Qalaa Holdings Reports 4Q/FY 2018 Results

Qalaa Holdings records 25% revenue growth to EGP 13.2 billion in FY18 driven by strong performance across all subsidiaries especially TAQA Arabia and Al-Takamol cement; FY18 EBITDA sees 36% y-o-y increase to EGP 1.27 billion. ERC is 99.5% complete with trial operations for all project units expected to be complete by start of 3Q2019

4Q 2018 Consolidated Income Statement Highlights*	
Revenues EGP 3,773.8 mn vs. EGP 2,824.7 mn in 4Q17	
EBITDA EGP 334.2 mn vs. EGP 235.1 mn in 4Q17	Net Profit After Minority EGP 924.0 mn vs. EGP (1,343.1) mn in 4Q17
FY 2018 Consolidated Income Statement Highlights*	
Revenues EGP 13,170.0 mn vs. EGP 10,551.0 mn in FY17	
EBITDA EGP 1,277.3 mn vs. EGP 939.0 mn in FY17	Net Profit After Minority EGP 1,350.8 mn vs. EGP (4,771.0) mn in FY17
Highlights from Consolidated Balance Sheet as at 31 December 2018	
Total Consolidated AUMs EGP 88,801.0 mn At current book value vs. EGP 73,092.2 mn in FY17	Total Bank Debt EGP 57,756 mn Of which EGP 45,365 mn related to ERC

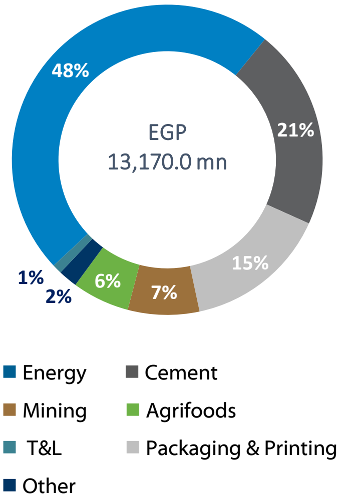
Financial and Operational Highlights

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 year ended 31December 2018, reporting revenue growth of 25% y-o-y to EGP 13,170.0 million. Growth was driven by strong results from all subsidiaries especially Qalaa's energy subsidiary TAQA Arabia and Sudan's Al-Takamol Cement, which reported a rise in cement volumes as well as sales price. EBITDA for the year recorded EGP 1,277.3 million, up 36% y-o-y and similarly driven by the Qalaa energy segment and Al Takamol Cement. Qalaa recorded a net profit after minority interest of EGP 1,350.8 million in FY18 versus a loss in the previous year. The Group's profitability was buoyed by a non-cash one-off gain mainly related to the deconsolidation of Africa Railway's liabilities. On a quarterly basis, Qalaa's revenues were up 34% y-o-y to EGP 3,773.8 million in 4Q18, while EBITDA for the quarter was up 42% y-o-y to EGP 334.2 million. Qalaa's net profit in 4Q18 recorded EGP 924.0 million versus a loss of EGP 1,343.1 million in same quarter last year.

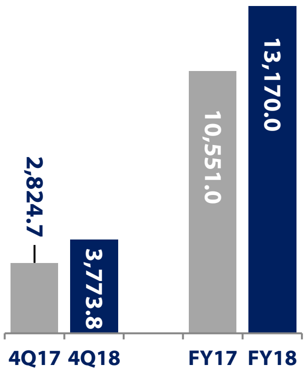
* *FY 2017 figures were restated to include the full consolidation of National Printing (Grandview) which Qalaa began consolidating in 1Q18.*

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.

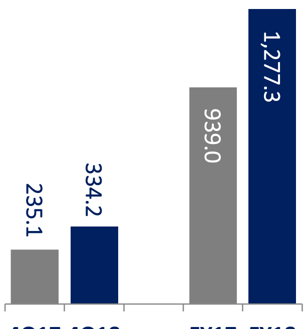
QALAA HOLDINGS CONSOLIDATED REVENUES FY18



REVENUE PROGRESSION
(EGP mn)



EBITDA PROGRESSION
(EGP mn)



- **The Group's consolidated revenues booked EGP 13,170.0 million in FY18, up 25% y-o-y on the back of strong results from TAQA Arabia and pent up growth at Al-Takamol Cement owing to a rise in both volumes sold and sales prices for the year. Quarterly revenues were up 34% y-o-y to EGP 3,773.8 million.**

  Qalaa's energy division continued to be largest contributor to consolidated revenues in FY18 at 48%, followed by the cement sector at 21%. At the energy division, TAQA Arabia recorded revenue growth of 38% y-o-y in FY18. Meanwhile, Sudan' Al-Takamol Cement posted a 60% y-o-y increase in FY18 revenues. Strong top-line growth at Al-Takamol came on the back of a 16% y-o-y rise in volumes sold to 980 thousand tons in 2018 combined with the Sudanese market's continued resilience, which drove a rise in cement selling prices.

  Qalaa's other sectors also performed well during the year, with the transportation and logistics (T&L) operations recording a solid 17% y-o-y increase in top-line. The T&L and agrifoods segments together constituted a 7% share of total revenue in FY18. Finally, Qalaa mining division posted a slight 4% contraction in revenue in FY18 and contributed 7% of Qalaa's total revenues.

  On quarterly basis, revenue growth was driven by similar trends with TAQA Arabia and Al Takamol Cement making the largest contributions to consolidated 4Q18 growth, respectively.

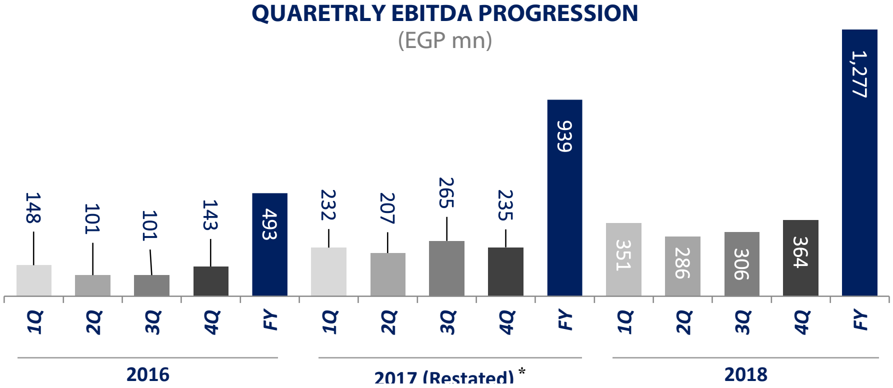
- **Total SG&A recorded EGP 1,262.0 million in FY18, up 10% y-o-y. In 4Q18, SG&A expenses were up 29% y-o-y to EGP 406.5 million, primarily driven by an increase in SG&A at ASEC Cement on the back of Al Takamol Cement in Sudan.**

  Al Takamol pays state fees that are calculated as a percentage of revenue and booked as part of SG&A expenses. In 4Q18 said fees increased by c.EGP 25 million q-o-q on the back of higher production and selling prices and hence the increase in revenue. Qalaa also incurred increased legal fees related to various transactions during the period.

- **Qalaa's EBITDA climbed 36% y-o-y to EGP 1,277.3 million in FY18, driven by operational growth at Qalaa's energy sector as well as strong performance at Al Takamol Cement. On a quarterly basis, EBITDA was up 42% y-o-y to EGP 334.2 million.**

  Qalaa's energy sector recorded a 43% y-o-y increase in EBITDA in FY18, with both TAQA Arabia and Tawazon delivering strong double-digit EBITDA growth of 38% and 65%, respectively. Meanwhile, Sudan's Al-Takamol Cement recorded an impressive threefold increase in EBITDA to EGP 603.3 million, with the cement market proving resilient and cement prices keeping in step with the hyperinflationary environment in Sudan. Overall cement prices increase approximately 138% in SDG terms and circa 20% in USD terms, while volumes were up 16% y-o-y in FY18.

QUARETRLY EBITDA PROGRESSION
(EGP mn)



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

The Group's consolidated EBITDA has been growing steadily since 2016, standing almost three times as high in FY18. Qalaa's management expects the Group's EBITDA to deliver growth rates of 35 to 40% over the coming two years excluding contributions from ERC. Management expects EBITDA in the vicinity of EGP 380 million for the first quarter of 2019.

- **Qalaa booked a non-cash one-off gain of EGP 3,726.8 million in FY18 following the deconsolidation of Africa Railways' operational liabilities in both Kenya and Uganda. The deconsolidation generated a gain of EGP 2,554.7 million in 4Q18, with the balance having been booked during 2Q18 and 3Q18.**

  It is worth noting that Qalaa had fully impaired its investment in Africa Railways on its FY2016 standalone financial statements, and booked an asset impairment of EGP 3,245.0 million in FY17 following a ruling by the High Court of Kenya to terminate Africa Railways' concession to operate the Kenyan railways. Following the deconsolidation of Africa Railways' liabilities during 2018, Africa Railways has been fully deconsolidated (including its debt) from Qalaa's financial statements.

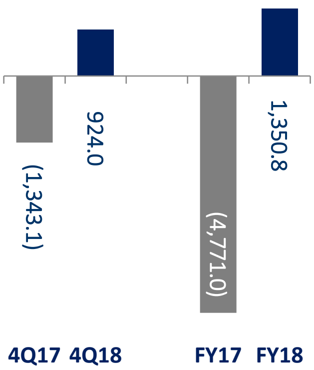
- **Qalaa booked a net consolidated impairment of EGP 485.9 million in FY18, the bulk of which was booked during the fourth quarter of the year at EGP 502.1 million, including an impairment reversal of EGP 93.1 million recorded in 1Q18.**

  Impairments booked during 4Q18 were primarily driven by impairments at the Qalaa Holdings level on ASEC Holding. As Qalaa routinely implements impairment tests for its intangibles (goodwill and trade name), ASEC Holding's intangibles were found to have lower valuations versus their book value recorded on Qalaa's consolidated financials.

- **Qalaa's total provisions recorded EGP 1,070.1 million in FY18, up almost fourfold compared to FY17, with the bulk of the amount recorded in 4Q18 at EGP 706.5 million.**

Provisions during the quarter were taken against probable claims from external parties in relation to the Group's activities. Management believes that disclosing details with regards to such provisions may affect the outcome of ongoing negotiations with said parties. Management will continue reviewing these provisions on a yearly basis, adjusting the allocated amount in accordance with the latest developments.

