

Qalaa Holdings Reports FY 2022 Results

- Qalaa's consolidated revenue grew 113% y-o-y to EGP 97.7 billion in FY22 and recurring EBITDA reached EGP 32.3 billion compared to EGP 4.1 billion in FY21, supported by record refining margins at the Egyptian Refining Company (ERC) and strong performances across all subsidiaries;
- In FY22, Qalaa recorded a net loss of EGP 2.3 billion on par with the previous year, despite operational improvements, due to an FX loss of EGP 4.7 billion following the devaluation of the Egyptian pound;
- ERC was the primary driver behind consolidated revenue growth, contributing c.76% to Qalaa's total revenue in FY22. ERC's refining margins were exceptionally high throughout FY22 and have started tapering towards normalized margins in 2023.
- Excluding ERC, Qalaa's revenue grew by 33% y-o-y and recurring EBITDA increased by 101% y-o-y in FY22, driven by positive performances across Qalaa's subsidiaries;
- TAQA Arabia's solid topline results were primarily driven by a strong performance across all business lines: gas distribution, electricity generation and distribution, petroleum products distribution and water treatment;
- ASEC Holdings delivered a 48% y-o-y revenue growth on the back of strong topline results at ASEC Cement during FY22;
- National Printing saw improved volumes and benefitted from higher prices at all its companies. El Baddar continued to capitalize on its new cutting-edge facility, while Shorouk for Modern Printing and Packaging witnessed higher export volume and an increased average price per ton;
- ASCOM's growth was driven by volume and price expansion at GlassRock and ASCOM for Chemicals & Carbonates Manufacturing (ACCM);
- Dina Farms Holding's revenue grew y-o-y as ongoing facility enhancement projects continue to improve operations at Dina Farms and its manufacturing subsidiary; ICDP benefits from its direct distribution strategy, as well as improved pricing;
- The Group's export proceeds recorded c. USD 22.1 million in 4Q22 compared to USD 25.0 million in 4Q21. Full-year proceeds were USD 123.4 million compared to USD 95.5 million in FY21. Whereas local foreign currency revenue recorded c. USD 927 million in 4Q22 vs. USD 680.3 million in 4Q21 and USD 3.9 billion in FY22 compared to USD 1.19 billion in FY21. Moving forward, the Group will continue focusing on exports and leverage the cost advantage available to local manufacturers;
- Despite ERC's receivables from EGPC having reached USD 618.2 million as of 31 December 2022, EGPC continues to make enough payments enabling ERC to exceed mandatory debt repayments, including its upcoming debt repayment that is set for June 2023;
- Finalizing debt restructuring at Qalaa Holdings remains a priority, yet the process is slowed by the ongoing FX turbulence. Qalaa may settle some debt obligations using selected assets with the option of repurchasing these assets in the future;
- Qalaa has been resilient despite highly challenging macroeconomic conditions. The Group will continue driving growth by making small incremental investments in its subsidiaries, expanding cashflows, thereby reducing debt to cash flow ratios. Management is confident this strategy will continue to deliver;
- Furthermore, Qalaa is currently studying several new medium-sized, export oriented, predominantly green, and high local value-added investments, to be executed through its subsidiaries;
- Qalaa's Sudan based staff and assets are safe and Qalaa continues to closely monitor the ongoing developments within the country.

4Q 2022 Consolidated Income Statement Highlights	
Revenue EGP 28.3 bn vs. EGP 14.9 bn in 4Q21	Revenue (excluding ERC) EGP 6.6 bn vs. EGP 4.6 bn in 4Q21
EBITDA* EGP 10.5 bn vs. EGP 2.1 bn in 4Q21	EBITDA (excluding ERC) EGP 931.1 million vs. EGP 511.8 million in 4Q21
Net Income After Minority EGP (2.1) bn vs. EGP (0.9) bn in 4Q21	Net Income After Minority (excluding ERC) EGP (2.8) bn vs. EGP (1.0) bn in 4Q21
FY 2022 Consolidated Income Statement Highlights	
Revenue EGP 97.7 bn vs. EGP 45.8 bn in FY21	Revenue (excluding ERC) EGP 22.9 bn vs. EGP 17.3 bn in FY21
EBITDA* EGP 32.3 bn vs. EGP 4.1 bn in FY21	EBITDA (excluding ERC) EGP 3.7 bn vs. EGP 1.8 bn in FY21
Net Income After Minority EGP (2.3) bn vs. EGP (2.3) bn in FY21	Net Income After Minority (excluding ERC) EGP (4.8) bn vs. EGP (1.8) bn in FY21
Highlights from Consolidated Balance Sheet at 31 December 2022	
Consolidated Assets EGP 144.8 bn At current book value vs. EGP 84.3 bn in FY21	Consolidated Debt EGP 80.8 bn Of which EGP 53.0 bn 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), released today its consolidated financial results for the year ending 31 December 2022. The Group recorded a 113% y-o-y increase in revenue to EGP 97.7 billion in FY22, and recurring EBITDA of EGP 32.3 billion compared to EGP 4.1 billion in FY21. The solid performance reflects record refining margins at ERC and strong performances across all subsidiaries.

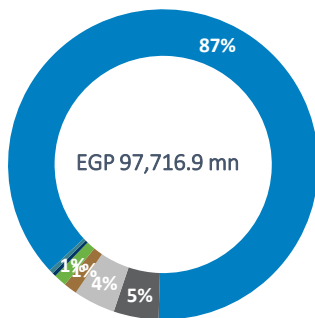
It is worth noting that ERC's refining margins were remarkably strong in 2022, averaging USD 4.9 million per day in 4Q22 compared to USD 1.8 million per day in 4Q21, as a result of high petroleum product prices. Excluding ERC, Qalaa's revenue grew by 33% y-o-y to EGP 22.9 billion in FY22 and recurring EBITDA increased by 101% y-o-y to EGP 3.7 billion in FY22.

At Qalaa's bottom line, the Group recorded a net loss after minority of EGP 2.3 billion, in line with last year. The net loss came despite operational improvements, due to an FX loss of EGP 4.7 billion following the devaluation of the Egyptian pound.

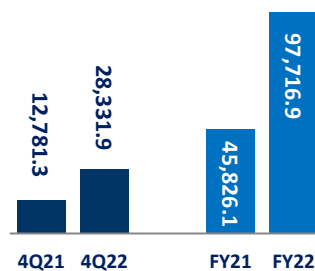
Financial and operational highlights follow, as do the management's comments and overview of the performance of different business units. Full financials are now available for download at ir.qalaaholdings.com.

Financial and Operational Highlights

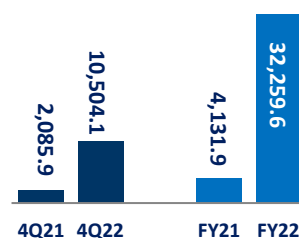
**QALAA HOLDINGS
CONSOLIDATED REVENUE FY22**



**REVENUE PROGRESSION
(EGP mn)**



**RECURRING EBITDA
PROGRESSION
(EGP mn)**



- Qalaa's consolidated revenue grew in 4Q22 by 91% y-o-y to EGP 28.3 billion, closing the full year with a 113% y-o-y increase to EGP 97.7 billion in FY22, an increase that was primarily driven by ERC's revenue contribution.

ERC's revenue more than doubled y-o-y to EGP 21.7 billion in 4Q22, compared to EGP 10.2 billion in 4Q21, and recorded a full-year growth of 162% y-o-y to EGP 74.7 billion in FY22. ERC's revenue constitutes more than 76% of Qalaa Holdings' topline for the year. The performance was driven by high refined petroleum product prices in relation to feedstock prices, and improved operational efficiency exemplified by no slowdowns or shutdowns in ERC's operation during the year.

- Excluding ERC, Qalaa's revenue in 4Q22 grew to EGP 6.6 billion, up 44% y-o-y compared to 4Q21. On a full-year basis, revenue marked a 33% y-o-y growth to EGP 22.9 billion in FY22, driven by improved performances across all subsidiaries.

TAQA Arabia's revenue grew 25% y-o-y in 4Q22 reaching EGP 3.1 billion compared to EGP 2.5 billion in 4Q21. On a full-year basis, revenue grew to EGP 10.7 billion from EGP 9.1 billion in FY21, an 18% y-o-y increase. Revenue growth was primarily driven by a strong performance across all business lines.

National Printing delivered a 33% y-o-y increase in revenue during 4Q22 as well as a 67% y-o-y topline expansion in FY22 as it continued reaping the rewards of its new El Baddar state-of-the-art facility. Additionally, higher volume and an optimized pricing strategy at both Shorouk and Uniboard reflected positively on National Printing's results during both the quarter as well as the full year.

Meanwhile, ASCOM delivered a 45% y-o-y increase in top-line to EGP 364.0 million in 4Q22. In FY 22, revenue was also up by 45% y-o-y, reaching EGP 1.4 billion supported by increased volume and higher prices at GlassRock and ACCM.

At ASEC Holding revenue expanded 122% y-o-y in 4Q22 to EGP 1.5 billion, as well as 48% y-o-y in FY22, to reach EGP 4.6 billion owing to a strong performance in the production segment. Furthermore, ASEC closed the year with an EBITDA of EGP 450 million, which was undermined to the tune of c. EGP 106 million due to the hyperinflation calculation methodology in Sudan.

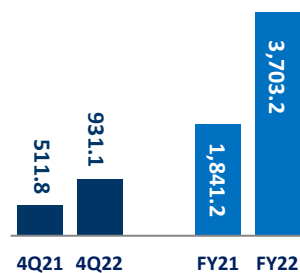
Meanwhile, Dina Farms Holding's revenue reached EGP 346.1 million in 4Q22, up 33% y-o-y. Dina Farms Holding's revenue was also up in full-year terms, reaching EGP 1.3 billion in FY22, a 24% y-o-y increase. The company's performance was backed by improved operations at Dina Farms and ICDP's revenue benefiting from higher prices and direct distribution strategy.

Finally, Nile Logistics delivered a 95% y-o-y revenue increase to EGP 119.4 million in 4Q22, as well as a 47% y-o-y increase in revenue to EGP 370.8 million in FY22.

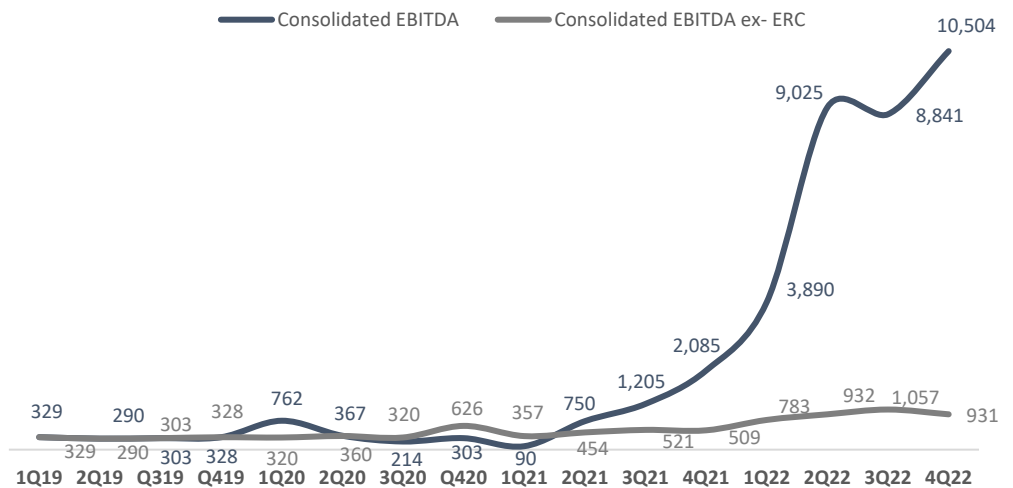
- Qalaa's recurring EBITDA increased substantially in 4Q22 to EGP 10.5 billion compared to EGP 2.1 billion in 4Q21. As at year end, full-year recurring EBITDA reached EGP 32.3 billion compared to EGP 4.1 million in FY21. Profitability was primarily supported by ERC's positive performance during the year.

