

## Qalaa Holdings Reports FY 2023 Results

Throughout 2023, Qalaa Holdings concluded several agreements and transactions for the settlement and restructuring of the Group's debts. These transactions have seen Qalaa take a major step in its deleveraging strategy and have greatly reduced the Group's debt levels. The transactions, together with the sale of assets, had a significant impact on the Group's results for the year.

- **ASEC Holding's debt settlement and restructuring:** ASEC Holding signed settlement agreements with its lenders to fully settle c. EGP 1.4 billion of debt, as well as restructure and settle c. EGP 536 million in debt over two years. The company is now current on all debt repayments with its lending banks;
- **FHI settlement:** Qalaa signed an agreement with Financial Holdings Investments Ltd. (FHI), whereby Qalaa is to settle the bulk of its liabilities and those of its subsidiaries to FHI. The agreement will also allow Qalaa to acquire shares in some of its subsidiaries (ASEC Holdings, CCTO the Transportation and Logistics business, and United Company for Foundries). In 1Q24, and following the listing of National Printing on the Egyptian Exchange (EGX), FHI indirectly acquired 27.21% of National Printing. As part of the agreement with FHI, Qalaa will have the right to repurchase the sold shares within two years. Qalaa also signed an agreement with FHI that gives Qalaa the right to buy the latter's stake in ASCOM by December 2025;
- In light of the aforementioned sale, which occurred in 1Q24, National Printing's assets and liabilities were classified on Qalaa's financial statements as held for sale.
- **NSPO debt settlement:** Following the listing of TAQA Arabia's shares on the EGX in July 2023, the National Service Projects Organization (NSPO) acquired 20% of the total shares of TAQA Arabia. As part of the agreement with the NSPO, Qalaa will have the right to repurchase the sold shares within four years. The proceeds of the transaction were used to settle a loan taken out by Qalaa in 2022;
- **EIIC and Cape Collard debt settlement:** As per Qalaa's AGM approval on 6 July 2023, in 4Q23 Qalaa transferred its ownership stakes in Nile Energy Ltd. and Stratford Investments Ltd., both of which combined own a total of 11.45% in TAQA Arabia, to Emirates International Investment Company (EIIC) and Cape Collard Co., respectively. The transactions were used to settle loans owed to said companies;
- Following the EIIC and Cape Collard settlements, Qalaa is no longer accounting for TAQA Arabia as subsidiary. Instead, Qalaa accounts for its remaining 23.87% interest stake in TAQA by treating the company as an associate using the equity method and reevaluating it to its market value;
- **Egyptian banks senior debt settlement:** In April 2024, Qalaa signed an agreement with a group of Egyptian banks to settle the entirety of Qalaa's senior debt owed to them, in return for the transfer of a 17.68% ownership stake in TAQA Arabia, a land plot in Tibeena, as well as compensation for variations in the EGP/USD exchange rate and TAQA Arabia's share price. Qalaa will have the right to repurchase the sold TAQA Arabia shares in the fifth year and the banks will have the right to sell the shares back to Qalaa during the sixth year;
- **AIB settlement and restructuring:** In April 2024, Qalaa signed an agreement with the Arab International Bank for the settlement and restructuring of the debts owed by Qalaa and related parties over a period extending to 2033;
- The remaining components of debt restructuring at Qalaa are currently in their final stages;
- **APM transaction:** In 3Q23, APM Investment Holdings Limited (APM), a wholly owned subsidiary of ASCOM, sold its c.35% stake in Ethiopia's Kurmuk Gold Project to the Canadian company Allied Gold Corp. The transaction resulted in an EGP 2.6 billion gain on sale of assets in 2023;
- Such agreements serve to reduce Qalaa's debt and financing costs, as well as generate capital gains. Additionally, the transactions have started reflecting positively on Qalaa's financial statements.

## FY23 Financial and Operational Highlights:

- Qalaa's consolidated revenue grew 17% y-o-y to EGP 97.1 billion in FY23, supported by broad-based growth across all subsidiaries apart from Takamol Cement, which saw its production and sales impacted by the ongoing armed conflict in Sudan. Recurring EBITDA reached EGP 22.7 billion during the year, down from EGP 29.6 billion in FY22 due to lower margins at ERC;
- Qalaa's revenue excluding ERC rose 19% y-o-y, on the back of positive performances across most subsidiaries, reflecting the success of Qalaa's long-term strategy focused on import substitution and developing export-oriented businesses. Meanwhile, recurring EBITDA excluding ERC rose by 84% y-o-y following solid results across all subsidiaries;
- ERC contributed c.90% to Qalaa's total revenue in FY23. ERC's refining margins dropped noticeably in FY23, partially reflecting a normalization of oil prices following the significant spike that occurred in 2022 and largely due to a combination of higher feedstock prices, lower refined product prices, and a decline in the quality of feedstock received. Additionally, in July 2023 ERC underwent a planned 17-day production shutdown for the implementation of an overhaul and debottlenecking, which increased production capacity to the tune of 10%. A study is underway for another debottlenecking in 2029, which should increase the plant's capacity by another 10%;
- ERC's receivables from EGPC stood at USD 384.0 million as of 30 April 2024. ERC continues to be fully current on all its scheduled debt payments having made senior debt payments totaling USD 632.0 million in FY23, of which USD 444.0 million were directed towards principal and the remainder towards interest and fees. ERC also remains on track to fully settle its senior debt in 2025, following which ERC will start distributing dividends. ERC's current net senior debt amounts to USD 600 million as of 30 April 2024;
- The Group's export proceeds for 4Q23 reached c.USD 27.6 million, while local foreign currency revenue recorded c.USD 818.5 million during the quarter. On a full-year basis, export proceeds reached c.USD 89.7 million in FY23, and local foreign currency revenue stood at c.USD 3.0 billion. Going forward, the Group will continue focusing on growing its exports and leveraging the cost advantage available to local manufacturers;
- Qalaa recorded a net profit of EGP 6.5 billion in FY23, up significantly from the EGP 1.3 billion achieved in FY22, mainly on the back of a substantial gain on the sale and revaluation of investments, generating EGP 5.0 billion from TAQA Arabia and EGP 2.6 billion from the sale of APM. This is in addition to gains made from the settlement and restructuring of the ASEC Holding debt amounting to EGP 1.3 billion;
- Qalaa's ongoing strategy will continue to focus on the following elements:
  - Qalaa will continue driving growth through small incremental investments in its subsidiaries, expanding cashflows, and thereby reducing its debt to cashflow ratios. Management is confident this strategy will continue to deliver the desired results;
  - Qalaa is currently studying several new medium-sized, export-oriented, and predominantly green investments with high local value-added components, to be executed through its subsidiaries.

4Q 2023 Consolidated Income Statement Highlights	
Revenue EGP 26.4 bn vs. EGP 24.2 bn in 4Q22	Revenue (excluding ERC) EGP 2.4 bn vs. EGP 2.5 bn in 4Q22
EBITDA* EGP 5.9 bn vs. EGP 9.7 bn in 4Q22	EBITDA* (excluding ERC) EGP 460.2 mn vs. EGP 99.2 mn in 4Q22
Net Income** After Minority EGP 4.8 bn vs. EGP 408.9 mn in 4Q22	Net Income After Minority** (excluding ERC) EGP 3.8 bn vs. EGP (361.7) mn in 4Q22
FY 2023 Consolidated Income Statement Highlights	
Revenue EGP 97.1 bn vs. EGP 82.7 bn in FY22	Revenue (excluding ERC) EGP 9.5 bn vs. EGP 8.0 bn in FY22
EBITDA* EGP 22.7 bn vs. EGP 29.6 bn in FY22	EBITDA* (excluding ERC) EGP 2.0 bn vs. EGP 1.1 bn in FY22
Net Income After Minority** EGP 6.5 bn vs. EGP 1.3 bn in FY22	Net Income After Minority** (excluding ERC) EGP 5.9 bn vs. EGP (1.2) bn in FY22
Highlights from Consolidated Balance Sheet at 31 December 2023	
Consolidated Assets EGP 160.6 bn At current book value vs. EGP 144.9 bn in FY22	Consolidated Debt EGP 71.9 bn Of which EGP 52.2 bn related to ERC***

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

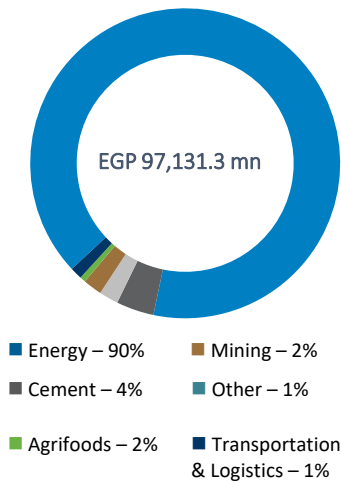
\*\*The optional exceptional accounting treatment of reclassifying the FX to the Other Comprehensive Income (OCI) has been applied in 2023.

\*\*\*ERC's debt consists of the USD equivalent of EGP 21.8 billion in Senior Net Debt (Senior Debt EGP 29.5 billion – Cash EGP 7.7 billion) and EGP 17.6 billion in Mezzanine Debt and EGP 5.1 billion in SPV debt related to financing ERC.

Qalaa Holdings, a leader in energy and infrastructure (CCAP.CA on the Egyptian Exchange), released today its consolidated financial results for the three-month and full-year periods ending 31 December 2023. Financial and operational highlights follow, as do the management's comments and overview of the performance of Qalaa's different business units. Full financials are available for download at [ir.qalaaholdings.com](http://ir.qalaaholdings.com).

## Financial and Operational Highlights

**QALAA HOLDINGS  
CONSOLIDATED REVENUE FY23**

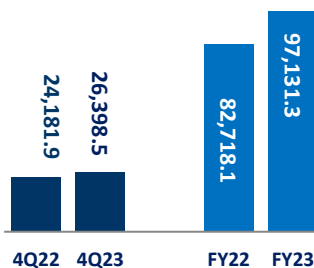


- Qalaa's consolidated revenue grew by 9% y-o-y to EGP 26.4 billion in 4Q23 and closed the full-year period at EGP 97.1 billion, a 17% y-o-y increase. Revenue growth for the three and twelve-month periods was largely driven by ERC's contribution.

ERC's USD-denominated revenue increased by 11% y-o-y in EGP terms to EGP 24.0 billion in 4Q23 and recorded a full-year growth of 17% y-o-y to EGP 87.6 billion. Growth was mainly driven by the depreciation of the EGP against the USD, coupled with an increase in the production volume of refined petroleum products, offsetting the effect of the price decline witnessed during the quarter. ERC continues to contribute the lion's share of the Group's revenues, with 90% of Qalaa's revenues for the year coming from the company. In addition, in July 2023 ERC underwent a planned 17-day production shutdown for the implementation of an overhaul and debottlenecking, which has increased production capacity to the tune of 10%.

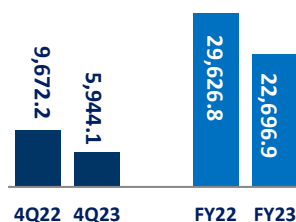
- Excluding ERC, Qalaa's 4Q23 revenue dropped by 4% y-o-y to EGP 2.4 billion. However, FY23 revenue excluding ERC stood at EGP 9.5 billion, a 19% y-o-y increase driven by strong performances across most subsidiaries.

**REVENUE PROGRESSION  
(EGP mn)**



TAQA Arabia's revenue grew 20% y-o-y to EGP 3.7 billion in 4Q23, compared to EGP 3.1 billion in 4Q22. On a full-year basis, revenue recorded EGP 13.5 billion, marking a notable 26% y-o-y increase. Revenue growth for the quarter and full-year period was primarily driven by a strong performance at TAQA Gas, fueled by increased connection revenue and an expansion in CNG volume sold due to additional CNG stations coming online. Positive contributions from foreign currency-linked power generation prices and the implementation of new photovoltaic projects under TAQA Power further bolstered revenue. Revenue growth was further helped by increases in fuel and lube prices, as well as higher volumes at TAQA Petroleum.

**RECURRING EBITDA  
PROGRESSION  
(EGP mn)**



National Printing reported a 22% y-o-y increase in revenue during the quarter to EGP 1.3 billion, and a 21% y-o-y revenue expansion to EGP 5.2 billion in FY23. Top-line growth was driven by strong performances across the company's subsidiaries. On that front, El Baddar continued to capitalize on its new facility, while higher prices at Shorouk for Modern Printing and Packaging and expanded sales volumes at Uniboard reflected positively on National Printing's results during both the quarter and the full year.

Revenue at ASEC Holding shrank by 36% y-o-y in 4Q23 to EGP 972.2 million, and by 17% y-o-y to EGP 3.8 billion in FY23. The top-line decline witnessed during the quarter and full-year period came on the back of the negative impact of the turmoil in Sudan on the operations of its subsidiary Al-Takamol Cement.

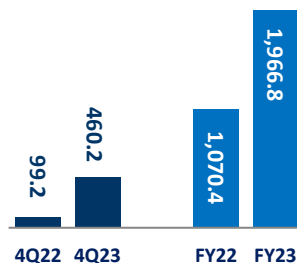
Dina Farms Holding Company recorded a 59% y-o-y increase in revenue to EGP 549.9 million in 4Q23, as well as a 51% y-o-y rise to EGP 1.9 billion in FY23. Revenue growth was driven by improved operations at Dina Farms, as well as

ICDP's revenue benefiting from higher selling prices and new product launches.

