. In 2021, the company capitalized on its new state-of-the-art facility, which became operational early in the year. Its performance was supported by a 75% y-o-y increase to 36,444 tons in FY21.

The company has yet to operate at full capacity as a result of limited availability of craft paper – a critical input in the manufacturing process – that is being significantly affected by supply chain disruptions. Global paper production shortages have pushed the company to import paper from more expensive sources, resulting in a significant rise in cost per ton from c. USD 465 to c. USD 1,100 in 2021.



#### Uniboard (National Printing Company ownership 46%)

A strategic Greenfield investment, Uniboard provides vertical integration to the rest of the group. Raw materials constitute 72% of Uniboard's total variable cost, as it capitalizes on recycled wastepaper in particular. With an annual production capacity of 135,000 tons, Uniboard holds significant market share in duplex boards.

Uniboard also plays an integral role in National Printing's supply chain, supplying raw materials (primarily manufactured duplex) to Shorouk. In addition to local sales, Uniboard exports small volumes of its products to China and Turkey.

During 2021, volume growth was driven by a 63% y-o-y increase in export volume to 35,082 tons. The company also succeeded in expanding into eight new overseas markets, bringing its international portfolio up to 23 countries across five continents.

**Windsor (National Printing Company ownership 100%)**

Established in 2005, Windsor for Trading and Converting Paper imports, exports, and trades raw materials used in the packaging production process. In 2008, the company was turned into a manufacturing plant for paper packaging and chemical additives. Its main products are paper cups, corrugated board, sheeting, lamination and chemicals for multinational companies such as Unilever, Coca Cola, and PepsiCo.

**2021 Financial Highlights**

National Printing Company’s revenues rose 46% to EGP 2,604.5 million in FY21 compared to EGP 1,788.3 million in FY20 due to volume growth. EBITDA recorded a 25% increase to EGP 498.9 million.

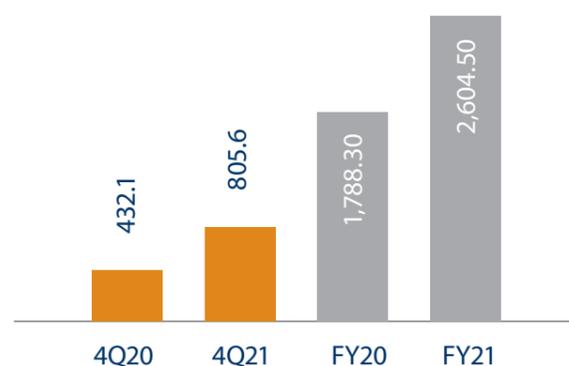
Shorouk delivered a 5% increase y-o-y to EGP 816.0 million versus EGP 777.0 million in FY20. Full year profitability was pressured by the increase in paper cost, with EBITDA growing 24% y-o-y to EGP 45.8 million in 4Q21 but declining 22% y-o-y to EGP 138.0 million in FY21.

Uniboard’s revenues recorded a 50% y-o-y increase to EGP 1,465.0 million, driven by a 39% y-o-y hike in average price per ton to EGP 11,047, and further supported by an 8% y-o-y increase in volume to 132,642 tons. The company’s EBITDA witnessed notable growth during the year, reaching EGP 319.0 million by year-end, up 104% y-o-y owing to price hikes.

El Baddar’s revenues by 132% y-o-y to EGP 502.0 million in FY21. Despite a significant increase in raw material costs, EBITDA came in at EGP 5.4 million in 4Q21, compared to a loss of EGP 7.6 million in 4Q20, and EGP 25.7 million in FY21 versus the EGP 4.9 million recorded in the previous year.

Windsor’s revenues grew 20% y-o-y to EGP 66.0 million in FY21. EBITDA was affected by a substantial increase in raw material costs, reaching EGP 20.0 million in FY21, down 9% y-o-y.

**GRANDVIEW (NATIONAL PRINTING HOLDING Co.) REVENUES**



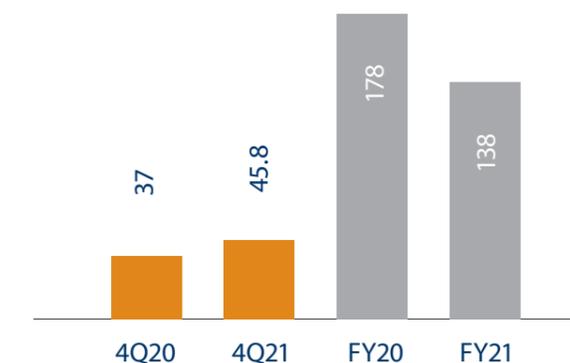
**Grandview (National Printing Holding Co.) EBITDA**