NET PROFIT PROGRESSION
(EGP mn)



- **Losses from discontinued operations stood at EGP 137.6 million in FY18, down 83% compared to the EGP 817.0 million recorded in the previous year. In 4Q18, losses stood at EGP 65.8 million.**

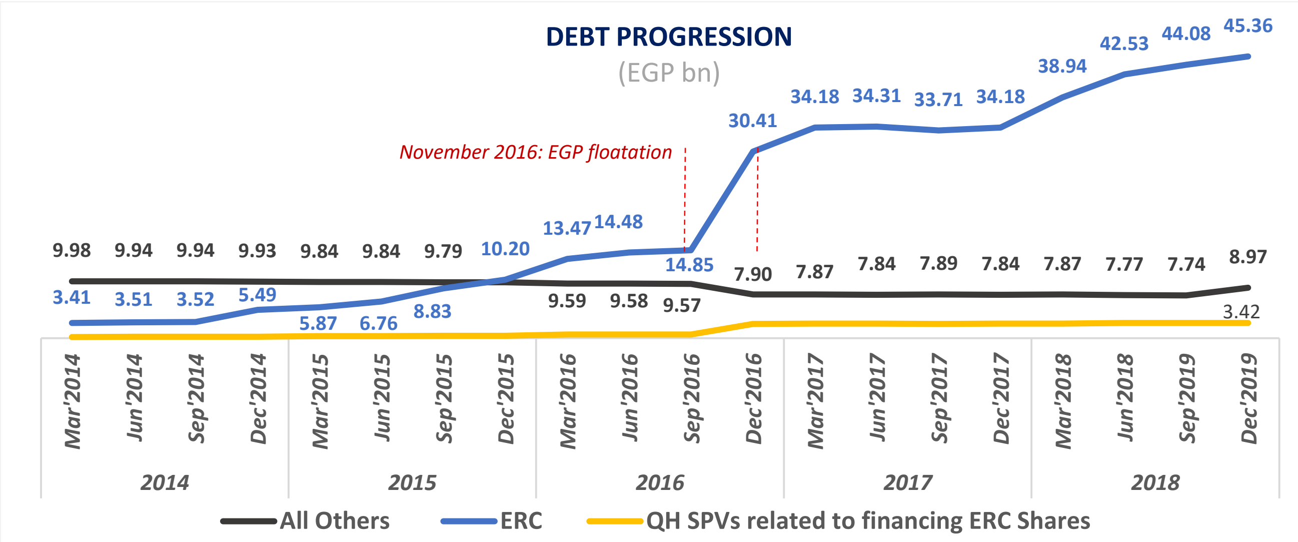
Losses from discontinued operations were mainly related to a loss at Zahana Cement in Algeria, as well as ARESCO and ESACO under ASEC Holding. All three companies are currently in the process of being sold, with ESACO's exit being concluded at the end of 4Q18. In November 2018, Qalaa announced the signing of a Memorandum of Understanding (MoU) between Groupe Industriel Des Ciments (GICA) and ASEC Cement which should see GICA purchase ASEC's shares in Zahana with the sale expected to be during June 2019.

- **Qalaa Holdings recorded a consolidated net profit of EGP 1,350.8 in FY18 versus a loss of EGP 4,771.0 million in FY17. On a quarterly basis, net profit was EGP 924.0 million in 4Q18, up from a loss of EGP 1,343.1 million in 4Q17**

Bottom-line profitability for the quarter was driven by non-cash gains related to the deconsolidation of Africa Railways' liabilities.

- **Qalaa's consolidated debt excluding Egyptian Refining Company (ERC) and ERC-related debt as of 31 December 2018 stood at EGP 8.97 billion.**

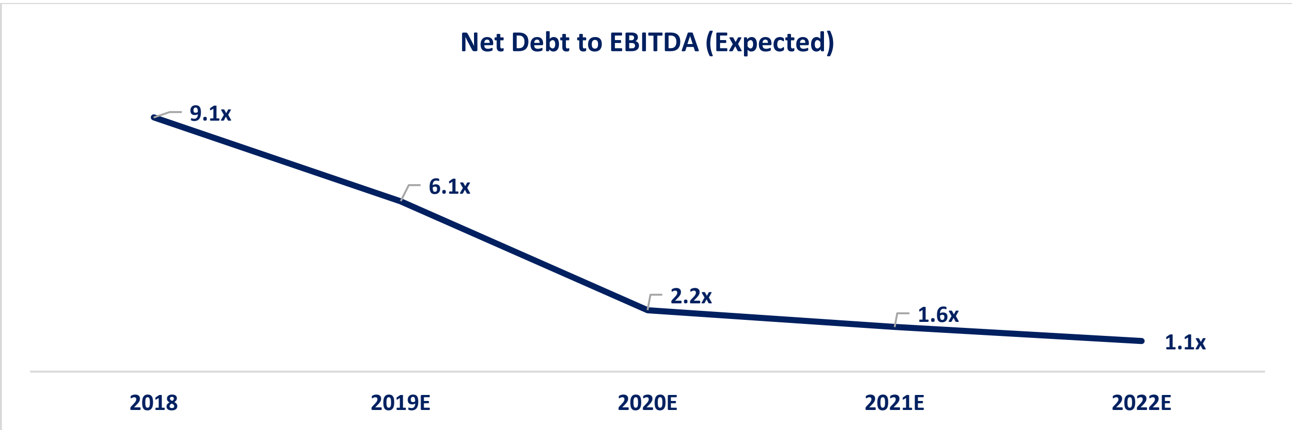
The increase in consolidated debt by c.EGP 1 billion (excluding ERC and ERC-related debt) was mainly driven by TAQA Arabia's solar project. The 50 MW solar plant at Benban has a total debt equivalent to EGP 968 million from the International Finance Corporation (IFC). Meanwhile, ERC's total debt as of 31 December 2018 increased to EGP 45.36 billion up from EGP 44.08 billion reported as of 30 September 2018, while Qalaa's SPVs debt related to financing ERC shares stood at c. EGP 3.4 billion (c. USD 191 million) as of 31 December 2018.



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

"As ERC gears up for commercial production, we are nearing the tail end of our portfolio restructuring program and the shoring up of Qalaa's financial statements."

"I am very pleased with Qalaa's results in 2018, which saw our company consistently deliver double-digit top-line growth every quarter leading to a strong 25% increase in our full-year revenues to a record EGP 13.1 billion," said Qalaa Holdings Chairman and Founder Ahmed Heikal. "The results are a direct consequence of Qalaa's investment strategy and our drive for operational expansion across our portfolio. Leading the pack was TAQA Arabia which continues to position itself as a leading player in Egypt's energy sector including gas, power and petroleum products, and is successfully capitalizing on the favorable market liberalization. TAQA is also diversifying its energy portfolio, with its Benban solar project that commenced in 1Q19. Meanwhile, despite the ongoing unrest in Sudan and the operational difficulties facing our subsidiary Al-Takamol Cement, the company was able to leverage its reputation for quality and drive volume growth and increase prices in US dollar terms."

"We will continue our drive to increase revenues from existing operations with minimal incremental investments while rationalizing costs (particularly energy costs). We also expect significant expansion in top-line going forward as we bring production from our transformational Egyptian Refining Company (ERC) to market. ERC has already began trial operations in early 2019 and as of May has supplied c. 160,000 tons of low sulfur European specs diesel, naphtha, and high-octane gasoline to the Egyptian General Petroleum Corporation (EGPC). We are working to complete all trial operations and begin commercial production by the beginning of 3Q19, and are actively seeking a larger ownership stake in this flagship project," added Heikal.

"As ERC gears up for commercial production, we are nearing the tail end of our portfolio restructuring program and the shoring up of Qalaa's financial statements," said Hisham El-Khazindar, QalaaHoldings' Co-Founder and Managing Director. "The quarter just ended marked a milestone event were we fully deconsolidated Africa Railways' liabilities including its debt obligations from Qalaa's consolidated financials. Despite it being a non-cash transaction, Qalaa's earlier booked impairments of Africa Railways' assets were almost entirely netted out with gains from the liabilities' deconsolidation, leaving Qalaa with minimal losses and having exited a company that faced operational challenges and weighed down on the Group's profitability."

"We are also actively working to finalize exits from our cement portfolio that will further strengthen our financial position and serve as a net positive on our bottom line. The results of our restructuring efforts are clear with Qalaa recording a strong 36% increase in EBITDA in FY18, maintaining its strong growth trajectory since FY16. We will continue to push our program to completion over the course of the year and we look forward to delivering operational profitability and value to shareholders with the imminent start of production at ERC and continued growth at other subsidiaries," 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 Frontiers

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)

						Restated (1)					As Previously Reported				
	1Q 2018	2Q 2018	3Q 2018	4Q 2018	FY 2018	1Q 2017	2Q 2017	3Q 2017	4Q 2017	FY2017	1Q 2017	2Q 2017	3Q 2017	4Q 2017	FY 2017
Revenue	3,036.8	3,080.6	3,278.7	3,773.8	13,170.0	2,422.8	2,530.4	2,773.1	2,824.7	10,551.0	2,090.4	2,254.8	2,448.2	2,489.0	9,282.3
COGS	(2,407.2)	(2,547.9)	(2,708.6)	(3,023.1)	(10,686.8)	(1,923.7)	(2,053.1)	(2,296.6)	(2,355.7)	(8,629.0)	(1,687.4)	(1,867.6)	(2,051.8)	(2,108.5)	(7,715.3)
Gross Profit	**629.7**	**532.6**	**570.1**	**750.7**	**2,483.2**	**499.1**	**477.4**	**476.6**	**469.0**	**1,922.0**	**403.1**	**387.2**	**396.4**	**380.4**	**1,567.1**
Advisory fee	-	-	-	-	-	4.7	2.9	(0.0)	(0.0)	7.5	4.7	2.9	(0.0)	(0.0)	7.5
Share in associates' results	(0.6)	(0.0)	(0.6)	(42.0)	(43.1)	0.2	(1.3)	(2.5)	39.4	35.7	(13.4)	15.4	15.8	13.2	31.0
Total Operating Profit	**629.1**	**532.6**	**569.6**	**708.8**	**2,440.0**	**503.9**	**478.9**	**474.0**	**508.4**	**1,965.3**	**394.3**	**405.4**	**412.2**	**393.7**	**1,605.6**
SG&A	(287.2)	(269.0)	(299.4)	(406.5)	(1,262.0)	(291.9)	(281.1)	(260.9)	(315.2)	(1,149.0)	(242.8)	(234.5)	(209.9)	(268.6)	(955.7)
Other inc/exp-Net	10.7	19.3	16.0	2.7	48.7	24.8	11.2	14.7	59.8	110.5	28.9	12.0	30.7	35.5	107.1
EBITDA before one-off charges	**352.6**	**283.0**	**286.2**	**305.0**	**1,226.7**	**236.9**	**209.1**	**227.9**	**253.0**	**926.9**	**180.5**	**182.9**	**233.0**	**160.6**	**756.9**
SG&A (Non recurring)	(1.3)	3.2	19.4	29.2	50.5	(4.7)	(1.8)	36.7	(18.0)	12.2	(4.7)	(1.8)	36.7	(18.0)	12.2
EBITDA	**351.2**	**286.2**	**305.6**	**334.2**	**1,277.3**	**232.2**	**207.3**	**264.5**	**235.1**	**939.0**	**175.8**	**181.1**	**269.7**	**142.6**	**769.1**
Dep./Amort.	(111.8)	(110.5)	(107.1)	(243.1)	(572.5)	(130.8)	(131.5)	(126.9)	(131.7)	(520.9)	(119.9)	(123.5)	(117.2)	(119.3)	(479.9)
EBIT	**239.4**	**175.8**	**198.4**	**91.2**	**704.8**	**101.3**	**75.8**	**137.7**	**103.4**	**418.2**	**55.8**	**57.5**	**152.5**	**23.3**	**289.2**
Bank interest exp.	(308.3)	(305.3)	(324.3)	(404.9)	(1,342.7)	(237.7)	(259.1)	(312.2)	(309.7)	(1,118.6)	(207.1)	(228.3)	(281.6)	(278.5)	(995.5)
Bank PIK - Bank Fees (ERC - PIK)	(28.3)	(80.2)	(54.6)	1.0	(162.1)	(71.5)	(49.7)	(47.4)	(50.8)	(219.4)	(71.5)	(49.7)	(47.4)	(50.8)	(219.4)
3rd party Shareholder	(50.8)	(55.5)	(65.6)	(55.7)	(227.6)	(55.1)	(54.3)	(51.4)	(51.4)	(212.2)	(55.1)	(54.3)	(51.4)	(49.0)	(160.8)
Interest income	45.9	69.9	71.7	53.2	240.7	25.3	34.9	93.8	48.6	202.6	25.3	34.9	93.8	48.6	154.0
Lease payments	(1.1)	(1.1)	(8.6)	(4.8)	(15.6)	(3.9)	(3.9)	(3.9)	(3.9)	(15.6)	(1.1)	(1.1)	(1.1)	(1.1)	(3.3)
EBT (before one-offs)	**(103.1)**	**(196.5)**	**(182.9)**	**(320.0)**	**(802.6)**	**(241.6)**	**(256.3)**	**(183.4)**	**(263.8)**	**(945.1)**	**(253.8)**	**(240.9)**	**(135.2)**	**(307.4)**	**(682.2)**
Gain (Loss) on sale of investments	-	919.6	252.6	2,554.7	3,726.8	-	404.4	(103.1)	122.0	423.3	-	404.4	(103.1)	(286.0)	301.3
Impairments/write downs	93.1	(9.3)	(67.6)	(502.1)	(485.9)	(66.6)	(3,154.6)	(9.5)	(728.5)	(3,959.2)	(17.2)	(3,153.5)	(9.0)	(1,079.4)	(3,230.7)
Acquisitions & restructuring	-	345.3	(25.6)	(249.5)	70.3	-	-	-	(3.2)	(3.2)	-	-	-	(3.2)	-
Layoffs/Severances	(10.6)	(6.3)	(12.8)	(8.9)	(38.6)	(8.5)	(14.7)	(6.6)	(31.6)	(61.4)	(8.5)	(14.7)	(6.6)	(31.6)	(29.8)
CSR	(1.7)	(1.1)	(0.8)	(26.6)	(30.2)	(2.4)	(3.0)	(3.7)	(2.9)	(12.0)	(2.4)	(3.0)	(3.7)	(2.9)	(9.1)
Provisions	(74.3)	(492.0)	202.7	(706.5)	(1,070.1)	(34.9)	(12.7)	(41.5)	(194.3)	(283.5)	(39.5)	(17.5)	(46.2)	(169.3)	(89.1)
Discontinued operations *	(58.6)	(24.9)	11.7	(65.8)	(137.6)	(222.2)	18.8	47.1	(677.3)	(833.5)	(237.8)	(27.0)	(26.5)	(142.8)	(254.1)
Forex	37.6	(106.3)	(15.8)	(82.7)	(167.3)	61.9	(23.2)	(98.6)	153.3	93.5	61.1	(22.1)	(102.2)	155.4	(59.9)
EBT	**(117.7)**	**428.5**	**161.4**	**592.6**	**1,064.9**	**(514.3)**	**(3,041.3)**	**(399.2)**	**(1,626.3)**	**(5,581.2)**	**(498.0)**	**(3,074.4)**	**(432.4)**	**(1,867.2)**	**(4,053.7)**
Taxes	(66.3)	(11.3)	(96.3)	38.0	(135.8)	(48.7)	(3.8)	(32.5)	(50.2)	(135.2)	(48.6)	(3.4)	(32.2)	5.6	(85.0)
NP/L Including Minority Share	**(184.0)**	**417.2**	**65.1**	**630.6**	**929.1**	**(563.0)**	**(3,045.2)**	**(431.8)**	**(1,676.5)**	**(5,716.4)**	**(546.6)**	**(3,077.8)**	**(464.6)**	**(1,861.6)**	**(4,138.7)**
Minority Interest	2.7	(69.7)	(61.4)	(293.4)	(421.8)	(174.7)	(303.1)	(134.1)	(333.5)	(945.4)	(163.0)	(321.9)	(152.9)	(598.8)	(668.3)
NP/L for the Period	**(186.7)**	**486.9**	**126.6**	**924.0**	**1,350.8**	**(388.2)**	**(2,742.1)**	**(297.6)**	**(1,343.1)**	**(4,771.0)**	**(383.5)**	**(2,755.9)**	**(311.7)**	**(1,262.8)**	**(3,470.3)**

