

Qalaa Holdings Reports 1Q 2021 Results

- Qalaa's 1Q21 consolidated revenues and EBIDTA weighed down by an operational stoppage at ERC and the continued negative impact of COVID-19 on its margins;
- Excluding ERC, Qalaa's consolidated revenues grew by 9% and recurring EBITDA by 12% y-o-y driven by strong results across its platform companies in 1Q21;
- TAQA Arabia commenced operations at its Sixth of October industrial zone substation and launched its new subsidiary TAQA Water;
- El Baddar's new state-of-the-art facility is now fully operational leading to improved results at National Printing;
- Dina Farms is reaping the rewards of its extensive facility enhancements as well as the launch of six new juice products;
- Qalaa's subsidiaries recorded c. USD 296 million of foreign currency revenue in 1Q21;
- Debt restructuring at Qalaa Holdings remains a priority;
- Continuous adherence to health, safety, and business continuity measures to help manage risks related to COVID-19 and navigate upcoming period of uncertainty without layoffs;

1Q 2021 Consolidated Income Statement Highlights	
Revenues EGP 8,000.3 mn vs. EGP 10,375.4 mn in 1Q20	
EBITDA* EGP 90.5 mn vs. EGP 721.9 mn in 1Q20	Net Profit After Minority EGP (478.6) mn vs. EGP (405.1) mn in 1Q20
1Q 2021 Consolidated Income Statement Highlights (excluding ERC)	
Revenues EGP 3,881.1mn vs. EGP 3,546.4 mn in 1Q20	
EBITDA* EGP 356.7 mn vs. EGP 319.5 mn in 1Q20	Net Profit After Minority EGP (255.8) mn vs. EGP (223.3) mn in 1Q20
Highlights from Consolidated Balance Sheet as at 31 March 2021	
Consolidated Assets EGP 81,835.7 mn At current book value vs. EGP 81,987.5 mn in FY20	Consolidated Debt EGP 59,322.3mn Of which EGP 43,053.8 mn related to ERC

*Recurring EBITDA excludes one-off selling, general and administrative expenses

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 first quarter ended 31 March 2021. Qalaa recorded a 23% y-o-y decline in revenues to EGP 8,000.3 million, impacted by lower contribution from the Egyptian Refining Company (ERC) as the refinery suffered from operational difficulties that led to a 29-day stoppage and 20 days of production slowdown in 1Q21. ERC's stoppage during the quarter along with a significantly lower Gross Refining Margin (GRM) in 1Q21 compared to its pre-COVID-19 levels in the same period last year led to an 87% y-o-y decline

in Qalaa Holdings' recurring EBITDA to EGP 90.5 million for the period. Qalaa recorded a net loss of 478.6 million in 1Q21 compared to a net loss of EGP 405.1 million in the same quarter last year.

Excluding ERC, Qalaa Holdings recorded a 9% y-o-y increase in revenues to EGP 3,881.1 million in 1Q21 on the back of strong performances across the Company's subsidiaries during the quarter, including TAQA Arabia, ASCOM, National Printing and Dina Farms. Qalaa's recurring EBITDA excluding ERC recorded an increase of 12% y-o-y to EGP 356.7 million in 1Q21 driven primarily by improved profitability at ASEC Holding and National Printing.

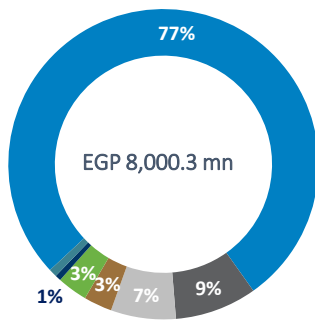
COVID-19 Developments

Qalaa Holdings' management is closely monitoring the COVID-19 situation and is in constant communication with leadership teams across its subsidiaries to identify risks posed by the pandemic, and to develop appropriate measures to ensure the health and safety of its employees and business continuity. It is worth highlighting that during these difficult times Qalaa is prioritizing the well-being of its more than 17,500 employees across its subsidiaries and has decided to maintain its full work force without resorting to any layoffs.

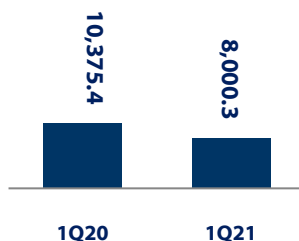
Financial and operational highlights follow, as do management's comments and overview of the performance of different business units. Full financials are now available for download at ir.qalaaholdings.com.

Financial and Operational Highlights

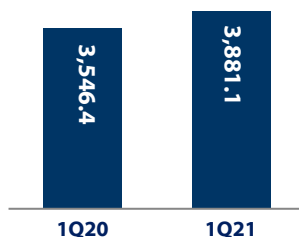
**QALAA HOLDINGS
CONSOLIDATED REVENUES
1Q21**



**REVENUE PROGRESSION
(EGP mn)**



**REVENUE PROGRESSION
(Excluding ERC)
(EGP mn)**



- **Qalaa's consolidated revenues declined 23% y-o-y to EGP 8,000.3 million due to operational challenges and depressed margins at ERC in 1Q21 that hindered the refinery's performance.**

ERC recorded revenues of EGP 4,119.2 in 1Q21, constituting 51% of Qalaa Holdings' revenues for the period, and a decline from the EGP 6,828.9 million recorded in 1Q20. Moreover, despite a gradual improvement in refining margins, they remain far below their pre-COVID19 levels.

Excluding ERC, Qalaa recorded a 9% y-o-y increase in revenues to EGP 3,881.1 million in 1Q21. Qalaa's positive performance was driven by a recovering external environment that supported results across the majority of its subsidiaries. At TAQA Arabia, improved volumes at its power and marketing divisions drove a 3% y-o-y increase in the company's top-line for 1Q21. Meanwhile, recovering international trade reflected positively on exports and supported top line growth at ASCOM and National Printing during the quarter. Finally, Dina Farms reaped the rewards of its extensive facility enhancements as well as the launch of six new juice products.

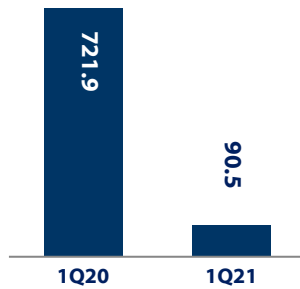
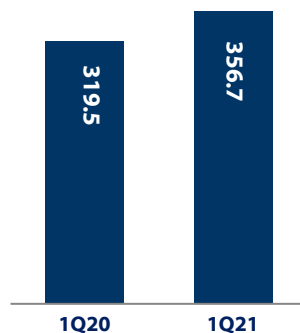
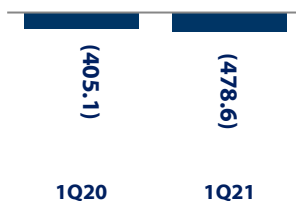
- **Qalaa recorded an 87% y-o-y decline in consolidated recurring EBITDA to EGP 90.5 million, reflecting ERC's almost one-month stoppage during the quarter along with significantly lower gross refining margin compared to pre-COVID-19 levels recorded in 1Q20.**

ERC's stoppage continued for a few more days in April 2021 and the refinery has since returned to full operations. ERC is currently undergoing a scheduled maintenance that is anticipated to enhance its operational efficiency and bolster profitability going forward. ERC's technical management is contracted to the Egyptian Projects Operations and Maintenance company (EPROM), a wholly-owned subsidiary of the Egyptian General Petroleum Corporation (EGPC).

- **Excluding ERC, Qalaa's recurring EBITDA recorded an increase of 12% y-o-y to EGP 356.7 million driven by better EBITDA performance at ASEC Holding and National Printing.**

At ASEC Holding, the company recorded a turnaround in EBITDA to a positive EGP 85.9 million in 1Q21 from negative EGP 8.9 million in 1Q20. This was driven by improved profitability at Al Takamol Cement along with ASEC Holding's successful cost reduction and restructuring efforts across its subsidiaries. Meanwhile, the cost benefits generated from El Baddar's new facility becoming fully operational coupled with an optimized pricing strategy at Uniboard enhanced National Printing's profitability in 1Q21.

- **Selling, general and administrative expenses (SG&A) recorded EGP 478.7 million in 1Q21, up 30% y-o-y, of which EGP 157.5 million are related to ERC. Additionally, a spike in freight cost at ACCM contributed to the increase.**
- **Depreciation and amortization expenses stood at EGP 1,068.4 million in 1Q21, up from EGP 667.7 million in 1Q20 with the increase driven by the consolidation of ERC's assets. FY2020 was ERC's first operational year and thus asset capitalization was executed throughout the year.**
- **Bank interest expense recorded EGP 851.4 million in 1Q21 compared to EGP 1,039.5 million in 1Q20.**

**RECURRING EBITDA
PROGRESSION**
(EGP mn)

**RECURRING EBITDA
PROGRESSION (Excluding
ERC)**
(EGP mn)

NET PROFIT PROGRESSION
(EGP mn)


The decline in interest expense in 1Q21 was primarily driven by ERC which booked a 20% y-o-y decrease in interest expenses to EGP 550.8 million due to the drop in LIBOR.