ERC's gross refining margin improved significantly to USD 4.9 million per day versus USD 1.8 million per day in the same quarter last year on account of higher prices of refined petroleum products and improved operational efficiency. On a full-year basis, gross refining margins were also up, rising from USD 1.2 million per day in FY21 to USD 4.5 million per day in FY22.

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



Consolidated Recurring EBITDA Progression Chart* (EGP mn)

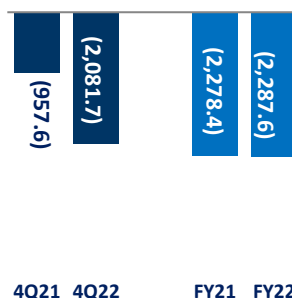


- Excluding ERC, Qalaa recorded a recurring EBITDA increase of 82% y-o-y up to EGP 931.1 in 4Q22 compared to EGP 511.8 million in 4Q21. For FY22, recurring EBITDA expanded by 101% y-o-y to EGP 3.7 billion, driven by improved profitability across all the Group's subsidiaries.

Qalaa's EBITDA excluding ERC was primarily driven by contributions from TAQA, National Printing, and ACH. Additionally, ASCOM's export-driven businesses delivered a strong performance, capitalizing on its competitive advantage in global markets, with increased pricing and volume at GlassRock and ACCM.

- Depreciation and amortization expenses stood at EGP 1.8 billion in 4Q22, up 60% y-o-y compared to EGP 1.1 billion in 4Q21, of which EGP 1.4 billion are related to ERC. The y-o-y increase is primarily due to the impact of currency translations, closing FY22 with a 30% y-o-y increase.
- Bank interest expense recorded EGP 1.8 billion in 4Q22, up 132% y-o-y versus the EGP 785.5 million recorded in 4Q21, and was up 50% y-o-y in FY22, closing the year at EGP 5.5 billion. The increase was attributed to higher interest

NET PROFIT PROGRESSION
(EGP mn)



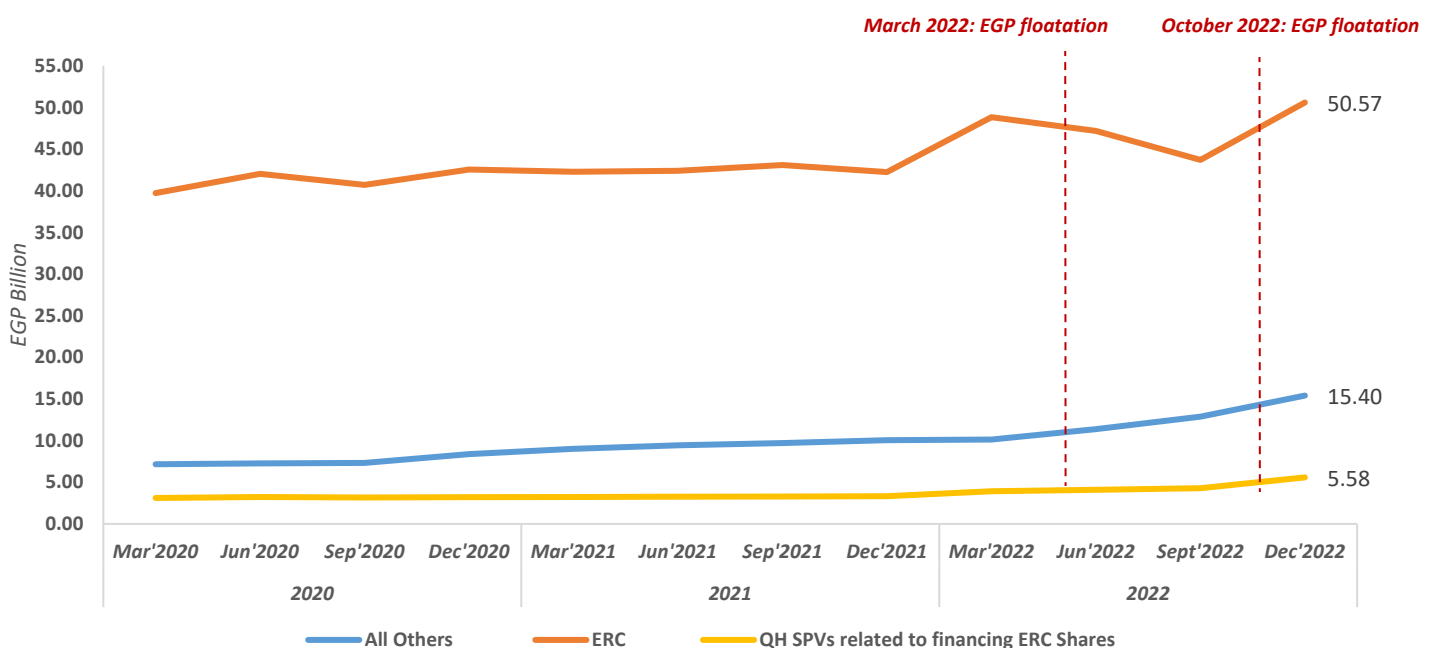
rates, reflecting global monetary tightening, along with the impact of FX translations.

- Qalaa recorded an FX loss of EGP 3.2 billion in 4Q22 compared to a gain of EGP 73.6 million in 4Q21. In FY22, the Group recorded an FX loss of EGP 4.7 billion versus a gain of EGP 228.6 in FY21. The depreciation of the Egyptian Pound was the main reason behind the loss due to the predominantly dollar denominated debt at Qalaa Holdings.
- Qalaa Holdings recorded a consolidated net loss after minority interest of EGP 2.1 billion for 4Q22 compared to a loss of EGP 957.6 million in 4Q21. As for FY22, Qalaa recorded a net loss of EGP 2.3 million, in line with FY21. The net loss for the period is mainly attributable to a substantial FX loss on the back of the EGP depreciation.

Qalaa's debt restructuring efforts at the holding level are progressing and remain a top priority for the Group. Additionally, ERC's negotiations with its lenders for a full debt restructuring are underway.

- Acquisitions and restructuring gain of EGP 33.0 million in 4Q22 was due to the ongoing restructuring in the cement sector. FY22 recorded an EGP 830.8 million gain resulting mainly from Logistics debt restructuring.
- Qalaa's consolidated net debt totaled at EGP 71.55 billion as of 31 December 2022 vs EGP 55.59 billion as of 31 December 2021, out of which ERC and ERC-related debt stood at EGP 56.15 billion as of 31 December 2022 compared to EGP 45.55 billion as of 31 December 2021. The increase was partially driven by exchange rate fluctuation. Starting from 1Q23, ERC has become current on all its scheduled debt payments.

Net Bank Debt Progression (EGP bn)



Management Comment

“All of our business segments have recorded solid performances throughout the past year, having successfully managed to capitalize on elevated oil prices, an increased focus on local manufacturing and import substitution, and a portfolio structure that provides a strong shield against devaluation pressures”

“This is a tough environment. The global economy is currently experiencing one of its most difficult periods. Debt levels worldwide have risen to record highs, and inflation and interest rates have risen to previously unseen levels in the last 40 years. The pace and magnitude of interest rates rise has triggered significant fear of financial institutions instability, which, coupled with recessionary headwinds, is ushering in a period of extreme global challenges highlighted by anticipated long-term depressed economic growth, higher long term interest rates, and an increased focus on relative deleveraging. Furthermore, China (which played a key role in getting the world out of the global financial crisis) has the added complication of poor demographics. Additionally, global geopolitical tensions are further accentuating the situation,” **said Qalaa Holdings’ Chairman and Founder Ahmed Heikal.**

“Regionally, the situation is equally challenging. A new era is being ushered in with the emergence of new regional powers, new alliances, new political models, and fault lines old and new are being exposed. It remains to be seen whether this will lead to further destabilization in the region or not.” **said Heikal.** “The Middle East will continue to be a tough neighborhood.”

“On the local front, a multi-decade period of precarious economic policies centered around incorrect population and subsidy policies, as well as ill-chosen currency rigidity, has historically led to the decline and misplacement of investments targeting incorrect sectors and industries. Furthermore, the era of cheap money on the back of low interest rates which began during the 2008 financial crisis is behind us. This has exposed deep structural issues with the domestic economy and is forcing a multi-year period of painful adjustments. On that front, the current government is taking serious measures to address the combined issue of both agricultural and energy deficits. Given the current repercussions of several decades worth of policies, it is unrealistic to expect a resolution in mere months. However, while the current macroeconomic environment is treacherous, we at Qalaa are well-positioned to successfully navigate it in due course,”

“We remain well-placed to capitalize on this global transition, having ingrained resilience, flexibility and efficiency into our DNA. We got used to growing while deleveraging. Egypt is ideally positioned to act as a viable hub for European markets thanks to its unique geographical position, which enables the country to serve as an entry point to African and Middle Eastern markets. These dynamics, together with the ongoing regional rapprochement, provide local infrastructure and manufacturing powerhouses such as Qalaa with unique investment opportunities, allowing us to negate the drawbacks and capitalize on the potential opportunities of an unprecedented global phenomenon,” **Heikal added.**

“I am exceedingly proud of Qalaa’s topline performance during the past year, which demonstrated the Group’s resilience and ability to continue delivering solid results despite the difficult underlying macroeconomic conditions,” **Heikal continued.** “The Group delivered a twofold y-o-y topline growth, coupled with a near seven-fold y-o-y increase in EBITDA in the midst of an uncertain operating environment, thanks to our robust investment and growth strategies across our portfolio companies.”

“Across the board, our portfolio companies continue to demonstrate their ability to withstand pressure, taking advantage of the new macroeconomic dynamics and reaping the rewards of Qalaa’s carefully executed growth strategy. On that front, all our business segments have recorded solid performances throughout the past year, having successfully managed to capitalize on elevated oil prices, an increased focus on local manufacturing and import substitution, and a portfolio structure that provides a strong shield against devaluation pressures. As such, and despite the ongoing challenges, Qalaa’s outlook remains bright” **Heikal added.**

“Finally, I would like to reiterate that the true value of Qalaa’s performing assets is masked due to the adoption of international accounting standards, which account for assets at their historical cost and adjust for impairments, while not taking into consideration any revaluation adjustments,” **concluded Heikal.**

“I am very pleased with Qalaa’s impressive performance throughout the past year, despite a difficult operating environment, on the back of strong broad-based growth across our portfolio,” **said Hisham El-Khazindar, Qalaa Holdings’ Co-Founder and Managing Director.** “During the year, our energy segment was able to deliver strong results, as TAQA Arabia continued to benefit from growing energy demand across the board, from natural gas distribution to power generation, CNG, and fueling stations. ERC witnessed record refining margins on the back of rising refined petroleum product prices. At our mining and printing businesses, Qalaa’s position as an import substitute and export play has continued to drive both consolidated growth, and valuable USD proceeds for the Group. Finally, our agriculture and logistics segments have continued to deliver solid growth thanks in large part to their robust investment fundamentals.”





“A key area of focus for us over the past period has been reducing our risk levels, primarily by deleveraging and growing Qalaa’s cash flows. As a result, as of the first quarter of 2023 ERC has become current on all of its due interest payments as scheduled. In parallel, significant strides are being made towards restructuring Qalaa’s holding level debt. However, progress on that front is slowed down by the current local currency volatility. Finalizing debt restructuring at Qalaa Holdings remains a priority, yet the process is slowed by the ongoing FX turbulence. Qalaa may settle some debt obligations using selected assets, with the option of repurchasing these assets in the future.”