1) Comparative figures restated to include the consolidation of National Printing and account for impairment of ASCOM's investment in Algeria (Lazerg). In addition, figures were restated to reclassify Arab Company for Trade and Service (DF Retail), Zahana, ESACO, and ARESCO as discontinued operations.

* Discontinued operations include:
(1) Assets included in 2017 & 2018: Africa Railways and Designopolis (Mena Home, sold in 2Q18)
(2) Assets with zero results in 2018: Enjoy and Mom's Food (Gozour)
(3) Assets reclassfied in 2018: ESACO, Zahana, and ARESCO

Qalaa Holdings Consolidated Income Statement by Sector for the three-month period ended 31 December 2018 (in EGP mn)

			Energy			Cement	T&L^	Mining	Agrifoods		Others			
	QH	SPVs	ERC	TAQA	Tawazon	ASEC Holding	Nile Logistics	ASCOM	Gozour	Wafra	Misc.^^	Grandview	Elimination	4Q 2018
Revenue	-	-	-	1,690.9	173.9	1,068.6	25.7	229.3	187.1	(0.1)	50.4	348.0	-	3,773.8
Cost of Sales	-	-	-	(1,543.7)	(128.8)	(719.6)	(31.5)	(159.4)	(131.5)	(0.4)	(49.5)	(258.6)	-	(3,023.1)
Gross Profit	**-**	**-**	**-**	**147.3**	**45.2**	**349.0**	**(5.8)**	**69.9**	**55.5**	**(0.5)**	**0.9**	**89.3**	**-**	**750.7**
Advisory fee	26.4	-	-	-	-	-	-	-	-	-	-	-	(26.4)	-
Share in Associates' Results	-	-	-	(9.6)	-	-	-	(29.0)	-	-	-	(0.5)	(2.9)	(42.0)
Total Operating Profit	**26.4**	**-**	**-**	**137.7**	**45.2**	**349.0**	**(5.8)**	**40.9**	**55.5**	**(0.5)**	**0.9**	**88.8**	**(29.3)**	**708.8**
SG&A	(53.1)	(9.9)	(14.6)	(41.5)	(14.2)	(111.1)	(12.7)	(58.0)	(44.0)	(0.9)	(7.9)	(63.3)	24.8	(406.5)
Other Income/Expenses (Net)	-	(4.5)	0.0	(10.3)	(3.3)	6.1	0.3	20.0	0.4	(2.1)	0.5	(0.5)	(4.0)	2.7
EBITDA (before one-offs)	**(26.7)**	**(14.4)**	**(14.6)**	**85.9**	**27.7**	**244.1**	**(18.2)**	**2.8**	**11.9**	**(3.4)**	**(6.4)**	**24.9**	**(8.5)**	**305.0**
	-	0.2	-	-	-	-	-	-	-	-	-	-	(0.2)	-
SG&A (Non recurring)	(1.2)	5.6	-	-	25.8	(1.0)	-	-	0.1	-	-	-	-	29.2
EBITDA	**(27.9)**	**(8.6)**	**(14.6)**	**85.9**	**53.5**	**243.0**	**(18.2)**	**2.8**	**11.9**	**(3.4)**	**(6.4)**	**24.9**	**(8.7)**	**334.2**
Depreciation & Amortization	(0.6)	(0.0)	(1.4)	(19.0)	(3.5)	(128.6)	(9.8)	(29.2)	(12.7)	0.0	(2.0)	(20.0)	(16.2)	(243.1)
EBIT	**(28.5)**	**(8.6)**	**(16.0)**	**66.9**	**50.0**	**114.4**	**(28.0)**	**(26.4)**	**(0.8)**	**(3.4)**	**(8.4)**	**4.9**	**(24.9)**	**91.2**
Bank Interest Expense	(110.8)	(78.1)	-	(21.9)	(1.5)	(59.4)	(53.3)	(22.3)	(9.1)	-	(1.4)	(47.0)	-	(404.9)
Bank PIK - Bank Fees (ERC-PIK)	-	(33.3)	34.3	-	-	-	-	-	-	-	-		-	1.0
3rd Party Shareholder	-	(67.0)	-	-	-	(115.7)	(19.0)	(2.4)	-	-	(6.8)	-	155.0	(55.7)
Interest Income	67.2	73.4	(28.4)	74.2	-	1.9	0.0	-	0.2	-	0.3	(3.4)	(132.2)	53.2
Lease Payments	-	-	-	-	-	-	(1.1)	-	-	-	-	(3.7)	-	(4.8)
EBT (before one-offs)	**(72.0)**	**(113.6)**	**(10.1)**	**119.2**	**48.4**	**(58.8)**	**(101.3)**	**(51.0)**	**(9.7)**	**(3.4)**	**(16.2)**	**(49.2)**	**(2.1)**	**(320.0)**
Gain (Loss) on Sale of Investments	0.4	(144.7)	-	-	-	246.8	-	-	-	-	-	-	2,452.2	2,554.7
Impairments/Write-downs	(48.3)	(2,073.3)	-	-	0.0	(149.0)	(3.2)	(18.8)	(2.1)	-	(1.0)	(63.8)	1,857.4	(502.1)
Restructuring consulting fees	(11.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	(238.4)	(249.5)
Layoffs/Severances	(1.5)	-	-	(5.2)	-	(2.3)	-	-	-	-	-	-	-	(8.9)
CSR	-	-	(69.9)	-	-	-	-	-	-	-	-	-	43.3	(26.6)
Provisions	(20.0)	(653.8)	-	9.6	(8.2)	(72.7)	(6.9)	(2.7)	(2.8)	-	(0.3)	51.3	-	(706.5)
Discontinued Operations *	-	-	-	-	-	(57.0)	-	-	(0.7)	-	(6.9)	-	(1.2)	(65.8)
FOREX	10.8	(17.0)	0.2	0.6	(0.3)	(71.9)	0.1	1.0	(1.2)	(4.2)	(0.1)	(0.6)	-	(82.7)
EBT	**(141.6)**	**(3,002.5)**	**(79.8)**	**124.2**	**39.9**	**(164.9)**	**(111.3)**	**(71.5)**	**(16.5)**	**(7.6)**	**(24.4)**	**(62.4)**	**4,111.1**	**592.6**
Taxes	(0.1)	-	-	(35.6)	(4.6)	0.9	-	(0.1)	2.1	-	(0.2)	27.7	47.9	38.0
Net P/L Before Minority Share	**(141.6)**	**(3,002.5)**	**(79.8)**	**88.6**	**35.3**	**(164.1)**	**(111.3)**	**(71.6)**	**(14.4)**	**(7.6)**	**(24.6)**	**(34.6)**	**4,159.0**	**630.6**
Minority Interest	-	-	(64.9)	22.8	18.3	(61.2)	(26.0)	(3.2)	(0.0)	(0.0)	-	(20.5)	(158.9)	(293.6)
Net Profit (Loss)	**(141.6)**	**(3,002.5)**	**(14.9)**	**65.8**	**17.0**	**(102.9)**	**(85.3)**	**(68.4)**	**(14.4)**	**(7.6)**	**(24.6)**	**(14.2)**	**4,317.9**	**924.2**

* Discontinued operations include:
(1) Assets included 2018: Africa Railways
(2) Assets with zero results in 2018: Enjoy and Mom's Food (Gozour)
(3) Assets reclassfied in 2018: ESACO, Zahana, and ARESCO

^ T&L represents Transportation & Logistics

^^ Miscellaneous includes United Foundries, Sphinx Egypt, Africa Railways

Qalaa Holdings Consolidated Income Statement by Sector for the full-year ended 31 December 2018 (in EGP mn)