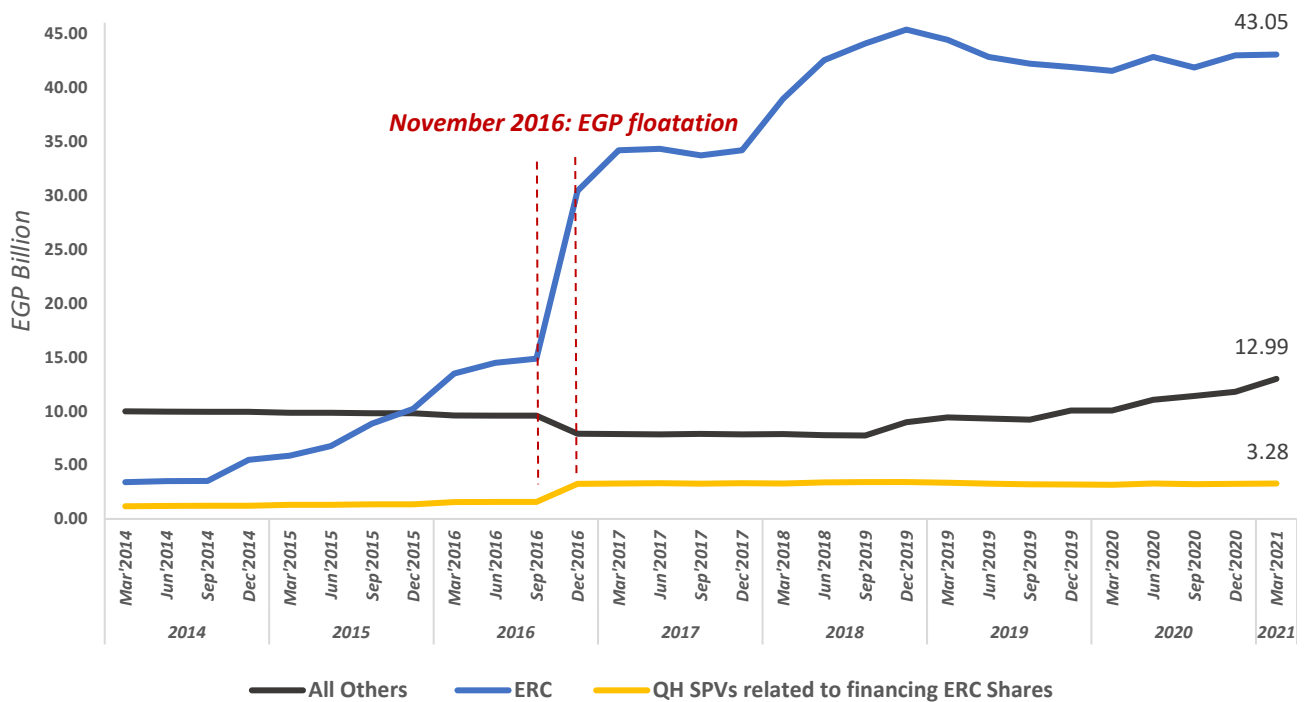
- **Total impairments and write downs reached EGP 11.8 million in 1Q21 compared to EGP18.5 million in 1Q20, a decline by 36% due to the adoption of new accounting standards in early FY2020, and is currently considered in line with the normal course of business.**
- **Qalaa recorded an FX gain of EGP 17.7 million in 1Q21 due to the strengthening of the EGP against the USD and its effect on Qalaa's USD-denominated liabilities.**
- **Qalaa Holdings recorded a consolidated net loss after minority interest of EGP 478.6 million in 1Q21 compared to a net loss of EGP 405.1 million in 1Q20.**

Bottom line losses were driven by ERC due to the operational difficulties it faced in 1Q21 coupled with the depressed refining margins that have yet to fully recover from the impacts of COVID-19. (Qalaa's effective share in ERC currently stands at c. 13.1%). Additionally, Qalaa booked impairments, write-downs and provisions related to debt and other liabilities' restructuring efforts totalling EGP 118.9 million in 1Q21.

- **Qalaa's debt restructuring efforts at the holding level and at the few remaining subsidiaries are progressing and remain a priority for Qalaa.**

Additionally, ERC's negotiations with its lenders for a full debt restructuring are underway.

- Qalaa's consolidated debt excluding ERC and ERC-related debt stood at EGP 12.99 billion as of 31 March 2021 compared to EGP 10.05 billion at 31 March 2020. Qalaa's senior debt at the holding level stands at c. USD 210 million, with the EGP's strengthening against the USD decreasing the holding company's EGP liabilities.

Debt Progression (EGP bn)


Management Comment

"We delivered strong performances across our subsidiaries as we reaped the rewards of carefully executed growth strategies and successful operational efficiency initiatives."

"Following a difficult 2020 during which our Company showcased strong resilience in the face of harsh market conditions, we headed into 2021 ready to capitalize on a gradually improving environment with the continued easing of COVID-19 restrictions," **said Qalaa Holdings' Chairman and Founder Ahmed Heikal**. "I am pleased to report that save for the operational stoppage at ERC that exacerbated the effect of COVID-19 on its refining margins, we delivered strong performances across our subsidiaries as we reaped the rewards of carefully executed growth strategies and successful operational efficiency initiatives."

"At TAQA Arabia, we capitalized on easing COVID-19 restrictions, with growing power distribution volumes in turn driving improved revenue by TAQA Power. TAQA successfully commenced operations at its Sixth of October industrial zone substation in March and we are optimistic about its contributions going forward. We also inaugurated our new subsidiary, TAQA Water, which will see us develop a variety of valuable water treatment solutions to serve the industrial, agricultural, touristic and real estate sectors. I am also pleased with TAQA Gas' growing footprint in the CNG market as we successfully increased the number of CNG filling stations from nine locations at the end of 1Q20 to 21 stations as of 1Q21."

"Meanwhile, at ASCOM and National Printing, we capitalized on recovering export markets with both companies delivering improved performances and significantly contributing to the c. USD 20 million in exports recorded by Qalaa during the period. Additionally, dividend income from affiliates and our local foreign currency revenue recorded c. USD 276.2 million during 1Q21. We also continued to benefit from the government's exports incentive program, which has strengthened our cash flows during the period. Finally, our facility enhancements at Dina Farms, coupled with the launch of new juice products at ICDP, drove Dina Farms' top line growth in 1Q21," **said Heikal**.

"Debt restructuring at QH is progressing and remains a cornerstone of our strategy," **added Heikal**.

"At ERC, a 29-day stoppage at the refinery in 1Q21 and a 20-day production slowdown severely impacted revenues for the quarter, which coupled with the refinery's significantly lower gross refining margin as compared to pre-COVID-19 levels in 1Q20 also impacted its EBITDA. However, excluding ERC, Qalaa's revenues increased by 9% year-on-year to EGP 3.9 billion and recurring EBITDA increased by 12% year-on-year to EGP 357 million during the period, showcasing continued resilience and marking a strong start to the year. It should be noted that the technical management (O&M) of ERC is contracted to EPROM, a company fully owned by EGPC. I also note that ERC has resumed full operations and its results are gradually recovering, with its scheduled maintenance currently underway set to drive improved efficiency and profitability going forward," **said Heikal**.

"Qalaa's positive recurring EBITDA performance excluding ERC reflects the success of our various operational efficiency initiatives across our platform companies in 1Q21," **said Hisham El-Khazindar, Qalaa Holdings' Co-Founder and Managing Director**. "This comes despite an increase in global shipping costs and an unfavorable commodity cycle, and was bolstered by new capacities coming online during the period. At National Printing we benefited from an optimized pricing strategy at Uniboard and the cost benefits generated from El Baddar's new fully operational facility, both of which supported the company's EBITDA performance. Additionally, ASEC Holding saw a strong recovery in EBITDA

on account of higher cement prices in Sudan and improved operational efficiency and restructuring measures across the cement group in 1Q21."

"On the debt front, we have made significant headways in finalizing the two remaining debt restructurings at Qalaa's subsidiaries, in addition to the restructuring of Qalaa Holdings' senior debt," **El-Khazindar added.**

"Looking ahead, ERC is currently undergoing scheduled maintenance and we are optimistic that upon completion, the refinery should witness overall improved operational performance. However, it should be noted that refining margins are currently at less than half of their pre-COVID levels."





"At TAQA Arabia, I am pleased to announce that we inked an agreement to deliver natural gas to El Wadi El Gedid governorate, which should see c. 14 thousand homes connected to the grid in its first phase across the governorate and contribute significantly to the company's performance going forward. Additionally, TAQA is looking to expand its portfolio of CNG filling stations and reach a total of 51 stations by the end of 2021."