In 4Q23, ASCOM achieved a 40% y-o-y increase in revenue to EGP 510.0 million, as the EGP devaluation augmented the USD-denominated revenues of ASCOM's two largest revenue generators: Ascom for Chemicals and Carbonates Manufacturing (ACCM) and GlassRock, an insulation material producer. Improved performances across both GlassRock and the company's quarrying operations in Egypt further supported ASCOM's top-line results. On a full-year basis, ASCOM's top-line rose 41% y-o-y to EGP 1.9 billion following revenue expansion at Egypt Quarrying, in addition to the effect of the EGP devaluation.

Finally, CCTO's transportation and logistics business delivered 32% y-o-y revenue increase to EGP 157.6 million, and the company's top-line stood at EGP 581.6 million in FY23, a 57% y-o-y expansion. Revenue growth came on the back of improvements across all revenue streams of its Egyptian arm NRPMC.

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



- Qalaa's recurring EBITDA fell significantly to EGP 5.9 billion in 4Q23 from EGP 9.7 billion in 4Q22. Meanwhile on a full-year basis, recurring EBITDA shrank from EGP 29.6 billion in FY22 to EGP 22.7 billion in FY23. This decline in profitability was largely a result of the declining margins at ERC during the quarter and full-year period.

ERC's gross refining margins averaged USD 2.5 million per day in 4Q23, down from the USD 4.9 million per day witnessed during 4Q22. The y-o-y drop witnessed in refining margins during 4Q23 was largely attributable to a combination of higher feedstock prices, lower refined product prices, and a decline in the quality of feedstock received. It also reflects a normalization of oil prices following the significant spike that occurred during 2022. Meanwhile, refining margins for FY23 averaged USD 2.6 million per day, down from an average of USD 4.5 million per day in FY22 following similar drivers to the quarterly performance.

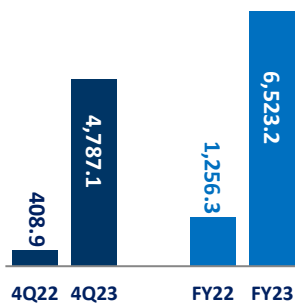
- Excluding ERC, Qalaa's EBITDA surged 364% y-o-y from EGP 99.2 million in 4Q22 to EGP 460.2 million in 4Q23. For FY23, recurring EBITDA expanded by 84% y-o-y to EGP 2.0 billion, rising from EGP 1.1 billion in FY22. Enhanced profitability for the reporting period came on the back of strong performances across all subsidiaries.

Qalaa's EBITDA excluding ERC was primarily driven by contributions from ASEC Holding, National Printing, Dina Farms, and CCTO. Additionally, ASCOM's export-driven businesses delivered a strong performance, capitalizing on its competitive advantage in global markets.

- Depreciation and amortization expenses stood at EGP 2.1 billion in 4Q23, up 24% y-o-y from EGP 1.7 billion in 4Q22, with EGP 1.8 billion of the 4Q23 figure related to ERC. Meanwhile, FY23 depreciation and amortization rose 57% y-o-y to EGP 8.5 billion, compared to EGP 5.4 billion in FY22. Of the FY23 total, EGP 7.2 billion were related to ERC.

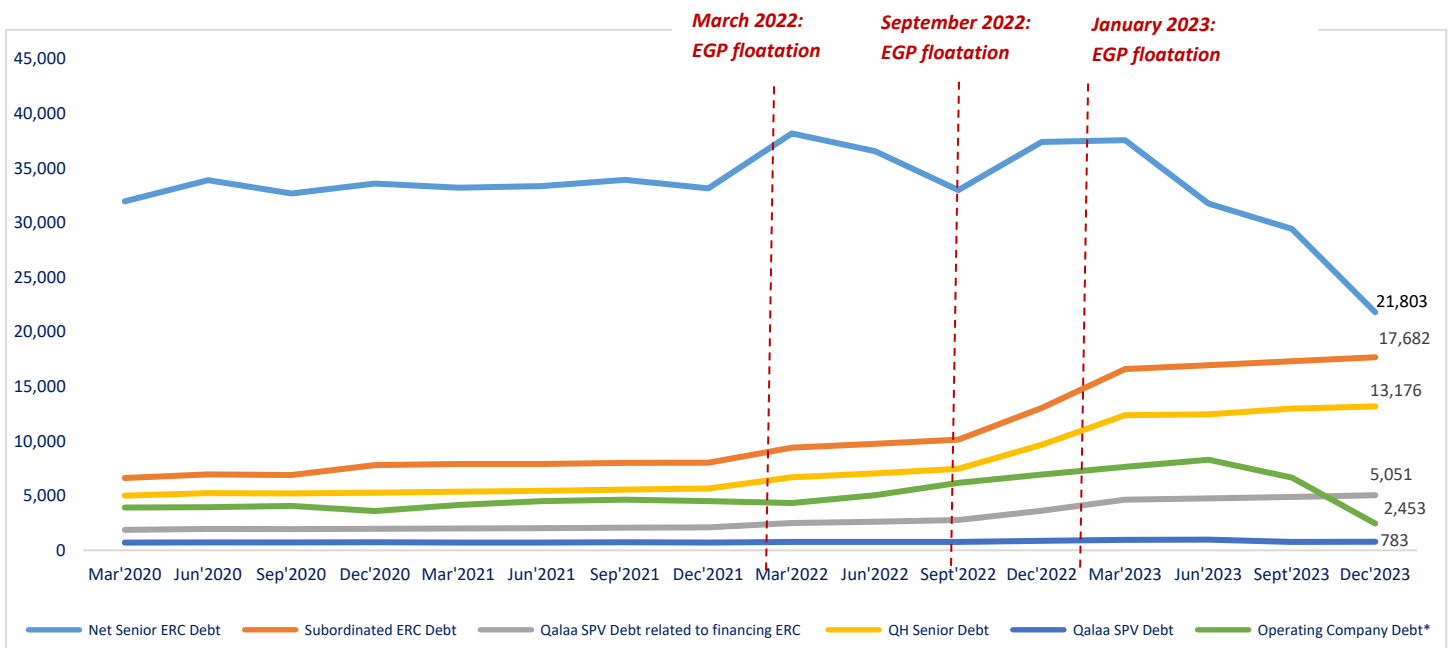
Bank interest expense recorded EGP 1.8 billion in 4Q23, up 13% from the EGP 1.6 billion recorded in 4Q22. For FY23, it rose 54% y-o-y from EGP 4.6 billion in FY22 to EGP 7.1 billion. This came as a result of higher interest rates, as well as the impact of FX translations.

**NET PROFIT PROGRESSION**  
(EGP mn)



- It is worth noting that all FX gains/losses incurred in 2023 following the EGP devaluation were reclassified into other comprehensive income (OCI) under equity on the balance sheet, as per the exceptional accounting treatment adopted by Qalaa. In 4Q23, Qalaa recorded an FX loss of EGP 524 million as a result of the hyperinflation treatment in Sudan. However, the total impact of Sudan's hyperinflation in FY23 reflected a gain of EGP 176.4 million.
- Qalaa recorded consolidated net income after minority interest of EGP 4.8 billion in 4Q23, up significantly from the EGP 408.9 million achieved in 4Q22. Meanwhile, FY23 net income stood at EGP 6.5 billion, a 419.2% y-o-y increase from the EGP 1.3 billion achieved during FY22. Bottom-line growth was mainly driven by the significant EGP 2.4 billion gain on sale of the APM Investment Holdings Limited (APM) Ethiopian mine in 3Q23. This is in addition to the EGP 1.5 billion gain on the sale of assets associated with the divestment of the shares of TAQA Arabia to Emirates International Investment Company (EIIC) and Cape Collard Co. that took place in 4Q23. Bottom-line expansion was further supported by the EGP 3.5 billion gain resulting from the revaluation of the Qalaa's remaining stake in TAQA Arabia, as well as the EGP 1.3 billion gain from the settlement of ASEC Holdings loans.
- It is worth noting that as of 30 April 2024, ERC's Net Senior Debt stands at USD 600.0 million, down from USD 730.0 as of 31 December 2023.

**Net Bank Debt Progression (EGP mn)**



\* Operating Company Debt has declined at year end due to the exclusion of the debt of National Printing, currently accounted for as Held for Sale, as well as the debt of TAQA Arabia, which has been deconsolidated

## Debt Settlement and Asset Transactions In-Depth Look

- **ASEC Holding debt settlement and restructuring:** ASEC Holding signed settlement agreements with its lenders to fully settle c.EGP 1.4 billion of debt, as well as restructure and settle c.EGP 536 million in debt over two years, generating a gain of EGP 1.3 billion. Following the agreements, ASEC Holding is now current on all debt repayments with the company's lending banks.
- **FHI debt settlement and share transactions:** Qalaa has signed an agreement with Financial Holdings Investments Ltd. (FHI), whereby Qalaa is to settle the bulk of its liabilities and those of its subsidiaries to FHI. The agreement will also allow Qalaa to acquire shares in some of its subsidiaries that were owned by FHI. At its conclusion, Qalaa's ownership will increase from 67.6% to 92.3% in CCTO, from 69.3% to 99.05% in ASEC Holding, and from 67.46% to 99.96% in United Company for Foundries. In parallel, FHI indirectly acquired 27.21% of the recently listed National Printing, representing the majority of Qalaa's stake in the company. As part of the agreement with FHI, Qalaa will have the right to repurchase the sold shares within two years. Qalaa also signed another agreement with FHI that gives Qalaa the right to purchase FHI's stake (14.39%) in ASCOM, exercisable between the end of September 2024 and the end of December 2025.

In light of the aforementioned sale, which occurred in 1Q24, National Printing's assets and liabilities were classified on Qalaa's financial statements as held for sale.

- **NSPO debt settlement:** On 9 July 2023, TAQA Arabia's shares began trading on the Egyptian Exchange (EGX) under the ticker (TAQA). The company's shares were listed directly on the EGX without initially being offered to investors via an Initial Public Offering (IPO). Following the listing, the National Service Projects Organization (NSPO) acquired 20% of the total shares of TAQA Arabia, from Silverstone Capital Investments Ltd., a subsidiary of Qalaa. As part of the agreement with the NSPO, Qalaa will have the right to repurchase the sold shares within four years from the date of the deal's completion (9 July 2023), at a repurchase price equal to the original purchase price, plus an agreed upon annual investment return. The proceeds of the transaction were used to settle a loan taken out by Qalaa in 2022, settling an outstanding balance of EGP 1.6 billion as of 30 June 2023.
- **EIIC and Cape Collard debt settlement:** As per Qalaa's AGM approval on 6 July 2023, in 4Q23 Qalaa transferred its 100% ownership stake in Nile Energy Ltd., the owner of 7.5% of TAQA Arabia shares, and its 100% ownership stake in Stratford Investments Ltd., the owner of c.4% of TAQA Arabia shares to Emirates International Investment Company and Cape Collard Co., respectively. The transactions were used to settle loans owed to Emirates International Investment Company and Cape Collard Co.

Following the EIIC and Cape Collard settlements, Qalaa is no longer accounting for TAQA Arabia as subsidiary. Instead, Qalaa accounts for its remaining 23.87% interest stake in TAQA by treating the company as an associate using the equity method and reevaluating it to its market value, which amounted to EGP 4.3 billion. Furthermore, the transactions resulted in the recognition of a gain in Qalaa's consolidated income statement amounting to EGP 5.0 billion.

- **Egyptian banks senior debt settlement:** In April 2024, Qalaa signed an agreement with a group of Egyptian banks, namely Banque Misr, Banque du Caire, Arab African International Bank, and Al Ahli Bank of Kuwait to settle the entirety of Qalaa's senior debt owed to them, in return for the transfer of a 17.68% ownership stake in TAQA Arabia, a land plot in Tibeen, as well as compensation for variations in the EGP/USD exchange rate and TAQA Arabia's share price. Qalaa will have the right to repurchase the sold TAQA Arabia shares in the fifth year from the sale of the shares, while the banks will have the right to sell the shares back to Qalaa during the sixth year. Both the call option and the put option are set at a repurchase price that equals the original purchase price, plus an agreed upon annual investment return.



- **AIB settlement and restructuring:** In April 2024, Qalaa signed an agreement with Arab International Bank for the settlement and restructuring of the debts owed by Qalaa and related parties over a period extending to 2033.
- **APM transaction:** In 3Q23, APM Investment Holdings Limited (APM), a wholly owned subsidiary of ASCOM, sold its c.35% stake in Ethiopia's Kurmuk Gold Project to the Canadian company Allied Gold Corp. The revenue from the transaction includes the receipt of c.11.5 million shares in Allied Gold in favor of APM Investment Holdings Limited, at a total value of c.USD 25.1 million as of 30 September 2023, as well as deferred payments totaling USD 65.6 million by Allied Corp in three installments starting 30 September 2024 and ending 30 September 2027. This resulted in an EGP 2.6 billion gain on sale in 2023.