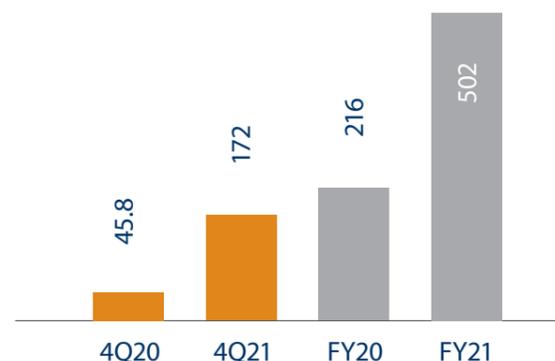
**Shorouk Revenues**



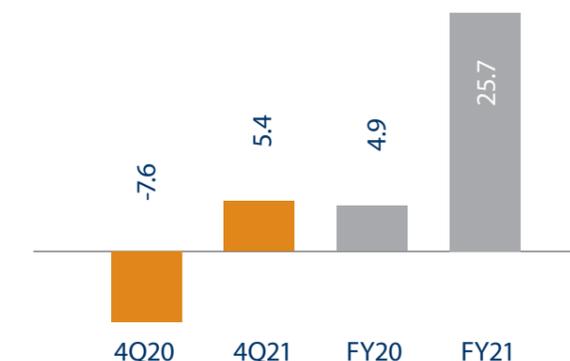
**Shorouk EBITDA**



**El Baddar Revenues**



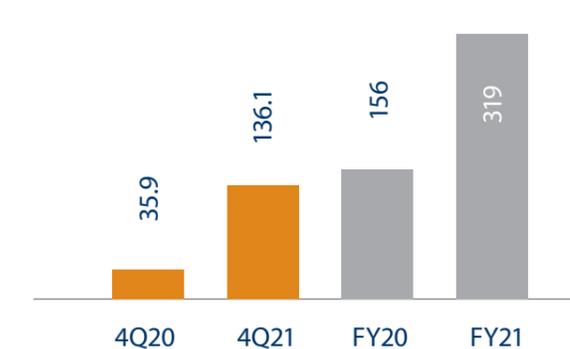
**El Baddar EBITDA**



**Uniboard Revenues**



**Uniboard EBITDA**



# FINANCIAL **STATEMENTS**



# Qalaa Holdings Consolidated Income Statement (in EGP mn)

	1Q 2021	2Q 2021	3Q 2021	4Q 2021	FY 2021	1Q 2020	2Q 2020	3Q 2020*	4Q 2020	FY 2020
Revenue	7,994.7	10,172.4	12,781.3	14,877.7	45,826.1	10,367.5	7,400.0	8,753.4	9,429.9	35,950.8
COS	(7,442.1)	(8,907.8)	(11,181.8)	(12,338.9)	(39,870.7)	(9,288.0)	(6,717.5)	(8,193.7)	(8,575.7)	(32,774.9)
<b>Gross Profit</b>	<b>552.7</b>	<b>1,264.5</b>	<b>1,599.4</b>	<b>2,538.8</b>	<b>5,955.4</b>	<b>1,079.6</b>	<b>682.5</b>	<b>559.6</b>	<b>854.2</b>	<b>3,176.0</b>
Advisory Fee	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Profit</b>	<b>552.7</b>	<b>1,264.5</b>	<b>1,599.4</b>	<b>2,538.8</b>	<b>5,955.4</b>	<b>1,079.6</b>	<b>682.5</b>	<b>559.6</b>	<b>854.2</b>	<b>3,176.0</b>
SG&A	(478.7)	(521.4)	(417.2)	(494.1)	(1,911.4)	(368.6)	(360.7)	(396.2)	(623.6)	(1,749.1)
Other revenue-Export Subsidy	9.7	8.0	27.6	36.3	81.5	7.9	3.5	9.1	34.0	54.5
Other inc/exp-Net	6.8	(1.0)	(4.4)	5.0	6.4	3.0	2.3	9.6	(11.1)	3.8
<b>EBITDA before one-off charges</b>	<b>90.5</b>	<b>750.0</b>	<b>1,205.5</b>	<b>2,085.9</b>	<b>4,131.9</b>	<b>721.9</b>	<b>327.6</b>	<b>182.1</b>	<b>253.4</b>	<b>1,485.1</b>
SG&A (Non recurring)	22.8	(17.4)	(10.0)	(57.5)	(62.0)	21.8	(15.0)	(7.9)	(30.4)	(31.5)
<b>EBITDA</b>	<b>113.3</b>	<b>732.7</b>	<b>1,195.5</b>	<b>2,028.5</b>	<b>4,069.9</b>	<b>743.7</b>	<b>312.6</b>	<b>174.2</b>	<b>223.0</b>	<b>1,453.6</b>
Dep./Amort.	(1,068.4)	(1,086.6)	(1,124.9)	(1,139.2)	(4,419.2)	(667.7)	(1,126.0)	(948.2)	(1,498.0)	(4,240.0)
<b>EBIT</b>	<b>(955.1)</b>	<b>(353.9)</b>	<b>70.5</b>	<b>889.2</b>	<b>(349.3)</b>	<b>76.1</b>	<b>(813.4)</b>	<b>(774.0)</b>	<b>(1,275.1)</b>	<b>(2,786.4)</b>
Finance Cost	(851.4)	(910.2)	(1,152.3)	(785.5)	(3,699.4)	(1,039.5)	(1,032.4)	(878.9)	(695.5)	(3,646.3)
Other Finance Cost	49.0	113.1	(4.1)	180.8	338.8	-	-	-	(1,635.4)	(1,635.4)
Bank PIK	(32.9)	(34.7)	(35.6)	(37.3)	(140.4)	(32.6)	(26.4)	(26.4)	(32.9)	(118.4)
