Qalaa Holdings Reports 1Q 2019 Results

- *ERC expects to start generating income in July 2019;*
- *TAQA Solar's 50MW PV project commenced operations in February 2019;*
- *ACCM's 3rd production line to start operations end of July 2019;*
- *Dina Farms increased cultivated area by 450 feddans (200 acres);*
- *ICDP's new fresh milk line doubled the company's production capacity;*
- *ICDP's new yoghurt line to increase yoghurt production capacity by 500% starting in August;*
- *Inauguration of Nile Logistics' new grain storage warehouse in July 2019*

1Q 2019 Consolidated Income Statement Highlights	
Revenues EGP 3,440.8 mn vs. EGP 3,036.8 mn in 1Q18	
EBITDA EGP 364.4 mn vs. EGP 355.4 mn in 1Q18	Net Profit After Minority EGP (154.6) mn vs. EGP (186.1) mn in 1Q18
Highlights from Consolidated Balance Sheet as at 31 March 2019	
Consolidated Assets EGP 86,693.3 mn At current book value vs. EGP 88,801.0 mn in FY18	Consolidated Bank Debt EGP 56,974.7 mn Of which EGP 44,415.4 mn related to ERC

Financial and Operational Highlights

Qalaa Holdings, a leader in energy and infrastructure (CCAP.CA on the Egyptian Exchange, formerly Citadel Capital), released today its consolidated financial results for the quarter ended 31 March 2019, recording a 13% y-o-y rise in revenues to EGP 3,440.8 million. Top-line expansion came on the back of robust results posted across its subsidiaries, especially at the Group's energy platform with TAQA Arabia' revenues up 41% y-o-y and Tawazon's up by 59% y-o-y. ASEC Holding weighed down on Qalaa's consolidated 1Q19 revenue primarily due to a 41% y-o-y contraction in Sudan's Al Takamol Cement top-line.

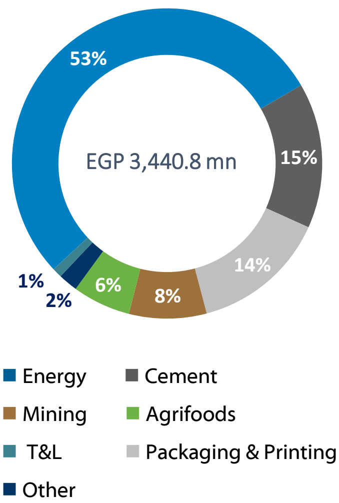
EBITDA for the quarter grew just 3% y-o-y to EGP 364.4 million despite significant EBITDA growth reported by the Group's energy, mining, and transport & logistics platforms. TAQA Arabia reported a 28% y-o-y EBITDA expansion while Tawazon posted 231% y-o-y rise in EBITDA. The strong growth at Tawazon came as its subsidiary ENTAG Oman recognized the last portion of revenues generated from its high margin UAE project. Meanwhile, Qalaa's mining and agriculture platforms recorded a 27% and 6% y-o-y increase in EBITDA, respectively. The drag on EBITDA came as a consequence of weak results at Al Takamol Cement in Sudan primarily driven by the sizeable and fast devaluation of the Sudanese pound which outpaced price adjustments, combined with a significant increase in energy costs (fuel oil and coal) compared to the same period a year ago. Moreover, National Printing EBITDA for 1Q19 dropped 14% y-o-y as a result of slower sales at El Baddar and lower volumes sold at Uniboard related to working capital issues.

Management expects weak performance at Al Takamol in 2Q19 as result of Ramadan and Eid vacations falling within the quarter as well as the political unrest which has negatively affected the company's supply chain. In addition, the Sudanese government significantly limited the supply of electricity from the power grid starting April 2019 which is affecting overall costs. Meanwhile, National Printing results in 2Q19 are expected to pick up on the back of improved sales at Shorouk and other subsidiaries.

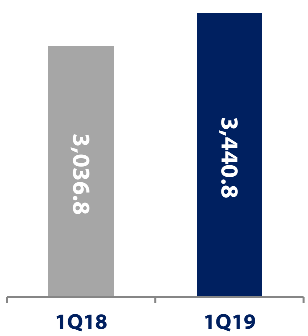
Qalaa's bottom-line losses for the quarter narrowed to EGP 154.6 million on the back of higher revenues and an FX gain booked at the consolidated level.

Financial and operational highlights follow, as do management's comments and overview of the performance of different business units. Full financials are now available for download at ir.qalaaholdings.com.

QALAA HOLDINGS CONSOLIDATED REVENUES 1Q19



REVENUE PROGRESSION
(EGP mn)



- **The Group's consolidated revenues came in at EGP 3,440.8 million in 1Q19, a 13% y-o-y expansion on the back of robust performances across the Group's energy platform, with TAQA Arabia's revenues up 41% y-o-y and Tawazon up by 59% y-o-y. Meanwhile, ASCOM reported an 18% y-o-y rise in revenues and Nile Logistics saw its top line expand 86% y-o-y.**

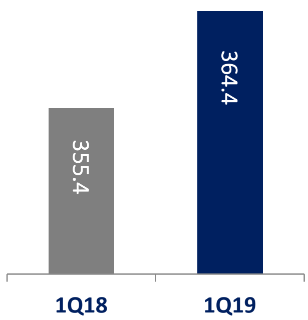
  The Group's cement sector reported a 23% y-o-y contraction in revenues for the quarter. The contraction was driven by a sizeable and fast devaluation of the Sudanese pound, which outpaced price adjustments, and a significant increase in energy costs (fuel oil and coal) compared to the same period a year ago. Similarly, Qalaa's printing and packaging operations witnessed a 5% y-o-y decline in revenues primarily driven by a slow performance at National Printing's subsidiaries, Uniboard and El Baddar.

- **Qalaa's EBITDA for the quarter increased 3% y-o-y to EGP 364.4 million.**

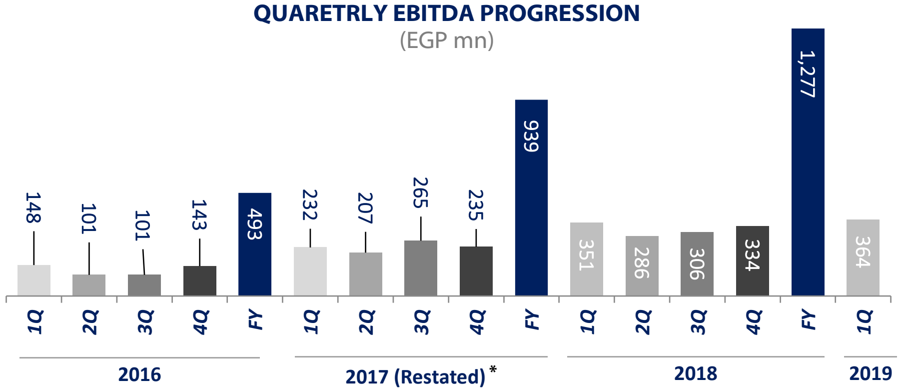
  TAQA Arabia reported a 28% y-o-y EBITDA expansion and Tawazon posted an impressive 231% y-o-y rise in EBITDA. Meanwhile, Qalaa's mining and agriculture platforms recorded a 27% and 72% y-o-y increase in EBITDA, respectively. At the Group's transport and logistics operations, EBITDA turned a positive EGP 6.3 million compared to the EGP 10.3 million loss recorded during the same period of last year. Despite the double-digit EBITDA growth recorded by most of the Group's subsidiaries, Qalaa's consolidated EBITDA inched up only 3% y-o-y as Al-Takamol Sudan's results weighed down on the Group's consolidated figures.

  The Group's consolidated EBITDA has been growing steadily for the past few years, with FY18 levels almost three times as high as those in FY2016. In the first quarter of 2019, Qalaa's consolidated EBITDA continued on the same trend, expanding compared to the previous quarter as well as the same quarter a year ago. Qalaa's management expects the Group's EBITDA to deliver growth rates of 30 to 35% over the coming two years excluding contributions from ERC.

EBITDA PROGRESSION
(EGP mn)



QUARETRLY EBITDA PROGRESSION
(EGP mn)

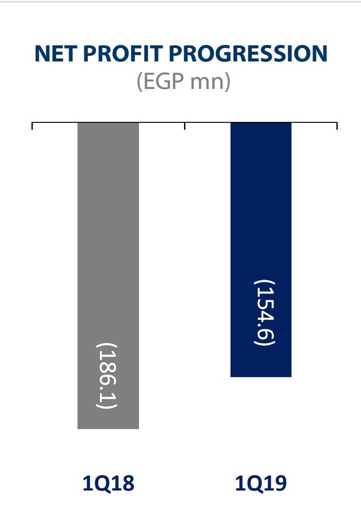


**2017 figures were restated to include National Printing's results*

- **Qalaa's total provisions recorded EGP 67.4 million in 1Q19, booked primarily against TAQA Arabia's account receivables and TAQA's non-operational Qatar-based subsidiary.**

- **Losses from discontinued operations stood at EGP 9.5 million for 1Q19, down from the EGP 58.6 million recorded in the same quarter of last year.**

Losses from discontinued operations were largely related to losses at Zahana Cement Co. in Algeria, as well as ARESCO under ASEC Holding. Both companies are currently under a sale process, with management expecting to conclude the sale of Zahana Cement during 2020.