## Management Comment

*“Going forward, we will continue to push ahead with our growth strategies across our various platforms over the next few years, keeping a close eye on identified investment opportunities.”*

“I am extremely proud of Qalaa’s solid top-line performance during the past year, which stands as a testament to the Group’s strength and resilience amidst a challenging macroeconomic environment,” **said Qalaa Holdings’ Chairman and Founder Ahmed Heikal**. “During the year, Qalaa’s revenue expanded by 17% y-o-y, with top-line growth coming largely on the back of the impressive results achieved at the Egyptian Refining Company. However, ERC’s margins witnessed a sharp decline, continuing to drop from the exceptional highs witnessed during 2022 towards more normalized levels. This was further exacerbated by the armed conflict in Sudan and its effect on Al-Takamol Cement’s performance. As we head into 2024, we are looking to continue building on our strong top-line performance over the past year. In parallel, we remain committed to prioritizing the growth of our subsidiaries’ cashflows and deploying them in a prudent manner towards high-yield incremental investments that fall in line with our debt repayment plan.”

“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 recorded solid performances throughout the year, successfully capitalizing on the increased focus on local manufacturing and import substitution, as well as a portfolio structure that shields against devaluation pressures. Going forward, we will continue to push ahead with our growth strategies across our various platforms over the next few years, keeping a close eye on identified investment opportunities. With the positive results achieved across our business segments during the year, I remain confident in my positive outlook for the Group. Our portfolio companies’ cash flows are strong with very low levels of debt, and with growth achieved through efficiencies and small, incremental investments. We have reached our targets regarding reducing operating companies’ debt,” **Heikal added**.

“Today, the global economy continues to face a number of difficulties as the world experiences one of the most challenging macroeconomic periods in recent memory. As a consequence of the unprecedented levels of debt, as well as the elevated inflation and interest rates that countries worldwide are currently facing, the expectations of suppressed long-term economic growth, high borrowing costs, and an increased focus on debt reduction remain in place. On top of that, the increasingly evident effects of climate change, coupled with the ongoing geopolitical tensions across various regions, have further exacerbated the levels of stress placed on the global financial system,” **Heikal stated**.

“These global difficulties, as well as local structural issues, have created a challenging domestic macroeconomic environment. Inflation rates remain high, and the Central Bank continues to implement a tightening monetary policy to rein in rising price levels, especially in the wake of the latest currency devaluation in March of 2024. That said, Egypt remains an attractive investment destination for regional and international investors, and I am confident that the country’s long-term economic prospects remain positive. This is evidenced by the latest multi-billion-dollar agreement between Egypt and the United Arab Emirates to develop the Egyptian coastal city of Ras El Hekma, a move that has the potential to kickstart a significant round of foreign investments within the country. For our part, Qalaa remains well-positioned to overcome the prevalent challenges thanks to our carefully executed

strategies, as well as our resilience, flexibility, and efficiency, which are embedded into the core of our DNA,” **continued Heikal.**

“On a separate note, I am pleased to announce that we have reached several agreements with a number of Egyptian banks regarding the settlement and restructuring of the Group’s debts. These agreements included moves such as the listing of National Printing on the Egyptian Exchange, and the sale of Qalaa’s majority shareholding in the company to Financial Holdings Investment Ltd. This comes as part of Qalaa’s strategy of deleveraging its balance sheet and divesting some of its businesses and assets to settle the Group’s outstanding debts,” **concluded Heikal.**

“In 4Q23, our significant efforts to reach settlements and restructuring agreements with the various lenders of Qalaa and its subsidiaries have started bearing fruit. We have recently reached agreements with a number of Egyptian banks, as well as several non-bank creditors, regarding the settlement and/or restructuring of all the Group’s debts due to those parties,” **said Hisham El-Khazindar, Qalaa Holdings’ Co-Founder and Managing Director.** “These transactions are reflecting very positively on Qalaa’s profitability and will continue to do so over the coming period. The reduction of Qalaa’s risk levels, primarily by deleveraging and expanding the Group’s cashflows, remains at the forefront of our priorities.”

*Detailed overviews of the performance of operational companies in each of Qalaa’s core industries follow; complete financials are available for download at [ir.qalaaholdings.com](http://ir.qalaaholdings.com).*

## Methods of Consolidation

Fully Consolidated Companies	Energy	 Egyptian Refining Company
	Cement	 ASEC Holding
	Packaging and Printing	 National Printing (Grandview)*
	Mining	 ASCOM
	Agrifoods	 ICDP & Dina Farms
	Transportation & Logistics	 National River Port Management Company  Nile Barges (Sudan)
	Metallurgy	 United Foundries

\* As of 31 December 2023, National Printing's (Grandview's) assets and liabilities were classified on Qalaa's financial statements as held for sale.

Equity Method Consolidated Companies (Share of Associates)	Energy	 TAQA Arabia*	 Tawazon
	Cement	Zahana Cement	
	Publishing & Retail	 Tanweer	

\*As of 31 December 2023, Qalaa has derecognized/deconsolidated the assets and liabilities of TAQA Arabia and accounts for its remaining interest as an Investment in Associate using the Equity Method and has reevaluated the remaining interest to its market value. However, TAQA Arabia's Net Income for 2023 is fully consolidated under Discontinued Operations.

## Qalaa Holdings Consolidated Income Statement (in EGP mn)

	Restated**^					Restated**				
	1Q 2023	2Q 2023	3Q 2023	4Q 2023	FY 2023	1Q 2022^	2Q 2022	3Q 2022	4Q 2022^	FY 2022
Revenue	25,942.0	23,293.5	21,497.3	26,398.5	97,131.3	15,458.0	23,366.7	19,711.6	24,181.9	82,718.1
Cost of Sales	(15,824.2)	(18,847.1)	(17,816.7)	(19,664.1)	(72,152.2)	(11,764.4)	(14,669.9)	(11,155.7)	(13,953.7)	(51,543.6)
<b>Gross Profit</b>	<b>10,117.9</b>	<b>4,446.4</b>	<b>3,680.6</b>	<b>6,734.3</b>	<b>24,979.2</b>	<b>3,693.6</b>	<b>8,696.8</b>	<b>8,555.9</b>	<b>10,228.2</b>	<b>31,174.5</b>
Advisory Fee	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit</b>	<b>10,117.9</b>	<b>4,446.4</b>	<b>3,680.6</b>	<b>6,734.3</b>	<b>24,979.2</b>	<b>3,693.6</b>	<b>8,696.8</b>	<b>8,555.9</b>	<b>10,228.2</b>	<b>31,174.5</b>
SG&A	(539.6)	(529.8)	(570.9)	(933.9)	(2,574.3)	(304.1)	(393.8)	(376.4)	(580.1)	(1,654.5)
Other Revenue - Export Subsidy	26.6	25.4	24.2	19.2	95.3	27.0	29.3	27.3	26.6	110.4
Other Income/Expense	75.7	(3.8)	0.2	124.5	196.7	(0.8)	(0.2)	0.0	(2.6)	(3.6)
<b>EBITDA before one-off charges</b>	<b>9,680.6</b>	<b>3,938.2</b>	<b>3,134.0</b>	<b>5,944.1</b>	<b>22,696.9</b>	<b>3,415.7</b>	<b>8,332.0</b>	<b>8,206.9</b>	<b>9,672.2</b>	<b>29,626.8</b>
Non-recurring Revenues & Costs	26.9	8.2	(5.2)	7.9	37.9	8.9	11.4	14.6	(27.2)	7.7
<b>EBITDA</b>	<b>9,707.5</b>	<b>3,946.4</b>	<b>3,128.9</b>	<b>5,952.0</b>	<b>22,734.8</b>	<b>3,424.6</b>	<b>8,343.4</b>	<b>8,221.5</b>	<b>9,645.0</b>	<b>29,634.5</b>
Depreciation & Amortization	(2,070.6)	(2,167.9)	(2,111.6)	(2,122.9)	(8,473.1)	(1,121.0)	(1,244.2)	(1,331.7)	(1,713.4)	(5,410.3)
<b>EBIT</b>	<b>7,636.9</b>	<b>1,778.4</b>	<b>1,017.3</b>	<b>3,829.1</b>	<b>14,261.7</b>	<b>2,303.6</b>	<b>7,099.3</b>	<b>6,889.7</b>	<b>7,931.6</b>	<b>24,224.2</b>
Finance Cost	(1,748.5)	(1,829.4)	(1,754.4)	(1,754.2)	(7,086.5)	(922.1)	(906.0)	(1,212.9)	(1,559.0)	(4,600.0)
Other Finance Cost	(8.8)	(100.4)	-	(153.5)	(262.7)	173.4	185.8	105.2	16.0	480.4
Bank PIK	(120.3)	(135.4)	(128.5)	(148.7)	(533.0)	(37.5)	(46.1)	(62.4)	(84.3)	(230.3)
3rd party Shareholder	(221.3)	(225.6)	(204.8)	(241.1)	(892.7)	(97.3)	(99.8)	(113.6)	(124.2)	(434.9)
Interest income	63.2	135.1	122.0	204.9	525.1	17.3	17.0	13.8	23.4	71.5
Finance Lease Charges/NPV LT Assets	(39.8)	(47.6)	(43.6)	(73.9)	(204.9)	(9.7)	(57.8)	(35.0)	(38.8)	(141.3)
<b>EBT (before one-offs)</b>	<b>5,561.5</b>	<b>(425.0)</b>	<b>(992.0)</b>	<b>1,662.5</b>	<b>5,807.0</b>	<b>1,427.8</b>	<b>6,192.4</b>	<b>5,584.9</b>	<b>6,164.7</b>	<b>19,369.6</b>
Gain/(Loss) on Sale of Investments	-	-	3,078.8	4,974.9	8,053.7	-	-	-	28.8	28.8
Net Change in Fair Value	-	-	(197.3)	492.5	295.1	-	-	-	-	-
Impairments/Write-downs	(36.1)	77.1	(579.7)	91.4	(447.3)	(9.6)	(17.7)	(65.7)	(130.5)	(223.5)
Acquisitions, Legal & Restructuring	(0.2)	193.9	771.6	681.9	1,647.2	818.6	(6.4)	(12.6)	36.5	836.1
Share in Associates' Results*	(27.4)	(0.2)	(2.4)	13.8	(16.2)	(12.3)	12.5	17.3	(0.6)	16.9
Management Fees	-	-	-	(863.5)	(863.5)	-	-	-	-	-
CSR	-	-	-	(52.5)	(52.5)	(0.3)	-	-	-	(0.3)
Provisions	(207.8)	(81.2)	(167.4)	(194.2)	(650.6)	(208.8)	(109.9)	(173.6)	12.5	(479.7)
Discontinued Operations**	285.3	246.8	374.9	338.1	1,245.1	211.0	393.9	425.0	467.3	1,497.2
FOREX and FX Hyperinflation Treatment	350.6	262.8	87.0	(524.0)	176.4	(26.1)	(104.4)	(221.1)	(7.4)	(359.1)
<b>EBT</b>	<b>5,925.9</b>	<b>274.2</b>	<b>2,373.4</b>	<b>6,620.9</b>	<b>15,194.4</b>	<b>2,200.3</b>	<b>6,360.4</b>	<b>5,554.1</b>	<b>6,571.3</b>	<b>20,686.1</b>
Taxes	(1,470.5)	(134.5)	130.2	(1,919.0)	(3,393.9)	(37.4)	6.2	(1,024.0)	(885.8)	(1,941.1)
<b>Net P/L Including Minority Share</b>	<b>4,455.4</b>	<b>139.7</b>	<b>2,503.6</b>	<b>4,701.9</b>	<b>11,800.5</b>	<b>2,162.9</b>	<b>6,366.5</b>	<b>4,530.2</b>	<b>5,685.4</b>	<b>18,745.0</b>
Minority Interest	4,382.3	520.8	459.4	(85.2)	5,277.3	1,694.0	6,004.7	4,513.5	5,276.5	17,488.7
<b>Net Profit/(Loss) for the Period</b>	<b>73.0</b>	<b>(381.2)</b>	<b>2,044.2</b>	<b>4,787.1</b>	<b>6,523.2</b>	<b>468.9</b>	<b>361.8</b>	<b>16.7</b>	<b>408.9</b>	<b>1,256.3</b>

\* Share in associates' results include: APM (up to 3Q2023 when it was sold), Zahana, ECARU, ENTAG and Tanweer Group.

\*\* Restated figures to classify Silverstone (Taqa) and Grandview (National Printing) to discontinued operations.

^ The optional exceptional accounting treatment of reclassifying the FX to the Other Comprehensive Income (OCI) has been applied in 2023. Comparative figures of 2022 have been restated accordingly.