“Our performance in 2022 is a true testament to our resilience and our ability to react swiftly to unprecedented challenges during a period of economic uncertainty. Looking forward, we are positive the Group is well-positioned to continue delivering strong results across our diverse markets and areas of operation,” **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	 ICDP & Dina Farms	
	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 2022	2Q 2022	3Q 2022	4Q 2022	FY 2022	1Q 2021	2Q 2021	3Q 2021*	4Q 2021	FY 2021
Revenue	18,681.6	26,981.2	23,722.2	28,331.9	97,716.9	7,994.7	10,172.4	12,781.3	14,871.2	45,819.6
COS	(14,365.3)	(17,481.3)	(14,372.8)	(17,170.4)	(63,389.8)	(7,481.5)	(8,959.8)	(11,227.1)	(12,419.2)	(40,087.6)
Gross Profit	4,316.3	9,499.9	9,349.4	11,161.5	34,327.1	513.2	1,212.5	1,554.2	2,452.0	5,732.0
Advisory Fee	-	-	-	-	-	-	-	-	-	-
Total Operating Profit	4,316.3	9,499.9	9,349.4	11,161.5	34,327.1	513.2	1,212.5	1,554.2	2,452.0	5,732.0
SG&A	(454.1)	(531.1)	(526.7)	(747.4)	(2,259.2)	(439.2)	(469.4)	(371.9)	(405.3)	(1,685.8)
Other revenue-Export Subsidy	37.8	51.4	35.9	89.6	214.6	9.7	8.0	27.6	36.3	81.5
Other inc/exp-Net	(10.3)	4.3	(17.3)	0.4	(22.9)	6.8	(1.0)	(4.4)	5.0	6.4
EBITDA before one-off charges	3,889.7	9,024.5	8,841.2	10,504.1	32,259.6	90.5	750.0	1,205.5	2,088.1	4,134.0
SG&A (Non recurring)	10.8	(2.7)	3.6	(40.4)	(28.7)	22.8	(17.4)	(10.0)	(57.5)	(62.0)
EBITDA	3,900.5	9,021.8	8,844.8	10,463.8	32,230.9	113.3	732.7	1,195.5	2,030.6	4,072.0
Dep./Amort.	(1,192.8)	(1,333.6)	(1,403.3)	(1,820.8)	(5,750.5)	(1,068.4)	(1,086.6)	(1,124.9)	(1,139.2)	(4,419.2)
EBIT	2,707.8	7,688.2	7,441.5	8,642.9	26,480.5	(955.1)	(353.9)	70.5	891.4	(347.1)
Finance Cost	(1,102.2)	(1,140.6)	(1,487.3)	(1,818.8)	(5,548.8)	(851.4)	(910.2)	(1,152.3)	(785.5)	(3,699.4)
Other Finance Cost	173.4	185.8	105.2	16.0	480.4	49.0	113.1	(4.1)	180.8	338.8
Bank PIK	(37.5)	(46.1)	(62.4)	(84.3)	(230.3)	(32.9)	(34.7)	(35.6)	(37.3)	(140.4)
3rd party Shareholder	(97.3)	(99.8)	(113.6)	(124.2)	(434.9)	(80.2)	(84.7)	(75.2)	(104.8)	(344.9)
Interest income	183.3	202.5	226.3	311.2	923.3	92.8	136.8	162.9	157.0	549.5
Lease Payments	(19.5)	(74.7)	(35.0)	(78.2)	(207.4)	(34.3)	(38.6)	(37.7)	(40.3)	(150.9)
EBT (before one-offs)	1,808.2	6,715.2	6,074.8	6,864.6	21,462.8	(1,812.1)	(1,172.3)	(1,071.4)	261.2	(3,794.5)
Gain (Loss) on sale of investments	-	-	-	28.8	28.8	-	-	-	-	-
Impairments/write downs	(7.6)	(17.7)	(12.4)	(85.8)	(123.5)	(11.8)	1.4	(16.2)	(281.7)	(308.4)
Acquisitions and restructuring	818.6	(8.3)	(12.6)	33.0	830.8	1.2	(1.4)	(2.8)	(43.5)	(46.4)
Share in associates' results*	(12.3)	12.5	17.3	(0.6)	16.9	9.0	(4.4)	2.7	(46.0)	(38.7)
CSR	(2.5)	(3.6)	(1.0)	0.5	(6.7)	(9.5)	(2.7)	-	(2.2)	(14.4)
Provisions	(277.3)	(117.5)	(172.6)	(108.6)	(676.0)	(107.0)	(107.6)	(189.6)	(1,036.4)	(1,440.6)
Discontinued operations **	-	-	-	(3.9)	(3.9)	-	-	-	(2.1)	(2.1)
Forex	(1,225.9)	(89.9)	(236.2)	(3,188.3)	(4,740.3)	17.4	54.9	82.8	73.6	228.6
EBT	1,101.1	6,490.7	5,657.3	3,539.7	16,788.8	(1,912.8)	(1,232.2)	(1,194.6)	(1,077.0)	(5,416.6)
Taxes	(131.0)	(124.5)	(1,127.1)	(1,116.3)	(2,498.9)	(42.3)	(50.1)	(84.6)	(115.0)	(292.0)
NP/L Including Minority Share	970.1	6,366.3	4,530.2	2,423.4	14,289.9	(1,955.1)	(1,282.3)	(1,279.1)	(1,192.0)	(5,708.6)
Minority Interest	1,554.2	6,004.7	4,513.5	4,505.1	16,577.5	(1,476.5)	(880.8)	(838.5)	(234.4)	(3,430.2)
NP/L for the Period	(584.1)	361.6	16.7	(2,081.7)	(2,287.6)	(478.6)	(401.5)	(440.7)	(957.6)	(2,278.4)

* Share in associates' results include: APM, Zahana, ECARU, ENTAG, Ostool and Tanweer Group.

** Discontinued operations in 2021, 2022: Al-Ahram for Equipments Company
Freight related to ASCOM has been reclassified from SG&A to COS in 2021 & 2022

Qalaa Holdings Consolidated Income Statement by Sector for the three-month period ending 31 December 2022 (in EGP mn)

	QH	SPVs	Energy		Cement	T&L^	Mining	Agrifoods		Others		Elimination	4Q 2022	4Q 2021
			Orient	Silverstone	NDT	CCTO	ASCOM	Falcon	Wafra	Misc.*	Grandview			
Revenue	-	-	21,706.8	3,077.0	1,520.3	119.4	364.0	346.1	-	126.7	1,073.0	(1.2)	28,331.9	14,877.7
Cost of Sales	-	-	(11,866.9)	(2,589.1)	(1,503.9)	(38.7)	(283.6)	(165.4)	-	(96.4)	(627.6)	1.2	(17,170.4)	(12,338.9)
Gross Profit	-	-	9,839.8	488.0	16.3	80.7	80.4	180.6	-	30.3	445.4	-	11,161.5	2,538.8
Advisory fee	32.3	-	-	-	-	-	-	-	-	-	-	(32.3)	-	-
Total Operating Profit	32.3	-	9,839.8	488.0	16.3	80.7	80.4	180.6	-	30.3	445.4	(32.3)	11,161.5	2,538.8
SG&A	(83.8)	(9.0)	(266.8)	(84.9)	(92.1)	(21.3)	(48.6)	(72.6)	-	(15.4)	(82.4)	29.6	(747.4)	(494.1)
Export Subsidy revenue	-	-	-	-	-	-	16.2	-	-	10.5	63.0	-	89.6	36.3
Other Income/Expenses	-	(2.6)	-	1.0	-	-	-	-	-	(0.0)	2.0	-	0.4	5.0
EBITDA (before one-offs)	(51.6)	(11.5)	9,573.0	404.1	(75.8)	59.4	47.9	108.0	-	25.4	427.9	(2.6)	10,504.1	2,085.9
Dividend Income	-	6.8	-	-	-	-	-	-	-	-	-	(6.8)	-	-
Non Recurring - Revenues & Costs	(3.4)	-	(32.0)	6.1	(14.1)	1.7	2.3	(4.2)	-	0.0	(4.1)	7.3	(40.4)	(57.5)
EBITDA	(55.0)	(4.8)	9,541.0	410.2	(89.8)	61.1	50.2	103.8	-	25.4	423.8	(2.2)	10,463.8	2,028.5
Depreciation & Amortization	(2.3)	-	(1,431.5)	(71.4)	(178.4)	(13.2)	(31.8)	(47.6)	-	(1.0)	(36.0)	(7.6)	(1,820.8)	(1,139.2)
EBIT	(57.2)	(4.8)	8,109.5	338.8	(268.2)	47.9	18.4	56.2	-	24.4	387.7	(9.7)	8,642.9	889.2
Finance Cost	(254.5)	(68.6)	(1,151.6)	(249.2)	(35.8)	(0.2)	(24.7)	(1.8)	-	(21.9)	(10.5)	-	(1,818.8)	(785.5)
Other Finance Cost	-	-	16.0	-	-	-	-	-	-	-	-	-	16.0	180.8
Bank PIK	-	(84.3)	-	-	-	-	-	-	-	-	-	-	(84.3)	(37.3)
3rd Party Shareholder	-	(7.2)	(42.3)	-	(244.4)	(11.7)	-	-	-	(0.1)	-	181.5	(124.2)	(104.8)
Interest Income	103.5	60.9	49.6	275.7	2.4	0.0	1.6	0.2	-	-	12.2	(194.9)	311.2	157.0
Finance Lease Charges/ NPV LT assets	-	-	(15.1)	(39.5)	(0.2)	(3.9)	-	(19.6)	-	-	-	-	(78.2)	(40.3)
EBT (before one-offs)	(208.3)	(103.9)	6,966.1	325.8	(546.1)	32.2	(4.8)	34.9	-	2.4	389.4	(23.1)	6,864.6	259.1
Gain (Loss) on sale of investments	-	-	-	-	28.8	-	-	-	-	-	-	-	28.8	-
Impairments/Write-downs	(620.6)	(472.8)	(130.3)	18.2	53.8	(48.3)	4.3	(9.9)	-	(2.0)	26.2	1,095.5	(85.8)	(281.7)
Acquisitions, legal and restructuring	(0.0)	-	-	(3.5)	36.5	-	-	-	-	-	-	-	33.0	(43.5)
Share in Associates' Results	-	-	-	-	1.4	3.6	(6.4)	-	-	-	-	0.8	(0.6)	(46.0)
CSR	-	-	-	0.5	-	-	-	-	-	-	-	-	0.5	(2.2)
Provisions	(0.2)	79.0	(48.2)	(87.4)	43.5	(1.1)	(20.3)	(2.4)	-	(22.7)	(48.9)	-	(108.6)	(1,036.4)
Discontinued Operations	-	-	-	-	(3.9)	-	-	-	-	-	-	-	(3.9)	-
FOREX	(999.7)	93.4	268.9	(15.7)	(2,096.2)	23.9	(191.8)	31.6	-	(249.7)	(32.7)	(20.3)	(3,188.3)	73.6
EBT	(1,828.7)	(404.3)	7,056.6	237.9	(2,482.3)	10.3	(219.0)	54.3	-	(272.0)	334.0	1,052.9	3,539.7	(1,077.0)
Taxes	0.9	-	(909.6)	(94.5)	(52.7)	(20.1)	-	(1.3)	-	(0.0)	(39.4)	0.5	(1,116.3)	(115.0)
Net P/L Before Minority Share	(1,827.9)	(404.3)	6,147.0	143.5	(2,535.0)	(9.9)	(219.0)	53.0	-	(272.1)	294.6	1,053.4	2,423.4	(1,192.0)
Minority Interest	-	-	3,646.2	56.5	(312.8)	(39.4)	(5.3)	0.0	-	-	159.8	1,000.0	4,505.1	(234.4)
Net Profit (Loss)	(1,827.9)	(404.3)	2,500.8	87.0	(2,222.2)	29.5	(213.7)	53.0	-	(272.1)	134.8	53.4	(2,081.7)	(957.6)

* Miscellaneous includes UCF & Sphinx Egypt.