3rd party Shareholder	(80.2)	(84.7)	(75.2)	(104.8)	(344.9)	(74.3)	(79.7)	(68.5)	(65.4)	(287.9)
Interest income	92.8	136.8	162.9	157.0	549.5	104.6	98.0	92.3	85.6	380.5
Lease Payments	(34.3)	(38.6)	(37.7)	(40.3)	(150.9)	(32.7)	(13.7)	(66.4)	(17.3)	(130.0)
<b>EBT (before one-offs)</b>	<b>(1,812.1)</b>	<b>(1,172.3)</b>	<b>(1,071.4)</b>	<b>259.1</b>	<b>(3,796.6)</b>	<b>(998.5)</b>	<b>(1,867.6)</b>	<b>(1,721.9)</b>	<b>(3,635.9)</b>	<b>(8,223.9)</b>
Gain (Loss) on sale of investments	-	-	-	-	-	47.0	0.0	-	(96.4)	(49.4)
Impairments/write downs	(11.8)	1.4	(16.2)	(281.7)	(308.4)	(18.5)	(15.6)	(85.7)	(111.1)	(230.9)
Acquisitions and restructuring	1.2	(1.4)	(2.8)	(43.5)	(46.4)	(31.2)	(0.3)	(1.2)	40.1	7.4
Share in associates' results	9.0	(4.4)	2.7	(46.0)	(38.7)	(2.4)	(8.8)	21.6	(33.2)	(22.8)
CSR	(9.5)	(2.7)	-	(2.2)	(14.4)	(6.3)	(2.8)	(1.5)	(26.7)	(37.4)
Provisions	(107.0)	(107.6)	(189.6)	(1,036.4)	(1,440.6)	(108.3)	(96.8)	(52.2)	(524.5)	(781.7)
Discontinued operations **	-	-	-	-	-	(14.6)	(28.0)	(35.1)	0.0	(77.7)
Forex	17.4	54.9	82.8	73.6	228.6	150.4	(166.5)	147.4	(80.4)	50.9
<b>EBT</b>	<b>(1,912.8)</b>	<b>(1,232.2)</b>	<b>(1,194.6)</b>	<b>(1,077.0)</b>	<b>(5,416.6)</b>	<b>(982.5)</b>	<b>(2,186.4)</b>	<b>(1,728.6)</b>	<b>(4,468.2)</b>	<b>(9,365.7)</b>
Taxes	(42.3)	(50.1)	(84.6)	(115.0)	(292.0)	(600.6)	(315.3)	(450.4)	1,158.9	(207.4)
<b>NP/L Including Minority Share</b>	<b>(1,955.1)</b>	<b>(1,282.3)</b>	<b>(1,279.1)</b>	<b>(1,192.0)</b>	<b>(5,708.6)</b>	<b>(1,583.1)</b>	<b>(2,501.7)</b>	<b>(2,178.9)</b>	<b>(3,309.3)</b>	<b>(9,573.1)</b>
Minority Interest	(1,476.5)	(880.8)	(838.5)	(234.4)	(3,430.2)	(1,178.0)	(1,789.6)	(1,735.4)	(2,317.0)	(7,020.0)
<b>NP/L for the Period</b>	<b>(478.6)</b>	<b>(401.5)</b>	<b>(440.7)</b>	<b>(957.6)</b>	<b>(2,278.4)</b>	<b>(405.1)</b>	<b>(712.1)</b>	<b>(443.5)</b>	<b>(992.3)</b>	<b>(2,553.0)</b>

\* Reclassified to add ERC's catalyst depreciation to its cost of sales

\*\* Discontinued operations include:

(1) Assets included in 2020: Tawazon

# Qalaa Holdings Consolidated Income Statement by Sector

for the three-month period ending 31 December 2021 (in EGP mn)