"Our performance for the period excluding ERC is a testament to our ability to continuously grow our operations despite challenging conditions and swiftly capitalize on a recovering environment to deliver positive results. Management will remain cautious and continuously monitor COVID-19 related developments to adjust our safety procedures accordingly and ensure the health and wellbeing of our people. We look forward to continue capitalizing on recovering market conditions to generate increased value from our operations and deliver improving results throughout the course of the year," **concluded El-Khazindar.**

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	 Egyptian Refining Company	 TAQA Arabia
	Cement	 ASEC Holding	
	Packaging and Printing	 National Printing (Grandview)	
	Mining	 ASCOM	
	Agrifoods	 Farms	ICDP & Dina
	Transportation & Logistics	 Nile Logistics	Nile Barges (Sudan)
	Metallurgy	 United Foundries	

Equity Method Consolidated Companies (Share of Associates)	Mining	 ASCOM Precious Metal (APM - Ethiopia)	
	Cement	Zahana Cement	
	Energy	Castrol Egypt (TAQA Marketing – British Petroleum JV)	 Tawazon
	Publishing & Retail	 Tanweer	
	Healthcare	 Allmed	

Qalaa Holdings Consolidated Income Statement (in EGP mn)

	1Q 2021	1Q 2020
Revenue	8,000.3	10,375.4
COS	(7,442.1)	(9,288.0)
Gross Profit	558.2	1,087.4
Total Operating Profit	558.2	1,087.4
SG&A	(478.7)	(368.6)
Other Inc/Exp-Net	10.9	3.0
EBITDA before one-off charges	90.5	721.9
SG&A (Non recurring)	22.8	21.8
EBITDA	113.3	743.7
Dep./Amort.	(1,068.4)	(667.7)
EBIT	(955.1)	76.1
Bank Interest Exp.	(851.4)	(1,039.5)
Other Finance Cost	49.0	-
Bank PIK	(32.9)	(32.6)
3rd Party Shareholder	(80.2)	(74.3)
Interest Income	92.8	104.6
Lease Payments	(34.3)	(32.7)
EBT (before one-offs)	(1,812.1)	(998.5)
Gain (Loss) on Sale of Investments	-	47.0
Impairments/Write Downs	(11.8)	(18.5)
Acquisitions and Restructuring	1.2	(31.2)
Share in Associates' Results	9.0	(2.4)
CSR	(9.5)	(6.3)
Provisions	(107.0)	(108.3)
Discontinued Operations *	-	(14.6)
Forex	17.4	150.4
EBT	(1,912.8)	(982.5)
Taxes	(42.3)	(600.6)
NP/L Including Minority Share	(1,955.1)	(1,583.1)
Minority Interest	(1,476.5)	(1,178.0)
NP/L for the Period	(478.6)	(405.1)

* Discontinued operations include:
(1) Assets included in 2020: Tawazon

Qalaa Holdings Consolidated Income Statement by Sector for the three-month period ending 31 March 2021 (in EGP mn)

	QH	SPVs	Energy	Cement	T&L [^]	Mining	Agrifoods	Others	Elimination	1Q 2021	1Q 2020
			Orient	Silverstone	NDT	CCTO	ASCOM	Falcon	Wafra	Misc.*	Grandview
Revenue	-	-	4,119.2	2,050.2	683.8	48.8	236.0	253.0	-	67.6	542.3
Cost of Sales	-	-	(4,227.9)	(1,835.7)	(549.8)	(23.3)	(158.8)	(191.6)	-	(55.8)	(399.7)
Gross Profit	-	-	(108.7)	214.5	134.0	25.5	77.1	61.5	-	11.8	142.5
Advisory fee	20.8	-	-	-	-	-	-	-	-	-	-
Total Operating Profit	20.8	-	(108.7)	214.5	134.0	25.5	77.1	61.5	-	11.8	142.5
SG&A	(53.1)	(1.0)	(157.5)	(61.3)	(48.1)	(13.7)	(64.0)	(41.4)	-	(7.3)	(50.0)
Other Income/Expenses (Net)	-	(0.3)	-	(0.1)	-	-	-	-	-	6.2	4.0
EBITDA (before one-offs)	(32.4)	(1.3)	(266.2)	153.0	85.9	11.8	13.1	20.1	-	10.7	96.5
Dividend Income	-	52.6	-	-	-	-	-	-	-	-	-
SG&A (Non recurring)	-	1.7	-	(3.5)	-	16.5	12.1	(4.0)	-	-	-
EBITDA	(32.4)	53.0	(266.2)	149.6	85.9	28.3	25.2	16.1	-	10.7	96.5
Depreciation & Amortization	(2.4)	-	(905.1)	(39.1)	(27.8)	(15.7)	(22.5)	(23.7)	-	(1.2)	(17.7)
EBIT	(34.7)	53.0	(1,171.3)	110.4	58.1	12.7	2.7	(7.6)	-	9.5	78.9
Bank Interest Expense	(96.5)	(37.6)	(550.8)	(69.7)	(14.9)	(28.3)	(21.0)	(6.1)	-	(0.9)	(25.5)
Other Finance Cost	-	-	49.0	-	-	-	-	-	-	-	-
Bank PIK	-	(32.9)	-	-	-	-	-	-	-	-	-
3rd Party Shareholder	-	(14.5)	(13.3)	-	(137.6)	(18.0)	-	-	-	(8.5)	-
Interest Income	67.8	42.9	-	85.9	1.9	-	-	0.1	-	-	-
Finance Lease Charges/ NPV LT	-	-	-	-	-	-	-	-	-	-	-
Lease Payments	-	-	(13.8)	(9.5)	(0.2)	(5.6)	-	(3.9)	-	-	(1.3)
EBT (before one-offs)	(63.5)	10.9	(1,700.3)	117.2	(92.8)	(39.2)	(18.2)	(17.6)	-	0.1	52.0
Gain (Loss) on sale of investments	-	-	-	-	-	-	-	-	-	-	-
Impairments/Write-downs	(46.8)	(92.5)	7.9	(11.8)	(3.7)	(0.1)	(0.2)	(2.2)	-	(3.6)	(1.6)
Acquisitions and restructuring	(1.8)	-	-	-	-	-	3.0	-	-	-	-
Share in Associates' Results	-	-	-	-	8.5	-	3.8	-	-	-	-
CSR	(0.3)	-	-	(9.2)	-	-	-	-	-	-	-
Provisions	-	(17.7)	-	(29.9)	(52.6)	(0.1)	(0.4)	-	-	(0.2)	(3.2)
Discontinued Operations **	-	-	-	-	-	-	-	-	-	-	-
FOREX	22.8	(16.0)	(2.0)	1.2	27.3	1.7	(18.1)	0.1	-	1.5	-
EBT	(89.5)	(115.3)	(1,694.5)	67.4	(113.4)	(37.7)	(30.1)	(19.7)	-	(2.2)	47.3
Taxes	(0.2)	-	(0.8)	(26.9)	(4.4)	-	-	1.8	-	-	(13.3)
Net P/L Before Minority Share	(89.7)	(115.3)	(1,695.3)	40.5	(117.8)	(37.7)	(30.1)	(17.9)	-	(2.1)	34.0
Minority Interest	-	-	(993.7)	16.1	46.8	(11.0)	(3.4)	-	-	-	26.8
Net Profit (Loss)	(89.7)	(115.3)	(701.6)	24.4	(164.5)	(26.7)	(26.7)	(17.9)	-	(2.1)	7.2

* Miscellaneous includes UCF & Sphinx Egypt.

** Discontinued operations include:

(1) Assets included in 2020: Tawazon

^ T&L represents Transportation & Logistics

Qalaa Holdings Consolidated Balance Sheet as at 31 March 2021 (in EGP mn)

	QH	Energy		Cement	T&L [^]	Mining	Agrifoods		Others		1Q 2021 Aggregation	Eliminations/ SPVs	1Q 2021	FY 2020
		Orient	Silverstone				Falcon	Wafra	Misc.*	Grandview				
Current Assets														
Trade and Other Receivables	2,065.1	1,347.7	1,543.8	1,836.9	73.6	324.8	105.9	-	444.3	547.9	8,290.1	(2,825.3)	5,464.8	5,755.8
Inventory	-	1,070.3	391.6	794.7	11.0	89.1	141.9	-	33.7	336.9	2,869.3	-	2,869.3	2,650.3
Assets Held For Sale	-	-	-	5.7	-	-	-	-	118.1	22.2	146.0	(111.0)	35.0	35.1
Cash and Cash Equivalents	4.2	802.1	3,710.2	61.2	22.4	15.0	10.7	-	3.7	152.6	4,782.1	50.8	4,832.9	3,904.3
Others	-	-	-	-	-	-	6.0	-	-	-	6.0	7.1	13.2	18.2
Total Current Assets	2,069.3	3,220.2	5,645.6	2,698.6	107.0	428.9	264.5	-	599.8	1,059.7	16,093.6	(2,878.4)	13,215.2	12,363.7
Non-Current Assets														
PP&E	10.1	58,218.6	2,625.3	1,331.5	794.3	734.9	759.9	-	41.9	1,041.1	65,557.7	553.5	66,111.3	67,096.8
Investments	5,547.0	-	52.1	363.3	-	129.7	-	-	4.9	101.1	6,198.0	(5,576.0)	622.0	610.4
Goodwill / Intangible assets	20.5	276.7	413.6	-	-	0.5	-	-	-	-	711.3	83.1	794.4	782.8
Others	4,092.0	39.2	229.6	340.6	-	-	433.4	-	-	61.1	5,196.0	(4,103.1)	1,092.8	1,133.8
Total Non-Current Assets	9,669.6	58,534.5	3,320.6	2,035.5	794.3	865.1	1,193.4	-	46.8	1,203.3	77,663.0	(9,042.5)	68,620.5	69,623.8
Total Assets	11,738.9	61,754.7	8,966.2	4,734.0	901.3	1,294.0	1,457.9	-	646.6	2,263.0	93,756.6	(11,920.9)	81,835.7	81,987.5
Shareholders' Equity														
Total Equity Holders of the Company	4,582.7	6,776.8	1,007.4	(5,517.9)	(910.2)	(27.8)	71.3	(1,104.0)	(412.7)	99.7	4,565.2	(15,416.3)	(10,851.1)	(10,191.8)
Minority Interest	-	5,008.5	522.0	1,188.3	(423.6)	(82.8)	-	(12.9)	11.5	356.8	6,567.8	4,425.1	10,992.8	12,533.5
Total Equity	4,582.7	11,785.3	1,529.5	(4,329.6)	(1,333.7)	(110.6)	71.3	(1,117.0)	(401.2)	456.5	11,133.0	(10,991.2)	141.8	2,341.8
Current Liabilities														
Borrowings	5,381.3	35,290.2	2,442.5	1,140.8	916.6	174.1	81.7	-	44.2	846.0	46,317.3	2,759.2	49,076.5	47,788.6
Trade and Other Payables	1,615.4	4,801.8	2,606.2	1,844.8	109.8	416.7	1,084.2	1,115.8	622.0	498.5	14,715.0	(646.0)	14,069.1	13,336.0
Shareholder Loan	-	316.9	-	2,289.1	916.6	-	-	-	129.8	-	3,652.3	(916.6)	2,735.7	2,675.5
Provisions	159.6	-	230.8	1,161.8	30.9	27.0	28.6	1.2	24.4	62.7	1,727.0	414.3	2,141.3	2,109.0
Liabilities Held For Sale	-	-	-	0.2	-	-	-	-	0.7	-	1.0	0.8	1.8	1.8
Total Current Liabilities	7,156.3	40,408.8	5,279.6	6,436.7	1,973.8	617.8	1,194.5	1,117.0	821.1	1,407.2	66,412.6	1,611.7	68,024.3	65,910.9
Non-Current Liabilities														
Borrowings	-	7,763.7	1,437.2	-	-	753.5	91.3	-	-	200.2	10,245.8	-	10,245.8	10,227.9
Shareholder Loan	-	565.7	-	2,612.4	140.8	-	-	-	226.2	100.0	3,645.1	(2,585.5)	1,059.7	1,040.6
Long-Term Liabilities	-	1,231.2	720.1	14.6	120.4	33.4	100.8	-	0.5	99.1	2,320.1	44.1	2,364.2	2,466.3
Total Non-Current Liabilities	-	9,560.6	2,157.2	2,627.0	261.2	786.9	192.1	-	226.7	399.3	16,211.0	(2,541.4)	13,669.6	13,734.9
Total Liabilities	7,156.3	49,969.4	7,436.8	9,063.6	2,235.0	1,404.6	1,386.5	1,117.0	1,047.8	1,806.5	82,623.6	(929.7)	81,693.9	79,645.7
Total Equity and Liabilities	11,738.9	61,754.7	8,966.2	4,734.0	901.3	1,294.0	1,457.9	-	646.6	2,263.0	93,756.6	(11,920.9)	81,835.7	81,987.5