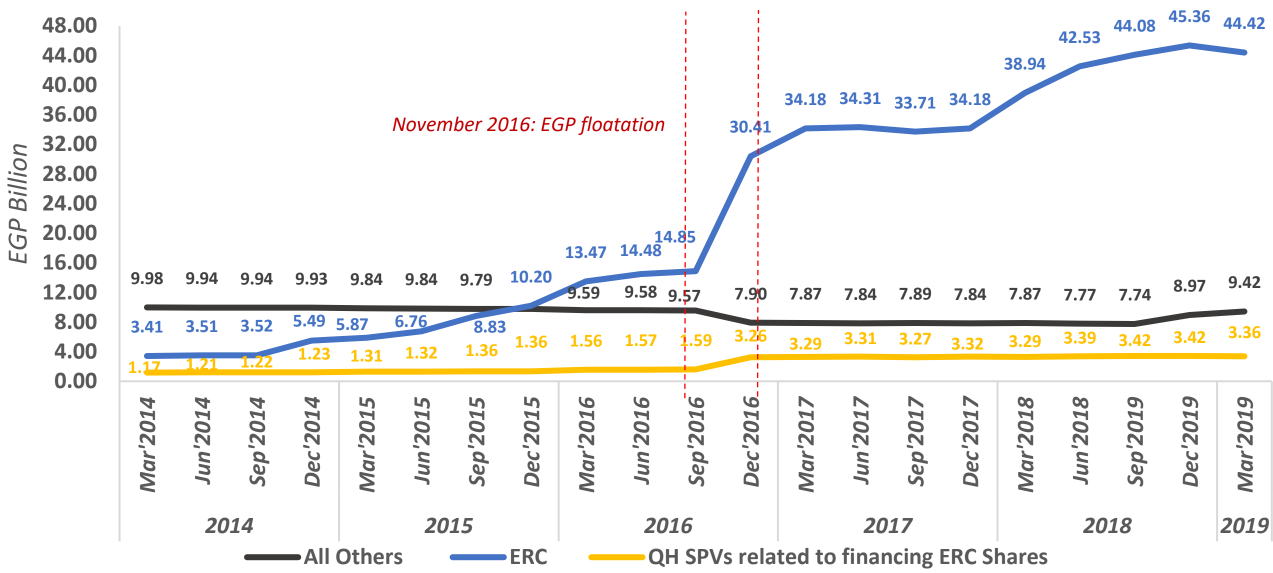
- **Qalaa booked an EGP 181.7 million FX gain in 1Q19 on the back of a strengthening Egyptian pound against the US dollar, which both improved the Group's USD-denominated debt position and resulted in a gain reported by ASEC Holding on its USD denominated shareholder loan.**

- **Qalaa Holdings' bottom-line losses for the quarter narrowed to EGP 154.6 million in 1Q19 from the EGP 186.1 million.**

- **Qalaa's consolidated debt excluding Egyptian Refining Company (ERC) and ERC-related debt as of 31 March 2019 stood at EGP 9.42 billion.**

The increase in Qalaa's consolidated debt (excluding ERC and ERC-related debt) was mainly driven by an increase in TAQA Arabia's level, with the company's debt related to normal operations now standing at EGP 300 million. Meanwhile, ERC's total debt as of 31 March 2019 decreased to EGP 44.42 billion from EGP 45.36 billion reported as of 31 December 2018, while Qalaa's SPVs debt related to financing ERC shares stood at c. EGP 3.36 billion (c. USD 195 million) as of 31 March 2019. Balances of both ERC's debt and Qalaa's SPVs debt declined on account of a stronger EGP/USD exchange rate.

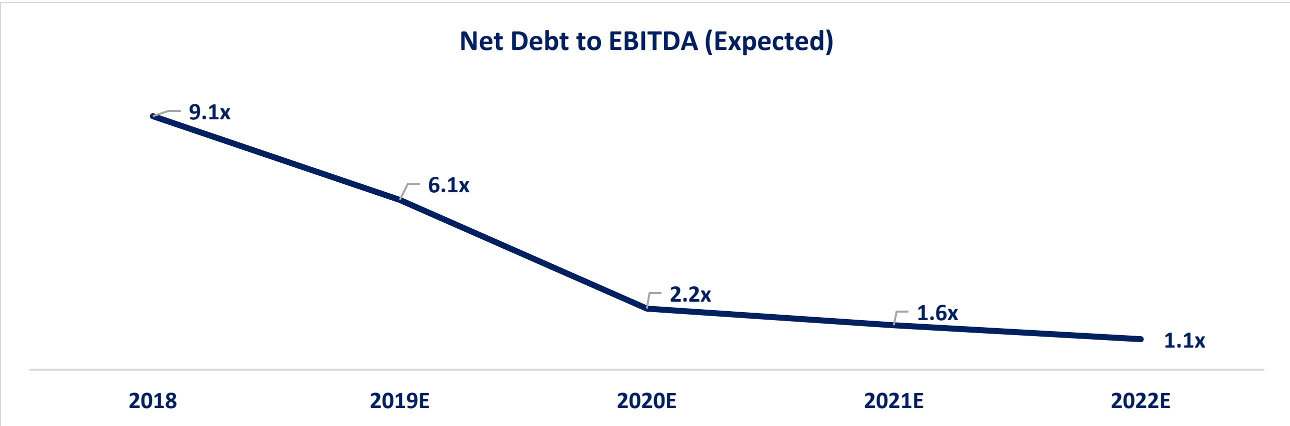
Debt Progression (EGP bn)



NET DEBT TO EBITDA PROGRESSION (Expected)

Consolidated Figures in EGP Bn	2018	2019E	2020E	2021E	2022E
EBITDA (existing companies)	1.3	1.8	2.4	3	3.5
ERC EBITDA*	-	-	22	22	20
Consolidated EBITDA	1.3	1.8	24.4	25	23.5
Net Debt	11.9	11	54	40	27
Net Debt to EBITDA	**9.1x**	**6.1x**	**2.2x**	**1.6x**	**1.1x**

The above figures may vary according to operating performances of various companies as well as exchange rate fluctuations. The below chart is meant to show a trend of the expected ratio and not exact figures.



* ERC should begin generating EBITDA in 2019, however, the data assumes zero contribution.

Management Comment

"Qalaa is well-positioned with an optimized and diversified portfolio of companies whose market leadership and expanding capacities allow them to effectively capture growing demand"

"We are very close to completing our portfolio restructuring strategy having sold 23 companies so far. The emphasis in the coming period will be on managing cash to achieve the dual goal of reducing risks while making small incremental investments to generate growth. I am pleased to report that Qalaa continues to build on the momentum of 2018 and is off to a strong start in 2019 driven by robust performance across its subsidiaries. Double-digit top-line growth across our energy holdings, alongside Nile Logistics and ASCOM, saw our consolidated revenues grow by 13% to post EGP 3.4 billion, despite declines at ASEC Cement (Al Takamol Sudan) and National Printing," **said Qalaa Holdings Chairman and Founder Ahmed Heikal**. "Growth has been dual-driven by both the streamlining of Qalaa's portfolio in addition to successful growth strategies that capitalize on favorable economic policies. We began implementing a three-year growth strategy at our energy segment in late 2018 that will see us grow our distribution reach and diversify our offerings. After the successful launch of our Benban solar project, we have identified further PV projects with the objective of strengthening our foothold in Egypt's burgeoning renewable energy sector. At ERC, our flagship project, most areas and units have been commissioned successfully and trial operations have commenced, with the plant expected to begin generating income in July 2019. Thus far, c.300 thousand tons of low sulfur European specs diesel, naphtha, and high-octane gasoline have been supplied to the Egyptian General Petroleum Corporation (EGPC)."

"At the Agrifoods space, revenue grew at a steady 8% year-on-year with more rapid growth expected in the near-term as we roll-out several capacity enhancement initiatives, including the installation of curtains and cooling systems at the cattle milking stations. We are also pushing forward with expansions of ASCOM's production capacity of world-class ground technical calcium carbonate, with the company's revenue and EBITDA growing by an exceptional 18% and 27%, respectively in 1Q19. At Nile Logistics, our new grain storage warehouse at Nubareya Port is complete and earmarked to launch operations during the second half of 2019," added Heikal.

"Parallel to driving growth across key subsidiaries, management is monitoring the ongoing political unrest in Sudan and consequent devaluation of the Sudanese pound with its effect on Qalaa's Al Takamol Cement," **said Hisham El-Khazindar, Qalaa Holdings' Co-Founder and Managing Director**. "We expect cement production in Sudan to be hampered in the coming period on the back of fuel supply difficulties. To that end, while we remain committed to allocating the necessary resources to Al Takamol, management is actively working to exit this investment, which along with the ongoing sale process of Zahana Cement, our Algerian subsidiary, would see us fully divest from the cement segment."

"Continued portfolio restructuring, which included the successful deconsolidation of Africa Railways' liabilities and is now focused on exiting our cement holdings, leaves Qalaa well-positioned with an optimized and diversified portfolio of companies whose market leadership and expanding capacities allow them to effectively capture growing demand. That, in addition to the imminent launch of production at ERC, leave me optimistic about Qalaa's growth and value-creating prospects," El-Khazindar concluded.