	QH	SPVs	Energy		Cement	T&A		Mining	Agrifoods		Others		Elimination	4Q 2021	4Q 2020
			Orient	Silverstone		CCTO	Falcon		Wafra	Misc.*	Grandview				
Revenue	-	-	10,269.9	2,463.9	690.3	61.1	250.7	259.8	-	76.4	805.6	-	14,877.7	9,429.9	
Cost of Sales	-	-	(8,567.1)	(2,064.1)	(715.3)	(27.2)	(167.2)	(160.5)	-	(68.8)	(568.7)	-	(12,338.9)	(8,575.7)	
<b>Gross Profit</b>	-	-	<b>1,702.8</b>	<b>399.8</b>	<b>(24.9)</b>	<b>33.8</b>	<b>83.4</b>	<b>99.3</b>	-	<b>7.6</b>	<b>236.9</b>	-	<b>2,538.8</b>	<b>854.2</b>	
Advisory fee	-	20.9	-	-	-	-	-	-	-	-	-	(20.9)	-	-	
<b>Total Operating Profit</b>	<b>20.9</b>	<b>(33.5)</b>	<b>1,702.8</b>	<b>399.8</b>	<b>(24.9)</b>	<b>33.8</b>	<b>83.4</b>	<b>99.3</b>	<b>7.6</b>	<b>236.9</b>	<b>(20.9)</b>	<b>(20.9)</b>	<b>2,538.8</b>	<b>854.2</b>	
SG&A	-	(5.4)	(126.6)	(77.0)	(65.8)	(13.3)	(68.6)	(47.5)	-	(9.7)	(66.0)	19.3	(494.1)	(623.6)	
Export Subsidy revenue	-	-	-	-	-	-	12.2	-	-	10.1	13.9	-	36.3	34.0	
Other Income/Expenses	-	(1.0)	-	3.5	(0.2)	-	-	(0.3)	-	3.3	(0.2)	-	5.0	(11.1)	
<b>EBITDA (before one-offs)</b>	<b>(12.6)</b>	<b>(6.4)</b>	<b>1,576.3</b>	<b>326.2</b>	<b>(90.9)</b>	<b>20.6</b>	<b>27.0</b>	<b>51.5</b>	<b>11.4</b>	<b>184.6</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>2,085.9</b>	<b>253.4</b>	
Dividend Income	-	30.0	-	-	-	-	-	-	-	-	(30.0)	-	-	-	
Non Recurring - Revenues & Costs	-	(4.8)	0.4	(0.3)	(21.4)	(5.1)	(0.1)	(7.4)	-	0.2	(17.5)	(1.4)	(57.5)	(30.4)	
<b>EBITDA</b>	<b>(12.6)</b>	<b>18.8</b>	<b>1,576.6</b>	<b>325.9</b>	<b>(112.3)</b>	<b>15.5</b>	<b>26.9</b>	<b>44.1</b>	<b>11.5</b>	<b>167.1</b>	<b>(33.0)</b>	<b>(33.0)</b>	<b>2,028.5</b>	<b>223.0</b>	
Depreciation & Amortization	-	(2.3)	(930.1)	(49.1)	(68.7)	(14.9)	(22.7)	(25.6)	-	(1.0)	(11.6)	(13.2)	(1,139.2)	(1,498.0)	
<b>EBIT</b>	<b>(14.9)</b>	<b>18.8</b>	<b>646.5</b>	<b>276.8</b>	<b>(181.0)</b>	<b>0.6</b>	<b>4.2</b>	<b>18.5</b>	<b>10.5</b>	<b>155.5</b>	<b>(46.3)</b>	<b>(46.3)</b>	<b>889.2</b>	<b>(1,275.1)</b>	
Finance Cost	-	(59.5)	(367.7)	(147.2)	(14.1)	(45.6)	(15.7)	(3.8)	-	(1.9)	(26.8)	-	(785.5)	(695.5)	
Other Finance Cost	-	-	-	-	-	-	-	-	-	-	-	-	180.8	(1,635.4)	
Bank PIK	-	(37.3)	-	-	-	-	-	-	-	-	-	-	(37.3)	(32.9)	