			Energy			Cement	T&L^	Mining	Agrifoods		Others			
	QH	SPVs	ERC	TAQA	Tawazon	ASEC Holding	Nile Logistics	ASCOM	Gozour	Wafra	Misc.^^	Grandview	Elimination	FY 2018
Revenue	-	-	-	5,904.8	446.2	2,712.1	131.8	911.9	815.5	1.2	286.9	1,959.6	-	13,170.0
Cost of Sales	-	-	-	(5,349.8)	(333.1)	(1,877.2)	(115.2)	(633.4)	(594.9)	(0.8)	(233.5)	(1,548.8)	-	(10,686.8)
Gross Profit	**-**	**-**	**-**	**555.0**	**113.1**	**834.9**	**16.7**	**278.5**	**220.6**	**0.3**	**53.3**	**410.8**	**-**	**2,483.2**
Advisory fee	106.0	-	-	-	-	-	-	-	-	-	-	-	(106.0)	-
Share in Associates' Results	-	-	-	(9.6)	-	-	-	(29.0)	-	-	-	(0.5)	(4.0)	(43.1)
Total Operating Profit	**106.0**	**-**	**-**	**545.4**	**113.1**	**834.9**	**16.7**	**249.5**	**220.6**	**0.3**	**53.3**	**410.3**	**(110.0)**	**2,440.0**
SG&A	(193.2)	(14.2)	(52.9)	(172.8)	(34.2)	(251.8)	(48.0)	(214.7)	(157.2)	(4.2)	(34.7)	(183.9)	99.6	(1,262.0)
Other Income/Expenses (Net)	-	(0.1)	0.1	1.9	(1.9)	15.7	1.3	44.2	(0.1)	(2.1)	(0.3)	(6.0)	(4.0)	48.7
EBITDA (before one-offs)	**(87.2)**	**(14.3)**	**(52.8)**	**374.4**	**77.0**	**598.8**	**(30.0)**	**79.0**	**63.3**	**(6.0)**	**18.4**	**220.4**	**(14.4)**	**1,226.7**
Dividend Income	-	137.0	-	-	-	-	-	-	-	-	-	-	(137.0)	-
SG&A (Non recurring)	(6.0)	(26.1)	-	-	25.8	20.7	-	-	31.7	-	-	4.4	-	50.5
EBITDA	**(93.2)**	**96.7**	**(52.8)**	**374.4**	**102.8**	**619.5**	**(30.0)**	**79.0**	**95.1**	**(6.0)**	**18.4**	**224.9**	**(151.5)**	**1,277.3**
Depreciation & Amortization	(2.3)	(0.1)	(7.7)	(64.2)	(13.6)	(157.7)	(38.8)	(114.9)	(47.5)	(0.0)	(8.3)	(52.4)	(64.9)	(572.5)
EBIT	**(95.5)**	**96.6**	**(60.5)**	**310.2**	**89.2**	**461.8**	**(68.8)**	**(35.9)**	**47.6**	**(6.0)**	**10.1**	**172.5**	**(216.3)**	**704.8**
Bank Interest Expense	(425.7)	(206.7)	-	(91.1)	(6.3)	(202.5)	(132.5)	(69.2)	(28.2)	-	(7.4)	(173.0)	-	(1,342.7)
Bank PIK - Bank Fees (ERC-PIK)	-	(111.2)	(50.9)	-	-	-	-	-	-	-	-	-	-	(162.1)
3rd Party Shareholder	-	(252.7)	-	-	-	(455.2)	(61.3)	(9.3)	-	-	(40.5)	-	591.3	(227.6)
Interest Income	273.6	269.4	-	259.2	-	11.7	0.2	-	1.2	-	1.4	-	(576.0)	240.7
Lease Payments	-	-	-	-	-	-	(4.4)	-	-	-	-	(11.2)	-	(15.6)
EBT (before one-offs)	**(247.6)**	**(204.6)**	**(111.4)**	**478.3**	**82.9**	**(184.2)**	**(266.8)**	**(114.4)**	**20.5**	**(6.0)**	**(36.4)**	**(11.7)**	**(201.1)**	**(802.6)**
Gain (Loss) on Sale of Investments	0.4	(168.3)	-	-	-	246.8	-	-	-	-	(381.5)		4,029.4	3,726.8
Impairments/Write-downs	(51.3)	(1,840.9)	-	-	(4.7)	(155.9)	(3.2)	(13.8)	(7.8)	-	(1.6)	(133.4)	1,726.8	(485.9)
Acquisitions, Legal and Restructuring	89.6	(19.4)	-	-	-	-	-	-	-	-	-	-	-	70.3
Layoffs/Severances	(11.9)	-	-	(5.2)	-	(21.5)	-	-	-	-	-	-	-	(38.6)
CSR	(0.8)	-	(69.9)	(2.8)	-	-	-	-	-	-	-	-	43.3	(30.2)
Provisions	(20.0)	(883.5)	-	(77.3)	(15.3)	(97.5)	(6.9)	(14.4)	(2.9)	-	(2.4)	50.0	-	(1,070.1)
Discontinued Operations *	-		-	-	-	(102.5)	-	-	(0.7)	-	(44.6)	-	10.2	(137.6)
FOREX	22.3	(18.8)	(2.0)	(0.5)	(1.5)	(191.2)	0.1	39.7	1.4	(7.0)	(9.8)	-	-	(167.3)
EBT	**(219.2)**	**(3,135.5)**	**(183.3)**	**392.5**	**61.3**	**(506.1)**	**(276.8)**	**(103.0)**	**10.6**	**(13.0)**	**(476.3)**	**(95.1)**	**5,608.7**	**1,064.9**
Taxes	(0.1)	-		(143.2)	(13.6)	(25.4)	-	0.2	(6.1)	-	1.0	(7.5)	58.8	(135.8)
Net P/L Before Minority Share	**(219.3)**	**(3,135.5)**	**(183.3)**	**249.3**	**47.7**	**(531.5)**	**(276.8)**	**(102.8)**	**4.5**	**(13.0)**	**(475.3)**	**(102.6)**	**5,667.6**	**929.1**
Minority Interest	-	-	(73.8)	67.9	26.0	91.7	(84.0)	(10.4)	-	(0.4)	-	(14.6)	(424.2)	(421.8)
Net Profit (Loss)	**(219.3)**	**(3,135.5)**	**(109.5)**	**181.4**	**21.7**	**(623.2)**	**(192.8)**	**(92.4)**	**4.5**	**(12.6)**	**(475.3)**	**(87.9)**	**6,091.8**	**1,350.8**

* Discontinued operations include:
(1) Assets included in 2018: Africa Railways and Designopolis (Mena Home, sold in 2Q18)
(2) Assets with zero results in 2018: Enjoy and Mom's Food (Gozour)
(3) Assets reclassfied in 2018: ESACO, Zahana, and ARESCO

^ T&L represents Transportation & Logistics
^^ Miscellaneous includes United Foundries, Sphinx Egypt, Africa Railways

Qalaa Holdings Consolidated Balance Sheet as at 31 December 2018 (in EGP mn)

		Energy			Cement	T&L^	Mining	Agrifoods		Others					
	QH	ERC	TAQA Arabia	Tawazon	ASEC Holding	Nile Logisics	ASCOM	Gozour	Wafra	Misc.^^	Grandview	FY 2018 Aggregation	Eliminations/ SPVs	FY 2018	FY 2017
Current Assets															
Trade and Other Receivables	2,359.8	253.4	2,014.4	230.3	1,654.7	68.3	388.8	78.4	-	431.8	417.9	7,897.9	(3,358.3)	4,539.6	3,909.9
Inventory	-	-	285.2	72.0	477.9	13.9	100.7	115.8	-	45.9	327.4	1,438.8	-	1,438.8	1,218.2
Assets Held For Sale	-	-	-	-	859.6	-	-	84.2	-	128.5	219.5	1,291.8	(116.3)	1,175.5	617.2
Cash and Cash Equivalents	7.0	4,182.5	1,891.2	13.1	77.0	7.1	13.5	5.5	-	11.5	98.5	6,306.9	42.9	6,349.8	2,353.5
Others	-	-	-	-	0.0	-	-	27.3	-	-	-	27.3	4.3	31.6	92.6
Total Current Assets	**2,366.8**	**4,436.0**	**4,190.8**	**315.4**	**3,069.2**	**89.2**	**503.0**	**311.2**	**-**	**617.7**	**1,063.3**	**16,962.7**	**(3,427.3)**	**13,535.3**	**8,191.4**
Non-Current Assets															
PP&E	36.2	64,749.7	1,702.8	113.9	1,300.3	674.6	937.1	701.8	-	33.3	784.4	71,034.2	638.3	71,672.5	60,345.2
Investments	8,123.2	-	10.6	-	7.8	-	123.5	-	-	-	-	8,265.2	(8,071.8)	193.4	1,210.4
Goodwill / Intangible assets	-	-	408.8	32.6	-	-	-	-	-	-	-	441.4	139.0	580.3	1,028.8
Others	1,864.4	1,989.0	78.2	-	352.3	-	-	302.3	-	-	97.7	4,683.8	(1,864.4)	2,819.5	2,316.4
Total Non-Current Assets	**10,023.8**	**66,738.7**	**2,200.4**	**146.5**	**1,660.3**	**674.6**	**1,060.6**	**1,004.1**	**-**	**33.3**	**882.2**	**84,424.6**	**(9,158.9)**	**75,265.7**	**64,900.8**
Total Assets	**12,390.6**	**71,174.6**	**6,391.3**	**461.9**	**4,729.6**	**763.8**	**1,563.6**	**1,315.3**	**0.0**	**651.0**	**1,945.5**	**101,387.2**	**(12,586.2)**	**88,801.0**	**73,092.2**
Shareholders' Equity															
Total Equity Holders of the Company	**5,523.1**	**15,122.9**	**1,155.7**	**117.3**	**(3,767.7)**	**(667.5)**	**36.5**	**24.9**	**(1,252.3)**	**(6,415.3)**	**180.7**	**10,058.5**	**(14,385.3)**	**(4,326.7)**	**(6,451.7)**
Minority Interest	-	9,339.6	514.3	87.9	1,385.0	(280.5)	(79.2)	-	(12.9)	11.5	213.8	11,179.4	9,233.9	20,413.3	16,709.4
Total Equity	**5,523.1**	**24,462.6**	**1,670.0**	**205.2**	**(2,382.6)**	**(948.0)**	**(42.6)**	**24.9**	**(1,265.2)**	**(6,403.8)**	**394.5**	**21,238.0**	**(5,151.4)**	**16,086.6**	**10,257.7**
Current Liabilities													-		
Borrowings	4,308.0	3,156.7	518.7	63.0	960.5	593.2	858.2	63.9	-	42.1	583.8	11,148.0	2,427.0	13,574.9	12,567.6
Trade and Other Payables	2,486.0	1,299.2	2,346.9	136.9	3,061.8	1,025.6	523.8	879.6	1,263.8	2,127.7	438.3	15,589.5	(3,057.0)	12,532.5	12,117.0
Provisions	73.1	-	315.8	47.7	313.2	23.0	31.0	22.1	1.5	15.5	54.9	897.8	423.5	1,321.3	883.0
Liabilities Held For Sale	-	-	-	-	411.6	-	-	130.9	-	4,597.9	-	5,140.3	(4,596.6)	543.8	942.8
Total Current Liabilities	**6,867.1**	**4,455.9**	**3,181.4**	**247.6**	**4,747.0**	**1,641.8**	**1,413.0**	**1,096.5**	**1,265.2**	**6,783.2**	**1,077.0**	**32,775.7**	**(4,803.1)**	**27,972.6**	**26,510.4**
Non-Current Liabilities															
Borrowings	-	42,207.9	1,333.7	-	6.0	-	32.4	157.5	-	-	310.0	44,047.5	133.5	44,181.0	35,603.5
Shareholder Loan	-	-	-	-	2,350.9	70.0	155.5	-	-	270.5	101.1	2,948.0	(2,818.9)	129.1	36.9
Long-Term Liabilities	0.4	48.3	206.2	9.1	8.2	-	5.4	36.4	-	1.1	62.8	378.1	53.7	431.7	683.6
Total Non-Current Liabilities	**0.4**	**42,256.2**	**1,539.9**	**9.1**	**2,365.2**	**70.0**	**193.3**	**193.9**	**-**	**271.6**	**473.9**	**47,373.6**	**(2,631.7)**	**44,741.9**	**36,324.1**
Total Liabilities	**6,867.5**	**46,712.0**	**4,721.3**	**256.7**	**7,112.2**	**1,711.8**	**1,606.3**	**1,290.4**	**1,265.2**	**7,054.8**	**1,551.0**	**80,149.3**	**(7,434.8)**	**72,714.4**	**62,834.5**
Total Equity and Liabilities	**12,390.6**	**71,174.6**	**6,391.3**	**461.9**	**4,729.6**	**763.8**	**1,563.6**	**1,315.3**	**-**	**651.0**	**1,945.5**	**101,387.2**	**(12,586.2)**	**88,801.0**	**73,092.2**