* Miscellaneous includes UCF & Sphinx Egypt.

^ T&L represents Transportation & Logistics



Sector Review: Energy

Qalaa Holdings' operational energy companies include the Egyptian Refining Company (petroleum refining) and TAQA Arabia (energy generation and distribution).

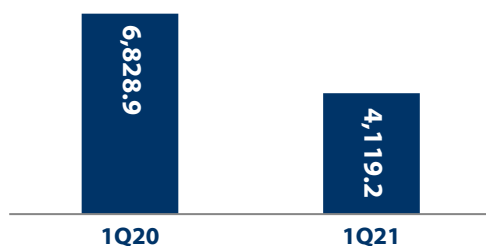


QH OWNERSHIP —
c.13.1%

ERC recorded a decline in revenues and EBITDA due to operational difficulties in 1Q21.



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



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



*Calculated as EBITDA before non-recurring items.

In 1Q21, ERC refined total feedstock of c. 741 thousand tons, including 664 thousand tons of atmospheric residue along with Gasoil, Naphtha & Natural Gas for hydraulic power unit (HPU) of c. 77 thousand tons. During the same period, ERC supplied c. 638 thousand tons of refined product to the Egyptian General Petroleum Corporation (EGPC), and approximately c.88 thousand tons of pet coke and 13.9 thousand tons of Sulphur to key cement and fertilizer players, respectively.

Product	LPG	Light Naphtha	Reformate	Fuel Oil	Jet Fuel	Diesel	Total Supplied to EGPC
1Q20 Quantity (tons)	32,126	74,453	116,951	118,974	144,376	539,012	1,025,893
1Q21 Quantity (tons)	19,536	48,643	82,106	122,435	-	333,918	606,637
Change	-39%	-35%	-30%	3%	-100%	-38%	-41%

Operational difficulties at ERC resulted in a 29-day stoppage and a 20-day production slowdown in 1Q21 and drove a 40% y-o-y decline in ERC's revenues. On the profitability front, ERC's EBITDA recorded a loss of EGP 266.2 million in 1Q21 compared to a positive EGP 402.4 million in 1Q20 as the refinery's Gross Refining Margin (GRM) is at only half its pre-COVID-19 levels.

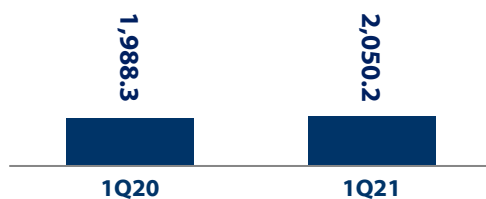
The operational stoppage continued for a few more days in 2Q21, however, ERC has since been back to its full operational capacity and is currently undergoing a scheduled maintenance that is anticipated to enhance operational efficiency and bolster profitability going forward. ERC's technical management is contracted to the Egyptian Projects Operations and Maintenance company (EPROM), a wholly-owned subsidiary of the Egyptian General Petroleum Corporation (EGPC).

ERC's negotiations with its lenders for a full debt restructuring are underway.

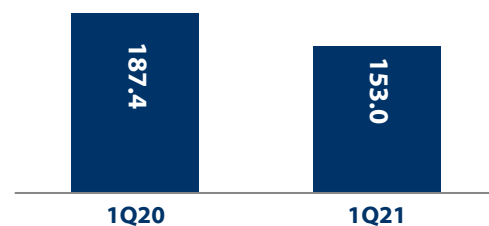

QALAA HOLDINGS OWNERSHIP — 55.9%

TAQA Arabia booked a revenue increase of 3% y-o-y in 1Q21

**Silverstone (TAQA Arabia Holding Co.)
Revenues**



**Silverstone (TAQA Arabia Holding Co.)
EBITDA***



*Calculated as EBITDA before non-recurring items.

TAQA is a leading integrated energy distribution company in Egypt, offering customers one-stop-shop energy solutions. TAQA operates three separate divisions covering all aspects of the energy distribution value chain. The company's gas business 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 business generates and distributes electrical power across the country and has recently expanded into renewable energy through TAQA Solar. The company's oil marketing division is a fuel and lubricant retailer and distributor. Finally, TAQA Water is a newly established subsidiary that will develop a variety of valuable water treatment solutions to serve the industrial, agricultural, touristic & real estate sectors.

TAQA Arabia's revenues inched up 3% y-o-y to EGP 2,050.2 million in 1Q21. In parallel, EBITDA declined 18% y-o-y to EGP 153.0 million compared to EGP 187.4 million due to a lower number of new industrial and infill client connections in the gas division. Profitability was further pressured by a decline in higher-margin off-grid power generation volumes due to the impacts of COVID-19 on the tourism sector.

Segment Breakdown

(EGP mn)	1Q20	1Q21	% chg
TAQA Arabia Gas Revenues	439.8	424.5	-3%
TAQA Arabia Gas EBITDA	106.4	78.3	-26%
TAQA Arabia Power Revenues*	322.3	353.0	10%
TAQA Arabia Power EBITDA*	52.1	41.9	-20%
TAQA Marketing Revenues	1,226.2	1,284.5	5%
TAQA Marketing EBITDA	35.7	32.5	-9%

* Includes distribution, conventional generation, and renewable generation

Note: The EBITDA figures in the table above are pre-consolidation.

The company's gas division contributed 21% to TAQA's 1Q21 revenue and 51% to EBITDA, with the latter being disproportionately affected by the number of connections made to the higher margin infill clients. Meanwhile, TAQA's power division contributed 17% to revenue in 1Q21 and 27% to EBITDA. Finally, TAQA's marketing arm contributed the lion's share of TAQA Arabia's top line at 62% in 1Q21, while the division's EBITDA contribution was 22%, in line with the lower margins typically associated with the nature of the business.

TAQA Gas

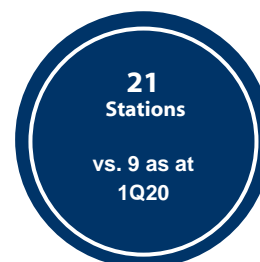
TAQA's gas division recorded a 16% y-o-y increase in gas distributions in 1Q21 primarily on the back of the addition of 7 new industrial clients, reaching a total of 270 industrial clients despite a challenging external environment during the period. Additionally, the increase in gas distributions was further supported by the division's 39,000 household connections in 1Q21, on par with the same period last year. While a higher number of cumulative connections supported a y-o-y increase in TAQA's distribution volumes and consequently increased gas commission revenue for the period, TAQA gas implemented a lower number of new industrial connections compared to the same period last year. This saw the company book lower connections revenue and consequently leading to an overall 3% decline in revenue for 1Q21. At the EBITDA level, TAQA's gas division recorded a decline of 26% y-o-y to EGP 78.3 million in 1Q21, reflecting the lower number of new connections versus 1Q20.