## Qalaa Holdings Consolidated Income Statement by Sector for the three-month period ending 31 December 2023 (in EGP mn)

	QH	SPVs	Energy		Cement	T&L <sup>*</sup>	Mining	Agrifoods	Others		Elimination	4Q 2023	Restated**^
			Orient	Silverstone	NDT	CCTO	ASCOM	Falcon	Misc.*	Grandview			4Q 2022
Revenue	-	-	24,017.4	-	972.2	157.6	510.0	549.9	191.3	-	-	26,398.5	24,181.9
Cost of Sales	-	-	(18,315.2)	-	(487.5)	(32.5)	(364.2)	(326.4)	(138.3)	-	-	(19,664.1)	(13,953.7)
<b>Gross Profit</b>	-	-	<b>5,702.2</b>	-	<b>484.8</b>	<b>125.1</b>	<b>145.8</b>	<b>223.5</b>	<b>53.0</b>	-	-	<b>6,734.3</b>	<b>10,228.2</b>
Advisory Fee	33.6	-	-	-	-	-	-	-	-	-	(33.6)	-	-
<b>Operating Profit</b>	<b>33.6</b>	-	<b>5,702.2</b>	-	<b>484.8</b>	<b>125.1</b>	<b>145.8</b>	<b>223.5</b>	<b>53.0</b>	-	<b>(33.6)</b>	<b>6,734.3</b>	<b>10,228.2</b>
SG&A	(85.3)	(30.5)	(218.3)	-	(418.0)	(23.4)	(69.1)	(96.8)	(22.4)	-	29.9	(933.9)	(580.1)
Export Subsidy Revenue	-	-	-	-	-	-	22.0	-	(2.8)	-	-	19.2	26.6
Other Income/Expenses	-	124.4	-	-	-	-	3.1	-	0.2	-	(3.1)	124.5	(2.6)
<b>EBITDA before one-off charges</b>	<b>(51.8)</b>	<b>93.9</b>	<b>5,483.9</b>	-	<b>66.8</b>	<b>101.7</b>	<b>101.8</b>	<b>126.7</b>	<b>27.9</b>	-	<b>(6.7)</b>	<b>5,944.1</b>	<b>9,672.2</b>
Non-recurring - Revenues & Costs	(7.6)	-	20.2	-	61.3	3.6	0.9	19.1	(0.1)	-	(89.5)	7.9	(27.2)
<b>EBITDA</b>	<b>(59.3)</b>	<b>93.9</b>	<b>5,504.2</b>	-	<b>128.1</b>	<b>105.2</b>	<b>102.6</b>	<b>145.8</b>	<b>27.8</b>	-	<b>(96.3)</b>	<b>5,952.0</b>	<b>9,645.0</b>
Depreciation & Amortization	(2.3)	-	(1,796.4)	-	(204.4)	(15.1)	(42.3)	(57.5)	(2.2)	-	(2.7)	(2,122.9)	(1,713.4)
<b>EBIT</b>	<b>(61.6)</b>	<b>93.9</b>	<b>3,707.8</b>	-	<b>(76.3)</b>	<b>90.1</b>	<b>60.3</b>	<b>88.3</b>	<b>25.6</b>	-	<b>(99.0)</b>	<b>3,829.1</b>	<b>7,931.6</b>
Finance Cost	(343.1)	(190.2)	(1,136.3)	-	(26.9)	(1.8)	(47.9)	(1.3)	(9.3)	-	2.6	(1,754.2)	(1,559.0)
Other Finance Cost	-	-	(153.5)	-	-	-	-	-	-	-	-	(153.5)	16.0
Bank PIK	-	(148.7)	-	-	-	-	-	-	-	-	-	(148.7)	(84.3)
3rd Party Shareholder	137.8	60.5	(65.5)	-	(347.0)	(20.2)	-	-	(18.0)	-	11.4	(241.1)	(124.2)
Interest Income	13.2	-	165.4	-	7.3	0.2	14.4	0.2	4.1	-	-	204.9	23.4
Finance Lease Charges/ NPV LT assets	-	-	(15.7)	-	(0.7)	(4.0)	-	(53.5)	-	-	-	(73.9)	(38.8)
<b>EBT (before one-offs)</b>	<b>(253.7)</b>	<b>(184.6)</b>	<b>2,502.1</b>	-	<b>(443.7)</b>	<b>64.4</b>	<b>26.8</b>	<b>33.8</b>	<b>2.3</b>	-	<b>(85.0)</b>	<b>1,662.5</b>	<b>6,164.7</b>
Gain/(Loss) on Sale of Investments	-	5,150.0	-	-	-	-	(11.0)	-	-	-	(164.2)	4,974.9	28.8
Net Change in Fair Value	-	-	-	-	-	-	(270.3)	-	-	-	762.7	492.5	-
Impairments/Write-downs	(120.7)	206.2	166.4	-	(14.3)	(0.5)	(3.0)	(27.9)	(23.7)	-	(91.1)	91.4	(130.5)
Acquisitions, Legal & Restructuring	(1.9)	684.4	-	-	(0.6)	-	-	-	-	-	-	681.9	36.5
Share in Associates' Results	-	-	-	-	(1.8)	(2.2)	11.0	-	-	-	6.8	13.8	(0.6)
Management Fees	(738.7)	(124.8)	-	-	-	-	-	-	-	-	-	(863.5)	-
CSR	(6.0)	-	(46.5)	-	-	-	-	-	-	-	-	(52.5)	-
Provisions	23.6	16.5	(83.0)	-	(74.3)	(6.9)	(52.1)	(3.2)	(6.0)	-	(8.9)	(194.2)	12.5
Discontinued Operations**	-	-	-	211.7	-	-	-	-	-	136.7	(10.2)	338.1	467.3
FOREX and FX Hyperinflation Treatment	-	-	-	-	(524.0)	(0.0)	-	-	-	-	-	(524.0)	(7.4)
<b>EBT</b>	<b>(1,097.3)</b>	<b>5,747.7</b>	<b>2,539.0</b>	<b>211.7</b>	<b>(1,058.5)</b>	<b>54.8</b>	<b>(298.6)</b>	<b>2.8</b>	<b>(27.4)</b>	<b>136.7</b>	<b>410.2</b>	<b>6,620.9</b>	<b>6,571.3</b>
Taxes	(0.3)	-	(1,897.6)	-	(5.7)	(11.7)	(1.3)	(3.7)	(0.5)	-	1.8	(1,919.0)	(885.8)
<b>Net P/L Before Minority Share</b>	<b>(1,097.6)</b>	<b>5,747.7</b>	<b>641.3</b>	<b>211.7</b>	<b>(1,064.2)</b>	<b>43.1</b>	<b>(299.9)</b>	<b>(1.0)</b>	<b>(27.9)</b>	<b>136.7</b>	<b>411.9</b>	<b>4,701.9</b>	<b>5,685.4</b>
Minority Interest	-	-	395.0	156.3	(600.9)	20.2	0.2	0.0	(0.0)	88.3	(144.3)	(85.2)	5,276.5
<b>Net Profit/(Loss)</b>	<b>(1,097.6)</b>	<b>5,747.7</b>	<b>246.3</b>	<b>55.3</b>	<b>(463.3)</b>	<b>22.9</b>	<b>(300.1)</b>	<b>(1.0)</b>	<b>(27.8)</b>	<b>48.3</b>	<b>556.3</b>	<b>4,787.1</b>	<b>408.9</b>

\* Miscellaneous includes UCF, Wafra, ASEC Trading & Sphinx Egypt.

\* T&L represents Transportation & Logistics

\*\*Discontinued operations include Silverstone (TAQA) and Grandview (National Printing).

^ The optional accounting treatment of reclassifying the FX to the Other Comprehensive Income (OCI) has been applied in 2023. Comparative figures of 2022 have been restated accordingly.

## Qalaa Holdings Consolidated Income Statement by Sector for the full-year period ending 31 December 2023 (in EGP mn)

	QH	SPVs	Energy		Cement	T&L*	Mining	Agrifoods	Others		Elimination	FY 2023	Restated**^
			Orient	Silverstone	NDT	CCTO	ASCOM	Falcon	Misc.*	Grandview			FY 2022
Revenue	-	-	87,649.4	-	3,822.0	581.6	1,920.2	1,948.3	1,210.4	-	(0.6)	97,131.3	82,718.1
Cost of Sales	-	-	(65,876.9)	-	(2,474.3)	(182.4)	(1,391.7)	(1,225.6)	(1,002.0)	-	0.6	(72,152.2)	(51,543.6)
<b>Gross Profit</b>	<b>-</b>	<b>-</b>	<b>21,772.5</b>	<b>-</b>	<b>1,347.7</b>	<b>399.3</b>	<b>528.5</b>	<b>722.7</b>	<b>208.4</b>	<b>-</b>	<b>-</b>	<b>24,979.2</b>	<b>31,174.5</b>
Advisory Fee	148.2	-	-	-	-	-	-	-	-	-	(148.2)	-	-
<b>Operating Profit</b>	<b>148.2</b>	<b>-</b>	<b>21,772.5</b>	<b>-</b>	<b>1,347.7</b>	<b>399.3</b>	<b>528.5</b>	<b>722.7</b>	<b>208.4</b>	<b>-</b>	<b>(148.2)</b>	<b>24,979.2</b>	<b>31,174.5</b>
SG&A	(287.1)	(54.6)	(1,042.3)	(14.9)	(615.8)	(95.8)	(206.3)	(321.6)	(70.2)	-	134.2	(2,574.4)	(1,654.5)
Export Subsidy Revenue	-	-	-	-	-	-	72.8	-	22.5	-	-	95.3	110.4
Other Income/Expenses	-	196.3	-	-	-	-	3.1	-	0.4	-	(3.1)	196.7	(3.6)
<b>EBITDA before one-off charges</b>	<b>(138.9)</b>	<b>141.7</b>	<b>20,730.1</b>	<b>(14.9)</b>	<b>732.0</b>	<b>303.5</b>	<b>398.2</b>	<b>401.2</b>	<b>161.1</b>	<b>-</b>	<b>(17.1)</b>	<b>22,696.9</b>	<b>29,626.8</b>
Dividends Income	-	166.2	-	-	-	-	-	-	-	-	(166.2)	-	-
Non-recurring - Revenues & Costs	(15.0)	-	26.2	-	72.1	34.2	14.5	(7.8)	-	-	(86.3)	37.9	7.7
<b>EBITDA</b>	<b>(153.9)</b>	<b>307.9</b>	<b>20,756.4</b>	<b>(14.9)</b>	<b>804.1</b>	<b>337.7</b>	<b>412.6</b>	<b>393.3</b>	<b>161.1</b>	<b>-</b>	<b>(269.6)</b>	<b>22,734.7</b>	<b>29,634.5</b>
Depreciation & Amortization	(9.1)	-	(7,215.7)	-	(843.7)	(58.7)	(171.0)	(157.4)	(5.5)	-	(12.0)	(8,473.1)	(5,410.3)
<b>EBIT</b>	<b>(163.0)</b>	<b>307.9</b>	<b>13,540.7</b>	<b>(14.9)</b>	<b>(39.6)</b>	<b>279.0</b>	<b>241.6</b>	<b>235.9</b>	<b>155.6</b>	<b>-</b>	<b>(281.5)</b>	<b>14,261.6</b>	<b>24,224.2</b>
Finance Cost	(1,374.8)	(497.1)	(4,918.0)	-	(83.8)	(1.0)	(176.8)	(4.6)	(30.4)	-	-	(7,086.5)	(4,600.0)
Other Finance Cost	-	-	(262.7)	-	-	-	-	-	-	-	-	(262.7)	480.4
Bank PIK	-	(533.0)	-	-	-	-	-	-	-	-	-	(533.0)	(230.3)
3rd Party Shareholder	572.7	218.4	(285.9)	-	(1,359.1)	(79.4)	-	-	(18.6)	-	59.2	(892.7)	(434.9)
Interest Income	14.9	-	451.4	-	33.2	3.6	15.6	1.7	4.6	-	-	525.1	71.5
Finance Lease Charges/ NPV LT assets	-	-	(62.9)	-	(1.3)	(16.1)	-	(124.5)	-	-	-	(204.9)	(141.3)
<b>EBT (before one-offs)</b>	<b>(950.2)</b>	<b>(503.8)</b>	<b>8,462.6</b>	<b>(14.9)</b>	<b>(1,450.6)</b>	<b>186.1</b>	<b>80.4</b>	<b>108.4</b>	<b>111.2</b>	<b>-</b>	<b>(222.4)</b>	<b>5,806.9</b>	<b>19,369.6</b>
Gain/(Loss) on Sale of Investments	-	5,150.0	-	-	-	-	2,604.3	-	-	-	299.3	8,053.7	28.8
Net Change in Fair Value	-	-	-	-	-	-	(467.6)	-	-	-	762.7	295.1	-
Impairments/Write-downs	(1,050.9)	(35.8)	(167.6)	-	(2.8)	1.0	(227.4)	(14.6)	(33.8)	-	1,084.5	(447.3)	(223.5)
Acquisitions, Legal & Restructuring	232.0	1,416.0	-	-	(0.7)	-	-	-	-	-	-	1,647.2	836.1
Share in Associates' Results	-	-	-	-	(63.6)	-	32.4	-	-	-	14.9	(16.2)	16.9
Management Fees	(738.7)	(124.8)	-	-	-	-	-	-	-	-	-	(863.5)	-
CSR	(6.0)	-	(46.5)	-	-	-	-	-	-	-	-	(52.5)	(0.3)
Provisions	23.6	(36.5)	(131.3)	-	(398.9)	(10.6)	(62.2)	(5.4)	(17.2)	-	(12.2)	(650.6)	(479.7)
Discontinued Operations**	-	-	-	611.1	-	-	-	-	-	660.4	(26.3)	1,245.2	1,497.2
FOREX and FX Hyperinflation Treatment	-	-	-	-	176.4	(0.0)	-	-	-	-	-	176.4	(359.1)
<b>EBT</b>	<b>(2,490.1)</b>	<b>5,865.1</b>	<b>8,117.2</b>	<b>596.2</b>	<b>(1,740.1)</b>	<b>176.4</b>	<b>1,960.0</b>	<b>88.4</b>	<b>60.3</b>	<b>660.4</b>	<b>1,900.7</b>	<b>15,194.4</b>	<b>20,686.1</b>
Taxes	0.5	-	(3,216.8)	-	(78.0)	(62.6)	(1.3)	(35.5)	(3.4)	-	3.3	(3,393.9)	(1,941.1)
<b>Net P/L Before Minority Share</b>	<b>(2,489.6)</b>	<b>5,865.1</b>	<b>4,900.4</b>	<b>596.2</b>	<b>(1,818.2)</b>	<b>113.9</b>	<b>1,958.6</b>	<b>52.9</b>	<b>56.9</b>	<b>660.4</b>	<b>1,904.0</b>	<b>11,800.5</b>	<b>18,745.0</b>
Minority Interest	-	-	2,940.9	386.1	(330.2)	99.3	(1.4)	0.0	(0.0)	424.7	1,757.9	5,277.3	17,488.7
<b>Net Profit/(Loss)</b>	<b>(2,489.6)</b>	<b>5,865.1</b>	<b>1,959.5</b>	<b>210.1</b>	<b>(1,488.0)</b>	<b>14.6</b>	<b>1,960.0</b>	<b>52.9</b>	<b>56.9</b>	<b>235.7</b>	<b>146.1</b>	<b>6,523.2</b>	<b>1,256.3</b>

\* Miscellaneous includes UCF, Wafra, ASEC Trading & Sphinx Egypt.