Qalaa Holdings Consolidated Income Statement by Sector for the year ended 31 December 2022 (in EGP mn)

	QH	SPVs	Energy		Cement	T&L^	Mining	Agrifoods		Others		Elimination	FY 2022
			Orient	Silverstone	NDT	CCTO	ASCOM	Falcon	Wafra	Misc.*	Grandview		
Revenue	-	-	74,750.2	10,727.8	4,583.4	370.8	1,362.5	1,291.9	-	421.4	4,271.0	(62.0)	97,716.9
Cost of Sales	-	-	(45,461.3)	(9,211.5)	(3,708.1)	(140.2)	(1,094.6)	(871.8)	-	(329.7)	(2,634.7)	62.0	(63,389.8)
Gross Profit	-	-	29,288.9	1,516.4	875.3	230.6	267.9	420.1	-	91.7	1,636.3	-	34,327.1
Advisory fee	103.2	-	-	-	-	-	-	-	-	-	-	(103.2)	-
Total Operating Profit	103.2	-	29,288.9	1,516.4	875.3	230.6	267.9	420.1	-	91.7	1,636.3	(103.2)	34,327.1
SG&A	(261.9)	(18.6)	(732.5)	(301.5)	(253.0)	(72.9)	(132.6)	(234.7)	-	(42.7)	(303.1)	94.3	(2,259.2)
Export incentive revenue	-	-	-	-	-	-	77.4	-	-	33.0	104.3	-	214.6
Other Income/Expenses	-	(3.5)	-	(7.5)	-	-	-	-	-	(0.0)	(11.9)	-	(22.9)
EBITDA (before one-offs)	(158.7)	(22.1)	28,556.4	1,207.3	622.3	157.8	212.7	185.4	-	81.9	1,425.5	(8.9)	32,259.6
Dividend Income	-	64.1	-	-	-	-	-	-	-	-	-	(64.1)	-
Non Recurring - Rev. & Costs	(9.4)	(8.4)	10.2	2.7	4.3	8.9	6.5	(35.3)	-	0.2	(23.9)	15.6	(28.7)
EBITDA	(168.1)	33.5	28,566.5	1,210.0	626.6	166.7	219.2	150.1	-	82.1	1,401.6	(57.3)	32,230.9
Depreciation & Amortization	(9.2)	-	(4,601.6)	(242.9)	(471.0)	(57.2)	(109.2)	(117.5)	-	(4.3)	(97.3)	(40.3)	(5,750.5)
EBIT	(177.4)	33.5	23,965.0	967.1	155.7	109.4	110.0	32.6	-	77.8	1,304.4	(97.6)	26,480.5
Finance Cost	(737.7)	(222.8)	(3,413.7)	(796.5)	(68.8)	(31.0)	(87.2)	(9.1)	-	(29.7)	(152.3)	-	(5,548.8)
Other Finance Cost	-	-	480.4	-	-	-	-	-	-	-	-	-	480.4
Bank PIK	-	(230.3)	-	-	-	-	-	-	-	-	-	-	(230.3)
3rd Party Shareholder	-	(66.3)	(111.8)	-	(780.6)	(54.6)	-	-	-	(0.7)	-	579.1	(434.9)
Interest Income	339.5	232.1	62.2	827.7	8.8	0.3	1.7	1.3	-	-	24.2	(574.4)	923.3
Finance Lease Charges/ NPV LT assets	-	-	(59.2)	(66.2)	(0.7)	(19.6)	-	(61.7)	-	-	-	-	(207.4)
EBT (before one-offs)	(575.5)	(253.8)	20,922.8	932.1	(685.6)	4.5	24.4	(36.9)	-	47.5	1,176.2	(93.0)	21,462.8
Gain (Loss) on sale of investments	-	-	-	-	28.8	546.3	-	-	-	-	-	(546.3)	28.8
Impairments/Write-downs	(1,119.3)	(789.5)	(151.0)	16.2	(15.3)	(51.6)	7.0	(9.9)	-	(2.5)	83.8	1,908.6	(123.5)
Acquisitions and restructuring	(30.5)	842.8	-	(5.4)	23.8	-	-	-	-	-	-	-	830.8
Share in Associates' Results	-	-	-	-	9.4	7.0	13.0	-	-	-	-	(12.5)	16.9
CSR	(0.3)	-	-	(6.4)	-	-	-	-	-	-	-	-	(6.7)
Provisions	(14.9)	(160.3)	(48.2)	(143.7)	(181.5)	(1.7)	(24.0)	(4.4)	-	(29.5)	(67.7)	-	(676.0)
Discontinued Operations	-	-	-	-	(3.9)	-	-	-	-	-	-	-	(3.9)
FOREX	(1,579.5)	(24.4)	497.5	(33.8)	(3,156.1)	17.4	(102.9)	46.6	-	(415.1)	(13.1)	23.2	(4,740.3)
EBT	(3,319.9)	(385.2)	21,221.2	759.0	(3,980.5)	521.9	(82.5)	(4.6)	-	(399.6)	1,179.2	1,280.0	16,788.8
Taxes	0.4	-	(1,860.6)	(212.0)	(162.7)	(21.5)	-	(2.5)	-	0.2	(244.6)	4.4	(2,498.9)
Net P/L Before Minority Share	(3,319.5)	(385.2)	19,360.6	546.9	(4,143.2)	500.4	(82.5)	(7.1)	-	(399.4)	934.7	1,284.4	14,289.9
Minority Interest	-	-	11,426.1	172.0	(84.7)	124.9	(1.8)	0.0	-	(0.0)	571.2	4,369.8	16,577.5
Net Profit (Loss)	(3,319.5)	(385.2)	7,934.5	374.9	(4,058.5)	375.5	(80.8)	(7.1)	-	(399.4)	363.5	(3,085.4)	(2,287.6)

* Miscellaneous includes UCF & Sphinx Egypt.

Qalaa Holdings Consolidated Balance Sheet as at 31 December 2022 (in EGP mn)

		Energy		Cement	T&L^	Mining	Agrifoods	Others					
	QH	Orient	Silverstone	NDT	CCTO	ASCOM	Falcon	Misc.*	Grandview	FY 2022 Aggregation	Eliminations/ SPVs	FY 2022	FY 2021
Current Assets													
Trade and Other Receivables	5,386.4	15,802.6	2,435.5	2,371.2	240.7	589.9	135.3	997.7	1,682.3	29,641.7	(6,780.3)	22,861.4	6,687.6
Inventory	-	2,407.9	837.3	1,522.8	9.3	182.5	366.3	56.8	966.5	6,349.4	(0.0)	6,349.4	3,255.1
Assets Held For Sale	-	-	-	4.8	-	-	-	147.2	11.1	163.2	(136.1)	27.1	22.7
Cash and Cash Equivalents	11.3	2,465.1	5,994.9	175.0	26.9	78.1	28.8	111.9	386.2	9,278.2	13.5	9,291.7	6,654.4
Others	-	-	-	-	-	-	20.0	-	-	20.0	0.0	20.0	17.4
Total Current Assets	5,397.7	20,675.6	9,267.7	4,073.8	276.9	850.5	550.5	1,313.7	3,046.2	45,452.5	(6,902.9)	38,549.6	16,637.1
Non-Current Assets													
PP&E	6.8	82,100.1	4,722.7	5,394.3	714.1	1,255.3	803.3	668.6	1,214.5	96,879.8	(33.3)	96,846.5	65,388.0
Investments	5,562.9	-	52.1	365.1	50.0	112.5	-	4.9	125.1	6,272.5	(5,592.7)	679.8	563.2
Goodwill / Intangible assets	7.6	404.4	414.0	-	-	1.9	-	-	-	827.9	44.5	872.4	763.4
Others	4,070.8	6,737.3	393.1	289.6	-	-	475.8	-	18.3	11,984.8	(4,050.5)	7,934.3	916.8
Total Non-Current Assets	9,648.1	89,241.8	5,581.9	6,049.0	764.1	1,369.7	1,279.1	673.5	1,357.8	115,965.0	(9,631.9)	106,333.1	67,631.4
Total Assets	15,045.7	109,917.3	14,849.7	10,122.8	1,041.0	2,220.2	1,829.5	1,987.2	4,404.0	161,417.5	(16,534.8)	144,882.7	84,268.4
Shareholders' Equity													
Total Equity Holders of the Company	843.5	24,446.6	1,948.2	(9,531.1)	(1,097.6)	(185.5)	(293.7)	(1,675.2)	502.3	14,957.3	(28,212.5)	(13,255.3)	(12,256.3)
Minority Interest	-	15,441.4	633.5	3,841.3	(282.6)	(100.9)	(0.0)	(1.5)	624.7	20,155.8	15,470.2	35,626.1	9,882.0
Total Equity	843.5	39,887.9	2,581.7	(5,689.8)	(1,380.3)	(286.4)	(293.7)	(1,676.7)	1,127.0	35,113.1	(12,742.3)	22,370.8	(2,374.3)
Current Liabilities													
Borrowings	10,831.6	53,034.2	5,137.1	1,133.6	-	674.4	95.1	131.0	1,485.1	72,522.2	4,502.9	77,025.1	54,641.9
Borrowings from financial leasing entities	-	-	-	-	-	-	51.3	-	38.3	89.6	-	89.6	24.5
Finance Lease Current Portion	-	279.1	42.4	2.9	18.1	2.6	25.4	-	-	370.6	-	370.6	363.2
Trade and Other Payables	3,021.4	6,210.7	3,103.7	2,305.8	2,273.9	610.4	1,498.4	2,931.5	964.5	22,920.4	(4,136.3)	18,784.0	14,072.2
Shareholder Loan	-	1,440.0	-	4,268.2	18.1	-	-	213.8	-	5,940.1	(18.1)	5,922.0	-
Provisions	348.9	-	375.8	2,884.0	24.8	47.4	27.8	24.6	141.1	3,874.3	568.3	4,442.6	3,436.9
Liabilities Held For Sale	-	-	-	0.2	-	-	-	1.1	-	1.4	1.3	2.7	1.8
Total Current Liabilities	14,201.9	60,964.0	8,659.0	10,594.8	2,335.0	1,334.8	1,698.0	3,302.0	2,629.1	105,718.5	918.1	106,636.6	72,540.5
Non-Current Liabilities													
Borrowings	-	-	2,430.9	50.3	-	1,166.5	-	21.3	144.5	3,813.5	0.0	3,813.5	11,167.5
Borrowings from financial leasing entities	-	-	-	-	-	-	336.1	-	350.4	686.4	-	686.4	650.6
Finance Lease	-	635.0	691.6	2.2	86.3	-	40.9	-	-	1,456.0	-	1,456.0	1,316.0
Shareholder Loan	-	157.8	-	5,061.8	-	-	-	339.8	-	5,559.4	(4,746.2)	813.2	-
Long-Term Liabilities	0.4	8,272.6	486.5	103.5	-	5.3	48.2	0.9	153.1	9,070.6	35.5	9,106.1	968.1
Total Non-Current Liabilities	0.4	9,065.4	3,609.0	5,217.8	86.3	1,171.8	425.2	362.0	647.9	20,585.9	(4,710.7)	15,875.2	14,102.3
Total Liabilities	14,202.3	70,029.4	12,268.0	15,812.6	2,421.3	2,506.6	2,123.2	3,664.0	3,277.0	126,304.4	(3,792.5)	122,511.9	86,642.7
Total Equity and Liabilities	15,045.7	109,917.3	14,849.7	10,122.8	1,041.0	2,220.2	1,829.5	1,987.2	4,404.0	161,417.5	(16,534.8)	144,882.7	84,268.4

* Miscellaneous includes UCF, Wafra & Sphinx Egypt.