Parallel with TAQA's strong gas distribution and construction business, where the company holds a leading market position, TAQA is also ideally positioned to capture growth in the CNG field, serving off-grid clients through a growing network of CNG filling stations and mobile CNG units. TAQA successfully increased the number of CNG filling stations from 9 stations at the end of 1Q20 to 21 stations as of 1Q21, which led to a 138 % y-o-y increase in Natural Gas for Vehicles to 14.5 MCM for the period. Looking ahead, the company is looking to reach a total of 51 stations by the end of 2021. Moreover, TAQA Gas converted a total 1,074 gasoline-powered vehicles to CNG vehicles during 1Q21, compared to 219 vehicles in 1Q20 and is targeting to convert a total of 8,000 gasoline-powered vehicles by the end of the year. Moreover, Master Gas, a subsidiary of TAQA Gas, inked an agreement with Ostool Transport to convert its 250-truck fleet from diesel to a mix of diesel and CNG during the coming period.

Total Gas Distributed (1Q21)



Master Gas CNG Stations (1Q21)



TAQA Power

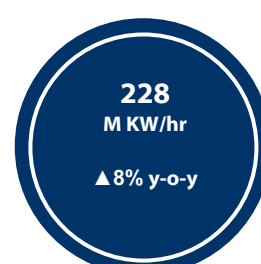
TAQA Power's revenues recorded an increase of 11% y-o-y to EGP 313.5 million compared to EGP 282.6 million in 1Q20 due to a 6% y-o-y increase in volumes distributed during the period. Volume growth was driven by recovering market conditions boding well for activities in malls and commercial areas. On the profitability front, the power division recorded a 24% y-o-y decline in gross profits and a 20% y-o-y decline in EBITDA in 1Q21. The decline in profitability was due a reduction in higher-margin off-grid power generation volumes driven by lower-than-average tourism rates during 1Q21 due to the impacts of COVID-19.

Moreover, TAQA Power inaugurated and commenced operations at its Sixth of October industrial zone substation on 8 March 2021. Management is optimistic about the substation's anticipated contributions to TAQA Power's top and bottom line.

Total Power Generated (1Q21)



Total Power Distributed (1Q21)



TAQA Solar

TAQA's renewable energy arm, TAQA Solar, with its 65MW solar power plant in Benban, Aswan delivered a largely flat performance and generated EGP 39.4 million in revenue in 1Q21 compared to EGP 39.7 million in the same period last year. Looking ahead, TAQA Solar aims to capture value from the government's plan of generating 20% of the country's energy from renewable sources by 2022 and doubling that by 2035.



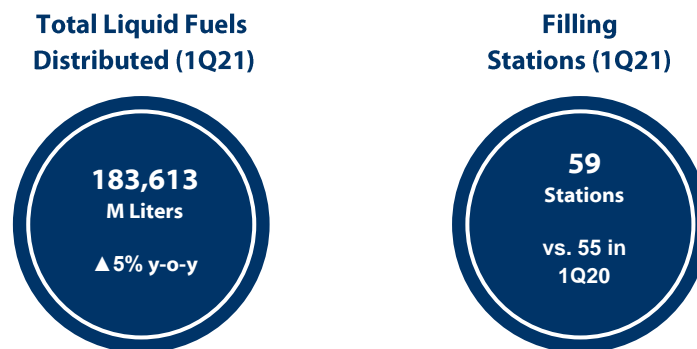
TAQA's Solar PV Plant - Benban, Aswan

Solar Energy Generated (1Q21)



TAQA Marketing

TAQA's marketing arm recorded a 5% y-o-y increase in revenues to EGP 1,284 million in 1Q21 on the back of a 5% y-o-y increase in diesel and gasoline volumes during the period. The increase was driven by the addition of four new stations over the course of 2020, reaching a total of 59 stations across 18 governorates in 1Q21 compared to 55 stations in 1Q20. Additionally, the growing number of stations that have been converting their gasoline pumps from the lower-end Octane 80 to the higher end Octane 95 further supported the marketing arm's top line growth for the period. This trend is anticipated to continue and should bode well for the marketing arm's performance and margins going forward. Looking ahead, the company is planning to open seven more stations to reach a total of 66 by the end of 2021.



TAQA Water

TAQA Water was established as a subsidiary of TAQA Arabia in March 2021 and boasts an experienced team in the water treatment industry. The company aims to develop a variety of valuable water treatment solutions to serve the industrial, agricultural, touristic and real estate sectors. The company 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.



Sector Review: Cement

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

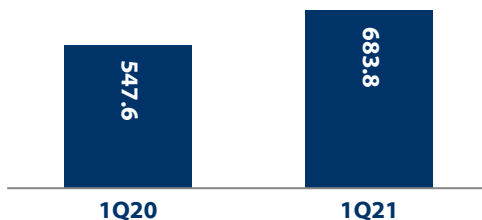
Operational and Financial Performance



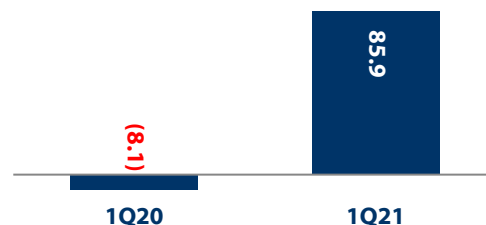
QALAA HOLDINGS OWNERSHIP — 69.3%

ASEC Holding delivers solid revenue growth driven by improved performance at Al Takamol; EBITDA records a turnaround driven by operational efficiency and restructuring measures in 1Q21

ASEC Holding Consolidated Revenues
(EGP mn)



ASEC Holding Consolidated EBITDA*
(EGP mn)



*Calculated as EBITDA before non-recurring items.

ASEC Holding recorded a 25% y-o-y increase in revenues to EGP 683.8 million in 1Q21 driven by a solid performance at Al Takamol Cement. ASEC Holding's EBITDA also recorded a turnaround to a positive EGP 85.9 million in 1Q21 from negative EGP 8.9 million in the same period last year on the back of ASEC Holding's successful cost reduction and restructuring efforts across its subsidiaries. Moreover, management is making significant headways in its complete debt restructuring at ASEC Holding and is optimistic that its efforts will yield a stronger balance sheet, healthier financial/leverage ratios and improved profitability going forward.

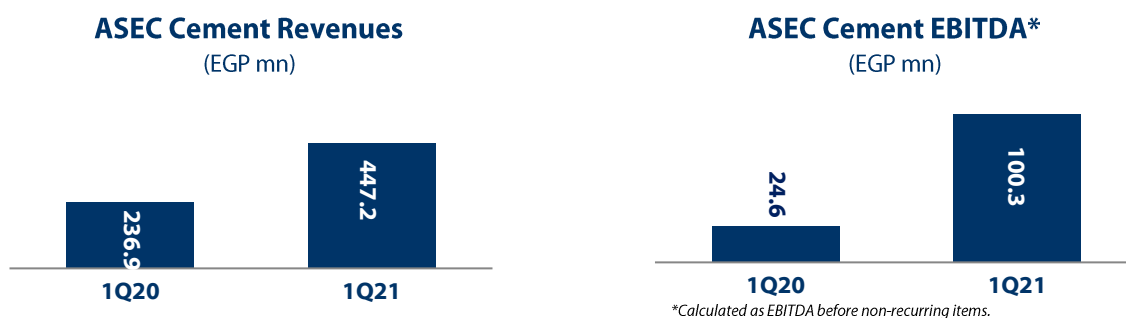
As a result of an underperforming cement market in Egypt, ARESCO has transitioned from being dependent on the cement industry contracts to a mainstream contracting company and has successfully landed a number of construction contracts.

At ASEC Automation, the company recorded a 17% y-o-y increase in revenues to EGP 36.0 million and yielded enhanced gross margins. The improved results came on the back of newly awarded contracts from non-cement clients, including MEP, panels, solar, and industrial contracts valued at EGP 29.0 million in 1Q21. Management would like to highlight that ASEC Automation currently has a backlog of c. EGP 60 million as of 1Q21. On the profitability front, ASEC Automation managed to reduce its variable cost significantly and delivered a positive contribution margin of EGP 9.6 million in 1Q21 compared to negative EGP 22.6 million in 1Q20.


QALAA HOLDINGS EFFECTIVE OWNERSHIP — 51.8%[^]

ASEC Cement records strong growth in revenue driven by a surge in cement prices in 1Q21

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



Owing to the hyperinflationary environment in Sudan, Al Takamol's local auditors opted to implement the accounting principle of applying 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 significantly volatile over the course of the year due to political instabilities in Sudan, consequently impacting the company's top line when reflected in EGP terms. Al Takamol's figures are thus presented in SDG to provide a more accurate representation of the company's performance excluding the impacts of hyperinflationary adjustments.

ASEC Cement Subsidiaries and Associates	1Q20	1Q21	% chg
Al Takamol Cement Revenues (SDG mn)	1,754.0	7,827.1	346%
Al Takamol Cement EBITDA (SDG mn)	239.6	1,324.5	453%
Zahana Cement Revenues (EGP mn)	74.3	139.7	88%
Zahana Cement EBITDA (EGP mn)	6.9	68.1	885%

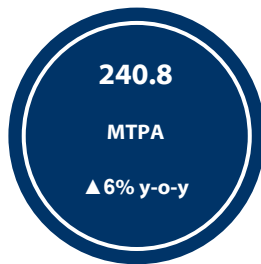
[^] QH has a direct ownership in ASEC Cement of 10% and ASEC Holding owns 59.9% of ASEC Cement. Therefore, QH owns an effective stake of 51.8% in ASEC Cement.

Al Takamol Cement recorded a surge in revenues to SDG 7.8 billion in 1Q21 from SDG 1.7 billion in 1Q20 due to a significant increase in average cement prices, with the average price per ton increasing from SDG 7,751 in 1Q20 to SDG 32,501 in 1Q21. The increase was driven by the devaluation of the Sudanese pound coupled with a widening demand gap due to local producers facing issues with fuel and spare parts, causing an interruption in local supply. The shortage in supply drove a 6% y-o-y increase in Al Takamol's volumes to 240.8 thousand tons in 1Q21 and further drove top line growth.