^ T&L represents Transportation & Logistics

^^ Miscellaneous includes Africa Railways, United Foundries & 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

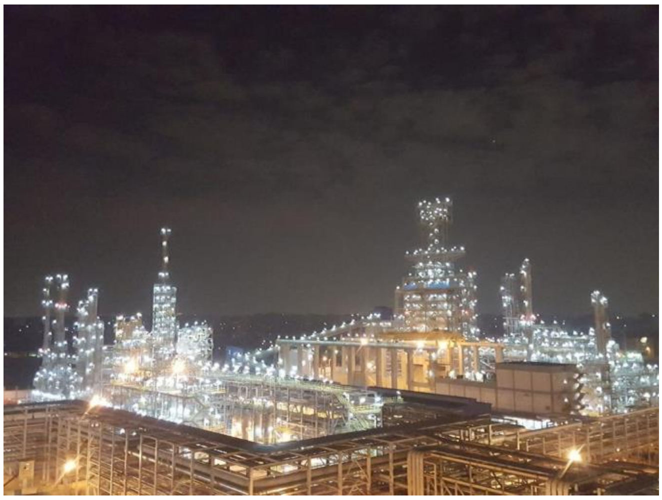
QH OWNERSHIP — c.15%

Gearing Up for Commercial Production

Egyptian Refining Company (ERC) is building a USD 4.3 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.99.5% as of May 2019.

As of 31 December 2018, 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.

Many areas on site have been commissioned during the past period. Below is a list of the areas/units which were successfully launched: The Plant Air System, the Instrument Air System, the Demineralized Water System, the Cooling Water System, and the Fire Fighting System – these essentially make up all the required utilities at the plant. Recently, the Diesel, Naphtha Hydro-treaters and the Reformer were tested and successfully commissioned, while the plant's Continuous Catalyst Regeneration (CCR) and Vacuum Distillation Unit (VDU) became operational in early April 2019. Since trial operations began in early 2019, ERC has supplied as of May c. 160,000 tons of low sulfur European specs diesel, naphtha, and high-octane gasoline to the Egyptian General Petroleum Corporation (EGPC). The company expects all trial operations for all project units to be completed during the third quarter of 2019.



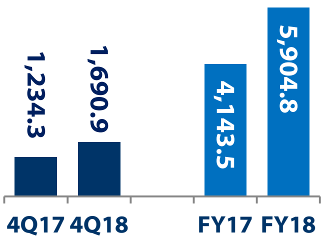
TAQA

QALAA HOLDINGS OWNERSHIP — 60.9%

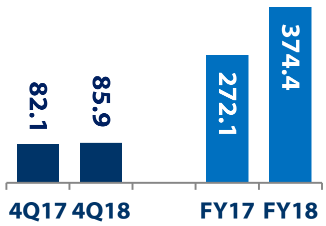
Venturing into Solar Energy

TAQA Arabia, Egypt's leading independent energy company, recorded revenues of EGP 5,904.8 million in FY18 compared to the EGP 4,143.5 million reported in FY17, representing a 43% expansion. The company's revenue growth for the year was driven by strong performances across all three of TAQA Arabia's subsidiaries. Strong revenue growth for the year helped drive the company's EBITDA growth which increased 38% y-o-y to EGP 374.4 million in FY18. On a quarterly basis, revenues grew 37% y-o-y to EGP 1,690.9 million in 4Q18 as all three of TAQA Arabia's subsidiaries posted double-digit year-on-year growth for the quarter, while the company's EBITDA grew 5% y-o-y to EGP 85.9 million. TAQA's management expects consolidated results in 2019 to witness healthy growth on the back of the company's 50MW Benban solar project which commenced operations in February 2019.

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



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



TAQA Arabia's marketing division contributed 66% of the company's top line growth for FY18, as it reported a 44% y-o-y expansion in revenues to EGP 3,782.6 million. The division's revenue growth during the year was driven by increased petroleum product prices, which more than offset a 5% decrease in fuel sales to 751 million liters and a 28% fall in lube sales to 3,185 tons in FY18. Strong revenue growth combined with the increase in the company's margin fee from product sales (which grew at an average of 30% y-o-y across all products following the July 2018 fuel price hike*) helped drive TAQA Arabia's marketing EBITDA to EGP 131.8 million in FY18, up 23% y-o-y. On a quarterly basis, the division's revenue increased 42% y-o-y to EGP 1,078.5 million driven by increasing prices for petroleum products. Growing revenues drove a 29% y-o-y rise in the division's EBITDA which came in at EGP 34.2 million in 4Q18. TAQA's marketing division brought five new filling stations online during the course of 2018, bringing the total to 47 locations which, combined with the seven compressed natural gas (CNG) stations, bring the total number of stations to 54 as of year-end 2018 compared to the 49 operational stations at the end of 2017. The growth in number of filling stations comes despite permit delays during the year. Management is confident that in 2019 permit issues will be resolved and the company is planning to open seven to ten new stations during the course of the year, which will in turn drive volumes upwards.

TAQA Arabia's power division reported revenues of EGP 1,124.0 million in FY18, increasing 51% y-o-y and contributing c.22% to TAQA Arabia's top line growth for the year. The division's top line growth came despite a 45% y-o-y fall in total electricity generated for the year. The decrease was largely driven by the conclusion of a cement plant contract in February 2018 that was not renewed as the plant has been connected to the national electricity grid. The associated

* Margin growth is calculated on the absolute piasters per liter values, e.g.: TAQA's fee on diesel sales jumped from 13pt/L in 2017 to 18pt/L in 2018.

generators have been decommissioned and management is in the process of identifying their next project site. Revenue growth for the year helped drive the 9% increase in the division's EBITDA which increased to EGP 89.7 million in FY18 from EGP 82.3 million recorded in FY17. On a quarterly basis, TAQA Arabia's power division recorded revenues of EGP 315.0 million in 4Q18, up 40% y-o-y on the back of higher electricity prices combined with new projects on the trading and distribution front. During 4Q18, the division posted a 37% y-o-y increase in EBITDA to EGP 25.7 million, despite a 60% y-o-y fall in the total power generated. It is worth noting that despite the expiration of one of the company's cement contracts, the power sector boasts significant size and growth potential, and management expects new exciting ventures and opportunities in the coming period.

TAQA Gas recorded a solid 29% rise in revenues during FY18 to EGP 998.2 million. The division's EBITDA expanded 89% y-o-y to EGP 229.3 million for FY18 driven by a higher number of infill clients during the year along with improved operational efficiencies. During 2018, the division converted an additional c.113 thousand households bringing the cumulative of conversions as of year-end 2018 to 1,010,900, up 13% y-o-y and surpassing the one-million mark. Total gas distributed for the year was up 6% y-o-y to 4.6 BCM compared to the 4.3 BCM reported in FY17. On a quarterly basis, the division reported an 18% y-o-y rise in revenues to EGP 297.5 million in 4Q18. TAQA Gas connected over 35 thousand households and distributed 1.1 BCM of gas in 4Q18, in line with distribution volumes recorded during 4Q17. EBITDA inched up 6% y-o-y in 4Q18 to EGP 62.5 million, with c.86% of the 35 thousand households converted during the quarter falling under the government-subsidized category, and thus weighing down on profitability. TAQA Arabia's gas division is expecting to convert some 150 thousand additional households during 2019 - of which 50 thousand as infills (connected at a free rate) which carries higher profitability compared to the subsidized government rate connections. On the distribution front, the company expects to distribute some 5.7 BCM of natural gas in 2019 and around 7.0 BCM in 2020, driven by new natural gas findings in Egypt and the new natural gas power plants located within TAQA Arabia's concession areas. It is worth noting that 2018 witnessed the renewal of TAQA's concession rights for another 15 years, marking a milestone event that will pave the road for significant long-term growth at TAQA's gas arm. The renewal will also entail that EGAS transfer back several client accounts to TAQA Arabia that were inadvertently and erroneously acquired by EGAS.

Heading into 2019, TAQA Arabia's management remains committed to exploring new opportunities to further diversify the division's operations and enter new lines of business. Opportunities being assessed include possible projects in the energy efficiency sector. These would involve the design and implementation of energy saving solutions, and "waste-to-energy" services such as power generation using agricultural and municipal waste. In 2018, TAQA commenced operations at its 50MW solar power project at the Benban Solar Park in Aswan, which, as of February 2019, is fully operational. The project's total cost is of c. EGP 1.35 billion and has been financed through a package led by the International Finance Corporation (IFC).

(EGP mn unless otherwise stated)	4Q17	4Q18	% chg	FY17	FY18	% chg
TAQA Arabia Power Revenues	224.4	315.0	40%	745.0	1,124.0	51%
TAQA Arabia Power EBITDA	18.8	25.7	37%	82.3	89.7	9%
TAQA Arabia Gas Revenues	252.9	297.5	18%	775.9	998.2	29%
TAQA Arabia Gas EBITDA	58.9	62.5	6%	121.1	229.3	89%
TAQA Marketing Revenues	757.0	1,078.5	42%	2,622.6	3,782.6	44%
TAQA Marketing EBITDA	26.6	34.2	29%	107.3	131.8	23%

Total Power Generated (FY18)

150.6
M kW/hr
▼45% y-o-y

Total Power Distributed (FY18)

457.7
M kW/hr
▲18% y-o-y

Total Gas Distributed (FY18)

4.6
BCM
▲6% y-o-y

Total Liquid Fuels Distributed (FY18)

751.0
M Liters
▼5% y-o-y

Filling Stations (FY18)

54*
Stations
vs. 49 as at FY17

* Of which seven are CNG stations.

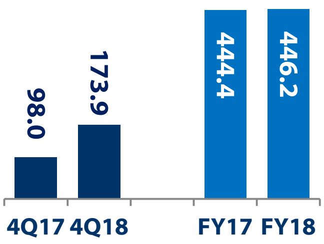
tawazon

QALAA HOLDINGS OWNERSHIP — 68.1%

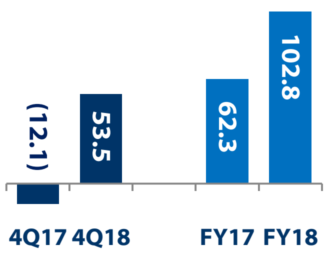
Growing the potential of alternative fuels

Tawazon, Qalaa Holdings' solid waste management subsidiary, reported revenues of EGP 446.2 million in FY18, in line with last year's EGP 444.4 million as top line growth reported by ECARU and ENTAG's operations in Oman was offset by a top line contraction reported by ENTAG's Egyptian business. Despite the only marginal revenue growth for the year, Tawazon reported a solid 65% increase in EBITDA to EGP 102.8 million in FY18 from EGP 62.3 million in FY17 on the growing EBITDA at ENTAG's Oman and Egyptian operations. On a quarterly basis, Tawazon reported a 78% y-o-y increase in revenues to EGP 173.9 million in 4Q18 with EBITDA reporting an EGP 53.5 million profit compared to the EGP 12.1 million loss reported during the last quarter of 2017. Top line growth for the quarter was primarily driven by an impressive year-on-year increase in revenue by ENTAG's Omani divisions, up more than fourfold during the quarter.