Sector Review: Energy

Qalaa Holdings' operational energy companies include the Egyptian Refining Company (petroleum refining) and TAQA Arabia (energy generation and distribution, natural gas distribution, petroleum products distribution as well as water treatment and desalination).



QH OWNERSHIP — c.13.1%

In 4Q22, ERC refined total feedstock of c.1,202.6 thousand tons, including c.1,129.0 thousand tons of atmospheric residue. During the quarter, total output excluding fuel and losses recorded 1,157.6 tons, from which ERC produced and supplied a total of c.993.9 thousand tons of refined product to the Egyptian General Petroleum Corporation (EGPC), and approximately c.138.9 thousand tons of pet coke and 24.8 thousand tons of sulfur to cement and fertilizer companies, respectively.

Product	LPG	Light Naptha	Reformate	Fuel Oil	Jet Fuel	Diesel	Total Supplied to EGPC*	AVG GRM per day (USD)	Downtime (Days)
4Q21 (tons)	34,782	64,148	131,549	54,699	163,683	493,353	942,215	1.8	-
4Q22 (tons)	35,600	70,237	129,852	88,706	186,507	483,011	993,914	4.9	-
Change	2%	9%	-1%	62%	14%	-2%	5%	170%	N/A
FY21 (tons)	106,269	212,880	425,017	370,782	327,249	1,671,700	3,113,897	1.2	78
FY22 (tons)	143,707	269,656	523,064	193,978	341,005	2,389,100	3,860,510	4.5	-
Change	35%	27%	23%	-48%	4%	43%	24%	275%	-100%

*Excluding fuel and losses

ERC's revenue more than doubled y-o-y to EGP 21.7 billion in 4Q22, compared to EGP 10.3 billion in 4Q21, driven by a recovery in refined petroleum product prices and an increase in ERC's sales, supported by high operational efficiency. On a full-year basis, ERC recorded a 162% y-o-y increase in revenue to EGP 74.8 billion. This was driven by a 24% y-o-y increase in sales as well as a recovery in refined petroleum product prices. In addition, there were no shutdowns during FY22, in contrast to the 78 days of shutdown that occurred during FY21.

In 4Q22, total feedstock volume remained largely stable at 1.2 million tons. Meanwhile, refining margins averaged USD 4.9 million per day in 4Q22, up from USD 1.8 million per day in 4Q21, following higher oil product prices and successful full capacity operations without any slowdowns or shutdowns. On a full-year basis, total feedstock volume reached 4.7 million tons, rising by 24% y-o-y. Refining margins averaged USD 4.5 million per day in FY22, up from USD 1.2 million in FY21.

In terms of profitability, ERC recorded an EBITDA of EGP 9.6 billion in 4Q22 compared to EGP 1.6 billion in 4Q21. In FY22, EBITDA reached EGP 28.6 billion versus the EGP 2.3 billion recorded in FY21.

ERC is still in talks with its creditors for a comprehensive debt restructuring. ERC successfully paid all its arrears, totaling USD 420.9 million, between principal payments to senior lenders and working capital payments during the year, of which USD 358.1 million were paid in 4Q22. It made an additional payment of USD 70.6 million in 1Q23, making it fully current on all its scheduled debt payments.


QALAA HOLDINGS OWNERSHIP — c.55.3%

In 4Q22, TAQA Arabia's revenue increased by 25% y-o-y to EGP 3.1 billion compared to EGP 2.5 billion in 4Q21, while EBITDA increased by 24% y-o-y to EGP 404.1 million. In FY22, TAQA Arabia's revenue recorded EGP 10.7 billion, up 18% y-o-y, with EBITDA increasing by 24% y-o-y to EGP 1.2 billion. The company's revenue growth was primarily driven by a strong performance at both TAQA Power and TAQA Gas. Furthermore, TAQA Power and TAQA Gas were the primary drivers for consolidated EBITDA growth during the period.

In December 2022, TAQA, alongside its French partner Voltalia, signed a memorandum of understanding with the Egyptian government to develop, finance, and operate a green hydrogen production facility near Ain Sokhna port in the Suez Canal Economic Zone.

Key Performance Indicators

	Units	4Q21	4Q22	% chg	FY21	FY22	% chg
TAQA Arabia Consolidated Revenue	(EGP mn)	2,463.9	3,077.0	25%	9,102.0	10,727.8	18%
TAQA Arabia Consolidated EBITDA	(EGP mn)	326.2	404.1	24%	972.5	1,207.3	24%
TAQA Arabia Gas Revenue	(EGP mn)	515.9	940.4	82%	1,899.9	2,682.4	41%
TAQA Arabia Gas EBITDA	(EGP mn)	172.5	212.7	23%	455.1	585.7	29%
Household Connections (Cumulative)	#	1,459,603	1,583,063	8%	1,459,603	1,583,063	8%
Industrial Clients connections	#	313	356	14%	313	356	14%
Total Gas Distributed	BCM	1.7	1.7	-2%	7.4	7.4	-
Master Gas CNG Stations	#	4	10	150%	34	61	79%
Number of converted cars	#	1,082	2,632	143%	4,233	8,141	92%
TAQA Arabia Power Revenue*	(EGP mn)	481.9	545.8	13%	1,795.9	2,051.7	14%
TAQA Arabia Power EBITDA*	(EGP mn)	105.1	145.3	38%	347.6	472.3	36%
Total Power Distributed	M KWH	296	290	-2%	1,146	1,217	6%
Total Power Generated	M KWH	24	25	3%	94	100	7%
Energy generated by TAQA Solar	M KWH	30	31	2%	152	150	-1%
Energy generated by TAQA PV	M KWH	2	8	431%	2	17	984%
TAQA Petroleum Revenue	(EGP mn)	1,476.9	1,603.7	9%	5,448.2	6,031.8	11%
TAQA Petroleum EBITDA	(EGP mn)	54.7	56.5	3%	185.5	195.0	5%
Total Liquid Fuels Distributed	Liters	200,442	201,899	1%	758,826	778,257	3%
Filling Stations	#	1	1	-	60	64	7%

* Includes distribution, conventional generation, renewable generation and photovoltaic

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

TAQA Arabia Gas

TAQA Gas' revenue increased 82% y-o-y to EGP 940.4 million in 4Q22 on the back of growth in residential connections as part of the Hayat Karima program, as well as an increase in CNG volume brought on by an increase in the number of converted vehicles and an expansion in the number of CNG stations. TAQA Gas' revenue also expanded during FY22, closing the year at EGP 2.7 billion, a 41% y-o-y increase.

During the quarter, ten new CNG filling stations were added by TAQA Gas, bringing the total number of stations to 61 at the end of 2022, up from 34 at the end of the previous year. Due to these expansions, the volume of CNG sold increased by 50% y-o-y to 38.5 MCM in 4Q22 and by 68% y-o-y to 130.7 MCM in FY22. Additionally, TAQA Gas converted 2,632 gasoline-powered vehicles successfully in 4Q22, bringing the total number of converted vehicles to 8,141 at the end of FY22 and 31,621 since inception.

Thanks to its robust gas distribution and construction businesses, TAQA Gas enjoys a strong and dominant market position. During FY22, TAQA Gas added around 33.3 thousand new household connections, bringing the number of cumulative connections at the end of 2022 to more than 1.5 million connections, an 8% y-o-y increase. Additionally, the company successfully added 10 new industrial clients in 4Q22, bringing the total number of industrial clients in FY22 to 356, up from 313 in FY21. Even though the number of domestic and industrial connections increased during the quarter, the total amount of gas distributed fell by 2% y-o-y to 1.7 BCM in 4Q22, due to lower consumption, but was stable y-o-y at 7.3 BCM in FY22.

TAQA Gas' business lines recorded EBITDA of EGP 212.7 million in 4Q22, a 23% y-o-y growth. On a full-year basis, EBITDA was up 29% y-o-y, standing at EGP 585.7 million in FY22.

TAQA Arabia Power

TAQA Arabia Power consolidates the company's conventional energy arm, TAQA Power, its renewable energy arm, TAQA Solar, and its most recent renewable energy addition, TAQA Photovoltaic (PV).

Despite witnessing a 2% y-o-y drop in total distribution and generation volume to 316 M KWH, TAQA Power's revenue registered a 4% y-o-y increase to EGP 466.0 million in 4Q22 compared to 446.4 million in 4Q21. The company's positive performance in 4Q22 was supported by the increase in the number of household and industrial clients served during the period, which rose by 179% y-o-y and 408% y-o-y, respectively. On a full-year basis, total distribution and generation volume grew 6% y-o-y to 1,317 M KWH, leading to a 12% y-o-y revenue growth to EGP 1,815.7 million. As of 31 December 2022, the total number of household clients stood at 9,368 clients versus 6,891 clients in FY21. In parallel, the number of industrial clients reached 364 in FY22 compared to 282 clients during the same period last year.

With its 65MW solar power plant in Benban, Aswan, TAQA Solar generated EGP 70.8 million in revenue during 4Q22, an increase of 108% y-o-y. On a yearly basis, revenue reached EGP 218.2 million in FY22 versus EGP 169.8 million in FY21.

TAQA Photovoltaic (PV), which just finished its first year of operations, contributed EGP 17.8 million to the overall revenue in FY22. The company was founded in September 2021 as a TAQA Power subsidiary for renewable energy with the aim of developing a private-to-private renewable energy market. Through the use of a 25-year power purchase agreement, TAQA PV sells electricity directly to Dina Farms following the completion of a 6MW solar photovoltaic power plant at Dina Farms. This plant is the first corporate financed project funded by the European Bank for Reconstruction and Development (EBRD) in Egypt that involves direct electricity supply from a privately owned generator to a privately owned off-taker.

EBRD has also committed to financing TAQA PV's project in El Minya, where a 7MW solar photovoltaic power plant will be built with a value of USD 5.5 million. As part of a 25-year power purchase agreement (PPA), TAQA began the construction of a plant the entire electrical output of which will be sold to ASCOM Carbonate and Chemical Manufacturing (ACCM), a subsidiary of Qalaa Holdings. Furthermore, TAQA PV successfully started the operation of two projects in the tourist hotspots of Soma Bay and Nabq, and is currently working on Nabq phase 2 as well as the industrial zone of 6th of October City.

Profitability wise, TAQA Arabia Power's EBITDA grew by 38% y-o-y, recording EGP 145.3 million in 4Q22, and by 36% y-o-y in FY22 to reach EGP 472.3 million. The improved profitability is largely attributable to the increase in the number of new clients added and served across all sub-sectors, coupled with the new contributions from TAQA PV.

TAQA Petroleum

TAQA Petroleum's revenue grew 9% y-o-y to EGP 1.6 billion in 4Q22 driven by quarterly increases in fuel prices as well as higher diesel sales, which grew by 2% y-o-y in 4Q22. During the quarter, fuel revenue increased by 10% y-o-y to reach EGP 1.6 billion. On the back of the increased revenue, fuel contribution margin expanded 10% y-o-y to EGP 63.1 million in 4Q22. In full-year terms, revenue increased by 11% y-o-y to reach EGP 6.0 billion in FY22 following higher fuel prices and increased diesel sales, which expanded by 4% y-o-y during FY22. Like 4Q22, fuel revenue increased by 10% y-o-y to reach EGP 5.8 billion, with fuel contribution margin expanding by 8% y-o-y to EGP 235.3 million in FY22.