Bank fees (ERC-PIK)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3rd Party Shareholder	-	(45.6)	(19.4)	-	(142.4)	(14.9)	-	-	-	16.1	-	-	101.3	(104.8)	
Interest Income	61.5	41.1	-	154.2	2.1	0.1	0.0	0.6	-	-	0.2	-	(102.7)	157.0	
Finance Lease Charges/ NPV LT assets	-	-	(14.4)	(12.5)	(0.2)	(5.9)	-	(7.3)	-	-	(0.0)	-	(40.3)	(17.3)	
<b>EBT (before one-offs)</b>	<b>(56.6)</b>	<b>(82.5)</b>	<b>425.9</b>	<b>271.2</b>	<b>(335.6)</b>	<b>(65.8)</b>	<b>(11.4)</b>	<b>8.0</b>	<b>24.7</b>	<b>128.9</b>	<b>(47.7)</b>	<b>(47.7)</b>	<b>259.1</b>	<b>(3,635.9)</b>	
Gain (Loss) on sale of investments	-	6.2	-	-	0.1	-	-	-	-	-	-	(6.3)	-	(96.4)	
Impairments/Write-downs	(80.8)	(64.0)	7.8	27.1	(324.1)	9.4	0.8	(5.1)	-	2.0	0.3	144.8	(281.7)	(111.1)	
Acquisitions, legal and restructuring	(27.8)	(15.7)	-	-	0.0	-	-	-	-	-	-	-	(43.5)	88.9	
Share in Associates' Results	-	-	-	-	4.6	-	(57.8)	-	-	-	-	7.2	(46.0)	(44.1)	
Management Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Layoffs/Severances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
CSR	-	-	-	(2.2)	-	-	-	-	-	-	-	-	-	(38.0)	
Provisions	-	3.9	-	(40.1)	(948.7)	(1.6)	(0.0)	(4.2)	-	(6.0)	6.7	6.9	(2.2)	(26.7)	
Discontinued Operations **	-	-	-	-	-	-	-	-	-	-	-	-	-	(524.5)	
FOREX	10.7	(14.4)	(5.3)	0.5	49.7	(0.0)	15.5	(0.4)	0.2	4.7	12.6	12.6	73.6	(80.4)	
<b>EBT</b>	<b>(207.8)</b>	<b>(166.4)</b>	<b>428.4</b>	<b>256.5</b>	<b>(1,553.9)</b>	<b>(58.0)</b>	<b>(53.0)</b>	<b>(1.8)</b>	<b>20.9</b>	<b>140.5</b>	<b>117.5</b>	<b>117.5</b>	<b>(1,077.0)</b>	<b>(4,468.2)</b>	
Taxes	(0.2)	-	(3.3)	(76.9)	20.9	0.4	0.3	(5.5)	(0.5)	(51.6)	1.4	1.4	(115.0)	1,158.9	
<b>Net P/L Before Minority Share</b>	<b>(208.0)</b>	<b>(166.4)</b>	<b>425.1</b>	<b>179.6</b>	<b>(1,533.0)</b>	<b>(57.6)</b>	<b>(52.7)</b>	<b>(7.3)</b>	<b>20.4</b>	<b>89.0</b>	<b>118.9</b>	<b>118.9</b>	<b>(1,192.0)</b>	<b>(3,309.3)</b>	
Minority Interest	-	-	230.7	50.2	(511.0)	(15.8)	(0.2)	(0.0)	-	(0.0)	(56.3)	(56.3)	(234.4)	(2,317.0)	
<b>Net Profit (Loss)</b>	<b>(208.0)</b>	<b>(166.4)</b>	<b>194.4</b>	<b>129.3</b>	<b>(1,022.0)</b>	<b>(41.8)</b>	<b>(52.5)</b>	<b>(7.3)</b>	<b>20.4</b>	<b>21.0</b>	<b>175.3</b>	<b>175.3</b>	<b>(957.6)</b>	<b>(992.3)</b>	