Consolidated Tawazon Revenues
(EGP mn)



Consolidated Tawazon EBITDA
(EGP mn)



ECARU reported revenues of EGP 292.9 million in FY18 up from EGP 288.4 million reported in FY17, a 2% y-o-y growth as an 18% y-o-y rise in RDF supplied to c. 77 thousand tons more than offset a 20% y-o-y fall in biomass supplied which decreased to c. 193 thousand tons for the year. EBITDA for the year was up 3% y-o-y to EGP 44.6 million from EGP 43.3 million recorded in FY17. On a quarterly basis, ECARU saw a 6% y-o-y top line expansion in the fourth quarter of 2018 to EGP 82.1 million on the back of a 13% y-o-y increase in biomass supplied to c. 52 thousand tons and despite a 31% y-o-y fall in RDF supplied to c. 17 thousand tons. EBITDA for the quarter was up 61% y-o-y to EGP 17.0 million from EGP 10.5 million in 4Q17. Starting November 2018, the company witnessed a rebound in the local cement market, which saw a boost in RDF and biomass supply during the first quarter of 2019, with the strong momentum expected to continue throughout the year. The recovery comes on the back of more stability in the cement sector as a whole combined with higher market demand generated from new mega projects such as the New Capital.

ENTAG's consolidated revenues witnessed a 2% contraction to EGP 160.5 million in FY18 from EGP 163.7 million in FY17 as a decrease in the company's Egyptian operations top line, down 35% in FY18, was only partially offset by revenue growth reported by the company's Omani division, up 5% y-o-y. Consolidated EBITDA was up 330% to EGP 49.5 million in FY18 compared to the EGP 11.5 million reported in FY17. On a quarterly basis, ENTAG reported consolidated revenue growth of 306% to EGP 95.9 million in 4Q18 compared to EGP 23.6 million recorded in 4Q17. The surge in ENTAG's fourth quarter revenues was driven by ENTAG Oman recognizing revenues from most of its Oman and UAE projects (ENTAG Oman finalized its two projects in Oman and one of its UAE projects) which saw the company more than quadruple its top line in 4Q18 to EGP 82.4 million. These high profit projects saw ENTAG Oman's EBITDA increase to EGP 18.0 million in 4Q18 compared to the EGP 27.0 million loss reported in 4Q17 and driving a rise in consolidated EBITDA for the quarter to EGP 41.3 million compared to the EGP 29.8 million loss recorded in 4Q17. ENTAG Oman expects to continue recognizing revenues from its remaining project in the UAE during the first quarter of 2019.

Total Biomass Supplied (FY18)

193,143
Tons
▼20% y-o-y

Total RDF Supplied (FY18)

76,737
Tons
▲18% y-o-y

Operational and Financial Performance

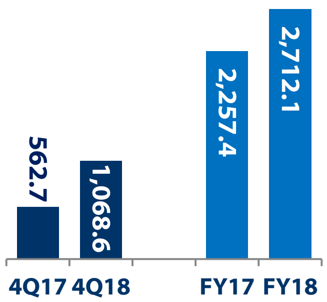
Sector Review: Cement

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).

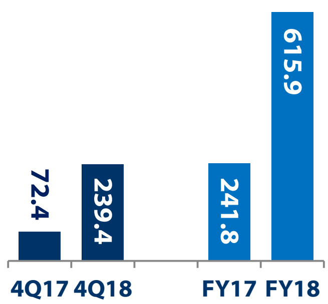
ASEC Holdings' consolidated revenues increased to EGP 2,712.1 million in FY18 up by 20% from EGP 2,257.4 million recorded in FY17 on the back of solid year-on-year revenue growth at Al-Takamol Cement's operations in Sudan. Consolidated EBITDA posted an impressive 155% increase to EGP 615.9 million in FY18, supported by a 211% y-o-y surge in Al-Takamol Cement's EBITDA for the year. On a quarterly basis, consolidated revenues grew 90% y-o-y to EGP 1,068.6 million, while consolidated EBITDA grew by 231% y-o-y to EGP 261.4 million in 4Q18, also driven by triple-digit growth in Al-Takamol's top line and operating profit. It is important to note that as of 3Q18, results of ASEC Holdings subsidiaries that are currently under sale, including Zahana Cement in Algeria, ARESCO and ASEC Automation, were re-classified to Discontinued Operations on the income statement and booked below the EBITDA line at the consolidated level. In addition, the sale of ESACO was concluded during 1Q19 as part of the cement sector disposal plan.

QALAA HOLDINGS OWNERSHIP — 69.2%

ASEC Holding Consolidated Revenues
(EGP mn)

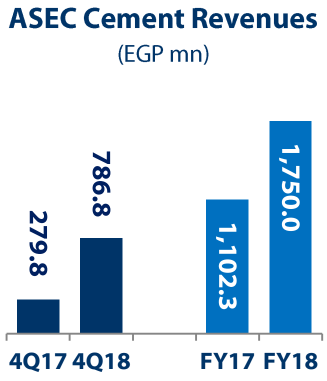


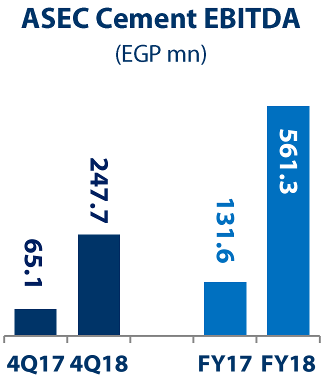
ASEC Holding Consolidated EBITDA
(EGP mn)



ASEC HOLDING OWNERSHIP — 59.9%

ASEC Cement EBITDA reported an impressive 327% increase in FY18





ASEC Cement's revenues grew by 59% y-o-y to EGP 1,750.0 million, driven solely by top-line growth at Al-Takamol. Meanwhile, EBITDA surged in FY18 by 327% to EGP 561.3 million from EGP 131.6 million recorded in FY17, leading to a 20 percentage-point increase in its EBITDA margin to 32%. On a quarterly basis, EBITDA witnessed a 281% y-o-y increase to EGP 247.7 million with an 8 percentage-point EBITDA margin expansion during the period driven by triple-digit growth in revenues of 181% y-o-y to EGP 786.8 million in 4Q18. Both on a quarterly and yearly basis, the impressive year-on-year EBITDA and revenue growth came primarily on the back of solid results from Al-Takamol Cement's operations in Sudan driven by a combination of strong volumes and sale price increases and a hyperinflationary adjustment which was reflected at the consolidated level due to the devaluation of the Sudanese Pound.

Sudan's **Al-Takamol Cement's** revenue for the year expanded by 60% to EGP 1,743.4 million in FY18 from EGP 1,089.8 million in FY17. The company recorded a 211% increase in EBITDA to EGP 603.3 million in FY18 from the EGP 194.0 million recorded in FY17. The strong growth in revenues was underlined by a resilient cement market in Sudan were continued demand helped drive Al-Takamol's volumes up 16% y-o-y to c.980 thousand tons in FY18, while selling prices increased 138% in line with the hyper inflated currency. In Sudanese pounds, the company recorded revenue of SDG 2,906.3 million, up 176% y-o-y, while EBITDA recorded over a fivefold increase from SDG 186.7 million to SDG 992.9 million in FY18. Al-Takamol's net income was up 793% from SDG 82.8 million to SDG 739.2 million. These figures were restated using an index to account for the hyperinflationary effects before translating in EGP on Qalaa's financials. The restatement index increased revenues and EBITDA by a further 23% to SDG 3,563.6 million and SDG 1,217.5 million, respectively, while net income declined 4% to SDG 706.7 million on account of an adjustment to depreciation expense.

On a quarterly basis, Al-Takamol's revenues were up 184% to EGP 780.1 million compared to the EGP 275.1 million recorded in the last quarter of 2017. Volume sold for the quarter grew to c.280 thousand tons in 4Q18 compared to the c.220 thousand tons sold in 4Q17, representing a 30% increase. 4Q18 EBITDA increased by 197% to EGP 255.4 million from EGP 86.1 million recorded in 4Q17.

It is worth highlighting that Al Takamol continues its stellar growth in volumes sold over the past couple of years – from total cement volumes of c.810 thousand tons sold in 2016, to c.840 thousand tons sold in 2017, to c.980 thousand tons sold in 2018 – with management expecting to break the 1 million tons mark in 2019.

Algeria's **Zahana Cement** reported revenues of EGP 645.3 million in FY18 down from EGP 737.2 million in FY17, a 12% decrease on the back of an 11% fall in volumes sold for the year. The company's top-line contraction weighed down on EBITDA, which fell 14% to EGP 152.8 million in FY18 from EGP 178.4 million recorded in FY17. On a quarterly basis, the company's topline fell 10% y-o-y to EGP 189.0 million from EGP 210.1 million on the back of a 15% y-o-y fall in volumes sold. EBITDA for the quarter was down 36% to EGP 33.7 million in 4Q18 from EGP 52.7 million recorded in 4Q17. <u>With Zahana Cement currently held for sale, its results have been re-classified under Discontinued Operations starting from 3Q18, with its year-to-date results also restated to reflect the company's results under Discontinued Operations.</u> Negotiations are well underway following Qalaa's announcement, in November 2018, regarding the signing of the Memorandum of Understanding (MoU) between Groupe Industriel des Ciments (GICA) and ASEC Cement, which should see GICA purchase ASEC's shares in Zahana. The company has also made significant progress in the construction of its new production line, which is expected to inject an additional 1.6 million TPA of capacity once completed in early 2020.

ASEC Cement Subsidiaries (EGP mn)	4Q17	4Q18	*% chg*	FY17	FY18	*% chg*
Al-Takamol Cement Revenues	275.1	780.1	*184%*	1,089.8	1,743.4	*60%*
Al-Takamol Cement EBITDA	86.1	255.4	*197%*	194.0	603.3	*211%*
Zahana (Algeria) Revenues*	210.1	189.0	*-10%*	737.2	645.3	*-12%*
Zahana (Algeria) EBITDA*	52.7	33.7	*-36%*	178.4	152.8	*-14%*

** Zahana is consolidated using the equity method (share of associates)*

Al-Takamol Total Sales Volume (FY18)

980
K Tons
▲16% y-o-y

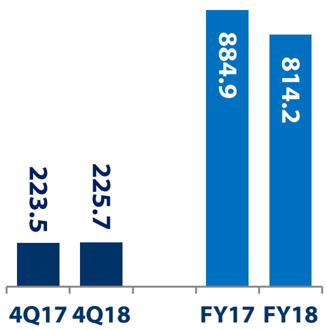
Zahana Total Sales Volume (FY18)

710
K Tons
▼11% y-o-y

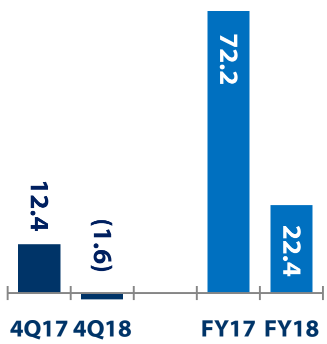
ASEC HOLDING OWNERSHIP — 99.9%

ASEC Engineering witnessed an 8% decline in revenues to EGP 814.2 million in FY18

ASEC Engineering Revenues
(EGP mn)

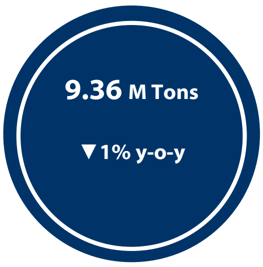


ASEC Engineering EBITDA
(EGP mn)



ASEC Engineering's topline contracted by 8% to EGP 814.2 million in FY18 from EGP 884.9 million reported in FY17, while the company saw its total managed capacity for the year decrease marginally to 9.36 million tons in FY18, down 1% y-o-y. The company reported a 69% fall in EBITDA to EGP 22.4 million in FY18 from EGP 72.2 million in FY17 due to falling revenues. On a quarterly basis, revenues recorded a slight increase of 1% to EGP 225.7 million in 4Q18 from EGP 223.5 million recorded in the same quarter of last year. In 4Q18, the company witnessed maintenance stoppages at several plants as part of a routine maintenance cycle, which in turn weighed down on the company's 4Q18 top line. Nonetheless, total managed capacity for the quarter increased 2% to 2.46 million tons in 4Q18 from 2.41 million tons recorded in the last quarter of 2017.