\* T&L represents Transportation & Logistics

\*\*Discontinued operations include Silverstone (TAQA) and Grandview (National Printing).

^ The optional exceptional accounting treatment of reclassifying the FX to the Other Comprehensive Income (OCI) has been applied in 2023. Comparative figures of 2022 have been restated accordingly.

## Qalaa Holdings Consolidated Balance Sheet as of 31 December 2023 (in EGP mn)

	QH	Energy**	Cement	T&L*	Mining	Agrifoods	Others					
		Orient	NDT	CCTO	ASCOM	Falcon	Misc.*	Grandview^	Aggregation	Eliminations/ SPVs	FY 2023	FY 2022
<b>Current Assets</b>												
Trade and Other Receivables	3,361.3	12,088.7	3,950.5	290.0	918.4	255.4	1,133.2	-	21,997.6	(5,774.3)	16,223.3	22,861.4
Inventory	-	4,235.6	2,357.8	12.5	257.4	447.8	130.9	-	7,442.0	(0.0)	7,442.0	6,349.4
Assets Held For Sale	-	-	4.8	-	-	-	158.2	4,951.6	5,114.6	(285.1)	4,829.4	27.1
Cash and Cash Equivalents	163.3	7,723.9	570.5	58.4	241.1	44.1	82.2	-	8,883.5	18.8	8,902.3	9,291.7
Others	-	129.4	-	-	1,321.6	37.2	-	-	1,488.2	(0.0)	1,488.2	20.0
<b>Total Current Assets</b>	<b>3,524.6</b>	<b>24,177.6</b>	<b>6,883.6</b>	<b>360.9</b>	<b>2,738.5</b>	<b>784.5</b>	<b>1,504.5</b>	<b>4,951.6</b>	<b>44,925.8</b>	<b>(6,040.6)</b>	<b>38,885.2</b>	<b>38,549.6</b>
<b>Non-Current Assets</b>												
PP&E	5.1	96,116.6	6,881.0	796.3	1,506.1	909.0	809.7	-	107,023.8	(146.3)	106,877.5	96,846.5
Investments	5,575.6	-	300.6	50.8	556.1	-	4.9	-	6,488.0	(1,191.0)	5,296.9	679.8
Goodwill / Intangible assets	0.2	482.7	-	-	2.1	-	-	-	485.1	220.5	705.5	872.4
Others	4,071.7	5,672.0	320.8	15.1	395.4	512.0	-	-	10,987.1	(2,129.2)	8,857.9	7,934.3
<b>Total Non-Current Assets</b>	<b>9,652.6</b>	<b>102,271.3</b>	<b>7,502.4</b>	<b>862.3</b>	<b>2,459.9</b>	<b>1,421.0</b>	<b>814.5</b>	<b>-</b>	<b>124,983.9</b>	<b>(3,246.1)</b>	<b>121,737.9</b>	<b>106,333.1</b>
<b>Total Assets</b>	<b>13,177.2</b>	<b>126,449.0</b>	<b>14,385.9</b>	<b>1,223.2</b>	<b>5,198.3</b>	<b>2,205.5</b>	<b>2,319.0</b>	<b>4,951.6</b>	<b>169,909.7</b>	<b>(9,286.7)</b>	<b>160,623.1</b>	<b>144,882.7</b>
<b>Shareholders' Equity</b>												
<b>Total Equity Holders of the Company</b>	<b>(3,554.4)</b>	<b>36,511.4</b>	<b>(12,574.4)</b>	<b>(1,390.6)</b>	<b>1,655.8</b>	<b>(476.0)</b>	<b>(2,226.4)</b>	<b>806.4</b>	<b>18,751.8</b>	<b>(25,858.4)</b>	<b>(7,106.7)</b>	<b>(13,255.3)</b>
Minority Interest	-	18,479.8	4,754.2	(164.9)	(115.8)	0.0	(1.5)	746.0	23,697.7	23,353.3	47,051.0	35,626.1
<b>Total Equity</b>	<b>(3,554.4)</b>	<b>54,991.2</b>	<b>(7,820.2)</b>	<b>(1,555.5)</b>	<b>1,540.0</b>	<b>(476.0)</b>	<b>(2,228.0)</b>	<b>1,552.4</b>	<b>42,449.5</b>	<b>(2,505.2)</b>	<b>39,944.4</b>	<b>22,370.8</b>
<b>Current Liabilities</b>												
Borrowings	13,339.6	49,564.1	426.0	-	901.4	58.1	168.1	-	64,457.2	5,833.3	70,290.5	77,025.1
Borrowings from Financial Leasing Entities	-	-	-	-	-	77.9	-	-	77.9	-	77.9	89.6
Finance Lease Current Portion	-	151.6	1.9	17.8	2.5	21.0	-	-	194.8	(0.0)	194.8	370.6
Trade and Other Payables	3,055.8	7,527.5	4,241.9	1,364.6	1,079.8	2,008.3	3,570.9	-	22,848.9	(3,799.7)	19,049.2	18,784.0
Shareholder Loan	-	2,299.0	5,951.9	1,268.3	-	-	283.1	-	9,802.3	(285.4)	9,516.9	5,922.0
Provisions	336.2	92.7	2,927.2	34.4	73.8	32.5	37.4	-	3,534.3	441.5	3,975.8	4,442.6
Liabilities Held For Sale	-	-	0.2	-	-	-	1.4	3,399.2	3,400.8	(23.8)	3,377.0	2.7
<b>Total Current Liabilities</b>	<b>16,731.6</b>	<b>59,634.8</b>	<b>13,549.2</b>	<b>2,685.2</b>	<b>2,057.4</b>	<b>2,197.8</b>	<b>4,061.0</b>	<b>3,399.2</b>	<b>104,316.2</b>	<b>2,165.9</b>	<b>106,482.1</b>	<b>106,636.6</b>
<b>Non-Current Liabilities</b>												
Borrowings	-	-	42.0	-	1,593.4	-	14.2	-	1,649.5	-	1,649.5	3,813.5
Borrowings from Financial Leasing Entities	-	-	-	-	-	401.4	-	-	401.4	-	401.4	686.4
Finance Lease	-	627.9	1.2	84.8	1.5	20.7	-	-	736.2	(0.0)	736.2	1,456.0
Shareholder Loan	-	-	8,513.1	-	-	-	467.9	-	8,981.0	(8,981.0)	(0.0)	813.2
Long-Term Liabilities	-	11,195.1	100.7	8.7	6.0	61.6	3.9	-	11,376.0	33.6	11,409.6	9,106.1
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>11,823.0</b>	<b>8,657.0</b>	<b>93.5</b>	<b>1,600.9</b>	<b>483.7</b>	<b>486.0</b>	<b>-</b>	<b>23,144.1</b>	<b>(8,947.4)</b>	<b>14,196.7</b>	<b>15,875.2</b>
<b>Total Liabilities</b>	<b>16,731.6</b>	<b>71,457.8</b>	<b>22,206.2</b>	<b>2,778.7</b>	<b>3,658.3</b>	<b>2,681.5</b>	<b>4,547.0</b>	<b>3,399.2</b>	<b>127,460.2</b>	<b>(6,781.5)</b>	<b>120,678.7</b>	<b>122,511.9</b>
<b>Total Equity and Liabilities</b>	<b>13,177.2</b>	<b>126,449.0</b>	<b>14,385.9</b>	<b>1,223.2</b>	<b>5,198.3</b>	<b>2,205.5</b>	<b>2,319.0</b>	<b>4,951.6</b>	<b>169,909.7</b>	<b>(9,286.7)</b>	<b>160,623.1</b>	<b>144,882.7</b>

\* Miscellaneous includes UCF, Wafra, ASEC Trading & Sphinx Egypt.

\* T&L represents Transportation & Logistics

\*\* As of 31 December 2023, Qalaa has derecognized/deconsolidated the assets and liabilities of TAQA Arabia and accounts for its remaining interest as an Investment in Associate using the Equity Method and has revalued the remaining interest to its market value.

^ As of 31 December 2023, National Printing's (Grandview's) assets and liabilities were classified on Qalaa's financial statements as held for sale.





## 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).



Qalaa Holdings Ownership — c.13.03% as of 31 December 2023

In 4Q23, total feedstock refined by ERC reached c.1,285.2 thousand tons, including c.1,215.5 thousand tons of atmospheric residue. During the quarter, total output excluding fuel and losses stood at 1.2 million tons, from which ERC produced and supplied 1.0 million tons of refined product to the Egyptian General Petroleum Corporation (EGPC), as well as c.163.0 thousand tons of pet coke and 20.1 thousand tons of sulfur to cement and fertilizer companies, respectively.

### Key Performance Indicators

	Units	4Q22	4Q23	% chg	FY22	FY23	% chg
Orient (ERC Holding) Revenue	(EGP mn)	21,706.8	24,017.4	11%	74,750.2	87,649.4	17%
Orient (ERC Holding) EBITDA*	(EGP mn)	9,573.0	5,483.9	-43%	28,556.4	20,730.1	-27%
Orient (ERC Holding) Net Income**	(EGP mn)	6,147.0	641.3	-90%	19,360.6	4,900.4	-75%

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

\*\*The optional exceptional accounting treatment of reclassifying the FX to the Other Comprehensive Income (OCI) has been applied in 2023.

Product	LPG	Light Naphta	Reformate	Fuel Oil & Slops	Jet Fuel	Diesel	Total Refined Product Supplied to EGPC	Avg GRM/Day (USD mn)	Downtime (Days)
4Q22 (tons)	35,600	70,237	129,852	88,706	186,507	483,011	993,914	4.9	0
4Q23 (tons)	36,760	64,060	122,792	125,412	179,596	486,322	1,014,942	2.5	0
Change %	3%	-9%	-5%	28%	-4%	1%	2%	-49%	N/A
FY22 (tons)	143,707	269,656	523,064	193,978	341,005	2,389,100	3,860,510	4.5	0
FY23 (tons)	134,228	248,678	486,841	374,927	700,294	1,749,091	3,694,060	2.6	17
Change %	-7%	-8%	-7%	80%	105%	-27%	-4%	-43%	N/A

\*Excluding fuel and losses

In 4Q23, ERC's USD denominated revenue increased by 11% y-o-y in EGP terms to EGP 24.0 billion, compared to the EGP 21.7 billion recorded in 4Q22, mainly driven by the depreciation of the EGP against the USD. Revenue growth was further supported by an increase in the production volume of refined petroleum products, offsetting the effect of the price decline witnessed during the quarter. On a full-year basis, ERC's revenue stood at EGP 87.6 billion, representing a

17% y-o-y increase. Additionally, in July 2023 ERC underwent a planned 17-day production shutdown for the implementation of an overhaul and debottlenecking which has increased production capacity to the tune of 10%.

Total feedstock volume increased by 7% y-o-y to 1.29 million tons in 4Q23, largely driven by the debottlenecking that took place during 3Q23. In parallel, the company's refining margins averaged USD 2.48 million per day in 4Q23, down on a y-o-y basis from the USD 4.88 million per day witnessed during 4Q22. The y-o-y drop witnessed in refining margins during 4Q23 was largely attributable to a combination of higher feedstock prices, lower refined product prices, and a decline in the quality of feedstock received. On a full-year basis, total feedstock volume fell by 1% y-o-y to 4.65 million tons following the shutdown that occurred during the third quarter of the year. Meanwhile, refining margins for FY23 averaged USD 2.56 million per day, down from an average of 4.50 million per day in FY22 following similar drivers to the quarterly performance. It is worth highlighting that the large decline in refining margins witnessed during 2023 reflects a normalization of oil prices following a significant spike that occurred in 2022 on the back of heightened uncertainty from the war in Ukraine.