\* Miscellaneous includes UCF & Sphinx Egypt.

\*\* Discontinued operations include: Tawazon

^ T&L represents Transportation & Logistics

# Qalaa Holdings Consolidated Income Statement by Sector

for the year ended 31 December 2021 (in EGP mn)

	QH	Energy		Cement		T&L <sup>^</sup>		Mining		Agrifoods		Others		Elimination	FY 2021	FY 2021
		Silverstone	NDT	NDT	ASCOM	CCTO	ASCOM	Falcon	Wafr	Misc*	Grandview	Misc*	Grandview			
Revenue	-	28,501.8	9,102.0	3,105.0	253.1	937.7	1,045.4	-	279.6	2,604.5	-	279.6	2,604.5	(3.1)	45,826.1	
Cost of Sales	-	(25,657.6)	(7,868.4)	(2,767.1)	(114.7)	(619.0)	(714.9)	-	(239.3)	(1,892.6)	-	(239.3)	(1,892.6)	3.1	(39,870.7)	
<b>Gross Profit</b>	-	<b>2,844.2</b>	<b>1,233.6</b>	<b>337.9</b>	<b>138.4</b>	<b>318.6</b>	<b>330.5</b>	-	<b>40.3</b>	<b>711.9</b>	-	<b>40.3</b>	<b>711.9</b>	(83.3)	<b>5,955.4</b>	
Advisory fee	83.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Operating Profit</b>	<b>83.3</b>	<b>2,844.2</b>	<b>1,233.6</b>	<b>337.9</b>	<b>138.4</b>	<b>318.6</b>	<b>330.5</b>	-	<b>40.3</b>	<b>711.9</b>	-	<b>40.3</b>	<b>711.9</b>	<b>(83.3)</b>	<b>5,955.4</b>	
SG&A	(170.6)	(13.8)	(553.5)	(263.0)	(53.4)	(272.0)	(175.6)	-	(33.3)	(229.1)	-	(33.3)	(229.1)	76.0	(1,911.4)	
Export incentive revenue	-	(1.0)	-	-	-	-	-	38.9	-	-	-	-	-	-	81.5	
Other Income/Expenses	-	(14.8)	972.5	117.5	85.0	85.6	155.0	-	36.2	498.9	-	36.2	498.9	(7.3)	4,131.9	
<b>EBITDA (before one-offs)</b>	<b>(87.3)</b>	<b>(14.8)</b>	<b>972.5</b>	<b>117.5</b>	<b>85.0</b>	<b>85.6</b>	<b>155.0</b>	-	<b>36.2</b>	<b>498.9</b>	-	<b>36.2</b>	<b>498.9</b>	<b>(130.5)</b>	<b>4,131.9</b>	
Dividend Income	-	130.5	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non Recurring - Rev. & Costs	-	-	12.7	(7.4)	(25.2)	11.7	(26.0)	-	5.4	(22.4)	-	5.4	(22.4)	(0.5)	(62.0)	
<b>EBITDA</b>	<b>(87.3)</b>	<b>115.6</b>	<b>2,303.4</b>	<b>965.1</b>	<b>92.3</b>	<b>96.7</b>	<b>75.3</b>	<b>129.0</b>	<b>41.6</b>	<b>476.5</b>	-	<b>41.6</b>	<b>476.5</b>	<b>(138.3)</b>	<b>4,069.9</b>	
Depreciation & Amortization	(9.4)	(3,640.4)	(181.1)	(217.2)	(60.9)	(89.4)	(97.9)	-	(4.5)	(65.4)	-	(4.5)	(65.4)	(52.9)	(4,419.2)	
<b>EBIT</b>	<b>(96.7)</b>	<b>(1,337.0)</b>	<b>784.0</b>	<b>(124.9)</b>	<b>35.7</b>	<b>(14.1)</b>	<b>31.2</b>	-	<b>37.1</b>	<b>(349.3)</b>	-	<b>37.1</b>	<b>(349.3)</b>	<b>(191.2)</b>	<b>(3,493.3)</b>	
Finance Cost	(400.9)	(191.1)	(2,248.8)	(450.1)	(59.0)	(143.0)	(18.1)	-	(4.9)	(119.3)	-	(4.9)	(119.3)	-	(3,699.4)	