Detailed overviews of the performance of operational companies in each of Qalaa's core industries follow; complete financials are available for download on ir.qalaaholdings.com

Methods of Consolidation

Fully Consolidated Companies	Energy	TAQA Arabia; Tawazon; Egyptian Refining Company
	Cement	ASEC Holding
	Packaging and Printing	National Printing (Grandview)
	Mining	ASCOM
	Agrifoods	Dina Farms
	Transportation & Logistics	Nile Logistics
	Metallurgy	United Foundries

Equity Method Consolidated Companies (Share of Associates)	Mining	ASCOM Precious Metal (APM)
	Energy	Castrol Egypt (TAQA Marketing – British Petroleum JV)
	Publishing & Retail	Tanweer

Qalaa Holdings Consolidated Income Statement (in EGP mn)

	1Q 2019	1Q 2018^ (restated)	1Q 2018 (as previously presented)
Revenue	3,440.8	3,036.8	3,083.5
COS	(2,809.7)	(2,423.7)	(2,473.2)
Gross Profit	**631.1**	**613.1**	**610.3**
Share in associates' results	0.3	(0.6)	(3.5)
Total Operating Profit	**631.4**	**612.5**	**606.8**
SG&A	(273.5)	(262.5)	(293.8)
Other inc/exp-Net	11.0	10.7	12.6
EBITDA before one-off charges	**369.0**	**360.7**	**325.5**
SG&A (Non recurring)	(4.6)	(5.3)	(1.3)
EBITDA	**364.4**	**355.4**	**324.2**
Dep./Amort.	(123.0)	(111.8)	(116.2)
EBIT	**241.3**	**243.6**	**208.0**
Bank interest exp.	(374.9)	(308.3)	(311.0)
Bank PIK - Bank Fees (ERC - PIK)	(70.4)	(28.3)	(28.3)
3rd party Shareholder	(57.4)	(50.8)	(50.8)
Interest income	72.5	45.9	45.9
Lease payments	(8.6)	(5.3)	(1.1)
EBT (before one-offs)	**(197.5)**	**(103.1)**	**(137.2)**
Impairments/write downs	(1.2)	93.1	93.1
Acquisitions and restructuring	(6.8)	-	-
Layoffs/Severances	(2.7)	(10.6)	(10.6)
CSR	(2.5)	(1.7)	(1.7)
Provisions	(67.4)	(74.3)	(78.9)
Discontinued operations *	(9.5)	(58.6)	(25.6)
Forex	181.7	40.1	43.3
EBT	**(105.9)**	**(115.2)**	**(117.6)**
Taxes	(65.5)	(68.3)	(66.4)
NP/L Including Minority Share	**(171.5)**	**(183.5)**	**(184.0)**
Minority Interest	(16.8)	2.6	2.7
NP/L for the Period	**(154.6)**	**(186.1)**	**(186.7)**

^ Comparative figures restated to reclassify Zahana, Esaco & Aresco as discontinued operation and restate the SWAP Deferred tax related to Silverstone & Falcon.
* Discontinued operations include:
(1) Assets reclassfied in 2018, 2019: Zahana, and ARESCO
(2) Assets with zero results in 2019: Enjoy and Mom's Food (Gozour)
(3) Assets included in 2018: Africa Railways (deconsolidated in 2Q18) , ESACO (sold in 4Q18), and Designopolis (Mena Home, sold in 2Q18)

Qalaa Holdings Consolidated Income Statement by Sector for the three-month period ending 31 March 2019 (in EGP mn)

			Energy			Cement	T&L^	Mining	Agrifoods		Others				
	QH	SPVs	Orient*	Silverstone*	Tawazon	ASEC Holding	CCTO*	ASCOM	Gozour*	Wafra	Misc.^^	Grandview*	Elimination	1Q 2019	1Q 2018 (Restated)
Revenue	-	-	-	1,679.2	154.5	524.5	47.8	271.2	212.8	0.1	59.4	492.6	(1.4)	3,440.8	3,036.8
Cost of Sales	-	-	-	(1,512.9)	(95.4)	(402.5)	(30.7)	(183.5)	(141.0)	(0.1)	(52.3)	(391.3)	-	(2,809.7)	(2,423.7)
Gross Profit	**-**	**-**	**-**	**166.3**	**59.1**	**122.0**	**17.1**	**87.7**	**71.8**	**-**	**7.1**	**101.3**	**(1.4)**	**631.1**	**613.1**
Advisory fee	25.7	-	-	-	-	-	-	-	-	-	-	-	(25.7)	-	-
Share in Associates' Results	-	-	-	-	-	-	-	-	-	-	-	-	0.3	0.3	(0.6)
Total Operating Profit	**25.7**	**-**	**0.0**	**166.3**	**59.1**	**122.0**	**17.1**	**87.7**	**71.8**	**0.0**	**7.1**	**101.3**	**(26.7)**	**631.4**	**612.5**
SG&A	(47.6)	(1.5)	(13.7)	(47.4)	(7.2)	(29.2)	(10.8)	(56.9)	(36.0)	(0.9)	(6.6)	(41.2)	25.5	(273.5)	(262.5)
Other Income/Expenses (Net)	-	(1.2)	-	1.0	0.2	3.3	-	0.5	6.3	-	-	0.9	-	11.0	10.7
EBITDA (before one-offs)	**(21.9)**	**(2.8)**	**(13.7)**	**119.9**	**52.1**	**96.1**	**6.3**	**31.3**	**42.0**	**(0.9)**	**0.6**	**61.1**	**(1.2)**	**369.0**	**360.7**
SG&A (Non recurring)	(0.9)	-	-	-	0.7	-	-	-	(3.0)	-	(1.3)	-	-	(4.6)	(5.3)
EBITDA	**(22.8)**	**(2.8)**	**(13.7)**	**119.9**	**52.8**	**96.1**	**6.3**	**31.3**	**39.0**	**(0.9)**	**(0.8)**	**61.1**	**(1.2)**	**364.4**	**355.4**
Depreciation & Amortization	(0.6)	(0.2)	(3.8)	(20.1)	(3.6)	(18.1)	(9.7)	(25.8)	(13.5)	-	(1.9)	(12.7)	(13.1)	(123.0)	(111.8)
EBIT	**(23.4)**	**(2.9)**	**(17.5)**	**99.8**	**49.2**	**78.0**	**(3.5)**	**5.5**	**25.5**	**(0.9)**	**(2.6)**	**48.4**	**(14.4)**	**241.3**	**243.6**
Bank Interest Expense	(108.5)	(50.3)	-	(43.7)	(2.1)	(53.6)	(35.6)	(15.4)	(10.8)	-	(8.7)	(46.2)	-	(374.9)	(308.3)
Bank PIK - Bank Fees (ERC-PIK)	-	(32.8)	(37.6)	-	-	-	-	-	-	-	-	-	-	(70.4)	(28.3)
3rd Party Shareholder	-	(21.5)	-	-	-	(121.8)	(19.2)	(2.1)	-	-	(1.3)	-	108.6	(57.4)	(50.8)
Interest Income	68.9	26.1	-	73.9	0.2	3.1	-	-	0.1	-	0.3	3.0	(103.2)	72.5	45.9
Lease Payments	-	-	-	-	-	-	-	-	(4.2)	-	-	(4.3)	-	(8.6)	(5.3)
EBT (before one-offs)	**(63.0)**	**(81.4)**	**(55.1)**	**130.0**	**47.3**	**(94.4)**	**(58.2)**	**(12.0)**	**10.6**	**(0.9)**	**(12.3)**	**0.8**	**(8.9)**	**(197.5)**	**(103.1)**
Impairments/Write-downs	(42.3)	34.5	-	-	(1.5)	(3.7)	-	0.7	(3.5)	-	-	-	14.6	(1.2)	93.1
Restructuring Consulting Fees	(6.8)	-	-	-	-	-	-	-	-	-	-	-	-	(6.8)	-
Layoffs/Severances	(0.6)	-	-	-	-	(2.2)	-	-	-	-	-	-	-	(2.7)	(10.6)
CSR	-	-	-	(2.5)	-	-	-	-	-	-	-	-	-	(2.5)	(1.7)
Provisions	(7.5)	(12.8)	-	(25.1)	(8.1)	(0.3)	-	(13.7)	-	-	-	-	-	(67.4)	(74.3)
Discontinued Operations **	-	-	-	-	-	(9.5)	-	-	-	-	-	-	-	(9.5)	(58.6)
FOREX	52.6	(3.9)	-	0.4	1.7	94.0	-	14.8	(3.2)	(1.9)	26.4	0.7	-	181.7	40.1
EBT	**(67.5)**	**(63.6)**	**(55.1)**	**102.9**	**39.4**	**(16.0)**	**(58.2)**	**(10.3)**	**4.0**	**(2.7)**	**14.1**	**1.5**	**5.7**	**(105.9)**	**(115.2)**
Taxes	-	-	-	(36.7)	(8.6)	(12.5)	-	(0.3)	(3.9)	-	0.5	(5.4)	1.3	(65.5)	(68.3)
Net P/L Before Minority Share	**(67.5)**	**(63.6)**	**(55.1)**	**66.2**	**30.8**	**(28.4)**	**(58.2)**	**(10.5)**	**0.1**	**(2.7)**	**14.6**	**(3.9)**	**7.0**	**(171.5)**	**(183.5)**
Minority Interest	-	-	(11.9)	18.8	17.2	19.4	(14.2)	(0.4)	-	-	-	(4.8)	(41.0)	(16.8)	2.6
Net Profit (Loss)	**(67.5)**	**(63.6)**	**(43.2)**	**47.4**	**13.6**	**(47.8)**	**(44.1)**	**(10.1)**	**0.1**	**(2.8)**	**14.6**	**0.9**	**47.9**	**(154.6)**	**(186.1)**

* Orient (ERC Holding Co.), Silverstone (TAQA Arabia Holding Co.), CCTO (Nile Logistics Holding Co.), Gozour (Dina Farms Holding Co.), Grandview (National Printing Holding Co.)
** Discontinued operations include:
(1) Assets reclassfied in 2018, 2019: Zahana, and ARESCO
(2) Assets with zero results in 2019: Enjoy and Mom's Food (Gozour)
(3) Assets included in 2018: Africa Railways (deconsolidated in 2Q18) , ESACO (sold in 4Q18), and Designopolis (Mena Home, sold in 2Q18)

^ T&L represents Transportation & Logistics
^^ Miscellaneous includes United Foundries, Designopolis (Mena Home), Sphinx Egypt, Africa Railways.