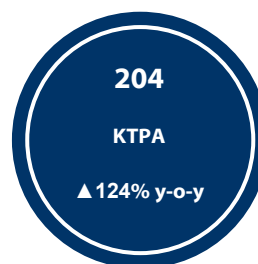
On the profitability front, despite a planned shutdown in 1Q21, Al Takamol recorded a strong increase in EBITDA to SDG 1.3 billion in 1Q21 compared to SDG 0.2 billion in 1Q20. The increase was due to improved cost efficiencies and lower cost of electricity per ton of cement produced in 1Q21.

It should be noted that the significant increases in revenues and EBITDA are also attributable to the low base effect, as Al Takamol was shut down for ten days in 1Q20 due to labor strikes.

**Al – Takamol Total Sales Volume
(1Q21)**



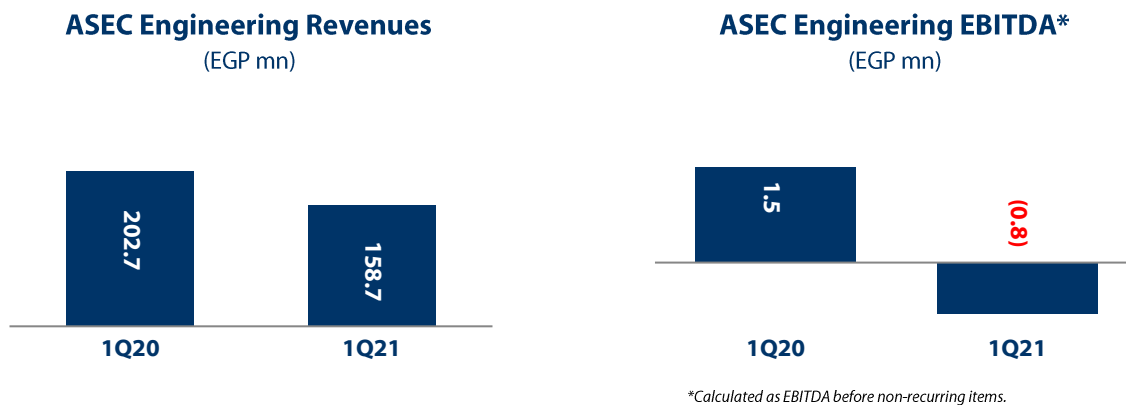
**Zahana Total Sales Volume
(1Q21)**



At Zahana, its newly commissioned line drove a 124% y-o-y increase in cement volumes to 204 thousand tons in 1Q21, consequently increasing revenues by 88% y-o-y to EGP 139.7 million during the period. Moreover, despite a reduction in sales prices across public cement sector plants in Algeria, Zahana's EBITDA increased to EGP 68.1 million in 1Q21. Zahana's enhanced profitability was driven by increased efficiency in energy consumption and use of spare parts.

It is important to note that the plant will begin recognizing interest expense relating to a credit facility Zahana had secured to finance the new line over the course of 2021.

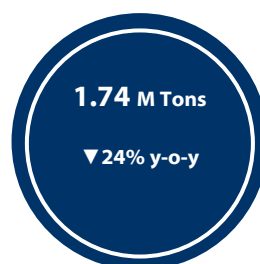
ASEC Engineering revenues declined by 22% y-o-y to EGP 158.7 million in 1Q21



ASEC Engineering recorded a 24% y-o-y decline in managed clinker production to 1.74 million tons in 1Q21 due to the termination of some contracts. Revenues were further pressured by multiple technical issues that led to temporary production stoppages at certain key client sites during the period. Consequently, revenues declined by 22% y-o-y to EGP 158.7 million in 1Q21. Moreover, ASEC Engineering recorded a negative EBITDA of EGP 0.8 million in 1Q21 compared to a positive EBITDA of EGP 1.8 million in 1Q20.

Management has been working to geographically diversify ASEC Engineering's client base and is looking to penetrate new markets, including Iraq, South Africa, and Libya to offset the negative performance of the cement industry in Egypt. It is worthy to note that 41% of ASEC Engineering's revenues are generated from international contracts.

**Managed Clinker Production
(1Q21)**





Sector Review: Packaging & Printing

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



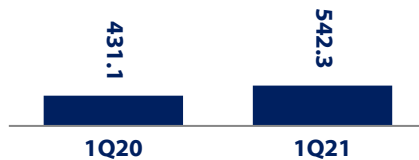
QALAA HOLDINGS OWNERSHIP – 27%

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. National Printing's two subsidiaries, Shorouk for Modern Printing and Packaging ("Shorouk") and El Baddar for Packages ("El Baddar"), are owned 90% and 100%, respectively. The company also maintains an effective ownership of 51% in Uniboard, a 90%-owned subsidiary of Shorouk, and operates a 100%-owned subsidiary called Windsor.

National Printing stands today as one of the largest producers of packaging and printing products in Egypt. Through its subsidiaries, namely Shorouk and El Baddar, National Printing has been able to diversify and expand its product range, including corrugated cartons and various types of boxes. Meanwhile Uniboard produces duplex boards using wastepaper, and Windsor manufactures sheeter, single facers, flexos and chemical additives. Windsor generates a large part of its revenues from sales to Shorouk, playing an important role in the company's wider value-adding chain.

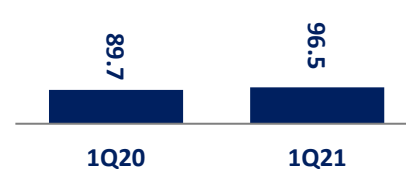
Grandview (National Printing Holding Co.)

Revenues (EGP mn)



Grandview (National Printing Holding Co.)

EBITDA* (EGP mn)

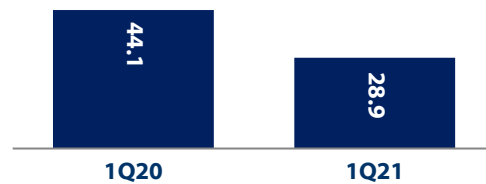


*Calculated as EBITDA before non-recurring items.

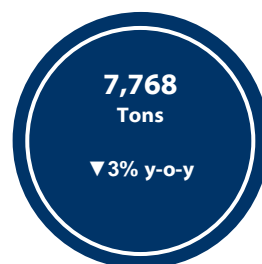
(EGP mn unless otherwise stated)

	1Q20	1Q21	% chg
Modern Shorouk Printing & Packaging Revenues	189.0	182.4	-3%
Modern Shorouk Printing & Packaging EBITDA	44.1	28.9	-34%
Uniboard Revenues	220.9	294.5	33%
Uniboard EBITDA	40.6	51.2	26%
El Baddar Revenues	53.7	97.5	82%
El Baddar EBITDA	2.4	10.9	354%


NATIONAL PRINTING OWNERSHIP — 90% (QH effective ownership 24.2%)
Shorouk Revenues
(EGP mn)

Shorouk EBITDA
(EGP mn)

Shorouk Printing – Duplex and Laminated Carton Production

Shorouk recorded a 3% y-o-y decline in volumes to 7,768 tons in 1Q21 as the company was impacted by the challenging external environment coupled with supply chain disruptions, which hindered Shorouk's ability to source adequate supplies. Consequently, Shorouk's revenues declined by 3% y-o-y to EGP 182.4 million for the quarter. The challenging market conditions primarily affected Shorouk's local sales, which recorded a decline of 10% y-o-y in volumes to 5,930 tons and an equal decline in revenue to EGP 139.4million in 1Q21. It is worth noting that slower local sales were partially offset by a 24% y-o-y increase in export sales, which contributed 24% of Shorouk's revenues in 1Q21. In terms of profitability, the increase in paper costs weighed down on Shorouk's EBITDA, which recorded a decline of 34% y-o-y to EGP 28.9 million in 1Q21.

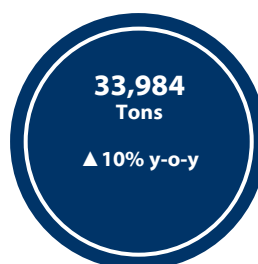
Shorouk Total Volumes Sold
(1Q21)


Uniboard Revenues
(EGP mn)

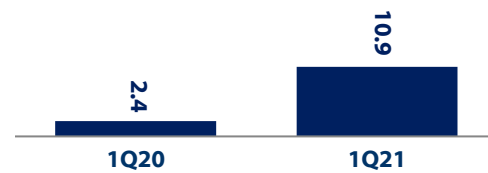
Uniboard EBITDA
(EGP mn)


Uniboard – Duplex Board Production

Uniboard's revenues grew by 33% y-o-y to EGP 294.5 million on the back of a 10% y-o-y increase in volumes to 33,984 tons in 1Q21. Strong volume growth was driven primarily by a near four-fold increase in export volume sales to 6,931 tons, which came on the back of easing restrictions and generated revenues of EGP 57.0 million in 1Q21. In parallel, despite a 7% y-o-y decline in local volume sales to 27,052 tons in 1Q21, revenues from local sales grew by 15% y-o-y to EGP 237.5 million on the back of management's optimal pricing strategy. Uniboard had implemented an average price increase of 21% to offset the increase in raw material costs – primarily paper – in turn recording a 26% y-o-y increase in EBITDA to EGP 51.2 million in 1Q21. It is worth noting that raw materials constitute 72% of Uniboard's total variable cost.