As for the lubes division, revenue dropped 44% y-o-y to EGP 28.6 million in 4Q22 largely owing to a 55% y-o-y drop in sales volume during the quarter, which fell to 285 tons compared to 637 tons in 4Q21. Lube volumes were highly affected by the slowdown brought about by the Letters of Credit requirements for all imports as well as foreign currency shortages. On a full-year basis, revenue grew by 18% y-o-y to EGP 183.5 million in FY22. Over the course of the year, revenue was primarily supported by an increase in price per ton, which in 4Q22 averaged EGP 100.5 thousand per ton as opposed to EGP 80.8 thousand per ton in 4Q21.

TAQA Petroleum currently operates a grand total of 64 stations, with plans to expand further throughout the coming years.

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 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. Since its inception, TAQA Water has successfully completed two desalination projects; one for a real-estate developer in the North Coast, which began operations in late 2Q22 and the second for a factory in the 10th of Ramadan Industrial Zone, which is expected to begin operations in 2023. In FY22, TAQA Water booked EGP 1.3 million in revenue.



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).


QALAA HOLDINGS OWNERSHIP — c.69.3%

In 4Q22 ASEC Holding's revenue was EGP 1.5 billion, up 120% y-o-y compared to 4Q21. Meanwhile, it increased 48% y-o-y to EGP 4.6 billion in FY22, owing to strong performance in the production segment, which accounted for 75% of total group revenue in FY22. Profitability wise, the group's EBITDA improved by 15% y-o-y in 4Q22 when compared to the same quarter the previous year, with a loss of EGP 75.8 million compared to a loss of EGP 88.8 million in 4Q21. EBITDA increased over five-fold y-o-y to EGP 622.3 million in FY22.

Management notes that ASEC Holdings' comprehensive debt restructuring is progressing, and is certain its efforts will ultimately result in a stronger balance sheet, healthier financial and leverage ratios, and increased profitability.

Key Performance Indicators

	Units	4Q21	4Q22	% chg	FY21	FY22	% chg
ASEC Holding's Cons. Revenue	(EGP mn)	690.3	1,520.3	120%	3,105.0	4,583.4	48%
ASEC Holding's Cons. EBITDA	(EGP mn)	(88.8)	(75.8)	15%	117.5	622.3	430%
ASEC Cement Group Revenue	(EGP mn)	506.6	1,056.7	109%	2,296.2	3,366.8	47%
ASEC Cement Group EBITDA	(EGP mn)	(142.1)	(209.1)	47%	59.9	449.9	651%
Al-Takamol Cement Revenue	(SDG mn)	10,480.3	12,487.7	19%	40,438.4	63,171.4	56%
Al-Takamol Cement EBITDA	(SDG mn)	1,370.5	1,270.5	-7%	6,938.6	16,890.0	143%
Al-Takamol Volume	KTons	198	154	-22%	920	779	-15%
Zahana Cement Revenue	(EGP mn)	148.3	321.8	117%	529.2	971.6	135%
Zahana Cement EBITDA	(EGP mn)	61.5	165.2	169%	211.2	378.4	84%
Zahana Volume	KTons	224	414	51%	892	1,644	84%
ARESCO Revenue	(EGP mn)	70.0	65.5	-6%	249.5	279.0	12%
ARESCO EBITDA	(EGP mn)	(5.1)	8.2	N/A	15.2	(3.3)	N/A
ARESCO Backlog	(EGP mn)	210.5	668.8	218%	210.5	668.8	218%
ASEC Engineering Revenue	(EGP mn)	115.5	363.1	215%	559.2	836.4	50%
ASEC Engineering EBITDA	(EGP mn)	25.9	130.3	404%	36.4	158.9	337%
ASEC Engineering Managed Production	MTons	0.9	1.5	61%	6.1	5.6	-8%

ASEC Cement

Due to the political unrest in Sudan, the hyperinflation calculation methodology is applied. The methodology uses the spot index for revenue translation and the historical index (which is higher than the spot index) for COGS translation, resulting in a disproportionate increase in cost of sales compared to revenue. The EGP/SDG rate was highly volatile over the course of the period and consequently impacted the company's figures when reflected in EGP terms. Al-Takamol's figures are thus presented below in Sudanese Pound (SDG) to provide a more accurate representation of the company's performance excluding the impact of hyperinflationary adjustments.

Al-Takamol Cement's revenue grew 19% y-o-y to SDG 12.5 billion in 4Q22 despite the 22% y-o-y decline in sales volume during the quarter when compared to 4Q21. The significant drop in volume was primarily due to a narrowing supply-demand gap within the Sudanese market because of an increase in the quantity of cement being imported from Egypt and Saudi Arabia at a lower price than the local product. Another significant factor was the prolonged periods of political and social unrest that have harmed consumer confidence, purchasing power, economic growth, and trade since the previous regime's demise in April 2019. The volume decline was partially offset by an increase in average cement prices from SDG 43,943/ton to SDG 81,029 /ton in 4Q22. On a full-year basis, revenue increased 56% y-o-y to SDG 63.2 billion as average cement prices increased from SDG 41,737/ton to SDG 81,121/ton, offsetting the 15% y-o-y decline in volume during the period. Prices continue to increase due to the prevalent inflationary environment.

In terms of profitability, Al-Takamol's EBITDA dropped 7% y-o-y to SDG 1.3 billion in 4Q22 but increased 143% y-o-y to SDG 16.9 billion in FY22 compared to SDG 6.9 billion in FY21.

In 4Q22, Zahana Cement recorded a revenue of EGP 321.8 million, up 117% y-o-y on the back of a 15% y-o-y increase in cement volume to 210 thousand tons compared to 183 thousand tons in 4Q21. The growth in cement volume reflected a 106% y-o-y increase in the total amount of clinker sold, which reached 188 thousand tons in 4Q22. The increase in clinker sales was mainly attributed to growing exports. In FY22, revenue was up 84% y-o-y to EGP 971.6 million, driven by a 166% y-o-y increase in cement volume. The average selling price in 4Q22 showed a 50% y-o-y increase and recorded EGP 809.4 /ton. However, on a full-year basis the average selling price remained the same at EGP 591/ton when compared to FY 2021.

In terms of profitability, Zahana's EBITDA grew 169% y-o-y to EGP 165.2 million in 4Q22, closing the year at EGP 378.4 million, up 79% y-o-y versus EGP 211.2 million in FY21. Improved profitability was primarily driven by an increase in clinker sales.

ASEC Engineering

ASEC Engineering's revenue grew 215% y-o-y to EGP 363.1 million in 4Q22. Revenue growth was achieved on the back of a 61% y-o-y growth in managed clinker production in 4Q22 to 1.5 million tons. In FY22, revenue rose by 50% y-o-y to EGP 836.4 million, despite the 8% y-o-y decline in managed clinker production compared to FY21.

Higher managed capacities reflected the company benefiting from the new three-year contract that went into effect in 2022 and contributed 490 thousand tons to the quarter's production volume. Furthermore, other contracts were successfully renewed and had a significant impact on the period's production volume compared to 4Q21.

Despite the challenges facing the cement industry in Egypt, ASEC Engineering managed to record a recurring EBITDA of EGP 130.3 million in 4Q22, up more than five-fold y-o-y, and EGP 158.9 million in FY22 compared to EGP 36.4 million in FY21. Profitability greatly improved on the back of increased overseas projects, which contributed to over 35% of total revenue and 40% of gross margin, in addition to the new and renewed local market contracts.

To hedge against the uncertainty of the cement industry in Egypt, management is actively working towards geographically diversifying ASEC Engineering's client base and is looking to penetrate new markets, including Iraq, South Africa, and Libya.

An arbitral tribunal ruled in favor of ASEC Engineering in a contractual dispute with Misr Beni Suef Cement Company (a former client) in September 2022, ordering the latter to pay ASEC an amount in excess of EGP 360.0 million. Misr Beni Suef Cement Company has since launched an appeal, and the case is currently under review by the court.

ARESCO

Although ARESCO's revenue dropped by 6% y-o-y to EGP 65.5 million in 4Q22, the company managed to close the year with 12% y-o-y increase to EGP 279.0 million in FY22 compared to EGP 249.5 million in FY21.

In terms of profitability, ARESCO reported an EBITDA gain of EGP 8.2 million in 4Q22 compared to a loss of EGP 5.1 million in 4Q21. However, the company reported an EBITDA loss of EGP 3.3 million in FY22, compared to a gain of EGP 15.2 million in FY21. As of 31 December 2022, ARESCO's backlog stood at EGP 668.8 million.

ASEC Automation

As a result of new projects being awarded and invoiced during 2022 in diversified sectors such as, the oil and gas sector, construction sector, Hayat Karima, panel projects, a new project in the Philippines, and the maintenance services sector with one contract in Qena having an invoice worth over EGP 36 million, ASEC Automation's revenue increased 212% y-o-y to EGP 97.8 million in 4Q22 and 95% y-o-y to EGP 256.6 million in FY22.

On the profitability front, the company recorded a recurring EBITDA of EGP 10.8 million in 4Q22, compared to an EBITDA of EGP 4.4 million in 4Q21. On a full-year basis, EBITDA grew substantially reaching EGP 16.5 million in FY22 compared to EGP 4.2 million in FY21. ASEC Automation recently signed new contracts worth EGP 336.8 million in 4Q22, bringing its total backlog as of 31 December 2022 to c. EGP 366.8 million.



Sector Review: Packaging & Printing

Through its subsidiary National Printing Company, Qalaa Holdings has invested in the printing and packaging sector over USD 60 million.


QALAA HOLDINGS OWNERSHIP – c.31.0%

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 single facer, flexos, and chemical additives.

Key Performance Indicators

	Units	4Q21	4Q22	% diff	FY21	FY22	% diff
Grandview (National Printing Holding Co.) Revenue	(EGP mn)	805.6	1,073.0	33%	2,604.5	4,271.0	64%
Grandview (National Printing Holding Co.) EBITDA	(EGP mn)	184.6	427.9	132%	498.9	1,425.5	186%
Shorouk for Modern Printing & Packaging Revenue	(EGP mn)	240.9	400.6	66%	816.0	1,514.0	86%
Shorouk for Modern Printing & Packaging EBITDA	(EGP mn)	45.8	105	129%	138.0	318.1	131%
Uniboard Revenue	(EGP mn)	479.0	608.7	27%	1,465.0	2,585.1	76%
Uniboard EBITDA	(EGP mn)	136.1	235.6	73%	319.0	1,018.8	219%
El Baddar Revenue	(EGP mn)	172.0	228.2	33%	502.0	792.1	58%
El Baddar EBITDA	(EGP mn)	5.4	23.2	328%	25.7	80.6	214%

Shorouk for Modern Printing & Packaging

Shorouk continued to overcome challenging market conditions and supply chain disruptions, delivering impressive results for the fourth quarter in a row. The company's revenue increased 66% y-o-y to EGP 400.6 million in 4Q22 compared to EGP 240.9 million in 4Q21 driven by higher exports volume and an increase in average price per ton. In 4Q22, Shorouk's exports volume grew 33% y-o-y to record 2,122 tons compared to 1,590 tons in 4Q21. Moreover, the average price per ton for exports increased 57% y-o-y, resulting in a 109% y-o-y rise in export revenue, which reached EGP 97.5 million in 4Q22 compared to EGP 46.4 million during the same quarter last year. On the other hand, in 4Q22 local sales volume dropped 7% y-o-y to record 6,579 tons versus 7,077 tons in 4Q21, following unstable markets condition and local currency devaluations. Despite the decline in domestic sales volumes, local revenue increased by 56% y-o-y to reach EGP 303.1 million due to an increase in local prices.

On a full-year basis, revenue increased 86% y-o-y to EGP 1,514.0 million versus EGP 816.0 million in FY21. Growth was supported by an increase in the average price as well as an increase in both local and export sales, especially during the first nine months of the year. Shorouk currently exports its products to 16 countries across three continents.

In terms of profitability, EBITDA more than doubled y-o-y in 4Q22 to EGP 105 million, bringing FY22 EBITDA to EGP 318.1 million, a 131% y-o-y increase.