Qalaa Holdings Consolidated Balance Sheet as at 31 March 2019 (in EGP mn)

		Energy			Cement	T&L^	Mining	Agrifoods		Others					
	QH	Orient*	Silverstone*	Tawazon	ASEC Holding	CCTO*	ASCOM	Gozour*	Wafra	Misc.^^	Grandview*	1Q 2019 Aggregation	Eliminations/ SPVs	1Q 2019	FY 2018
Current Assets															
Trade and Other Receivables	2,375.0	201.6	2,234.3	182.8	1,689.2	90.4	449.6	104.4	-	423.0	459.4	8,209.7	(3,370.2)	4,839.5	4,539.6
Inventory	-	-	342.3	81.8	403.7	13.8	102.3	110.7	-	38.7	292.4	1,385.7	-	1,385.7	1,438.8
Assets Held For Sale	-	-	-	-	908.1	-	5.6	84.2	-	124.3	212.2	1,334.4	(112.5)	1,221.9	1,175.5
Cash and Cash Equivalents	32.8	3,194.3	1,919.4	50.7	122.2	9.7	6.2	9.6	-	15.1	102.1	5,462.2	30.7	5,492.9	6,349.8
Others	-	-	-	-	-	-	-	45.2	-	-	-	45.2	3.1	48.3	31.6
Total Current Assets	**2,407.8**	**3,395.9**	**4,496.0**	**315.3**	**3,123.2**	**113.9**	**563.7**	**354.1**	**-**	**601.0**	**1,066.2**	**16,437.2**	**(3,427.4)**	**12,988.3**	**13,535.3**
Non-Current Assets															
PP&E	35.8	65,250.7	747.9	115.1	862.4	658.9	882.5	700.7	-	31.5	782.0	70,067.5	631.1	70,698.6	71,672.5
Investments	8,123.4	-	10.6	-	3.4	-	110.6	-	-	-	0.0	8,248.0	(8,072.6)	175.4	193.4
Goodwill / Intangible assets	-	-	1,493.7	32.6	-	-	-	-	-	-	-	1,526.3	132.7	1,659.0	580.3
Others	1,699.1	318.3	93.9	-	342.6	-	-	312.2	-	-	93.7	2,859.8	(1,687.8)	1,172.0	2,819.5
Total Non-Current Assets	**9,858.4**	**65,568.9**	**2,346.1**	**147.7**	**1,208.5**	**658.9**	**993.0**	**1,012.9**	**-**	**31.5**	**875.7**	**82,701.6**	**(9,159.0)**	**73,705.0**	**75,265.7**
Total Assets	**12,266.2**	**68,964.8**	**6,842.0**	**463.0**	**4,331.7**	**772.8**	**1,556.7**	**1,367.0**	**-**	**632.5**	**1,941.9**	**99,138.8**	**(12,586.4)**	**86,693.3**	**88,801.0**
Shareholders' Equity															
Total Equity Holders of the Company	**5,455.6**	**12,773.8**	**1,149.0**	**129.5**	**(3,983.8)**	**(704.0)**	**27.7**	**34.0**	**(1,213.5)**	**(6,422.2)**	**183.8**	**7,429.8**	**(13,622.6)**	**(6,192.8)**	**(4,326.7)**
Minority Interest	-	9,270.7	513.6	105.7	1,024.1	(285.2)	(77.9)	-	(12.5)	11.1	211.4	10,760.9	8,479.2	19,240.2	20,413.3
Total Equity	**5,455.6**	**22,044.5**	**1,662.6**	**235.2**	**(2,959.7)**	**(989.3)**	**(50.2)**	**34.0**	**(1,226.0)**	**(6,411.1)**	**395.2**	**18,190.8**	**(5,165.9)**	**13,047.4**	**16,086.6**
Current Liabilities															
Borrowings	4,165.7	3,115.7	881.6	39.3	982.6	628.6	813.2	53.5	-	42.7	539.0	11,261.9	2,376.3	13,638.2	13,574.9
Trade and Other Payables	2,563.6	2,309.3	2,470.6	119.4	3,165.8	1,042.7	571.0	943.7	1,224.6	2,121.1	447.8	16,979.7	(2,932.4)	14,047.3	12,532.5
Provisions	80.8	-	337.7	49.9	318.6	23.0	31.5	20.8	1.4	18.4	54.6	936.8	390.8	1,327.6	1,321.3
Liabilities Held For Sale	-	-	-		474.1	-	-	130.9	-	4,597.8	-	5,202.8	(4,596.6)	606.3	543.8
Total Current Liabilities	**6,810.1**	**5,425.0**	**3,689.8**	**208.6**	**4,941.0**	**1,694.4**	**1,415.7**	**1,149.0**	**1,226.0**	**6,780.1**	**1,041.4**	**34,381.2**	**(4,803.1)**	**29,619.4**	**27,972.6**
Non-Current Liabilities															
Borrowings	-	41,299.8	1,274.8	-	3.6	-	138.7	147.2	-	-	341.3	43,205.4	131.1	43,336.5	44,181.0
Shareholder Loan	-	-	-	-	2,339.0	67.7	47.3	-	-	262.5	101.8	2,818.2	(2,696.5)	121.7	129.1
Long-Term Liabilities	0.4	195.6	214.8	19.2	7.9	-	5.2	36.8	-	1.1	62.2	543.2	25.2	568.4	431.7
Total Non-Current Liabilities	**0.4**	**41,495.3**	**1,489.6**	**19.2**	**2,350.4**	**67.7**	**191.2**	**184.1**	**-**	**263.5**	**505.3**	**46,566.8**	**(2,617.4)**	**44,026.5**	**44,741.9**
Total Liabilities	**6,810.6**	**46,920.3**	**5,179.4**	**227.9**	**7,291.4**	**1,762.1**	**1,606.9**	**1,333.0**	**1,226.0**	**7,043.7**	**1,546.7**	**80,948.0**	**(7,420.5)**	**73,645.9**	**72,714.4**
Total Equity and Liabilities	**12,266.2**	**68,964.8**	**6,842.0**	**463.0**	**4,331.7**	**772.8**	**1,556.7**	**1,367.0**	**-**	**632.5**	**1,941.9**	**99,138.8**	**(12,586.4)**	**86,693.3**	**88,801.0**

* Orient (ERC Holding Co.), Silverstone (TAQA Arabia Holding Co.), CCTO (Nile Logistics Holding Co.), Gozour (Dina Farms Holding Co.), Grandview (National Printing Holding Co.)
^ T&L: Transportation & Logistics
^^ Miscellaneous includes, Africa Railways, United Foundries, Designopolis (Mena Home), & Sphinx Egypt.

Sector Review: Energy

Qalaa Holdings' operational energy companies include TAQA Arabia (energy generation and distribution) and Tawazon (solid waste management). The greenfield Egyptian Refining Company (petroleum refining) is yet to begin operations.

ERC

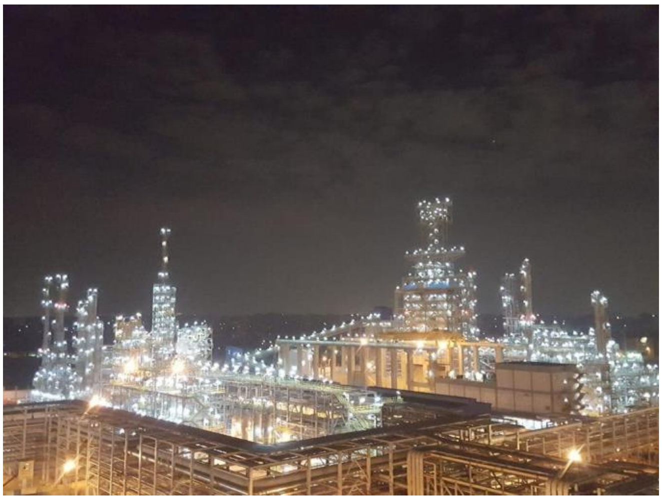
QH OWNERSHIP — c.14%

Gearing Up for Commercial Production with overall completion progress hitting 99.8%.