Managed Clinker Production
(FY18)



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

NATIONAL PRINTING | QALAA HOLDINGS OWNERSHIP – 26%

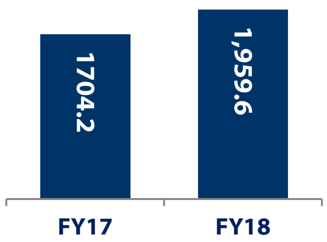
Building Capacity in Packaging and Printing

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 product range by introducing corrugated cartons and various types of boxes to its product range. The company's two subsidiaries, Shorouk and Baddar are owned 90% and 100%, respectively. National Printing also maintains an effective ownership of 46.4% in Uniboard, a 90% owned subsidiary of Shorouk which produces duplex boards using waste paper. Management expects an increase in revenues and EBITDA in 2019 as a result of improved operational efficiencies in Uniboard. 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.

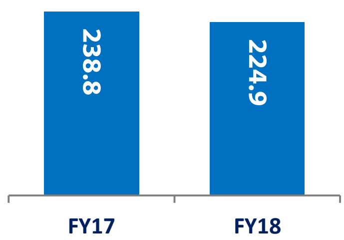
Financial and Operational Highlights

Qalaa Holdings' subsidiary, National Printing posted revenues of EGP 1,959.6 million in FY18, driven primarily by a 6% y-o-y rise in Shorouk's top-line for the year. The division's EBITDA came in at EGP 224.9 million in FY18.

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



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



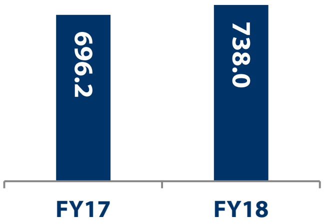
(EGP mn unless otherwise stated)	FY17	FY18	% chg
Modern Shorouk Printing & Packaging Revenues	696.2	738.0	*6%*
Modern Shorouk Printing & Packaging EBITDA	177.0	145.0	*-18%*
El Badar Revenues	461.4	420.5	*-9%*

[1]Printing revenues and EBITDA are aggregate figures representing consolidated revenues and EBITDA from all platforms within the printing division.

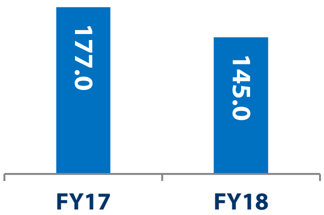
El Badar EBITDA	58.8	32.7	*-44%*

NATIONAL PRINTING OWNERSHIP — 90%

Shorouk Revenues
(EGP mn)



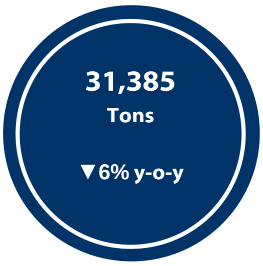
Shorouk EBITDA
(EGP mn)



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.

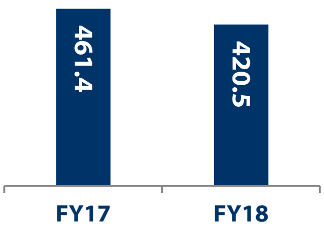
Shorouk's revenue in FY18 came in at EGP 738.0 million, representing a 6% increase from the EGP 696.2 million reported in FY17. This year's top-line expansion was driven by a 13% y-o-y rise in selling price per ton which more than offset a 6% y-o-y contraction in sale volumes which declined to 31,385 tons in FY18. Export sales were up for the year and contributed to 30% of total sales during 2018. The company's EBITDA came in at EGP 145.0 million for the year, representing a 7% contraction from the EGP 177.0 million recorded in FY17. The fall in the company's EBITDA for the year was driven by a 19% y-o-y rise in production costs per ton which more than offset the top-line expansion for the year.

Shorouk Total Volumes Sold (FY18)

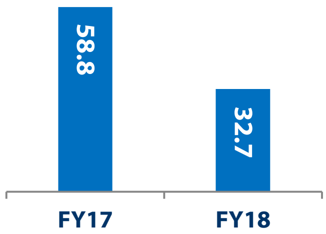


NATIONAL PRINTING OWNERSHIP — 100%

Baddar Revenues
(EGP mn)



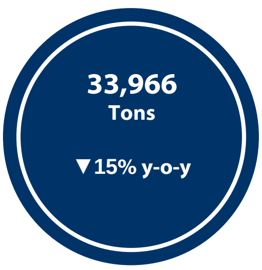
Baddar EBITDA
(EGP mn)



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 come mainly from food and beverage packaging companies, which represents almost 50% of its top line. With a current production capacity of 45 thousand TPA, the company holds nearly 10% of total market share.

Baddar's top-line declined by 9% in FY18 to EGP 420.5 million from the EGP 461.4 recorded in FY17. The contraction was primarily driven by a decline in sale volumes which fell 15% to 33,966 in FY18 from 39,745 in FY17. The fall in volumes sold was only partially offset by a 6% y-o-y increase in average selling price for the year. EBITDA declined by 44%, coming in at EGP 32.7 million in FY18 compared to EGP 58.8 million in FY17. The contraction was mainly driven by a combination of increased raw material prices and a rise in SG&A expenses for the year. The company is adjusting selling prices and improving operational efficiencies to overcome these cost increases.

**Corrugated Sheets/Boxes
Volumes Sold (FY18)**

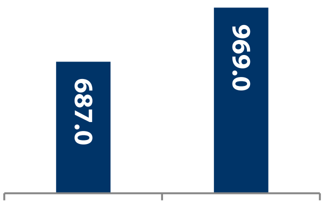


NATIONAL PRINTING EFFECTIVE OWNERSHIP — 46.4%

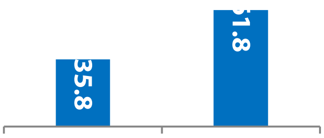
Uniboard is a Greenfield project that aims to capitalize on domestic waste paper as one of the main raw materials in the production of duplex boards. The company has a nominal manufacturing capacity of 135,000 tons per annum (TPA) and operates in a market with estimated annual demand of c.200,000 TPA. 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 FY2018, Uniboard recorded total revenues of EGP 969.0 million, up 41% y-o-y on the back of a 22% increase in volumes to 103 thousand tons. Average selling prices also increase from EGP 8,000 per ton in FY17 to EGP 9,372 in FY18, helping drive EBITDA up by a strong 72% y-o-y to EGP 61.8 million from EGP 35.8 million in FY17.

Duplex Board
Volumes Sold (FY18)

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).

Operational and Financial Performance

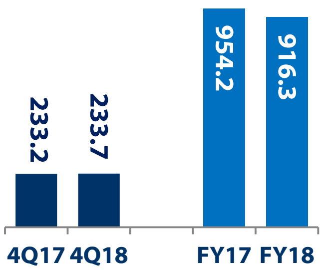
ASCOM's consolidated revenues recorded a 4% contraction in FY18 to EGP 916.3 million from the EGP 954.2 million recorded in FY17. The contraction at the consolidated level was driven by a 13% fall in quarrying revenues during FY18 which was only partially offset by a 21% and 35% top line expansion reported by ACCM and GlassRock respectively. ASCOM's BOD meeting dated 3 April 2019, approved a suggested capital increase through the issuance of 8 million shares at par value of EGP 10 per share. The company plans to use the proceeds as investments to grow its subsidiaries in the coming period, this could include partial injections at ACCM's new production line and at GlassRock.

ASCOM GEOLOGY & MINING

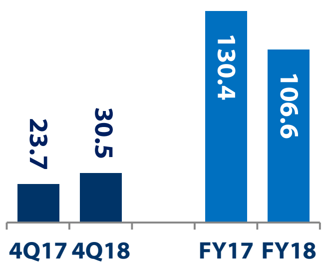
QALAA HOLDINGS OWNERSHIP — 54.7%

ASCOM reports a 29% y-o-y increase in 4Q18 EBITDA to EGP 30.5 million

ASCOM Consolidated Revenues
(EGP mn)



ASCOM Consolidated EBITDA
(EGP mn)



ASCOM Subsidiaries (EGP mn unless otherwise stated)	4Q17	4Q18	% chg	FY17	FY18	% chg
ACCM Revenues (in USD mn)	4.6	5.6	*22%*	17.5	21.2	*21%*
ACCM EBITDA (in USD mn)	1.2	1.0	*-10%*	5.1	5.1	*-0%*
GlassRock Revenues (in USD mn)	2.4	2.0	*-15%*	6.8	9.1	*35%*
GlassRock EBITDA (in USD mn)	0.0	0.4	*N/A*	(0.6)	0.7	*N/A*
Egypt Quarrying Revenues	99.1	93.9	*-5%*	418.5	363.8	*-13%*
Egypt Quarrying EBITDA	(2.7)	(2.9)	*-5%*	26.1	15.0	*-43%*

ACCM reported revenues of USD 21.2 million in FY18 from USD 17.5 million in FY17, representing a 21% expansion. The top line increase for the year was driven by a pick-up in both local and export demand which led to a 15% increase in volumes sold to c.303 thousand tons in FY18 from the c.264 thousand tons sold in FY17. EBITDA remained largely stable at USD 5.1 million as the company faced increased costs during 2018. On a quarterly basis, ACCM posted revenues of USD 5.6 million in 4Q18 up from USD 4.6 million in the same quarter of last year, a 22% increase. The expansion was demand-driven with the company's volumes sold for the quarter expanding 29% y-o-y to c.87 thousand tons. Increased costs continued to offset top line growth with ACCM's EBITDA contracting 10% in 4Q18 to USD 1.0 million from USD 1.2 million in 4Q17, despite the company attempting to pass on some of the increased costs to its clients. ACCM is well underway constructing its third line which should come online during the second half of 2019, adding c.100k tons of world-class ground technical calcium carbonate - to the c.280k tons already produced annually.