On the profitability front, 4Q23 EBITDA stood at EGP 5.5 billion, down 43% y-o-y from the EGP 9.6 billion achieved in 4Q22, mainly as a result of the normalization of oil product prices. Meanwhile at the bottom-line, the company reported a net profit of EGP 641.3 million during 4Q23, down 90% y-o-y from the EGP 6.1 billion recorded in 4Q22. This came on the back of the significant drop in EBITDA, in addition to a sharp rise in financing costs and depreciation expenses in EGP terms during the quarter. As for FY23, ERC's EBITDA dropped by 27% y-o-y to EGP 20.7 billion from the EGP 28.6 billion recorded in FY22. In parallel, net income declined from EGP 19.4 billion in FY22 to EGP 4.9 billion in FY23 on the back of similar drivers to the 4Q23 results, as well as the 17-day overhaul shutdown that occurred during the 3Q23.

ERC remains in talks with its creditors over a comprehensive debt restructuring and has made its scheduled debt payment for December 2023. ERC continues to be fully current on all its scheduled debt payments and has expedited the settlement of its senior debt via cash sweep mechanics. In December 2023, the company made a total payment of USD 368.0 million, of which USD 306.0 million were directed towards principal and the remainder towards interest and fees. On a full year basis, the company had made a total payment of USD 632 million, of which USD 444 million were directed towards principal payments and the remainder towards interest and fees. This repayment sees ERC remain on track to fully settle its senior debt in 2025, after which the company will start distributing dividends. As of 30 April 2024, ERC's current net senior debt amounts to USD 600 million. In parallel, the current figure for ERC's receivables from EGPC stood at USD 384 million as of 30 April 2024, and EGPC has committed to continue bringing down its outstanding balances over the coming period.


**QALAA HOLDINGS OWNERSHIP — c.23.9% as of 31 December 2023**

TAQA Arabia saw a robust 20% y-o-y revenue growth, reaching EGP 3.7 billion in 4Q23, compared to EGP 3.1 billion in 4Q22. On a full-year basis, revenue recorded EGP 13.5 billion, marking a notable 26% y-o-y increase. Revenue growth for the quarter and full-year period was primarily driven by a strong performance at TAQA Gas, fueled by increased connection revenue and an expansion in CNG volume sold due to additional CNG stations coming online. Positive contributions from foreign currency-linked power generation prices and the implementation of new photovoltaic projects under TAQA Power further bolstered revenue. Revenue growth was further helped by increases in fuel and lube prices and volumes at TAQA Petroleum. TAQA Arabia's continued growth underscores the substantial potential within the energy and utilities sector, which TAQA Arabia, as a leading provider of energy solutions in Egypt, is strategically positioned to leverage.

### Key Performance Indicators

	Units	4Q22	4Q23	% chg	FY22	FY23	% chg
TAQA's Arabia Revenue	(EGP mn)	3,077.0	3,681.5	20%	10,727.8	13,463.8	26%
TAQA Arabia EBITDA*	(EGP mn)	414.8	477.2	15%	1,225.2	1,488.6	21%
TAQA's Arabia Net Income	(EGP mn)	195.2	192.2	-2%	538.6	557.2	3%
TAQA Arabia Gas Revenue	(EGP mn)	940.4	997.1	6%	2,682.4	3,599.6	34%
TAQA Arabia Gas EBITDA	(EGP mn)	212.7	256.4	21%	585.7	711.8	22%
TAQA Arabia Gas Net Income	(EGP mn)	127.7	160.6	26%	357.8	374.4	5%
Household Connections (Cumulative)	#	1,583,063	1,662,549	5%	1,583,063	1,662,549	5%
Industrial Clients (Cumulative)	#	356	378	6%	356	378	6%
Total Natural Gas Distributed	BCM	1.7	1.6	-9%	7.5	6.6	-13%
Master Gas CNG Stations (Cumulative)	#	61	75	23%	61	75	23%
Number of converted cars	#	2,632	1,607	-39%	8,141	4,024	-51%
TAQA Arabia Power Revenue**	(EGP mn)	545.8	644.0	18%	2,051.7	2,356.5	15%
TAQA Arabia Power EBITDA**	(EGP mn)	145.3	167.3	15%	472.3	550.5	17%
TAQA Arabia Power Net Income**	(EGP mn)	78.5	68.6	-13%	189.7	175.4	-8%
Total Power Distributed	M KWH	290	354	22%	1,217	1,348	11%
Total Power Generated	M KWH	25	19	-23%	100	77	-23%
TAQA Solar (Benban) Energy Generated	M KWH	31	30	-4%	150	147	-2%
TAQA Photovoltaic Energy Generated	M KWH	8	9	3%	17	40	138%
TAQA Petroleum Revenue	(EGP mn)	1,603.7	2,004.3	25%	6,031.8	7,413.4	23%
TAQA Petroleum EBITDA	(EGP mn)	56.6	53.5	-6%	195.0	229.9	18%
TAQA Petroleum Net Income	(EGP mn)	32.6	27.4	-16%	99.1	120.0	21%
Total Liquid Fuels Distributed	Liters	201,899	209,662	4%	778,257	810,401	4%
Filling Stations	#	64	65	2%	64	65	2%

\*Recurring EBITDA excludes one-offs

\*\*Includes distribution, conventional generation, renewable generation and photovoltaic

### TAQA Gas

In 4Q23, TAQA Gas recorded a 6% y-o-y revenue increase to EGP 997.1 million. This was driven by increased connection revenue stemming from the expansion of the company's natural gas network, as well as the Egyptian government's commitment to expand natural gas grid connections across the country. Revenue expansion was further boosted by the

increase in Compressed Natural Gas (CNG) volume sold, which came as a result of the increase in the number of CNG fueling stations over the year to 75 stations as of 31 December 2023, up from 61 stations as of 31 December 2022. This enabled the company to capture a larger portion of Egypt's booming CNG market, as more vehicles are converted in the country. In FY23, TAQA Gas achieved a 34% y-o-y increase in revenue to EGP 3.6 billion following similar result drivers to those of 4Q23.

In terms of volume, TAQA Gas sold a total of 53.0 MCM of CNG to vehicles in 4Q23, a 40% y-o-y increase. Meanwhile in FY23, the company sold 187.5 MCM of CNG, a 47% y-o-y expansion. TAQA Gas also successfully converted 1,607 vehicles to run on CNG during the quarter, bringing the total cumulative number of converted vehicles to 35,645.

The quarter saw the company add c.15.8 thousand new household connections, bringing the total cumulative connections at the end of the quarter to c.1.7 million connections, a 5% y-o-y increase. Additionally, TAQA Gas added seven new industrial clients during the quarter, bringing the total as of 31 December 2023 to 378 clients, up from 356 as of 31 December 2022. That said, despite the increase in the number of both domestic and industrial clients, total volume of gas distributed fell by 10% y-o-y to 1.5 BCM in 4Q23, and by 14% y-o-y to 6.4 BCM in FY23.

On the profitability front, TAQA Gas' EBITDA reached EGP 256.4 million in 4Q23, up 21% y-o-y. Similarly, net income recorded a 26% y-o-y increase during the quarter, rising to EGP 160.6 million. On a full-year basis, EBITDA expanded by 22% y-o-y to EGP 711.8 million, while net income increased by 5% y-o-y to EGP 374.4 million. This year-on-year increase came despite the company's bottom-line being weighed down in FY23 by rising interest rates and increased borrowing to finance the company's new stations, as well as a rise in depreciation expense as the new stations came online.

### **TAQA Power**

TAQA Power consolidates the company's conventional energy generation and distribution arms, as well as its renewable energy arms (TAQA Solar and TAQA Photovoltaic [PV]).

In 4Q23, total conventional energy generated and distributed by TAQA Power reached 374MKWH, rising by 18% y-o-y. This increase drove an 18% y-o-y top-line expansion, with revenue for the quarter recording EGP 644.0 million. On a full-year basis, total distribution and generation volume was up 8% y-o-y to 1,425MKWH, which supported a 15% y-o-y increase in FY23 revenue to EGP 2.4 billion.

The segment's positive performance for the quarter was boosted by an increase in the number of both household and industrial clients. The number of household clients rose by 16% y-o-y to 11,038 clients, while the number of industrial clients increased by a record 32 clients this quarter, representing a 40% y-o-y increase, and reached 452 clients as of 31 December 2023.

At its 65MW solar power plant in Benban, Aswan, TAQA Solar generated EGP 58.8 million in revenue during 4Q23, a 17% y-o-y contraction because of an end of year accounting adjustment. On a full-year basis, revenue reached EGP 296.6 million, a 36% y-o-y expansion driven by the increase in the EGP/USD rate to which prices are partially linked.

TAQA PV achieved EGP 12.4 million in revenue in 4Q23, up 39% y-o-y driven by the company's 6MW solar photovoltaic power plant at Dina Farms, as well as its two projects in the tourist hotspots of Soma Bay and Nabq. TAQA PV is currently working on its latest project, a 7MW solar photovoltaic power plant in El Minya. The entire electrical output of the El Minya power plant will be sold to ASCOM Carbonate and Chemical Manufacturing (ACCM), a subsidiary of Qalaa Holding, as part of a 25-year PPA. In parallel, TAQA PV is also currently working on the expansion of the second phase of its Nabq project.

Profitability wise, TAQA Power's EBITDA rose by 15% y-o-y to EGP 167.3 million in 4Q23, mainly driven by the solid performance witnessed across the company's sectors, coupled with the new contributions from TAQA PV. Conversely, 4Q23 net income declined by 13% y-o-y to EGP 68.6 million, due to the effect of rising interest rates on financing costs, as well as depreciation expenses associated with capex outlays for the new generation facilities. Similarly, FY23 EBITDA increased by 17% y-o-y, reaching EGP 550.5 million. EBITDA growth was driven by similar dynamics to those of 4Q23, in addition to the impact of revenue increase from the Benban solar power plant during the year driven by the increase in the EGP/USD rate to which prices are linked. On the other hand, net income contracted by 8% in FY23 to 175.4 million, following similar cost dynamics to 4Q23.

### **TAQA Petroleum**

TAQA Petroleum achieved a revenue of EGP 2.0 billion in 4Q23, reflecting a 25% y-o-y increase. Top-line growth was largely supported by hikes in both fuel (three increases took place in 2023) and lube prices, as well as increased gasoline, diesel, and lube sales, which rose by 3%, 4%, and 178% y-o-y, respectively, during the quarter. The increases in diesel and gasoline volumes were driven by an expansion in the number of filling stations to 65 stations as of 31 December 2023, up from 64 stations as of December end 2022. Meanwhile, increased lube volumes came on the back of the company resolving several import delays that weighed on its results during 2022. On a full-year basis, TAQA Petroleum's top-line expanded by 23% y-o-y, with revenue reaching EGP 7.4 billion following similar price and volume drivers, with gasoline, diesel, and lube sales rising by 3%, 5%, and 36%, respectively.

In 4Q23, revenue from fuel rose by 21% y-o-y to EGP 1.9 billion, while FY23 fuel revenue stood at EGP 7.0 billion, a 20% y-o-y expansion.

At the lubes division, revenue stood at EGP 103.3 million in 4Q23, up 260% y-o-y following an increase in price per ton, coupled with the 178% y-o-y expansion in sales volume during the quarter. On a full-year basis, revenue rose by 121% y-o-y to EGP 405.2 million, largely supported by the strong top-line performance witnessed during 4Q23.

On the back of expanded marketing and advertising activities, 4Q23 EBITDA contracted by 6% y-o-y to EGP 53.5 million. Meanwhile, net income declined by 16% y-o-y to EGP 27.4 million following similar drivers, as well as an increase in financing cost. On the other hand, in FY23 EBITDA increased by 18% y-o-y to EGP 229.9 million on the back of the higher revenue during the year. In parallel, net income expanded by 21% y-o-y to EGP 120.0 million following the solid top-line performance.

As of 31 December 2023, TAQA Petroleum operates 65 stations, with plans to increase that number further. On that front, TAQA Petroleum is currently engaged in the bidding process to acquire several of Wataneya Petroleum's stations, which are part of the tender being run by the Egyptian government.

### **TAQA Water**

Since its inception, TAQA Water has successfully completed four desalination projects for real estate developers, with two in the North Coast, one in Port Said, and one in Soma Bay. The plants began operating in 3Q22, 1Q23, 2Q23, and 3Q23, respectively. In 4Q23, TAQA Water booked EGP 6.4 million in revenue, with total revenue for the full-year period reaching EGP 15.7 million.

### **TAQA Arabia share transactions**

On 9 July 2023, TAQA Arabia's shares began trading on the Egyptian Exchange (EGX) under the ticker (TAQA). The company's shares were listed directly on the EGX without initially being offered to investors via an Initial Public Offering (IPO). TAQA Arabia's shares were valued by an independent financial advisor at EGP 8.90 apiece, handing the company

a valuation of EGP 12 billion as of the 31 December 2022. Following the listing, the National Service Projects Organization (NSPO) acquired 270,470,760 shares, representing 20% of the total shares of TAQA Arabia, from Silverstone Capital Investments Ltd., a subsidiary of Qalaa. As part of the agreement with the NSPO, Qalaa will have the right to repurchase the sold shares within four years from the date of the deal completion (9 July 2023), at a repurchase price that equals the original purchase price, plus an agreed upon annual investment return. The proceeds of the transaction were used to settle a loan taken out by Qalaa in 2022, settling an outstanding balance of EGP 1.629 billion as of 30 June 2023.