**Duplex Board
Volumes Sold (1Q21)**


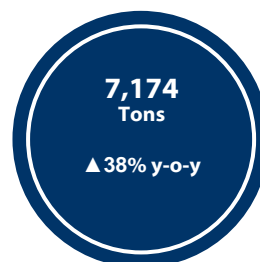

NATIONAL PRINTING OWNERSHIP — 100% (QH effective ownership 27%)
El Baddar Revenues
(EGP mn)

El Baddar EBITDA
(EGP mn)


El Baddar – Corrugated Sheet Production



El Baddar's revenues increased by 82% y-o-y to EGP 97.5 million as the company reaped the rewards of its new state-of-the-art facility, which was operating at full capacity in 1Q21. It is worthy to note that El Baddar could have potentially achieved an additional c. 30% increase in revenues generated in 1Q21 had it not been for the limited availability of craft paper – an essential input in El Baddar's manufacturing process – due to the impact of COVID-19 on global supply chains. In terms of profitability, cost-savings generated from the plant becoming fully operational reflected positively on El Baddar's EBITDA, which increased from EGP 2.4 million to EGP 10.9 million in 1Q21.

**Corrugated Sheets/Boxes
Volumes Sold (1Q21)**




Sector Review: Mining

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

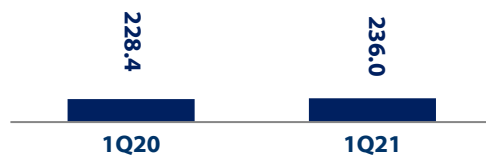


QALAA HOLDINGS OWNERSHIP — 54%

ASCOM's revenues grew 3% y-o-y driven by recovering export markets in 1Q21

ASCOM Consolidated Revenues

(EGP mn)



ASCOM Consolidated EBITDA*

(EGP mn)



*Calculated as EBITDA before non-recurring items.

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 quarrying for the cement industry.
- Production of world-class ground technical calcium carbonate (ASCOM 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).

ASCOM's revenues grew by 3% y-o-y to EGP 236.0 million driven by increased export volumes at ACCM and GlassRock in 1Q21.

ASCOM Subsidiaries (EGP mn unless otherwise stated)	1Q20	1Q21	% chg
ACCM Revenues (in USD mn)	5.8	7.2	24%
ACCM EBITDA (in USD mn)	0.5	1.1	122%
GlassRock Revenues (in USD mn)	2.3	2.5	11%
GlassRock EBITDA (in USD mn)	0.1	(0.3)	N/A
Egypt Quarrying Revenues	98.3	81.7	-17%
Egypt Quarrying EBITDA	10.4	3.4	-67%
Other Quarry Management Revenues – ex Egypt	0.4	-	N/A
Other Quarry Management EBITDA – ex Egypt	-	-	N/A

ACCM

ACCM's performance in 1Q21 reflects a sustained recovery as the company ramped up operations to full capacity and grew exports substantially due to easing restrictions and the opening of ports. ACCM's exports grew by 28% y-o-y to 60,225 tons in 1Q21, consequently driving a 24% y-o-y increase in ACCM's revenues to USD 7.2 million in 1Q21. Overall, ACCM recorded a 32% y-o-y increase in volumes to 93,426 thousand tons, with sales further supported by a 6% y-o-y increase in average price per ton to c. USD 74.8 in 1Q21. Improved pricing coupled with a 6% reduction in variable costs to c. USD 53.4 per ton supported a strong 169% y-o-y increase in ACCM's EBITDA to USD 1.1 million in 1Q21. The reduction in variable cost was due to an initiative by the Egyptian government to fix electricity prices for the manufacturing sector at a reduced price for the coming three years.



ASCOM – Calcium Carbonate Facility

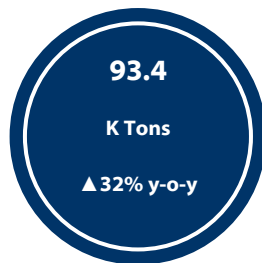
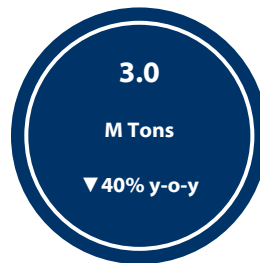
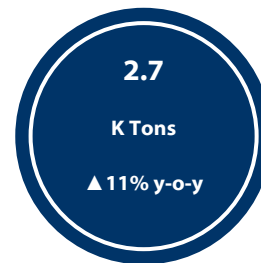
Going forward, whilst ACCM will continue to capitalize on growing exports and the recovery across regional markets, management plans to push ahead with its sales channel diversification strategy as well as adding more production lines during the coming years. This will allow the company to expand its capacity as well as penetrate new local and international markets, hence meeting its planned growth targets. Additionally, increased contribution from local markets will act as a hedge against foreign exchange risk and allow ACCM to benefit from the local market's greater working capital dynamics, improved cashflow and healthy margins.

GlassRock

GlassRock's sales volumes grew by 11% y-o-y to 2,701 tons due to recovering conditions in both local and export sales in 1Q21. GlassRock managed to penetrate new international markets and successfully grew export sales by 12% y-o-y to USD 689 thousand in 1Q21, driven primarily by a 172% y-o-y increase in glass wool sales to USD 369 thousand. Meanwhile, GlassRock's local sales growth were similarly driven by a 94% y-o-y increase in glass wool sales to USD 766 thousand in 1Q21. In terms of profitability, GlassRock booked a negative EBITDA of USD 304 thousand compared to a positive USD 100 thousand in the same period last year due to an adjustment in the company's costing method in 1Q21. It is worthy to note, management's debt restructuring efforts were successful and saw the company sign new payment terms with its lenders. The restructuring is anticipated to have a positive impact on GlassRock's profitability going forward.

Egypt Quarrying (ASCOM mining)

ASCOM's mining operations are heavily dependent on the cement industry, with around 90% of its revenues generated from quarrying for cement clients. ASCOM faced an increasingly challenging operating environment due to sustained pressure on Egypt's cement industry, characterized by oversupply and fierce market competition, resulting in a 17% y-o-y decline in sales to EGP 82 million in 1Q21. However, management has been focusing on adjusting contracts and adopting the minimum take criteria as well as renewing other contracts to be on a take-or-pay basis in attempt to cover the costs incurred when markets are not performing well. ASCOM mining recorded a 67% y-o-y decline in EBITDA to EGP 3 million in 1Q21. Profitability was impacted by maintenance works on the company's equipment during the period, which pushed it to depend on costly equipment rentals.

**ACCM Volumes Sold
(1Q21)**

**Egypt Quarrying Volumes
Sold (1Q21)**

**GlassRock Volumes
Sold (1Q21)**




Sector Review: Agrifoods

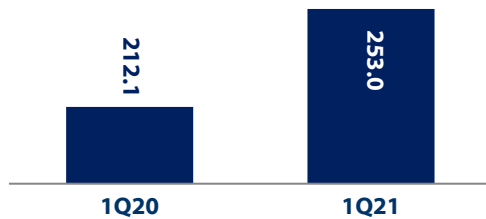
Agrifoods companies consolidated under Dina Farms (multicategory agriculture and consumer foods) include ICDP (Dina Farms' fresh dairy producer).



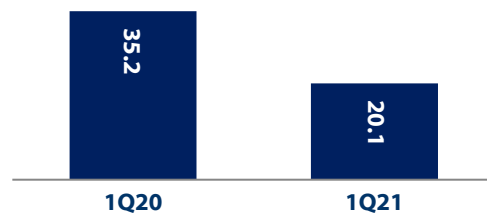
QALAA HOLDINGS OWNERSHIP — 54.9%

Dina Farms continues to reap the rewards of its facility enhancement initiatives while ICDP records improved revenues driven by new product launches

Consolidated Dina Farms Revenues
(EGP mn)



Consolidated Dina Farms EBITDA*
(EGP mn)



*Calculated as EBITDA before non-recurring items.

Dina Farms Holding Co recorded a 19% y-o-y increase in revenues to EGP 253.0 million in 1Q21 driven by solid results at Dina Farms and ICDP. However, Dina Farms' EBITDA dropped by 43% y-o-y to EGP 20.1 million in 1Q21 due to market push back on milk orders, coupled with a 30% y-o-y increase in the costs of key components of cattle feed, including corn and soya in 1Q21.

(EGP mn)	1Q20	1Q21	% chg
Dina Farms Revenues	179.9	204.1	13%
Dina Farms EBITDA	47.2	28.8	-39%
ICDP Revenues (Fresh Dairy producer)	56.1	83.9	50%
ICDP EBITDA	1.1	2.4	117%

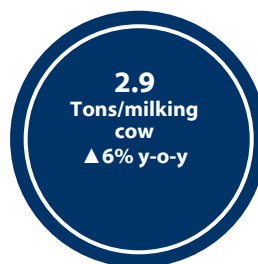
Dina Farms reaped the rewards of its extensive efficiency and facility enhancement initiatives – resulting in improved performances across all of Dina Farms' divisions – and recorded a top line increase of 13% y-o-y to EGP 204.1 million in 1Q21. The agriculture division recorded an increase of 168% y-o-y in revenues due to increased fruit exports with the easing of COVID-19 restrictions in 1Q21 in addition to increasing the cultivated area during the same period. At the retail division, revenues increased by 35% y-o-y to EGP 11.3 million in 1Q21, while Dina Farms' livestock division recorded a 4% y-o-y increase in revenues to EGP 170.3 million during the same period.