Other Finance Cost	-	338.8	-	-	-	-	-	-	-	-	-	-	-	-	338.8	
Bank PIK	-	(140.4)	-	-	-	-	-	-	-	-	-	-	-	-	(140.4)	
Bank fees (ERC-PIK)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3rd Party Shareholder	-	(117.1)	(56.8)	(559.4)	(59.0)	-	-	-	(0.9)	-	-	(0.9)	-	448.2	(344.9)	
Interest Income	264.2	159.8	-	535.6	7.5	0.2	3.7	0.9	-	7.8	-	-	7.8	(430.3)	549.5	
Finance Lease Charges/ NPV LT assets	-	-	(56.4)	(43.1)	(0.2)	(23.2)	-	(25.0)	-	(3.1)	-	-	(3.1)	-	(150.9)	
<b>EBT (before one-offs)</b>	<b>(233.4)</b>	<b>(173.2)</b>	<b>(3,360.3)</b>	<b>826.5</b>	<b>(736.0)</b>	<b>189.2</b>	<b>(11.0)</b>	<b>(74.7)</b>	<b>31.3</b>	<b>296.6</b>	-	<b>31.3</b>	<b>296.6</b>	<b>(173.2)</b>	<b>(3,796.6)</b>	
Gain (Loss) on sale of investments	-	6.2	-	-	0.1	-	-	-	-	-	-	-	-	(6.3)	-	
Impairments/Write-downs	(222.1)	(43.7)	10.7	(1.0)	(327.8)	8.0	(7.4)	(7.6)	(0.6)	(2.1)	-	(0.6)	(2.1)	270.3	(308.4)	
Acquisitions and restructuring	(32.5)	(15.7)	-	(1.3)	-	-	-	3.0	-	-	-	-	-	-	(46.4)	
Share in Associates' Results	-	-	-	-	(2.1)	-	-	(36.5)	-	-	-	-	-	(0.2)	(38.7)	
Management Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Layoffs/Severances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
CSR	(0.3)	-	(12.4)	-	-	-	-	(1.8)	-	-	-	-	-	-	(14.4)	
Provisions	(55.7)	(110.9)	-	(112.2)	(1,162.7)	5.0	(1.4)	(4.5)	-	(1.7)	-	-	(1.7)	-	(1,440.6)	
Discontinued Operations**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FOREX	35.7	(33.4)	(7.9)	(0.8)	206.3	1.5	12.7	0.4	1.8	2.8	-	1.8	2.8	9.4	228.6	
<b>EBT</b>	<b>(508.3)</b>	<b>(370.5)</b>	<b>(3,357.5)</b>	<b>700.1</b>	<b>(2,023.4)</b>	<b>(174.6)</b>	<b>(91.2)</b>	<b>(22.8)</b>	<b>36.0</b>	<b>295.6</b>	-	<b>36.0</b>	<b>295.6</b>	<b>100.0</b>	<b>(5,416.6)</b>	
Taxes	(1.2)	(5.8)	(198.0)	(9.4)	0.4	0.3	(6.8)	-	(0.5)	(76.6)	-	(0.5)	(76.6)	5.6	(292.0)	
<b>Net P/L Before Minority Share</b>	<b>(509.5)</b>	<b>(370.5)</b>	<b>(3,363.2)</b>	<b>502.1</b>	<b>(2,032.8)</b>	<b>(174.3)</b>	<b>(90.9)</b>	<b>(29.6)</b>	<b>35.5</b>	<b>219.0</b>	-	<b>35.5</b>	<b>219.0</b>	<b>105.6</b>	<b>(5,708.6)</b>	
Minority Interest	-	-	(1,986.9)	148.6	(425.2)	(50.7)	(6.0)	-	(0.0)	166.1	-	(0.0)	166.1	(1,276.1)	(3,430.2)	
<b>Net Profit (Loss)</b>	<b>(509.5)</b>	<b>(370.5)</b>	<b>(1,376.3)</b>	<b>353.5</b>	<b>(1,607.6)</b>	<b>(123.6)</b>	<b>(84.9)</b>	<b>(29.6)</b>	<b>35.5</b>	<b>52.9</b>	-	<b>35.5</b>	<b>52.9</b>	<b>1,381.8</b>	<b>(2,278.4)</b>	