Uniboard

In 4Q22, Uniboard's revenue increased 27% y-o-y to EGP 608.7 million on the back of an increase in average price per ton. Total sales volume slipped 13% y-o-y during the quarter following a marginal decline in local market sales of 3% y-o-y to 27,137 tons, as well as a 52% y-o-y drop in export sales to 3,663 tons in 4Q22.

Despite the decline in sales volume, local revenue grew 38% y-o-y to EGP 534.5 million compared to EGP 387.0 million in 4Q21. On the export front, despite a y-o-y increase in prices during 4Q22, revenue from exports dropped by 20% y-o-y to EGP 74.2 million, on the back of a volume drop. Uniboard currently exports to 17 countries across three continents.

In FY22, the company's revenue increased by 76% y-o-y to record EGP 2,585.1 million driven by a combination of higher prices and stability in y-o-y volumes sold.

In terms of profitability, Uniboard's EBITDA rose 73% y-o-y to EGP 235.6 million in 4Q22 as the company increased prices across its product mix, offsetting the impact of a 16% y-o-y increase in raw material costs, primarily paper. On a full-year basis, EBITDA grew 219% y-o-y to EGP 1,0181.8 million.

El Baddar

El Baddar continued capitalizing on its new cutting-edge facility, which became operational in early 2021. The company recorded a revenue increase of 33% y-o-y to EGP 228.2 million in 4Q22. The company's strong performance was attributed to a 13% y-o-y increase in sales volume during the quarter. On a full-year basis, revenue increased 58% y-o-y to EGP 792.1 million as sales volume expanded 18% y-o-y in FY22.

Windsor

Windsor is a factory specialized in the production of paper packaging and chemical additives with a significant share in the manufacturing of paper cups and boxes. The company's revenue grew 58% y-o-y to EGP 30.9 million in 4Q22 and 60% y-o-y to EGP 105.9 million in FY22. On the profitability front, EBITDA reached EGP 9.9 million in 4Q22, up 89% y-o-y, and EGP 32.6 million in FY22, up 63% y-o-y. The company's improved performance was a result of higher volumes across its product mix.



Sector Review: Mining

Qalaa Holdings' operational platform in the mining sector is ASCOM, which includes operating companies ASCOM Mining, 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 — c.54.1%

ASCOM's top line grew by 45% y-o-y to EGP 364.0 million in 4Q22, mostly driven by a 53% y-o-y increase in revenue at GlassRock. On a full year basis, ASCOM's revenue increased by 45% y-o-y to EGP 1,4 billion, on the back of a 58% y-o-y increase in GlassRock's FY22 revenue.

Key Performance Indicators

	Units	4Q21	4Q22	% chg	FY21	FY22	% chg
ASCOM Revenue	(EGP mn)	250.7	364.0	45%	937.7	1,362.5	45%
ASCOM EBITDA	(EGP mn)	27.0	47.9	77%	85.6	212.7	148%
ACCM Revenue	(USD mn)	10.3	8.1	-22%	35.7	39.9	12%
ACCM EBITDA	(USD mn)	1.9	1.8	-7%	5.9	9.9	68%
GlassRock Revenue	(USD mn)	2.8	4.3	53%	9.5	15.0	58%
GlassRock EBITDA	(USD mn)	0.3	1.0	434%	0.2	2.5	1,492%
Egypt Quarrying Revenue	(EGP mn)	73.3	58.1	-21%	296.0	217.0	-27%
Egypt Quarrying EBITDA	(EGP mn)	(2.3)	(6.5)	-183%	3.2	(11.5)	-456%
Other Quarry Management Revenue – ex Egypt	(USD mn)	0.0	1.2	2,896%	0.1	1.7	3,249%
Other Quarry Management EBITDA – ex Egypt	(USD mn)	(0.3)	0.02	110%	(0.5)	(0.03)	94%

ACCM

In 4Q22, ACCM reported revenue of USD 8.1 million, a 22% y-o-y decline. The top line decline was caused by a 14% y-o-y decrease in export revenue during the quarter to USD 6.4 million from USD 7.5 million in 4Q21. This came following a 13% y-o-y drop in export volume, as well as above average export performance in 4Q21. On a full-year basis, ACCM saw revenue grow 12% y-o-y to USD 39.9 million, on the back of higher prices and increased export proceeds in FY22. During the year, the average price per ton increased 20% y-o-y, while export volume rose 6% y-o-y.

In terms of profitability, EBITDA slipped to USD 1.8 million in 4Q22 compared to USD 1.9 million in 4Q21 despite a 7% y-o-y decrease in variable costs following the decline in top line during the quarter. The

decline in variable costs was mainly driven by the EGP devaluation (which resulted in a decrease in some local cost components such as electricity and local materials, etc.), as well as the decline in the cost of shipping to some destinations. On a full-year basis, EBITDA recorded a remarkable growth of 68% y-o-y, reaching USD 9.9 million in FY22 compared to USD 5.9 million in FY21.

Looking ahead, ACCM will continue to capitalize on growing exports, which account for the majority of the company's top line. The recent EGP devaluation should increase ACCM's competitiveness in the international market and enable the company to increase its export volume. However, management is cognizant that volatile market conditions will continue to affect demand and is thus closely monitoring market developments. Management intends to simultaneously push ahead with its sales channel diversification strategy and the installation of additional production lines to expand its capacity and meet planned growth targets.

GlassRock

GlassRock's revenue grew 53% y-o-y to USD 4.3 million in 4Q22, driven by a 21% y-o-y increase in total volume sold and higher prices across the company's product mix. On a full-year basis, revenue grew 58% y-o-y to USD 15.0 million on the back of a 22% y-o-y increase in total volume sold coupled with selling price increases.

GlassRock successfully penetrated new markets during the quarter, expanding its portfolio to 52 export markets across Africa, Europe, and Asia. The company grew its export volume by 53% y-o-y in 4Q22 to 1,029 tons versus 672 tons in 4Q21. Consequently, export revenue increased 81% y-o-y to USD 1.3 million, up from USD 720.1 thousand in 4Q21. The impressive growth was mostly driven by the strong performance at Rockwool's export division. In 4Q22, Rockwool's export revenue grew 91% y-o-y to USD 733.6 thousand, driven by an 81% y-o-y increase in export volume and a 5% y-o-y increase in the average price per ton. On the other hand, Glasswool's export revenue dropped by 9% y-o-y to USD 304.2 thousand, on the back of a 2% y-o-y decrease in export volume, coupled with a 7% y-o-y decline in average price per ton. In FY22, GlassRock's export revenue grew 103% y-o-y to reach USD 4.7 million compared to USD 2.3 million in FY21, driven by volume increases at both Rockwool and Glasswool, which more than offset the y-o-y decline in export prices during the twelve-month period.

In the domestic market, GlassRock's sales volume increased 9% y-o-y to 1,859 tons in 4Q22, supported by a 116% y-o-y growth in Glasswool's sales volume during the quarter. This countered the effect of the 11% y-o-y decline in Rockwool's sales volume in 4Q22. However, given that Rockwool accounts for over 69% of sales volume, the decline in its sales weighed down on the magnitude of the quarter's overall sales increase. In terms of revenue, Glasswool's sales revenue recorded a 169% y-o-y increase to USD 1.3 million in 4Q22, supported by a more efficient product mix and an increase in Glasswool's selling price to USD 2,297/ton. Meanwhile, Rockwool booked USD 1.5 million in revenue in 4Q22, up 1% y-o-y, despite the 11% y-o-y drop in sales volume. Revenue growth was supported by a 13% y-o-y increase in the average price per ton. On a full-year basis, GlassRock's sales volume was down 5% y-o-y, falling to 6,229 tons in FY22. This was driven by the 15% y-o-y decline in Rockwool's sales volume, which countered the effect of the 33% y-o-y increase in Glasswool's sales volume during FY22. In FY22, Glasswool's revenue reached USD 3.6 million, a 74% y-o-y increase supported by increased volume and

higher prices. Meanwhile, Rockwool saw its revenue grow 6% y-o-y to reach USD 5.0 million on the back of higher selling prices.

In terms of profitability, GlassRock's EBITDA grew 434% y-o-y in 4Q22 to USD 1.0 million compared to USD 302.3 thousand in 4Q21. On a full-year basis, the company recorded an EBITDA of USD 2.5 million compared to USD 177.3 thousand in FY21. Profitability was driven by higher export sales coupled with price increases in export markets.

Egypt Quarrying (ASCOM Mining)

ASCOM's mining operations rely primarily on the cement sector, with around 90% of its revenue attributable to cement clients. The company continues to face a challenging operating environment due to sustained pressure on Egypt's cement industry, which resulted in a 21% y-o-y decline in revenue to EGP 58.1 million in 4Q22 compared to EGP 73.3 million in 4Q21. In FY22, revenue was down 27% y-o-y to record EGP 217.0 million. Management has been actively revising contracts and implementing a minimum take criterion, as well as renewing other contracts on a take-or-pay basis to recoup costs incurred during periods where markets are underperforming. The company is also exploring expanding into other fields such as phosphate, kaolin, sand, gypsum, and mining support both locally and internationally.

ASCOM Mining reported an EBITDA loss of EGP 6.5 million in 4Q22 compared to an EBITDA loss of EGP 2.3 million in 4Q21, following the termination of defaulting contracts and the shutdown of some unprofitable projects. Given the internal restructuring that took place throughout the year, FY22 ended with an EBITDA loss of EGP 11.5 million versus a gain of EGP 3.2 million in FY21.



Sector Review: Agrifoods

Agrifood companies consolidated under parent company Dina Farms Holding Co. (multicategory agriculture and consumer foods) include Dina Farms and ICDP (Dina Farms' fresh dairy & juice producer).



QALAA HOLDINGS OWNERSHIP — c.54.9%

Dina Farms Holding Co. recorded a 33% y-o-y increase in revenue to EGP 346.1 million, while EBITDA rose by 110% y-o-y to EGP 108.0 million in 4Q22, following end-of-year valuation of biological assets given the currency devaluation. Similarly, revenue was up 24% y-o-y in FY22 to EGP 1.3 billion while EBITDA rose 20% y-o-y to EGP 185.4 million.

Key Performance Indicators

	Units	4Q21	4Q22	% chg	FY21	FY22	% chg
Gozour (Dina Farms Holding Co.) Revenue	(EGP mn)	259.8	346.1	33%	1,045.4	1,291.9	24%
Gozour (Dina Farms Holding Co.) EBITDA	(EGP mn)	51.5	108.0	110%	155.0	185.4	20%
Dina Farms Revenue	(EGP mn)	194.9	265.7	36%	836.5	1,004.2	20%
Dina Farms EBITDA	(EGP mn)	56.9	101.8	79%	174.1	200.6	15%
Dina Farms Raw Milk Sales/Milking Cow Ratio	Tons/Milking Cow	2.9	2.7	-6%	11.5	11.0	-4%
ICDP Revenue	(EGP mn)	96.2	176.2	83%	366.8	552.5	51%
ICDP EBITDA	(EGP mn)	9.7	13.5	39%	30.3	47.6	57%
ICDP SKU Volume Sold	(Tons)	4,433	4,535	2%	16,755	18,024	7.6%

Dina Farms' revenue grew 36% y-o-y to EGP 265.7 million in 4Q22, bringing FY22 revenue to EGP 1.0 billion, up 20% y-o-y. Revenue growth was supported by improved operations across all business segments.