GlassRock posted a 35% top line expansion to USD 9.1 million in FY18 from USD 6.8 million in FY17, on the back of improved competitiveness across its export markets which helped drive a 10% y-o-y rise in total volumes sold for the year to c.9.6 thousand tons. The increase in production coupled with the company's cost-cutting strategy during the year, led to a strong improvement in the company's EBITDA for the year as it turned a USD 700 thousand profit in FY18 compared to the USD 600 thousand loss recorded in FY17. On a quarterly basis, GlassRock witnessed a 15% y-o-y revenue contraction to USD 2.0 million on the back of a 30% contraction in volumes sold to 2.2 thousand tons. Nonetheless, improved efficiencies across the company's production process helped drive EBITDA for the quarter which increased to USD 400 thousand in 4Q18. The company's management team is optimistic about the production prospects going into 2019 supported by the fact that the company only sold insulation materials during 2018 equivalent to a fifth of the plant's total production capacity, which suggests there is plenty of room to expand locally and in the export market.

At ASCOM's **Egypt Quarrying** operation, revenues for the year contracted 13% to EGP 363.8 million in FY18 from EGP 418.5 million in FY17. The fall in revenues was largely driven by a 15% y-o-y fall in volumes sold which decreased to 22.5 million tons from the 26.6 million tons sold in FY17 as security challenges continued to weigh down on operations at cement plants in Sinai, causing intermittent stoppages throughout the year. EBITDA for FY18 was down 43% to EGP 15.0 million from EGP 26.1 million in FY17. On a quarterly basis, both revenues and EBITDA were down by 5% y-o-y. Revenues decreased to EGP 93.9 million from the EGP 99.1 million recorded in 4Q17, while EBITDA reported a loss of EGP 2.9 million further down from the loss of EGP 2.7 million recorded during the same period of last year.

ACCM Volumes Sold (FY18)	Egypt Quarrying Business Volumes Sold (FY18)	GlassRock Volumes Sold (FY18)
303.4	22.5	9.6
K Tons	M Tons	K Tons
▲15% y-o-y	▼15% y-o-y	▲10% y-o-y

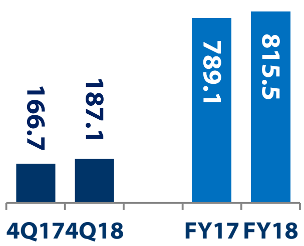
Sector Review: Agrifoods

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

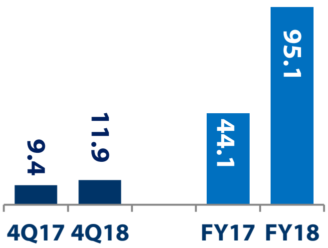
QALAA HOLDINGS OWNERSHIP — 54.9%

Gozour EBITDA expanded 116% in FY18 to EGP 95.1 million

Consolidated Gozour Revenues
(EGP mn)



Consolidated Gozour EBITDA
(EGP mn)



Gozour's revenues for FY18 increased 3% y-o-y to EGP 815.5 million from EGP 789.1 million in FY17. Top line growth for the year came as improved pricing reported by both subsidiaries more than outweighed a year-on-year 6% and 4% contraction in volumes sold by Dina Farms and ICDP respectively. Improved operational efficiency at both of its subsidiaries helped drive EBITDA for the year, which posted an impressive 116% increase to EGP 95.1 million in FY18 compared to EGP 44.1 million in FY17 and reflected a 6.1 percentage-point growth in its EBITDA margin. On a quarterly basis, revenues expanded 12% y-o-y to EGP 187.1 million in 4Q18, as volumes sold at both subsidiaries expanded year-on-year during the quarter. Top line growth combined with improved efficiencies at both subsidiaries helped drive EBITDA for the quarter, which expanded 26% y-o-y to EGP 187.1 million in 4Q18.

It is worth noting that Qalaa divested its stake in ACST (Dina Farms supermarket chain) at the end of 2017 with the transaction proceeds being fully utilized in settling some of ACST's liabilities.

Gozour Subsidiaries (EGP mn)	4Q17	4Q18	% chg	FY17	FY18	% chg
Dina Farms Revenues	124.6	135.1	*8%*	609.6	644.2	*6%*
Dina Farms EBITDA	25.4	28.1	*11%*	146.6	137.9	*-6%*
ICDP Revenues (Fresh Dairy producer)	48.6	53.6	*10%*	181.6	210.2	*16%*
ICDP EBITDA	7.8	4.7	*-40%*	9.2	17.3	*88%*

Dina Farms witnessed a 6% rise in revenues to EGP 644.2 million in FY18 from EGP 609.6 million in FY17. Top line growth was supported by rising milk prices, more than outweighing a 6% contraction in raw milk sold which fell to c. 57 thousand tons in FY18 from the c. 61 tons sold the previous year. EBITDA contracted 6% to EGP 137.9 million in FY18 from EGP 146.6 million in FY17. On a quarterly basis, Dina Farms posted revenues of EGP 135.1 million in 4Q18 from EGP 124.6 million in 4Q17, representing an 8% y-o-y expansion on the back of favorable pricing and a 3% y-o-y rise in tons of raw milk sold to c. 18 thousand for the quarter. EBITDA posted an 11% y-o-y increase to EGP 28.1 million from EGP 25.4 million recorded during the same quarter of the previous year.

ICDP, which markets Dina Farms' dairy products, reported a 16% top line expansion to EGP 210.2 million in FY18 from EGP 181.6 million recorded in FY17. Favorable pricing outweighed a slight contraction in SKU volumes sold which fell 5% y-o-y to c. 9 thousand tons in FY18 in the midst of a general slowdown of the market. EBITDA posted an impressive 88% increase to EGP 17.3 million in FY18 from EGP 9.2 million in FY17 mainly driven by improved operational efficiencies achieved by the company. On a quarterly basis, revenues were up 10% to EGP 53.6 million in 4Q18 from EGP 48.6 million in the same quarter of last year despite a 7% y-o-y contraction in SKU volumes sold which fell to c. 3 thousand tons in the fourth quarter of 2018. EBITDA contracted 40% y-o-y during the last quarter of 2018 coming in at EGP 4.7 million compared to the EGP 7.8 million reported in 4Q17.

Dina Farms Sales (FY18)

56,982
Tons raw milk
▼6% y-o-y

Dina Farms Total Herd (as at 31 December 2018)

15,328*
Cows
▲7% y-o-y

* Of which 7,052 are milking cows

ICDP Sales (FY18)

Dina Farms' fresh dairy producer

9,140
SKUs in Tons
▼5% y-o-y

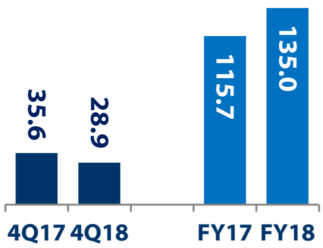
QALAA HOLDINGS OWNERSHIP — 67.6%

Sector Review: Transportation & Logistics

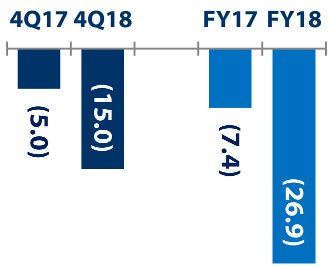
Qalaa Holdings' operational Transportation & Logistics companies include Nile Logistics (seaport services in Egypt as well as river transportation in Egypt and South Sudan)

Nile Logistics records 17% growth in revenues to EGP 135.0 million in FY18

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



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



Operational and Financial Performance

Nile Logistics reported top line growth of 17% in FY18 up to EGP 135.0 million from EGP 115.7 million in FY17. The company's revenue expansion came on the back of solid top line growth across both its South Sudanese and Egyptian divisions, despite the latter witnessing a 23% y-o-y fall in volumes handled at its Stevedoring operations (coal handling) during FY18. Lower Stevedoring operation, however, took a toll on EBITDA which reported a loss of EGP 26.9 million in FY18 compared to the loss of EGP 7.4 million recorded in FY17. On a quarterly basis, the company reported a 19% y-o-y fall in revenues to EGP 28.9 million in 4Q18, while EBITDA reported a loss of EGP 15.0 million for the quarter compared to the EGP 5.0 million loss recorded in the same quarter of 2017.

Egypt

Nile Logistics maintains operations in Egypt in four main sectors:

- Coal handling and storage in Alexandria, with 708k tons handled in 2018.
- Container handling and storage in Alexandria (Inland Container Depot), xx TEUs handled in 2018
- Grain handling and storage in Alexandria with a capacity of 100-120 thousand tons with operations scheduled to commence during the second half of 2019.
- River transportation as more efficient mode of shipping goods in the country.

Operations in Egypt reported a 39% rise in revenues to EGP 114.0 million in FY18 up from EGP 82.3 million recorded in FY17. The revenue expansion came despite a 23% y-o-y contraction in volumes handled (stevedoring operations) which fell to c.708 thousand tons in FY18 from c.920 thousand tons in FY17. Although revenues grew for the year, the company reported an EBITDA loss of EGP 13.6 million compared to the EGP 7.7 million profit recorded in FY17, mainly as a result of the fixed costs incurred due to the nature of the business combined with lower volumes handled during the year. On a quarterly basis, the company's operations reported a 2% rise in revenues in 4Q18, to EGP 28.9 million from EGP 28.3 million recorded in the same quarter of 2017. However, EBITDA fell to negative EGP 6.4 million in 4Q18 from a negative EGP 0.6 million recorded in 4Q17 mainly driven by a fall in tons handled during the quarter which continued to be impacted by a general slowdown in the country's imports especially coal shipments. At its stevedoring operations, the company handled c.77 thousand tons in 4Q18 down from c.242 thousand tons in 4Q17. The weak results in 4Q18 mask the true potential of the firm and doesn't reflect the growth opportunities in this sector.

On the business development front, as the Egyptian government continues to carry out its energy subsidy phase-out program, river transport has emerged as a lower-priced and thus more attractive alternative to traditional road transport, with Nile Logistics continuing to successfully capitalize on this opportunity. Heading into 2019, the management team is confident that the company's growth strategy focused on fleet additions and maintenance, expanded storage capacity, and a more comprehensive offering of transportation and logistics services will help stimulate operational activity and capture the anticipated rise in industry demand, thus driving the Nile Logistics' top- and bottom-line growth. As of year-end 2018, construction works at the company's new grain storage warehouse in Nubareya was close to completion and the facility is expected to come online during late Q2-2019. The new storage facility, which will have a capacity of 100-120k tons, will allow for a move up the value-added chain and in turn increasing the company's profitability.

South Sudan

South Sudan's Nile Barges reported revenue growth of 189% for the year up to USD 1.18 million in FY18 from USD 0.41 million recorded in FY17. EBITDA for the year increased to USD 670 thousand in FY18 up from USD 80 thousand recorded in FY17. On a quarterly basis, the company did not record revenue in 4Q18 as the last barge trip for 2018 was completed in 3Q18. EBITDA for the quarter reported a loss of USD 120 thousand compared to the USD 290 thousand profit recorded during the same quarter of last year.

Stevedoring Tons Handled – Alexandria (FY18)

708
K Ton

▼23% y-o-y

ENERGY

TRANSPORTATION & LOGISTICS

MINING

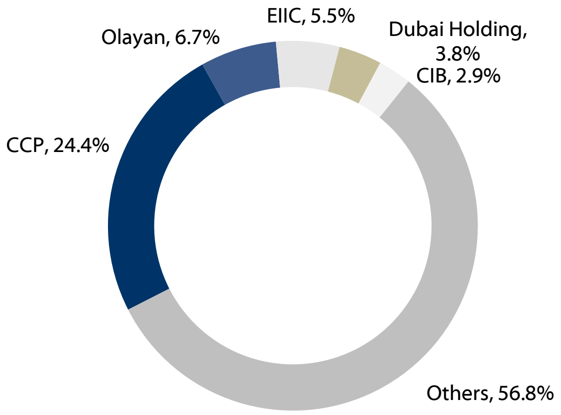
CEMENT

AGRIFOODS

PRINTING & PACKAGING

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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