Egyptian Refining Company (ERC) is building a USD 4.4 billion Greenfield petroleum refinery in the Greater Cairo Area (GCA); the consortium of GS Engineering & Construction Corp and Mitsui & Co Ltd, acting as the contractor for the project, took full receipt of the project site in early 2014 with overall completion progress standing at c.99.8% as of June 2019.

*The remaining construction work pertains to work to be completed on the project's administrative building


The company expects to start generating income in July 2019 after successfully operating 21 different units with the most recent start of operations at the delayed Coker, one of the largest and most important units at the refinery. Trial operations of all units are expected to be completed by August of this year with the operation of the Diesel Hydrocracker. To date, ERC has already supplied the Egyptian General Petroleum Company (EGPC) with c.300 thousand tons of refined petroleum products.

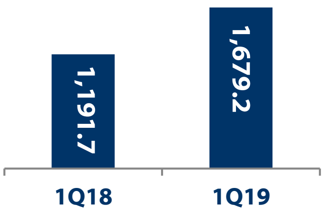
As of 31 March 2019, ERC has withdrawn USD 2,578 million from its facility totaling USD 2,887 million, with the c.USD 308 million balance earmarked for utilization during the coming months.

TAQA

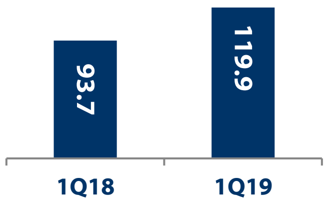
QALAA HOLDINGS OWNERSHIP — 60.9%

Venturing into solar energy and expanding CNG and fuel distribution network

Silverstone (TAQA Arabia Holding Co.) Revenues
(EGP mn)



Silverstone (TAQA Arabia Holding Co.) EBITDA
(EGP mn)



Segment Breakdown

(EGP mn unless otherwise stated)	1Q18	1Q19	% chg
TAQA Arabia Gas Revenues	246.5	352.4	43%
TAQA Arabia Gas EBITDA	57.1	66.9	17%
TAQA Arabia Power Revenues	192.9	263.4	37%
TAQA Arabia Power EBITDA	18.2	18.5	2%
TAQA Marketing Revenues	752.4	1,045.7	39%
TAQA Marketing EBITDA	22.9	27.7	21%

TAQA Gas
Revenue and EBITDA expansion during the first quarter of 2019 was mainly driven by a rise in the number of converted customers, which grew 41% y-o-y to 42,872 households during the period. Of these, 6,914 were infills (unsubsidized conversions) which are typically associated with higher profit margins. Similarly, total gas distributed in 1Q19 recorded 1.5 BCM, representing a 42% increase compared to the same period last year. Given the strong start to the year, TAQA's management remains confident in their previous projection of some 150 thousand households being connected over the course of 2019. The total cumulative number of converted households as of 31 March 2019 stood at 1,053,772 compared to the 928,272 at the end of March 2018. The company continues to negotiate with urban development authorities to add new cities and new industrial players under its concession areas.

Deep cuts in energy subsidies over the last two years have resulted in a significant increase in gasoline prices relative to Compressed Natural Gas (CNG), leading to higher CNG demand for the quarter. This in turn drove sale revenues for the period, with CNG volumes in1Q2019 recording 5.5* MCM, a 43% y-o-y expansion. In light of the anticipated rise in CNG usage and a parallel expected conversion of automobiles to CNG, management has relaunched its plans to open

* 1.15 MCM of mobile CNG

new CNG stations. As such, the company's eighth CNG station located in Kafr El Sheikh, around 140km north of Cairo in the Nile Delta, is expected to come online in the last quarter of 2019. In the coming period, management will continue to explore potential locations for additional CNG stations.

TAQA Power

Revenues posted a strong 37% growth on the back of a 15% increase in power distributed for the period. Growth also came despite a 39% y-o-y decline in power generated for 1Q2019 as one of TAQA's cement contracts expired in 1Q2018. The delay in starting the Benban solar power project also slowed EBITDA growth in the first quarter of the year. Finally, it is important to note that following the government imposed electricity price hikes, which came into effect in July 2018, pricing for high-voltage power increased by a larger increment than those for medium-power voltage. Since TAQA's supply is priced at the high-voltage price while sales are executed at the medium-voltage price range, the company's profitability margin was squeezed in the quarters following the price hikes. TAQA's management expects prices to return to an equilibrium with margins normalizing again in the coming period.

Meanwhile, management is working towards delivering on the company's power distribution expansion plan in both the residential and commercial markets. In parallel, the company is currently in negotiations to begin operating multiple small-to-medium scale industrial power generation projects ranging from 40MW to 150MW, which would significantly strengthen TAQA's Power arm.

Following the successful launch of TAQA Solar's 50MW solar power plant in Benban, Aswan, the company is now working to identify a number of PV opportunities as it presses on with its plans to increase its exposure to the renewable energy market. TAQA Solar's first set of operational and financial results will be reflected in 2Q19 figures. Management expects the division to continue ramping up operations during the second half of 2019, further strengthening TAQA Arabia's consolidated operational and financial results.

World Bank President during Benban Solar Plant visit, May 2019

TAQA's Solar PV Plant - Benban, Aswan

TAQA Marketing

The marketing arm continued to deliver robust results in 1Q2019 with a 39% and 21% y-o-y increase in revenues and EBITDA, respectively. The company opened two new fueling stations during 1Q2019, with an additional four stations now completed and awaiting operational permits, and another seven currently under construction. On the heels of the upcoming round of subsidy removal, the government is also expected to increase operators' fees from product sales, in turn enhancing profitability. As such, TAQA Arabia's management team remains committed to opening seven to ten new stations throughout the course of 2019.

Total Power Generated

34.0
M KWH
▼39% y-o-y

Total Power Distributed

90.3
M KWH
▲15% y-o-y

Total Gas Distributed

1.5
BCM
▲42% y-o-y

Total Liquid Fuels Distributed

179.3
M Liters
▼5% y-o-y

Filling Stations

56*
Stations
vs. 51 as at 1Q18

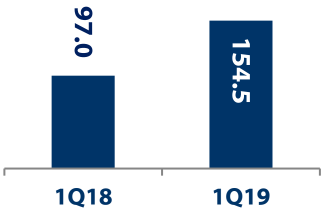
* Of which seven are CNG stations.

tawazon

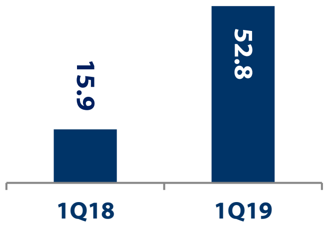
QALAA HOLDINGS OWNERSHIP — 68.1%

Growing potential of alternative fuels

Consolidated Tawazon Revenues
(EGP mn)



Consolidated Tawazon EBITDA
(EGP mn)



Segment Breakdown

(EGP mn unless otherwise stated)	1Q18	1Q19	% chg
ECARU Revenues	77.2	82.9	*7%*
ECARU EBITDA	13.5	13.0	*-3%*
ENTAG Egypt Revenues	3.0	2.1	*-31%*
ENTAG Egypt EBITDA	(2.0)	(2.4)	*-21%*
ENTAG Oman Revenues	19.8	70.0	*254%*
ENTAG Oman EBITDA	5.0	41.8	*739%*

ECARU[*]

Biomass production during the first quarter of 2019 was up only 2% y-o-y as one of the company's main cement clients was undergoing a periodical overhaul which weighed down on total demand. RDF production for the quarter came in 24% below the same period of last year, weighed down by a halt of RDF orders from one of ECARU's larger clients along with a general slowdown in the cement industry. Management is currently exploring new markets to expand outside the cement industry as well as new integration plans to generate further value from the ECARU's operations.

ENTAG[*]

ENTAG Oman's topline came in more than threefold higher than last year's first quarter results, with EBITDA up 739% y-o-y as the company recognized the last portion of the revenues generated from its UAE project. Management forecasts lower results at its Omani division starting from the second quarter of 2019 until further projects are added to its pipeline, with ongoing negotiations with potential UAE and GCC clients expected to add new backlog by year-end 2019.

The Egyptian government is keen on improving waste collection nationwide. The government's waste collection improvement strategy will first focus on the Greater Cairo area before moving on to other cities around the country. Management expects Tawazon to benefit from this drive and grow its business substantially over the coming three years.

Total Biomass Supplied

52,304
Tons
▲2% y-o-y

Total RDF Supplied

20,178
Tons
▼24% y-o-y

[*]Qalaa has an effective stake of 70% in both ECARU and ENTAG.