As per Qalaa's AGM approval on 6 July 2023, in 4Q23 Qalaa transferred its 100% ownership stake in Nile Energy Ltd., the owner of 7.5% of TAQA Arabia shares, and its 100% ownership stake in Stratford Investments Ltd., the owner of 3.95% of TAQA Arabia shares to Emirates International Investment Company (EIIC) and Cape Collard Co., respectively. The transactions were used to settle loans owed to them by Citadel Capital Partners that novated as an intercompany loan between CCP and Qalaa.

Pursuant to EIIC and Cape Collard Co. settlements, Qalaa is no longer accounting for TAQA Arabia as subsidiary. Instead, Qalaa accounts for its remaining 23.87% interest stake in TAQA by treating the company an associate using the equity method and revalued it to its market, value which amounted to EGP 4.3 billion. Furthermore, the transactions resulted in the recognition of a gain in Qalaa's consolidated income statement amounting to EGP 5.0 billion.

On 8 April 2024, Qalaa signed an agreement with a group of Egyptian Banks, namely Banque Misr, Arab African International Bank, Banque Du Caire, and Al Ahli Bank of Kuwait, to settle the entirety of Qalaa's senior debt owed to them, in return for the transfer the a 17.68% ownership stake (239,120,667 shares) in TAQA Arabia, a land plot in Tibeen, as well as compensation for variations in the EGP/USD exchange rate and TAQA Arabia's share price. As part of the agreement with the banks, Qalaa will have the right to repurchase the sold shares in the fifth year from the sale of the shares, while the banks will have the right to sell the shares back to Qalaa during the sixth year. Both the call and put options are set at a repurchase price that equals the original purchase price, plus an agreed upon annual investment return. After the conclusion of the settlement with the Egyptian banks, Qalaa's ownership in TAQA Arabia will stand at 6.2%.



## 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% as of 31 December 2023

ASEC Holdings recorded revenue of EGP 972.2 million in 4Q23, a 36% y-o-y decline owing to the negative impact of the turmoil in Sudan on the operations of its subsidiary Al Takamol Cement. Profitability wise, ASEC Holdings reported an EBITDA of EGP 66.8 million during the quarter, up from a negative EBITDA of EGP 75.8 million in 4Q22. Meanwhile, the company recorded a net loss of EGP 463.3 million in 4Q23 compared to a net loss of EGP 260.8 million reported in 4Q22. On a full-year basis, revenue dropped 17% y-o-y to EGP 3.8 billion. In parallel, FY23 EBITDA increased 18% y-o-y to EGP 732 million. At the bottom-line, the company's net loss increased from EGP 1.3 billion in FY22 to EGP 1.4 billion in FY23.

Management notes that NDT has signed settlement agreements with three of its banks for the full settlement of debts of c. EGP 1.4 billion. NDT also agreed with a fourth bank to restructure and settle its c. EGP 536 million debt over two years. Consequently, the company's outstanding debt has been reduced, and NDT is now current on all debt repayments with its banks. Such settlement agreements enable the company to have accumulated interest on its debts fully waived, which will have a positive impact on NDT's financial statements. Management is confident that its efforts will ultimately result in a stronger balance sheet, healthier financial and leverage ratios, and enhanced profitability.

## Key Performance Indicators

	Units	4Q22	4Q23	% chg	FY 22	FY 23	% chg
ASEC Holdings' Cons. Revenue	(EGP mn)	1,520.3	972.2	-36%	4,583.4	3,822.0	-17%
ASEC Holdings' Cons. EBITDA*	(EGP mn)	(75.8)	66.8	N/A	622.3	732.0	18%
ASEC Holdings' Cons. Net Income**	(EGP mn)	(413.2)	(1,064.2)	N/A	(1,249.5)	(1,818.2)	N/A
ASEC Cement Group Revenue	(EGP mn)	1056.7	216.1	-80%	3,366.8	1,760.5	-48%
ASEC Cement Group EBITDA	(EGP mn)	(209.2)	(688.0)	N/A	449.9	(288.6)	N/A
ASEC Cement Group Net Income	(EGP mn)	(174.1)	(821.7)	N/A	136.6	(387.4)	N/A
Al-Takamol Cement Revenue	(SDG mn)	12,487.7	6,231.9	-50%	63,171.4	33,535.4	-47%
Al-Takamol Cement EBITDA	(SDG mn)	1,270.5	356.6	-72%	16,890.0	6,252	-63%
Al-Takamol Cement Net Income	(SDG mn)	759.0	(2,858.9)	N/A	11,507.3	(2,656.2)	N/A
Al-Takamol Volume	KTons	139,426	55,848	-60%	764,041	362,341	-53%
Zahana Cement Revenue	(EGP mn)	321.8	546.76	70%	971.57	1,761.08	81%
Zahana Cement EBITDA	(EGP mn)	165.2	223.79	35%	378.4	815.31	115%
Zahana Cement Net Income	(EGP mn)	4.1	(5.09)	N/A	26.8	(181.73)	N/A
Zahana Volume	KTons	410,710	422,260	3%	1,665,434	1,501,378	-10%



ARESCO Revenue	(EGP mn)	65.5	339.9	419%	279.0	733.8	163%
ARESCO EBITDA	(EGP mn)	3.0	22.1	633%	(3.3)	66.8	N/A
ARESCO Net Income/Loss	(EGP mn)	8.2	77.6	848%	(0.1)	104.6	N/A
ARESCO Backlog	(EGP mn)	668.8	1,759	163%	668.8	1,759	163%
ASEC Engineering Revenue	(EGP mn)	363.1	251.7	-31%	836.4	880.7	5%
ASEC Engineering EBITDA	(EGP mn)	130.3	115.5	-11%	158.9	247.5	56%
ASEC Engineering Net Income	(EGP mn)	38.8	58.2	50%	28.6	92.7	225%
ASEC Engineering Managed Production	MTons	1.5	1.1	-27%	5.6	5.7	1%

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

\*\*The optional exceptional accounting treatment of reclassifying the FX to the Other Comprehensive Income (OCI) has been applied in 2023.

### ASEC Cement

Operating out of Sudan, ASEC Cement's subsidiary, Al-Takamol Cement's performance is significantly impacted by the political and currency disturbances in the country, which have resulted in hyperinflation. Consequently, in reporting the company's results, 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. This results in a disproportionate increase in the cost of sales compared to revenue. Driven by Sudan's political volatility, the EGP/SDG rate was highly volatile over the course of the year, impacting the company's figures when reflected in EGP terms. Al-Takamol's figures are thus presented in Sudanese Pound (SDG) to provide a more accurate representation of the company's performance excluding the impact of hyperinflationary adjustments.

In 4Q23, Al-Takamol Cement recorded SDG 6.2 billion in revenue, down 50% y-o-y. The revenue decline came on the back of a 60% decrease in volume sold, which offset the 25% price increase witnessed during the quarter. The volume decline was primarily a result of the armed conflict that has been taking place in Sudan since the end of 1Q23. On a full year basis, Al-Takamol Cement reported a 47% y-o-y revenue decrease to SDG 33.5 billion, on the back of a 53% y-o-y drop in sales volume, which was partially offset by a 12% y-o-y increase in average cement prices from SDG 82,681/ton in FY22 to SDG 92,552/ton in FY23.

In terms of profitability, Al-Takamol Cement recorded EBITDA of SDG 356.6 million in 4Q23 compared to SDG 1.3 billion in 4Q22. Similarly, the company realized a net loss of SDG 2.9 billion during the quarter versus a net profit of SDG 0.8 billion achieved in 4Q22. On a full-year basis, EBITDA fell by 72% y-o-y to SDG 6.3 billion, while the company reported a net loss of SDG 2.7 billion, down from a net income of SDG 11.5 billion in FY22. The drop in profitability that occurred during both the three- and twelve-month periods was a result of the significant decline in sales volume, as the company's fixed costs and general & administrative expenses remained largely unchanged when compared to 4Q22.

It is worth noting that the staff and assets of Qalaa's Sudan affiliate Al-Takamol Cement are safe and continue to operate at a limited capacity. Qalaa continues to closely monitor the ongoing developments in the country.

Zahana Cement's revenue in 4Q23 came in at EGP 546.8 million, up 70% y-o-y, on the back of a 65% y-o-y increase in the average selling price to EGP 1,295/ton, coupled with a 15% y-o-y increase in cement volume sold to 257 thousand tons during the quarter compared to 223 thousand tons in 4Q22. For FY23, revenue stood at EGP 1.8 billion, up 81% y-o-y, following similar price and volume dynamics as 4Q23. On that front, the average price per ton during the 12-month period rose by 101% y-o-y to EGP 1,173/ton, while sales volume increased by 11% y-o-y despite a 27% y-o-y decrease in clinker sales volume.

On the profitability front, Zahana Cement's EBITDA stood at EGP 223.9 million in 4Q23, a 35% y-o-y increase driven by the increase in average selling price. Similarly, EBITDA expanded by 115% y-o-y during FY23 to EGP 815.3 million, reflecting both a significant increase in the average selling prices for the year, as well as a 64% y-o-y appreciation of the DZD against the EGP. Despite this, the company reported a net loss of EGP 5.1 million during the quarter, as well as a net loss of EGP 181.7 million in FY23. Zahana Cement's negative bottom-line during 4Q23 and FY23 came as a result of accruing a total of DZD 2.1 billion in debt interest during the twelve-month period.

### **ASEC Engineering**

ASEC Engineering saw its top-line shrink by 31% y-o-y in 4Q23, closing the quarter with revenue of EGP 251.7 million. The top-line drop for the three-month period came on the back of a 27% y-o-y decline in managed clinker production in 4Q23 to 1.1 million tons as a result of a temporary overhaul of operations in El Nahda plant (one of the company's main clients). In FY23, the company achieved a revenue increase of 5% y-o-y to EGP 880.7 million.

ASEC Engineering recorded an EBITDA of EGP 115.5 million in 4Q23, an 11% y-o-y drop. In parallel, the company recorded a net income of EGP 58.2 million during the quarter, up significantly from the net income of EGP 38.8 million achieved during 4Q22, on the back of significantly higher provision costs locked in 4Q22 compared to 4Q23. Meanwhile in FY23, ASEC Engineering saw its EBITDA expand by 56% y-o-y to EGP 247.5 million, while net income reached EGP 92.7 million compared to a net income of EGP 28.6 million recorded during FY22. This was further supported by the successful restructuring of one of the company's loans, which resulted in an EGP 17 million capital gain.

### **ARESCO**

ARESCO recorded a revenue of EGP 339.9 million in 4Q23, up 419% y-o-y. Meanwhile, the company's FY23 revenue stood at EGP 733.8 million, representing a 163% y-o-y increase. In terms of profitability, ARESCO achieved an EBITDA of EGP 22.1 million, a remarkable increase from the EBITDA of EGP 3.0 million reported in 4Q22. Similarly, the company recorded a significant increase in its bottom-line during the quarter, delivering a net income of EGP 77.6 million compared to a net income of EGP 8.2 million in 4Q22. Improved profitability during the quarter came on the back of enhanced project pricing. On a full-year basis, ARESCO's EBITDA reached EGP 66.8 million, a noteworthy turnaround from the EGP 3.3 million EBITDA loss recorded in FY22. Improved EBITDA trickled down the company's bottom-line, with net profit for the year recording EGP 104.6 million versus a net loss of EGP 0.1 million reported in FY22. It is worth noting that last year's figure included a one-off EGP 10 million loss recorded in 1H22 related to the pricing of one of the company's products, which significantly dampened the company's bottom-line for the period.

### **ASEC Automation**

ASEC Automation delivered a top-line increase of 88% y-o-y to EGP 183.7 million in 4Q23, while FY23 revenue expanded by 120% y-o-y to EGP 563.3 million. Revenue growth for the three- and twelve-month periods came on the back of the implementation of four new local projects in real estate, infrastructure, renewable energy, and electrical panels, as well as one project in the Philippines.

With regards to profitability, ASEC Automation's EBITDA expanded by 205% y-o-y to EGP 27.9 million in 4Q23. That said, higher provisions related to expected claims weighed on the company's bottom-line, which recorded a net loss of EGP 12.9 million for the final quarter of the year. On a full-year basis, EBITDA increased by 336% y-o-y to EGP 71.9 million. In FY23, while net income grew substantially from EGP 2.7 million in FY22 to EGP 25.1 million in FY23. Improved profitability came on the back of higher revenue as the company continued to drive expansion across all business units. These efforts now see the company serving clients across 10 different industries, a significant strategic pivot away from its historic focus on the cement industry. Improving profitability also partially reflects the company's decision to prioritize contracts which see it act as the main contractor instead of the sub-contractor on the project. In parallel, the company signed new contracts in 4Q23 worth c. EGP 240 million, bringing its total backlog to c. EGP 340 million.