At the livestock division, revenue from fresh milk sales increased 36% y-o-y to EGP 226.8 in 4Q22 due to a 58% y-o-y increase in milk prices that more than offset a 14% y-o-y drop in milk sales volume. Milk sales volume has been down since the start of the year due to the lingering effects of an earlier outbreak of Foot and Mouth Disease (FMD), which has since been contained. While 4Q22 results have shown improvement, they continue to be impacted as a result of the herd taking time to fully recover. Nonetheless, powdered milk sales volume grew more than six-fold y-o-y to 59 tons, supporting a 1,408% y-o-y increase in powdered milk revenue to EGP 6.9 million in 4Q22. The increase in powdered

milk sales volume, coupled with a 131% y-o-y increase in the price per ton, supported revenue growth during the quarter. Meanwhile, non-milk revenue dropped 19% y-o-y to EGP 5.2 million compared to EGP 6.5 million in 4Q21, on the back of lower meat sales volume. On a full-year basis, revenue from fresh milk rose 30% y-o-y to EGP 839.7 million in FY22, boosted by higher prices. Powdered milk revenue was up 6% y-o-y in FY22 as a significant increase in price more than offset the 41% y-o-y decline in sales volume. Overall, livestock revenue grew 37% y-o-y to EGP 239.0 million in 4Q22 and was up 21% y-o-y to EGP 818.1 million in FY22.

At the agriculture division, orchard revenue reached EGP 4.2 million in 4Q22 following the introduction of olives that showed a great performance during the quarter. On the other hand, Dina Farms opted to process and dry the parsley it produces in-house during 4Q22 as opposed to selling the crop to a third party, which caused a delay in revenue recognition until after 4Q22. Hence, crop revenue in 4Q22 fell by 90% y-o-y to EGP 0.9 million from EGP 9.4 million in 4Q21. As for FY22, orchard revenue dropped 4% y-o-y to stand at EGP 26.3 million. Meanwhile, revenue from crops reached EGP 72.1 million in FY22, a 3% y-o-y increase. Overall, agriculture revenue dropped 52% y-o-y to EGP 5.1 million in 4Q22, bringing FY22 revenue to EGP 105.3 million, up 1% y-o-y.

Finally, revenue at the retail division grew 115% y-o-y to reach EGP 21.6 million in 4Q22 and was up 47% y-o-y to EGP 80.8 million in FY22. The price increases and additional investments made into the company helped enhance the division's turnover efficiency.

Given the currency devaluation, the end-of-year valuation of biological assets led to a gain of nearly EGP 91 million. This saw EBITDA increase by 79% y-o-y to reach EGP 101.8 million in 4Q22 compared to EGP 56.9 million in 4Q21. EBITDA for the entire year recorded EGP 200.6 million, up 15% y-o-y.

ICDP

ICDP's total SKU volume stood at 4,535 tons in 4Q22, slightly higher than the 4,433 tons recorded during 4Q21. Meanwhile on a full-year basis, SKU volume grew 8% y-o-y to reach 18,024 tons in FY22, on the back of the commissioning of two new cheese lines in the second and third quarters of the year.

Revenue increased by 83% y-o-y in 4Q22 to reach EGP 176.2 million. Revenue growth was supported by price increases across the board, in addition to a noticeable increase in the volume of skimmed powdered milk, cheese, and yogurt sold, all of which helped the company boost its top line despite a drop in milk volume sold. In FY22, total revenue increased by 51% y-o-y to EGP 552.5 million compared to EGP 366.8 million in FY21. ICDP's transition from selling through distributors to selling directly through the company's own network of branches in Cairo, Giza, Alexandria, and the Delta region played an important role in supporting full-year top line performance. Such strategic changes enabled ICDP to increase sales volume, significantly reduce returns of sold goods, and stop offering discounts.

In 4Q22, fresh milk revenue increased 35% y-o-y to EGP 85.0 million on the back of a 48% y-o-y rise in milk prices that more than offset a 9% y-o-y drop in volume. On the other hand, powdered milk volume sold during 4Q22 reached 101 tons compared to 22 tons in 4Q21, a 359% y-o-y increase. In addition to the increased volume, the two-fold y-o-y increase in the price per ton of powdered milk boosted revenue further, with the figure reaching EGP 12.0 million compared to the EGP 1.2 million achieved in

4Q21. On a twelve-month basis, milk revenue increased 36% y-o-y to EGP 290.9 million in FY22 as volume remained mostly stable while prices climbed 34% y-o-y. Meanwhile, skimmed milk powder revenue stood at EGP 26.9 million in FY22, up 28% y-o-y on account of higher prices which offset a 34% y-o-y decline in sales volume.

Juice revenue expanded by 14% y-o-y to EGP 20.7 million in 4Q22. Top line growth was backed by a 26% y-o-y increase in prices during the quarter, offsetting the 10% y-o-y decline in sales volume in 4Q22. On a full-year basis, juice revenue increased by 33% y-o-y to EGP 84.3 million in FY22, driven by an 11% y-o-y increase in volume and a 20% y-o-y increase in prices during the period.

The yogurt segment's revenue expanded 71% y-o-y to EGP 10.9 million in 4Q22, as both sales volume and prices increased. During the quarter, sales volume was up 37% y-o-y, and prices were up 25% y-o-y. In FY22, revenue expanded by 51% y-o-y reaching EGP 44.2 million, with volume growing 39% y-o-y and prices increasing by 9% y-o-y.

With its new cheese lines, which were commissioned during 2022, as well as the introduction of numerous new products throughout the year, the cheese division increased its sales volume by over fivefold y-o-y in 4Q22. This increase in volume resulted in an 888% y-o-y increase in revenue to record EGP 38.4 million compared to EGP 3.9 million in 4Q21. On a full-year basis, revenue from cheese reached EGP 81.2 million in FY22, up from EGP 15.3 million in FY21, on the back of a 216% y-o-y increase in sales volume coupled with a 67% y-o-y increase in price per ton during the period.

ICDP's EBITDA recorded EGP 13.5 million in 4Q22, up 39% y-o-y. Profitability was positively impacted by both the growth in sales volume and the increased selling prices recorded across all its product lines during the quarter compared to 4Q21. In FY22, EBITDA increased by 57% y-o-y to EGP 47.6 million. Higher sales volume and prices, not offering discounts, and efficient capacity utilization all boosted ICDP's results during the year.

To support future profitability, management is moving forward with its plans to boost the contribution of the cheese, yogurt, and juice segments. The installation of two new cheese lines in the second and third quarters of 2022 enabled the increase in production of cheese and yogurt while also boosting production capacity. Given that direct distribution has proven to be very effective in improving the company's performance, ICDP will continue growing its product lines and direct distribution network.



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 is owned by CCTO, which consolidates the company's operations in Egypt and South Sudan. In 4Q22, the company's revenue rose by 95% y-o-y to EGP 119.4 million and EBITDA increased by 188% y-o-y to EGP 59.4 million. In FY22, revenue rose 47% y-o-y to EGP 370.8 million and EBITDA was up 150% y-o-y to EGP 212.7 million.

Key Performance Indicators

	Units	4Q21	4Q22	% chg	FY21	FY22	% chg
CCTO (Nile Logistics Holding Co.) Revenue	(EGP mn)	61.1	119.4	95%	253.1	370.8	47%
CCTO (Nile Logistics Holding Co.) EBITDA	(EGP mn)	20.6	59.4	188%	85.0	212.7	150%
Nile Logistics Revenue	(EGP mn)	61.1	107.2	75%	242.0	340.2	41%
Nile Logistics EBITDA	(EGP mn)	29.3	66.9	128%	104.7	178.5	70%
Nile Logistics Coal / Pet Coke Tons Handled	(000's Tons)	248	412	66%	1,173	1,341	14%
Nile Logistics Twenty-Foot Equivalent Handled	(TEU)	19,117	15,974	-16%	84,638	77,562	-8%
Nile Barges Revenue (South Sudan)	(USD mn)	0.0	0.5	N/A	0.7	1.5	118%
Nile Barges EBITDA (South Sudan)	(USD mn)	(0.2)	0.2	N/A	0.2	0.6	260%

Nile Logistics (Egypt)

Nile Logistics recorded revenue of EGP 107.2 million in 4Q22, up 75% y-o-y, bringing total revenue for FY22 to EGP 340.2 million, up 41% y-o-y compared to FY21. Improvements in stevedoring, storage, and the inland container depot all contributed significantly to the company's 2022 performance.

During 4Q22, coal storage volume grew 5% y-o-y to 136 thousand tons at Tanash warehouse. Meanwhile, revenue witnessed a two-fold growth compared to 4Q21, rising to EGP 46.6 million in 4Q22 compared to EGP 23.2 million in 4Q21. On a full-year basis, coal storage volume grew 26% y-o-y to stand at 540 thousand tons during FY22, while FY22 revenue reached EGP 125.7 million, a 52% y-o-y increase.

Stevedoring services revenue increased by 55% y-o-y in 4Q22, reaching EGP 30.6 million compared to EGP 19.8 million in 4Q21. This came on the back of a 66% y-o-y rise in coal stevedoring to 412 thousand tons compared to 248 thousand tons in 4Q21. Given the higher volume of coal handled in FY22 (up 14.3% y-o-y to 1,341 thousand tons compared to 1,173 thousand tons in FY21), stevedoring services revenue for the year reached EGP 98.0 million, up 6% y-o-y compared to FY21.

Moreover, inland container depot revenue increased by 63% y-o-y in 4Q22 to record EGP 29.4 million, from EGP 18.1 million in 4Q21. The growth was supported by a more than three-fold increase in the storage days for TEUs that reached over 97,840 days compared to 30,500 days in 4Q21, given the slowdown brought about by the letter of credit requirements for all imports, as well as foreign currency availability issues. The increase in storage days compensated for the 16% y-o-y decline in 4Q22 TEU volume to 15,974 containers. On a 12-month basis, inland container depot revenue was up 43% y-o-y, reaching EGP 95.5 million in FY22 on the back of a nearly two-fold y-o-y increase in storage days for TEUs. The increase in storage days offset the effect of the 8% y-o-y decline in TEU volume witnessed during FY22.

In terms of profitability, higher storage and container depot revenue drove a 128% y-o-y growth in EBITDA to EGP 66.9 million in 4Q22. On a full-year basis, EBITDA increased 70% y-o-y to EGP 178.5 million, on the back of improved performance across the company's operations.

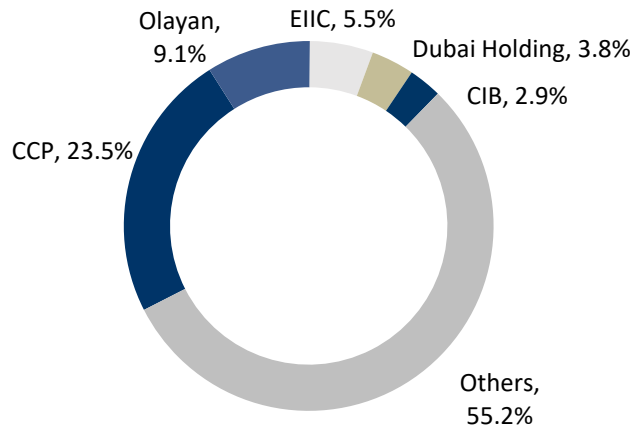
Nile Barges (South Sudan)

Nile Barges' operations in South Sudan focus on the transportation of food under the auspices of the World Food Program (WFP). The company currently has three pushers and eight barges in service following the successful addition of the last pusher in 1H22, bringing Nile Barges' entire fleet into operation.

Nile Barges successfully completed four trips in FY22, matching the number of trips completed in FY21. In 4Q22, revenue recorded USD 0.5 million, bringing FY22 revenue up to USD 1.5 million, a 118% y-o-y increase. In terms of profitability, EBITDA turned positive, standing at USD 0.2 million in 4Q22 compared to the USD -0.2 million recorded in 4Q21. This drove a 260% y-o-y increase in EBITDA to USD 0.6 million in FY22. Improved results were driven by higher pricing and longer routes for trips, resulting in better margins for the period.

SHAREHOLDER STRUCTURE

(as at 31 December 2022)



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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