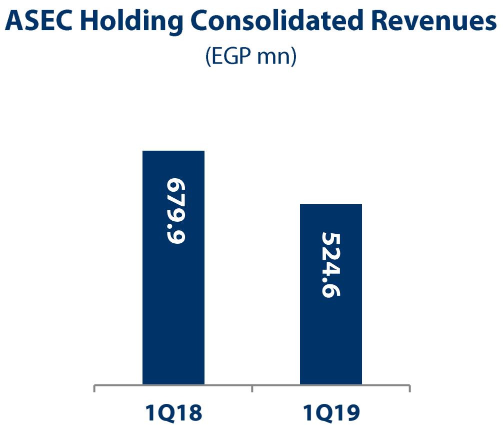
Sector Review: Cement

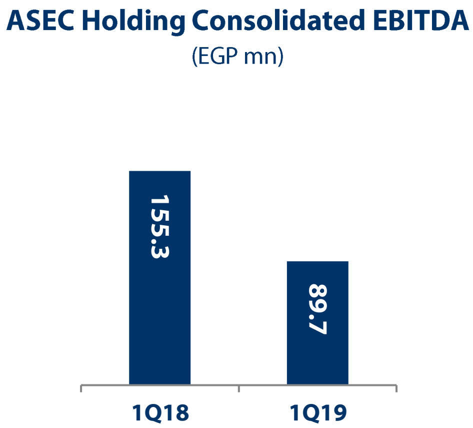
Qalaa Holdings' operational cement platform company is ASEC Holding, which comprises cement manufacturing (ASEC Cement which has two production facilities: Al-Takamol Cement in Sudan and Zahana Cement Co. in Algeria which is under divestment); construction (ARESCO and ASEC Automation); and technical management (ASEC Engineering and ASENPRO).

Operational and Financial Performance

QALAA HOLDINGS OWNERSHIP — 69.2%

Consolidated revenues and EBITDA contracted 23% and 42% y-o-y in 1Q19





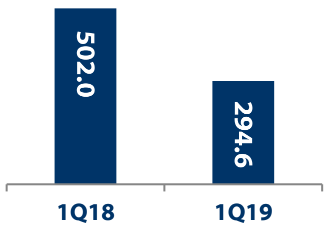
Please note that after the disposal of all cement production companies in Egypt back in 2015, ASEC Cement's production facility currently include Zahana Cement in Algeria and Al Takamol in Sudan. Zahana Cement Co. in Algeria is currently under a sale process, which management expects to finalize during 2020. Furthermore, after ESACO's disposal, ASEC Holding's management are now seeking to dispose all other cement service companies at the right valuations.

ASEC HOLDING OWNERSHIP — 59.9%

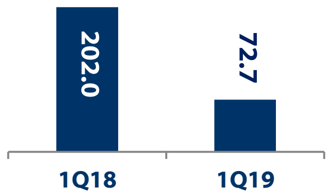
QH Direct OWNERSHIP — 10.0%

ASEC Cement revenues contracted 41% y-o-y in 1Q19

ASEC Cement Revenues
(EGP mn)



ASEC Cement EBITDA
(EGP mn)



ASEC Cement Subsidiaries (EGP mn)	1Q18	1Q19	% chg
Al Takamol Cement Revenues	502.0	294.6	*-41%*
Al Takamol Cement EBITDA	219.2	83.8	*-62%*
Zahana (Algeria) Revenues*	160.3	166.2	*4%*
Zahana (Algeria) EBITDA*	34.1	(17.8)	*-152%*

** Zahana is classified under discontinued operations since its now an asset held for sale.*

Al Takamol Cement's 41% y-o-y fall in revenues and 62% y-o-y contraction in EBITDA for 1Q19 were primarily driven by the significant devaluation of Sudanese pound, with the company's 117% revenue growth in SDG terms being lost to currency translation. The average SDG/EGP exchange rate declined from 0.7 in 1Q18 to 0.2 in 1Q19. A significant increase in energy costs (fuel oil and coal) compared to the same period a year ago also weighed down on the company's top-line for the period. Total volumes sold over the quarter declined 13% y-o-y to 240 thousand tons.

Management expects weak performance at AL Takamol in 2Q19 as result of Ramadan and Eid vacations falling within the quarter as well as the political unrest which negatively affected the company's supply chain. In addition, the Sudanese government significantly limited the supply of electricity through the power grid starting April 2019 which is affecting the plant's costs. Nonetheless, management remains confident in Al Takamol's strong market position and in Sudan underlying fundamentals that drive cement demand, anticipating an immediate rise in the plant's operational capacity once the political situation and unrest settle down.

Al-Takamol Total Sales Volume

240
K Tons
▼13% y-o-y

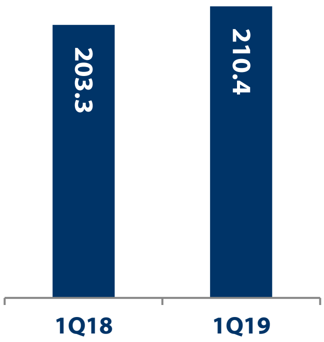
Zahana Total Sales Volume

190
K Tons
▲5% y-o-y

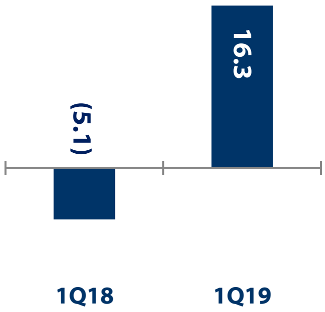
ASEC HOLDING OWNERSHIP — 99.9%

ASEC Engineering reports EBITDA of EGP 16.3 million, up from the negative EGP 5.1 million reported in 1Q18

ASEC Engineering Revenues
(EGP mn)

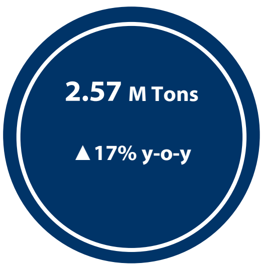


ASEC Engineering EBITDA
(EGP mn)



ASEC Engineering reported a significant rise in managed clinker production for the quarter, reaching 2.57 MT for 1Q19 compared to 2.19 MT of clinker produced in 1Q18, representing an increase of 17%.

Managed Clinker Production



Sector Review: Packaging & Printing

Through its subsidiary National Printing Company, Qalaa Holdings has invested in the printing and packaging sector over USD 60 million to date. National Printing Company stands today as one of the largest producers of its kind in Egypt

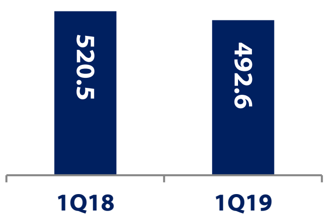
NATIONAL PRINTING | QALAA HOLDINGS OWNERSHIP – 26%

Building Capacity in Packaging and Printing

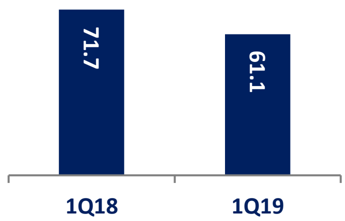
National Printing stands today as one of the largest producers of packaging and printing products in Egypt. Following the strategic acquisitions of Shorouk for Modern Printing and Packaging ("Shorouk") in 2006 and El Baddar for Packages ("Baddar") in 2007, National Printing has been able to diversify its offering through the addition of corrugated cartons and various types of boxes to its product range. National Printing was established in 2006 under Qalaa's small and mid-cap investments company "Grandview". Qalaa Holdings has an effective stake of 48% in Grandview, which owns c.53% of National Printing. QH started consolidating Grandview in 1Q2018 due to the company's growth in operational and financial size.

National Printing's two subsidiaries, Shorouk and Baddar are owned 90% and 100%, respectively. The company also maintains an effective ownership of 46.4% in Uniboard, a 51.5% owned subsidiary of Shorouk which produces duplex boards using wastepaper. Management expects an increase in revenues and EBITDA in 2019 as a result of improved operational efficiencies at Uniboard. Shorouk also operates an 85%-owned subsidiary called Windsor, which manufactures sheeter, single facers, flexos and chemical additives. Windsor generates around 65% of its revenues from sales to Shorouk, playing an important role in the company's wider value-adding chain.

Grandview (National Printing Holding Co.) Revenues* (EGP mn)



Grandview (National Printing Holding Co.) EBITDA[1] (EGP mn)



Segment Breakdown

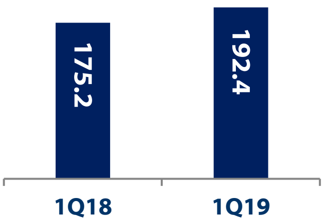
(EGP mn unless otherwise stated)	1Q18	1Q19	*% chg*
Modern Shorouk Printing & Packaging Revenues	175.2	192.4	10%
Modern Shorouk Printing & Packaging EBITDA	37.6	37.9	1%
El Badar Revenues	113.1	97.8	-14%
El Badar EBITDA	11.4	8.6	-25%
Uniboard Revenues	264.5	227.9	-14%
Uniboard EBITDA	21.9	12.8	-41%

[1] Grandview is the holding company at the packaging and printing segment. Printing revenues and EBITDA are aggregate figures representing consolidated revenues and EBITDA from all platforms within the printing division.