In terms of profitability, Dina Farms recorded a 39% y-o-y decline in EBITDA to EGP 28.8 million in 1Q21 due to a drop in raw milk sales driven by lower volumes to key clients. Excess milk volumes were powdered and transferred to ICDP at cost to be utilized for the manufacturing of yogurt and cheese. Additionally, the increase in raw material costs relating to cattle feed weighed down on Dina Farm's profitability during the period.

ICDP's Total SKU volumes grew by 18.6% y-o-y to 3,512 tons in 1Q21 driven by the launch of six new juice products, namely orange, mango, strawberry, pomegranate, pineapple, and lemon mint. Consequently, revenues increased by 50% y-o-y to EGP 83.9 million in 1Q21. Moreover, the company's newly launched products delivered healthy margins and drove a 117% y-o-y increase in ICDP's EBITDA to EGP 2.4 million in 1Q21. The company's profitability was further supported by a 40% reduction in PET bottle costs, which constituted c. 4% of the company's COGS in 1Q21.

Management is optimistic that its new juice product segment will support the company's profitability going forward and is also planning a ramp up in production at ICDP's yogurt line to enhance capacities and bolster the company's future performance.

Raw Milk Sales Per Milking Cow Ratio (1Q21)





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)



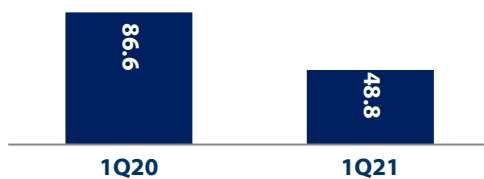
QALAA HOLDINGS OWNERSHIP — 67.6%

Nile Logistics' 1Q21 results impacted by maintenance works at the navigational locks in the Nubariya Canal and expansion works at Alexandria port

CCTO (Nile Logistics Holding Co.)

Revenues

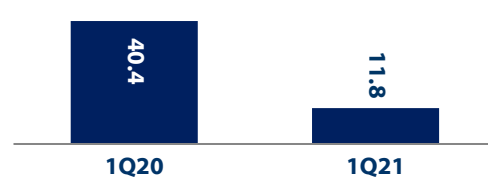
(EGP mn)



CCTO (Nile Logistics Holding Co.)

EBITDA*

(EGP mn)



*Calculated as EBITDA before non-recurring items.

CCTO is the holding company that owns Nile Logistics and consolidates its operations in Egypt and Sudan. The company recorded a revenue decline of 44% y-o-y to EGP 48.8 million and a 71% y-o-y drop in EBITDA to EGP 11.8 million in 1Q21. The company's results were impacted by maintenance works at the main and small locks in the Nubariya Canal, which lead to the company's main storage yards and facilities, causing it to become inoperative for most of 1Q21.

CCTO Subsidiaries (EGP mn)	1Q20	1Q21	% chg
Nile Logistics Revenues (EGP mn)	72.4	45.8	-37%
Nile Logistics EBITDA (EGP mn)	34.9	15.9	-54%
Nile Barges (South Sudan) Revenues (USD mn)	0.9	0.2	-79%
Nile Barges (South Sudan) EBITDA (USD mn)	0.7	0.1	-85%

Nile Logistics (Egypt)

At Nile Logistics, maintenance works at the canal locks and consequent closures led to a 67% y-o-y decline in vessel traffic – down to four trips – and caused a 37% y-o-y decline in Nile Logistics' revenues to EGP 45.8 million in 1Q21. This was further impacted by the governmental expansion works at the Alexandria port, causing a drop in anchorage area capacity for the period. Consequently, lower volumes drove a 54% y-o-y decline in EBITDA to EGP 15.9 million in 1Q21. It is worth highlighting that the maintenance works at the canal locks concluded in 1Q21. Meanwhile, the expansion project at the Alexandria port is still ongoing.

The maintenance works in the canal as well as the expansions at the port hindered performance at Nile Logistics' stevedoring operations and grain and coal storage warehouses. The company's stevedoring operations recorded a 70% y-o-y decline in coal/pet coke handled to 110,000 tons in 1Q21. Meanwhile, the grain storage warehouse recorded an 87% y-o-y decline in grains handled to 14,000 tons in 1Q21. Similarly, the coal storage warehouse in Tanash recorded a decline of 34% y-o-y to 89,000 tons handled during the period.



Nahda Coal/Pet Coke Storage Facility

The company's inland container depot recorded a 3% y-o-y decline to 18.9 thousand volumes of Twenty-foot Equivalent Units (TEUs) handled in 1Q21 driven by the restrictions on international trade due to COVID-19. However, despite the decline in TEUs, revenues increased by 17% y-o-y to EGP 16.3 million in 1Q21 on the back of lower turnover and consequent increase in storage days for reefers and dry containers in 1Q21. Storage days for reefers grew by 63% y-o-y to 32 thousand days and by 24% y-o-y to 30 thousand days for dry containers in 1Q21.



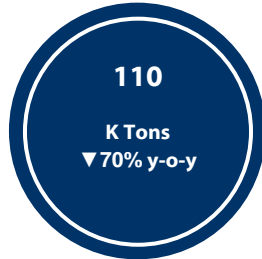
Nile Logistics Storage Facilities near Alexandria Port



Grain Storage Warehouse, Nubareya Port



Coal/Pet Coke Tons Handled (1Q21)



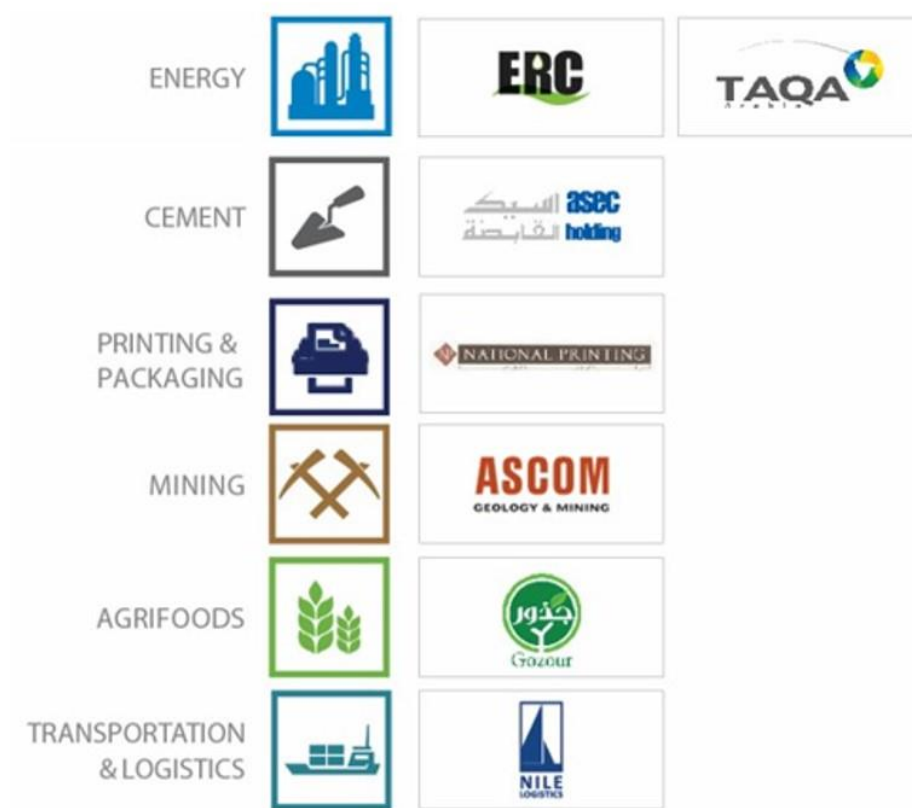
Twenty-foot Equivalent Unit (1Q21)



Nile Barges (Sudan)

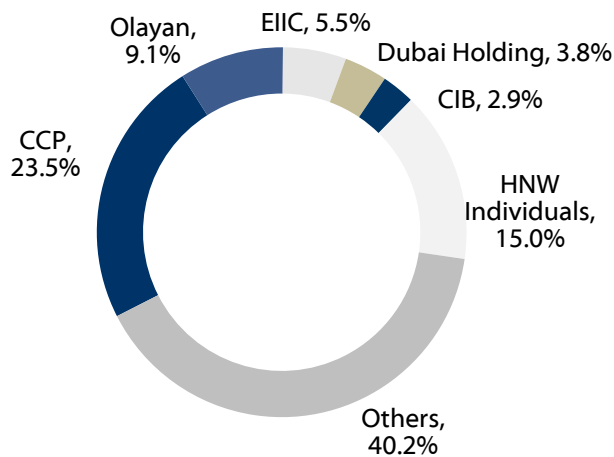
Nile Barges operations in Sudan focuses on the transportation of food products under the auspices of the World Food Program (WFP). The company currently operates using one pusher and is expecting to begin operating a second one by the end of 1H21. Meanwhile, a third pusher is currently undergoing refurbishment and is expected to commence operations in the second half of the year.

Nile Barges completed one trip using the existing pusher in 1Q21 – on par with 1Q20 – and is looking to complete eight trips by the end of 2021. The company recorded a 79% decline in revenues to USD 193 thousand in 1Q21 due to shorter trips made and a reduction in prices in 1Q21. Meanwhile, the reduction in prices pressured Nile Barges' EBITDA and caused it to decline by 85% y-o-y to USD 107 thousand in 1Q21 compared to USD 700 thousand in 1Q20.



SHAREHOLDER STRUCTURE

(as at 31 March 2021)



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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