\* Miscellaneous includes UCF & Sphinx Egypt.

^ T&L represents Transportation & Logistics

# Qalaa Holdings Consolidated Balance Sheet

as at 31 December 2021 (in EGP mn)

	QH	Energy		Cement		T&L <sup>^</sup>		Mining		Agrifoods		Others		Eliminations/SPVs	FY 2021	FY 2020
		Silverstone	NDT	NDT	ASCOM	CCTO	ASCOM	Falcon	Wafr	Misc*	Grandview	Misc*	Grandview			
<b>Current Assets</b>																
Trade and Other Receivables	2,108.8	1,784.7	2,061.5	1,742.3	88.9	420.1	104.0	476.4	860.4	9,647.2	-	(2,959.6)	6,687.6	5,755.8		
Inventory	-	1,328.2	408.7	705.4	114.4	103.1	252.0	45.9	400.2	3,255.1	-	0.0	3,255.1	2,650.3		
Assets Held For Sale	-	-	-	5.7	-	-	-	118.0	9.9	133.6	-	(110.9)	22.7	35.1		
Cash and Cash Equivalents	4.3	527.7	5,699.0	49.8	33.0	19.4	14.2	5.2	244.8	6,597.5	-	57.0	6,654.4	3,904.3		
Others	-	-	-	-	-	-	17.4	-	-	17.4	-	0.0	17.4	18.2		
<b>Total Current Assets</b>	<b>2,113.1</b>	<b>3,640.4</b>	<b>8,169.2</b>	<b>2,503.3</b>	<b>133.4</b>	<b>542.6</b>	<b>387.6</b>	<b>645.5</b>	<b>1,515.3</b>	<b>19,650.7</b>	-	<b>(3,013.6)</b>	<b>16,637.1</b>	<b>12,363.7</b>		
<b>Non-Current Assets</b>																
PP&E	8.6	55,488.9	3,103.4	2,745.9	761.0	719.0	767.4	54.0	1,208.1	64,856.4	-	531.6	65,388.0	67,096.8		
Investments	5,547.1	-	52.1	352.9	-	97.1	-	4.9	87.1	6,141.2	-	(5,578.0)	563.2	610.4		
Goodwill / Intangible assets	15.0	267.8	413.6	-	-	1.6	-	-	-	698.0	-	65.3	763.4	782.8		
Others	4,060.0	39.7	300.8	204.6	-	-	352.2	-	25.2	4,982.5	-	(4,065.7)	916.8	1,133.8		
<b>Total Non-Current Assets</b>	<b>9,630.7</b>	<b>55,796.5</b>	<b>3,869.9</b>	<b>3,303.5</b>	<b>761.0</b>	<b>817.7</b>	<b>1,119.6</b>	<b>58.9</b>	<b>1,320.3</b>	<b>76,678.1</b>	-	<b>(9,046.8)</b>	<b>67,631.4</b>	<b>69,623.8</b>		
<b>Total Assets</b>	<b>11,743.8</b>	<b>59,437.1</b>	<b>12,039.2</b>	<b>5,806.8</b>	<b>894.4</b>	<b>1,360.3</b>	<b>1,507.1</b>	<b>704.4</b>	<b>2,835.7</b>	<b>96,328.8</b>	-	<b>(12,060.4)</b>	<b>84,268.4</b>	<b>81,987.5</b>		
<b>Shareholders' Equity</b>																
<b>Total Equity Holders of the Company</b>	<b>4,163.0</b>	<b>6,092.4</b>	<b>1,284.5</b>	<b>(6,559.9)</b>	<b>(1,009.0)</b>	<b>(87.5)</b>	<b>60.1</b>	<b>(1,478.6)</b>	<b>88.0</b>	<b>2,553.1</b>	-	<b>(14,809.4)</b>	<b>(12,256.3)</b>	<b>(10,191.8)</b>		
Minority Interest	-	4,015.3	642.2	1,600.6	(463.2)	(84.1)	0.0	(1.5)	482.8	6,192.1	-	3,689.9	9,882.0	12,533.5		
<b>Total Equity</b>	<b>4,163.0</b>	<b>10,107.7</b>	<b>1,926.7</b>	<b>(4,959.2)</b>	<b>(1,472.2)</b>	<b>(171.6)</b>	<b>60.1</b>	<b>(1,480.1)</b>	<b>570.8</b>	<b>8,745.2</b>	-	<b>(11,119.5)</b>	<b>(2,374.3)</b>	<b>2,341.8</b>		
<b>Current Liabilities</b>																
Borrowings	5,671.0	34,860.0	4,480.9	1,152.0	1,025.7	234.5	96.2	65.1	939.9	48,525.3	-	2,870.5	51,395.8	47,788.6		
Trade and Other Payables	1,678.0	4,738.8	2,848.1	1,893.9	46.7	478.8	990.2	1,719.8	600.6	14,995.1	-	(535.2)	14,459.9	13,336.0		
Shareholder Loan	-	636.0	-	2,482.0	1,025.7	-	-	128.0	-	4,271.7	-	(1,025.7)	3,246.0	2,675.5		
Provisions	230.9	-	278.6	2,289.7	25.3	26.8	27.3	15.8	63.6	2,958.0	-	479.0	3,436.9	2,109.0		
Liabilities Held For Sale	-	-	-	0.2	-	-	-	0.7	-	1.0	-	-	1.8	-		
<b>Total Current Liabilities</b>	<b>7,580.0</b>	<b>40,234.8</b>	<b>7,607.7</b>	<b>7,817.9</b>	<b>2,123.3</b>	<b>740.1</b>	<b>1,113.8</b>	<b>1,929.4</b>	<b>1,604.1</b>	<b>70,751.0</b>	-	<b>1,789.4</b>	<b>72,540.5</b>	<b>65,910.9</b>		
<b>Non-Current Liabilities</b>																
Borrowings	-	7,889.1	1,584.6	-	-	762.5	-	28.4	195.0	10,459.5	-	0.0	10,459.5	10,227.9		
Shareholder Loan	-	289.5	-	2,833.0	130.1	-	-	225.6	-	3,478.2	-	(2,770.3)	708.0	1,040.6		
Long-Term Liabilities	0.8	916.0	920.2	115.2	113.2	29.3	333.2	1.1	465.8	2,894.8	-	39.9	2,934.8	2,466.3		
<b>Total Non-Current Liabilities</b>	<b>0.8</b>	<b>9,094.6</b>	<b>2,504.8</b>	<b>2,948.2</b>	<b>243.3</b>	<b>791.7</b>	<b>333.2</b>	<b>255.1</b>	<b>660.8</b>	<b>16,832.6</b>	-	<b>(2,730.3)</b>	<b>14,102.3</b>	<b>13,734.9</b>		
<b>Total Liabilities</b>	<b>7,580.8</b>	<b>49,329.4</b>	<b>10,112.5</b>	<b>10,766.1</b>	<b>2,366.6</b>	<b>1,531.8</b>	<b>1,447.0</b>	<b>2,184.5</b>	<b>2,264.9</b>	<b>87,583.6</b>						