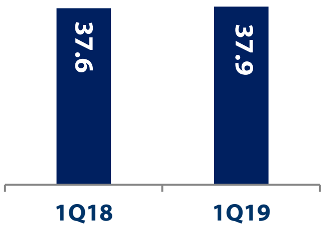
Shorouk

NATIONAL PRINTING OWNERSHIP — 90%

Shorouk Printing Revenues
(EGP mn)



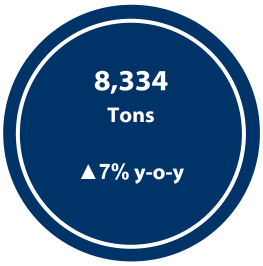
Shorouk Printing EBITDA
(EGP mn)



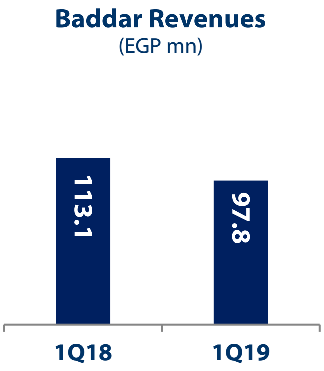
Shorouk operates three main production lines used for laminating, cutting, folding, gluing and printing. Its current production capacity is around 50 thousand tons per annum broken down between folded boxes (50%), laminated packages (40%), and books (10%). Revenue is mainly generated from large multinationals in the consumer goods, pharmaceuticals and paper sectors - with over 20% of revenues generated from exports.

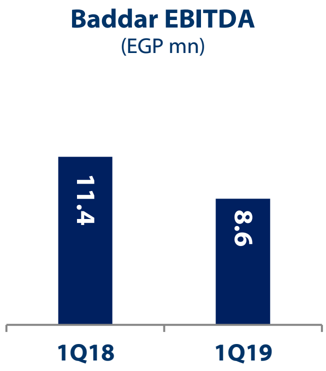
Shorouk's revenues increased 10% y-o-y to EGP 192.4 million in the first quarter of 2019 on the back of a 7% rise in volumes sold to 8,334 tons. EBITDA was steady for the period, recording a marginal 1% y-o-y increase to EGP 37.9 million compared to EGP 37.6 million recorded in the first three months of 2018.

Shorouk Printing Total Volumes Sold



NATIONAL PRINTING OWNERSHIP — 100%

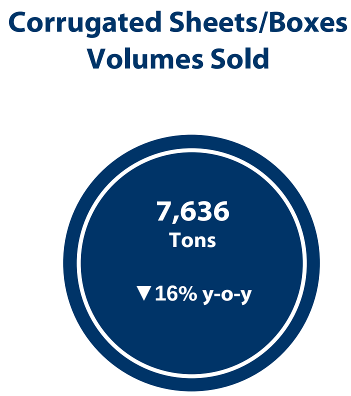




Baddar manufactures corrugated sheets and boxes, which are popular for added value traits like their strength, durability, lightness, recyclability, and cost-effectiveness; hence corrugated boxes are used for the shipping of a variety of items. Also, due to the quality and safety of packaging items in corrugated boxes, they are widely used in the food industry. El Badar's revenues are derived mainly from food and beverage packaging companies, which represent almost 50% of its top line. With a current production capacity of 45 thousand TPA, the company holds nearly 10% market share.

Baddar reported revenues of EGP 97.8 million in the first quarter of 2019, down 4% y-o-y contraction. Lower revenues were due to a 16% y-o-y decrease in sales of corrugated sheets and boxes during the quarter. EBITDA declined 25% y-o-y to EGP 8.6 million in 1Q19.

Baddar is moving its production to Obour Industrial Area with a production capacity increase of 25%. The sale of the land on which it currently operates is expected to generate EGP 115 million.



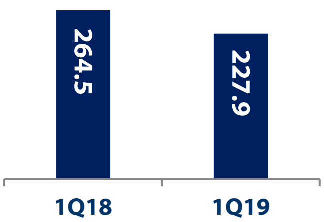
UNIBOARD
AL MOUTAHEDA PAPER & BOARD

NATIONAL PRINTING EFFECTIVE OWNERSHIP — 46.4%

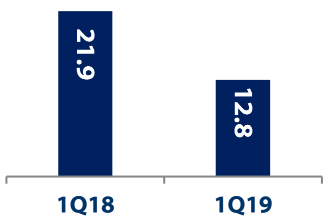
Uniboard is a Greenfield project that aims to capitalize on domestic wastepaper as one of the main raw materials in the production of duplex boards. The company has a nominal manufacturing capacity of 135,000 tons per annum (TPA) and operates in a market with estimated annual demand of c.200,000 TPA. Currently there is one local competitor with a total capacity of 25,000 TPA, with the balance being satisfied through imports from Europe and Saudi Arabia.

Uniboard adds to the value chain of National Printing as its products serve as the main raw material for Shorouk, allowing the latter to replace imported duplex with local production and mitigate foreign currency risk. Uniboard sales are currently focused on the local market with small volumes exported to China and Turkey in FY18 accounting for 8% of total sales or USD 5 million.

Uniboard Revenues
(EGP mn)

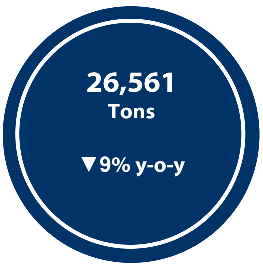


Uniboard EBITDA
(EGP mn)



In the first three months of 2019, Uniboard reported revenues of EGP 227.9 million, down 14% y-o-y on the back of a 9% y-o-y decrease in duplex boards sold for the quarter. Working capital issues weighed down on the company's EBITDA which contracted 41% y-o-y to EGP 12.8 million in the first quarter of 2019. The company was able to refinance its debt in 2Q19 obtaining additional working capital facilities. This allowed the company to build a stronger inventory of raw material and spare parts. As a result, management expects production to increase gradually to reach more than 29,000 tons per quarter.

Duplex Board Volumes Sold



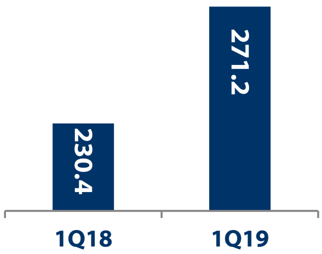
Sector Review: Mining

Qalaa Holdings' operational platform in the mining sector is ASCOM, which includes operating companies ASCOM (the leading provider of quarrying services), ASCOM for Chemicals & Carbonates Manufacturing (ACCM), GlassRock, and ASCOM Precious Metals (which is consolidated under the equity method as a share of associates' results).

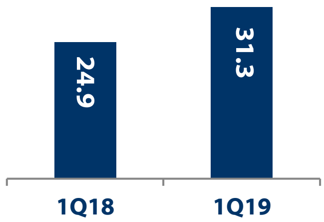
QALAA HOLDINGS OWNERSHIP — 54.7%

ASCOM reports a 27% y-o-y increase in 1Q19 EBITDA to EGP 31.3 million

ASCOM Consolidated Revenues
(EGP mn)



ASCOM Consolidated EBITDA
(EGP mn)



From quarrying for the cement industry to manufacturing world-class technical calcium carbonate and environmentally friendly building materials, Qalaa Holdings' approach to investing in the mining sector focuses on covering the entire value chain.

ASCOM's activities and operations include:

- Quarry management, precious metals mining, and mining for the cement industry.
- Production of world-class ground technical calcium carbonate (ACCM).
- Production of insulation materials: Rockwool and Glasswool (GlassRock).
- A gold concession in Ethiopia at the prefeasibility study phase with significant proven shallow reserves (APM).

In the first quarter of 2019, ASCOM reported strong top-line and EBITDA results on the back of improved performance at both of its subsidiaries, ACCM and GlassRock.

ASCOM Subsidiaries (EGP mn unless otherwise stated)	1Q18	1Q19	*% chg*
ACCM Revenues (in USD mn)	4.9	6.3	*30%*
ACCM EBITDA (in USD mn)	1.0	1.2	*21%*
GlassRock Revenues (in USD mn)	2.4	3.0	*25%*
GlassRock EBITDA (in USD mn)	(0.1)	0.5	*N/A*
Egypt Quarrying Revenues	95.7	108.1	*13%*
Egypt Quarrying EBITDA	9.7	3.1	*-68%*

ACCM
The company is currently operating at full capacity with two operational lines and a combined capacity of c.300k tons per annum (TPA). ACCM's third line, with a capacity of c.100k TPA, is close to completion and is expected to come online in July 2019.

ACCM's management has developed a sales optimization tool which allows the company to find the optimal market allocation across Egypt and export markets based on each individual country's characteristics such as profitability, demand, domestic sales and potential market size, among other factors. Currently, ACCM allocates around 15% of its sales to the local market with the balance being sold as exports. This has allowed the company to benefit from a largely EGP cost base business against 85% sales in foreign currency.

ACCM's revenue and EBITDA in 1Q19 reported growth of 30% and 21% y-o-y, respectively, on the back of a 32% y-o-y increase in production which rose to 87.6 thousand tons in first quarter of 2019.

GlassRock
Despite only marginal growth in the company's production for the quarter, which recorded 2,600 tons in 1Q19 compared to 2,500 tons recorded in 1Q18, GlassRock's top-line increased by an impressive 25% y-o-y during the period on the back of higher sale prices. Similarly, the company's EBITDA turned positive in 1Q19 to USD 0.5 million versus the negative USD 0.1 million reported during 1Q18, driven by improved operational efficiency and significant cost optimization.

Going forward, the company will focus on expanding its export business with GlassRock's management team targeting export sales to surpass the 50% mark before the end of 2019.

The company is currently operating at close to 20% of capacity. We expect production, and sales, to gradually increase over the next five years.

ACCM Volumes Sold

87.6
K Tons
▲32% y-o-y

Egypt Quarrying Business Volumes Sold

6.0
M Tons
▲8% y-o-y

GlassRock Volumes Sold

2.6
K Tons
▲1% y-o-y

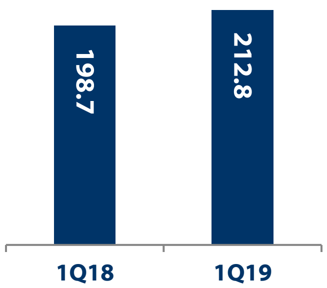
Sector Review: Agrifoods

Agrifoods companies consolidated under parent company Gozour (multicategory agriculture and consumer foods) include Dina Farms and ICDP (Dina Farms' fresh dairy producer).

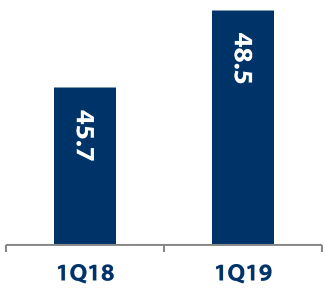
QALAA HOLDINGS OWNERSHIP — 54.9%

Gozour EBITDA grew by 72% y-o-y in 1Q19 to EGP 30.0 million

Consolidated Gozour Revenues
(EGP mn)



Consolidated Gozour EBITDA
(EGP mn)



Gozour posted revenues of EGP 212.8 million in 1Q19, up 7% y-o-y from EGP 198.7 million on the back of top-line growth from ICDP and despite a slight contraction in revenue for Dina Farms during the same period. EBITDA recorded exceptional growth in 1Q19, at 6% y-o-y to reach EGP 48.5 million. EBITDA growth came on the back of improved operational efficiencies at Dina Farms and its resulting EBITDA expansion, which drove Gozour's EBITDA margin up by more than five percentage points.

Gozour Subsidiaries (EGP mn)	1Q18	1Q19	*% chg*
Dina Farms Revenues	169.7	165.4	*-2%*
Dina Farms EBITDA	39.7	43.5	*10%*
ICDP Revenues (Fresh Dairy producer)	52.6	60.2	*15%*
ICDP EBITDA	6.3	5.0	*-21%*

Dina Farms' 2% y-o-y decline in the 1Q19 revenues was due to a weak performance at the company's agriculture segment. Nonetheless, EBITDA grew 10% y-o-y in 1Q19 EBITDA to EGP 43.5 million with 2.9 percentage-point expansion in EBITDA margin. Improved profitability was primarily driven by a fall in feedstock prices owing to a global decrease in commodity prices during the first quarter of 2019. Dina Farms' total herd reached c.16.0 thousand by the end of the quarter, up from 14.7 thousand at the end of 1Q18 and fully attributed to newborns. Total raw milk sold was up 6% y-o-y to c.22 thousand tons sold in 1Q19. The company plans to continue growing its herd over the coming period and is undertaking several initiatives to improve milk production productivity, including installing curtains and cooling systems at its milking stations which started during 1Q19. The productivity enhancing drive is expected to continue over the coming years and will substantially improve the company's performance once completed.

Meanwhile, efforts to improve the performance of Dina Farms' agriculture segment are yet to be reflected on its performance, including the replacement of aging grape trees with new seedlings, and coding the company's grapes and mango produce for export purposes.

ICDP, which markets Dina Farms' dairy products, grew its revenues by 15% y-o-y to post EGP 60.2 million in 1Q19. Growth was dual-driven by both price and volume, with a 3% y-o-y increase in SKUs sold during the period to c. 3 thousand tons. Despite steady revenue growth, ICDP's EBITDA fell by 21% y-o-y to EGP 5.0 million in 1Q19 due to higher raw material costs which were not fully reflected on the company's end-pricing. ICDP plans to steadily grow its selling prices to fully compensate the growth of raw material costs in the coming period. The company has just added a new fresh milk line that doubled its capacity and is now in the process of adding a new yoghurt production line, which should commence operations in August 2019 and increase the company's yoghurt production capacity by 500%.

Dina Farms Sales

21,826

Tons raw milk

Dina Farms Total Herd (as at 31 March 2019)

16,037*

Cows

* Of which 7,462 are milking cows

ICDP Sales

Dina Farms' fresh dairy producer

3,036

SKUs in Tons

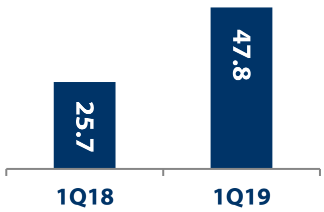
Sector Review: Transportation & Logistics

Qalaa Holdings' operational Transportation & Logistics companies include Nile Logistics (seaport services in Egypt as well as river transportation in Egypt and South Sudan)

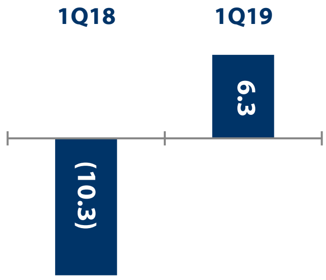
QALAA HOLDINGS OWNERSHIP — 67.6%

Nile Logistics reports strong 86% y-o-y growth in revenues to EGP 47.8 million in 1Q19

CCTO (Nile Logistics Holding Co.) Revenues
(EGP mn)



CCTO (Nile Logistics Holding Co.) EBITDA
(EGP mn)



Consolidated revenues surged by 86% y-o-y in the first quarter of 2019, with EBITDA coming in at EGP 6.3 million compared to the negative EGP 10.3 million reported in the first quarter of 2018. Strong top-line and EBITDA results were largely driven by improved performances reported by both of the company's South Sudanese and Egyptian divisions.

Nile Logistics (Egypt)

Currently, Nile Logistics maintains operations in Egypt in four main sectors:

- Handling and storage in Alexandria (Stevedoring), with 248 thousand tons of coal handled in 1Q2019.
- Container handling and storage in Alexandria (Inland Container Depot), with operations including the handling of empty, full, and reefer containers.
- Grain handling and storage in Alexandria with operations expected to commence early in the second half of 2019 as the construction of the new warehouse, which has an estimated capacity of 100 to 200 thousand tons, is now complete.
- River transport, which offers a more efficient mode of shipping goods in the country and provides lucrative opportunities.

On the operational side, Nile Logistics' new grain storage warehouse at Nubareya Port is earmarked to begin operations early in the second half of 2019. The company has also regained its competitive edge and strengthened its market share in the Alexandrian stevedoring space during 1Q2019 due to its competitive pricing. Nile Logistics leverages cost efficiencies gained from owning its own resources and only outsourcing when necessary at lucrative rates. At the company's Inland Containers Depot, operations have been efficient, and volumes have been steadily rising in line with management expectations. The segment booked EGP 15.1 million in revenues in 1Q19 compared to EGP 10.5 million in 1Q18, representing a 44% y-o-y increase.

It is important to note that the Nile Logistics' containers transshipment operations at Port Said has been classified as discontinued operations. Nevertheless, with security operations in the Sinai region placing restrictions on land transport, trips are currently being offered on a demand basis utilizing one of the company's larger barges docked in Port Said.

Nile Barges (Sudan)

Currently, operations in Sudan involve transporting foodstuff for the World Food Program (WFP). As of March 2019, the company operates using one pusher, with a second currently being refurbished and scheduled to start operations during the first quarter of 2020. With the existing pusher, the Nile Barges aims to complete between four to five trips per year, with the average revenue per trip at USD 550 thousand. As such, Nile Barges booked revenues of USD 680 thousand in 1Q19 having completed one trip during the quarter, with EBITDA coming in at USD 500 thousand for the period. Nile Barges has already completed a second trip during the second quarter 2019.

Stevedoring Tons Handled – Alexandria

248
K Ton
▲25% y-o-y

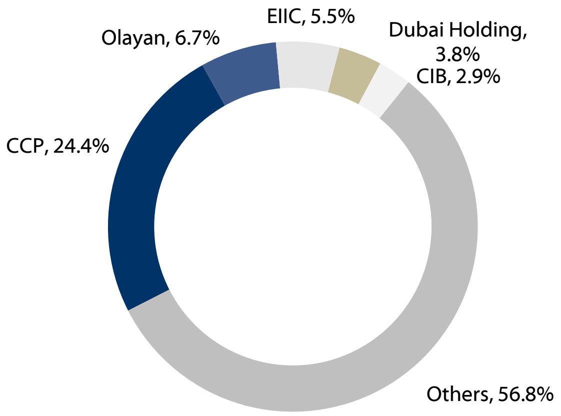
Nile Barges Tons Transported – South Sudan

1,363
Ton

ENERGY	TAQA Arabia, ERC, tawazon
CEMENT	ASEC Holding
PRINTING & PACKAGING	National Printing
MINING	ASCOM Geology & Mining
AGRIFOODS	Gozour
TRANSPORTATION & LOGISTICS	Nile Logistics

SHAREHOLDER STRUCTURE

(as at 31 March 2019)



SHARE INFORMATION

CCAP.CA on the EGX	
Number of Shares	1,820,000,000
Of which Preferred	401,738,649
Of which Common	1,418,261,351
Paid-in Capital	EGP 9.1 bn

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