**ASEC Holding Share transaction**

Qalaa signed an agreement with Financial Holdings Investments Ltd. (FHI) for the purchase of FHI's share in the National Company for Development and Trade S.A.E ("ASEC Holding"). The transaction comes as part of a wider agreement with FHI that sees Qalaa receive shares in some of the Group's subsidiaries that were owned by FHI, in addition to settling the majority of Qalaa's liabilities, as well as those of its subsidiaries due to FHI in exchange for a consideration of assets and shares. Following the conclusion of the transaction, Qalaa's effective ownership share in ASEC Holding will stand at c.99.05%.



## Sector Review: Packaging & Printing

Through its subsidiary National Printing Company, Qalaa Holdings has invested in paper recycling, printing and packaging.



**QALAA HOLDINGS OWNERSHIP – c.31.0% as of 31 December 2023**

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	4Q22	4Q23	% chg	FY22	FY23	% chg
National Printing Revenue	(EGP mn)	1,073.0	1,311.3	22%	4,271.0	5,181.3	21%
National Printing EBITDA	(EGP mn)	394.3	349.8	-11%	1,402.1	1,319.4	-6%
National Printing Net Income	(EGP mn)	265.7	144.2	-46%	858.4	683.4	-20%
Shorouk for Modern Printing & Packaging Revenue	(EGP mn)	400.6	406.8	2%	1,514.0	1,744.0	15%
Shorouk for Modern Printing & Packaging EBITDA	(EGP mn)	105.0	85.1	-19%	318.1	364.7	15%
Shorouk for Modern Printing & Packaging Net Income	(EGP mn)	147.3	27.5	-81%	302.9	330.0	9%
Uniboard Revenue	(EGP mn)	608.7	746.2	23%	2,585.1	2,895.7	12%
Uniboard EBITDA	(EGP mn)	235.6	229.1	-3%	1,018.8	824.0	-19%
Uniboard Net Income	(EGP mn)	154.6	123.0	-20%	669.2	463.1	-31%
El Baddar Revenue	(EGP mn)	228.2	268.7	18%	792.1	1,034.0	31%
El Baddar EBITDA	(EGP mn)	23.2	25.2	9%	80.6	85.3	6%
El Baddar Net Income	(EGP mn)	16.2	0.5	-97%	34.2	43.7	28%

### Shorouk for Modern Printing & Packaging

Shorouk continued to build on its strong start to the year, overcoming challenging market conditions and supply chain disruptions to deliver solid results for the fourth consecutive quarter. The company delivered a top-line expansion of 2% y-o-y to EGP 406.8 million in 4Q23, up from EGP 400.6 million in 4Q22. Revenue growth for the quarter came on the back of an increase in the average price per ton resulting from the depreciation of the EGP, as well as the improvement of the company's sales mix, which, combined, compensated for the 9% y-o-y volume decline witnessed in 4Q23. Meanwhile on a full-year basis, Shorouk's revenue rose by 15% y-o-y from EGP 1,514.0 million in FY22 to EGP 1,744.0 million in FY23 following similar price, volume, and sales strategy dynamics to 4Q23. On the sales volume front, Shorouk's sales volume shrank by 10% y-o-y during the year as export sales volume took a 40% y-o-y hit, whereas domestic sales volume inched up by 2% y-o-y. Today, Shorouk exports its products to 16 countries worldwide.

In terms of profitability, Shorouk's EBITDA declined by 19% y-o-y to EGP 85.1 million in 4Q23, while net income dropped by 81% y-o-y to EGP 27.5 million. The sharp bottom-line decline was mainly a result of an increase in financing costs. In FY23, EBITDA expanded by 15% y-o-y to EGP 364.7 million. In parallel, net income stood at EGP 330.0 million, a 9% y-o-

y increase driven by a strong first half of the year, which more than offset the significant decline witnessed during 4Q23. Improved bottom-line profitability during the full-year period was mainly driven by dividend income from the company's subsidiaries.

#### **Uniboard**

In 4Q23, Uniboard's revenue increased by 23% y-o-y to EGP 746.2 million, on the back of the 24% rise in sales volume witnessed during the quarter. The volume increase was primarily driven by a 144% y-o-y expansion in export sales volume resulting from a strategy shift towards increasing exports to finance the company's foreign currency needs for importing raw materials. On a full-year basis, the company achieved a 12% y-o-y increase in revenue to EGP 2,895.7 million, on the back of a 9% y-o-y rise in total volume sold.

On the profitability front, Uniboard's EBITDA dropped by 3% y-o-y to EGP 229.1 million in 4Q23, while net income fell by 20% y-o-y to EGP 123.0 million. With regards to FY23, Uniboard saw its EBITDA shrink by 19% y-o-y to EGP 824.0 million. Meanwhile, FY23 net income stood at EGP 463.1 million, a 31% y-o-y decline. Lower profitability for the quarter and full-year periods came as a result of a high base effect, as Uniboard recorded exceptionally high profitability figures during FY22, on the back of the increase in global selling prices, as well as the company's proactive raw material stock-piling strategy, which saw profitability margins stand at around double their normal rates. As prices declined globally and raw material costs rose by 37% y-o-y in FY23, profitability margins began to normalize over the past year. This was further exacerbated by the rise in interest rates witnessed over the period.

#### **El Baddar**

El Baddar's revenue increased by 18% y-o-y to EGP 268.7 million in 4Q23 from EGP 228.2 million in 4Q22. The company's improved top-line came on the back of higher prices, coupled with the 2% y-o-y expansion in sales volume witnessed during the quarter. On a full-year basis, revenue expanded by 31% y-o-y to EGP 1,034.0 million, compared to EGP 792.1 million in FY22, as a result of a 16% y-o-y increase in sales volume, and was further boosted by the price increases.

Profitability-wise, El Baddar's 4Q23 EBITDA grew by 9% y-o-y from EGP 23.2 million to EGP 25.2 million, supported by higher sales volume, offsetting the effect of the substantial increase in raw material costs. Meanwhile, net income decreased by 97% y-o-y to EGP 0.5 million during the quarter, on the back of a significant increase in finance costs. In FY23, El Baddar's EBITDA rose by 6% y-o-y to EGP 85.3 million. Meanwhile, net income increased by 28% y-o-y to EGP 43.7 million, following the payment of a one-off insurance claim to the company.

#### **Windsor**

In 4Q23, Windsor achieved a revenue of EGP 41.5 million, a 34% y-o-y increase, as a result of an optimized product mix, coupled with the growth of its chemicals sector. Similarly, FY23 top-line expanded by 38% y-o-y to EGP 146.2 million.

Meanwhile, Windsor's EBITDA expanded by 30% y-o-y to EGP 12.9 million in 4Q23 despite the significant surge in raw material costs witnessed during the quarter, as the company shifted its focus towards the service sector within its client mix. The company's strong EBITDA performance drove a 33% y-o-y increase in net income to EGP 8.9 million during 4Q23. On a full-year basis, Windsor's EBITDA rose by 29% y-o-y to EGP 41.9 million, and the company's net income in FY23 stood at EGP 28.5 million, representing a 34% y-o-y increase.

#### **National Printing listing and share transaction**

On 15 February 2024, National Printing was listed directly on the Egyptian Exchange (EGX) without initially being offered to investors via an Initial Public Offering (IPO). An IPO is planned to take place later in 2024.

Following the listing, on 27 March 2024, and as part of a larger transaction, Financial Holdings Investments Ltd. (FHI) indirectly acquired 27.21% of National Printing, representing the majority of Qalaa's shareholding in the company. As

part of the agreement with FHI, Qalaa will have the right to repurchase the sold shares within a period of two years. The sale comes as part of a wider agreement with FHI that will enable Qalaa to settle the bulk of its liabilities and those of its subsidiaries to FHI. It will also allow Qalaa to receive shares in some of its subsidiaries that were owned by FHI. Following the conclusion of the transaction, Qalaa indirectly holds an effective ownership of c.3.35% in National Printing.

As a result of the transaction, in 2024 Qalaa no longer has control over National Printing and its holding company Grandview. As of 31 December 2023, National Printing's assets and liabilities were classified on Qalaa's financial statements as held for sale.



## 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% as of 31 December 2023

**Dina Farms Holding Co.** recorded a 59% y-o-y increase in revenue to EGP 549.9 million in 4Q23, driven by improved operations at Dina Farms, as well as ICDP's revenue benefiting from higher selling prices and new product launches. Meanwhile, EBITDA rose by 17% y-o-y to EGP 126.7 million in 4Q23 on the back of a recovery of margins at ICDP. Dina Farms Holding Co. delivered a net loss of EGP 1.0 million in 4Q23, versus a net income of EGP 53.0 million in 4Q22, which was ameliorated by the positive impact of the end of year revaluation of the herd. On a full-year basis, revenue increased by 51% y-o-y to EGP 1.9 billion, and EBITDA expanded by 116% y-o-y to EGP 401.2 million, on the back of EBITDA growth at Dina Farms, coupled with ICDP's margin recovery. Net income for FY23 stood at EGP 52.9 million compared to a net loss of EGP 7.1 million recorded in FY22.

### Key Performance Indicators

	Units	4Q22	4Q23	% chg	FY22	FY23	% chg
Gozour (Dina Farms Holding Co.) Revenue	(EGP mn)	346.1	549.9	59%	1,219.9	1,948.3	51%
Gozour (Dina Farms Holding Co.) EBITDA*	(EGP mn)	108.0	126.7	17%	185.4	401.2	116%
Gozour (Dina Farms Holding Co.) Net Income	(EGP mn)	53.0	(1)	N/A	(7.1)	52.9	N/A
Dina Farms Revenue	(EGP mn)	265.7	383.1	44%	1,004.2	11,543.1	54%
Dina Farms EBITDA	(EGP mn)	101.8**	90.3**	-11%	200.6**	386.2**	93%
Dina Farms Net Income	(EGP mn)	37.1**	(9.5)**	N/A	(8.3)	74.7	N/A
Dina Farms Raw Milk Sales/Milking Cow Ratio	Tons/Milking Cow	2.7	2.6	-4%	10.7	9.7	-9%
ICDP Revenue	(EGP mn)	176.2	432.2	145%	552.5	1,221.5	121%
ICDP EBITDA	(EGP mn)	13.5	54.0	301%	47.6	98.5	107%
ICDP Net Income	(EGP mn)	0.3	32.4	9,889%	8.2	37.0	353%
ICDP SKU Volume Sold	(Tons)	4,535	6,263	38%	18,024	20,957	16%

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

\*\* Dina Farms EBITDA and Net Income include Herd Revaluation of EGP 72.9 million in 4Q22 versus EGP 7.3 million in 4Q23

**Dina Farms'** revenue grew by 44% y-o-y to EGP 383.1 million in 4Q23, and 54% y-o-y to EGP 1,543.1 million in FY23, following improved operations across all business segments.

At the livestock division, revenue from milk sales rose by 29% y-o-y to EGP 292.3 million in 4Q23. Growth was driven by an increase in milk prices, which more than offset the 12% y-o-y drop in milk sales volume following a decline in demand, as well as the decline in milk production due to a recently implemented a policy that emphasizes optimizing animal feed productivity. Meanwhile, powdered milk sales volume was up 217% y-o-y in 4Q23, reaching 186.0 tons during the



quarter. This, combined with the increase in powdered milk prices, led to a 278% y-o-y rise in powdered milk revenue to EGP 26.3 million in 4Q23. In parallel, non-milk revenue expanded by 1,096% y-o-y to EGP 19.5 million in 4Q23 on the back of a 524% y-o-y increase in bull sales. On a full-year basis, revenue from milk sales stood at EGP 1.1 billion, a 38% y-o-y increase on the back of higher milk prices. Similarly, revenue from powdered milk expanded by 268% y-o-y to EGP 70.0 million in FY23, following a 156% y-o-y hike in sales volume to 507 tons, coupled with the aforementioned rise in powdered milk prices during the full-year period. On the other hand, non-milk revenue in FY23 was up 47% y-o-y, closing the period at EGP 41.8 million.

At the agriculture division, orchard revenue grew 83% y-o-y to EGP 7.6 million in 4Q23, following the price increases for olives. As for FY23, orchard revenue was up 120% y-o-y, rising to EGP 57.8 million on the back of the improvement in both grape price and productivity during the previous quarters. Revenue increases for the three-month and full-year periods were also further supported by Dina Farms' decision in 4Q22 to start processing and drying its parsley crop in-house as opposed to selling it to a third party, enabling the company to move further up the value chain. Additionally, the company's cultivated herb area increased by 31% y-o-y to 788 feddans, and its sugar beet cultivated area doubled during the year, leading to increased production during the quarter. Accordingly, crop revenue increased by 82% y-o-y to EGP 143.8 million in FY23.

On the retail front, Dina Farms expanded its outlet and parking area earlier this year and renovated various aspects of the retail outlet. As a result, the company witnessed a 33% y-o-y increase in footfall during FY23, resulting in revenue growth from the retail division. Accordingly, and in combination with the inflationary price increases witnessed throughout the year, revenue from the division rose by 54% y-o-y to EGP 33.2 million in 4Q23 and 74% y-o-y to EGP 141.0 million in FY23.

With regards to profitability, Dina Farms achieved a 187% y-o-y increase in 4Q23 EBITDA to EGP 83.0 million, on the back of improved profitability across the board. On that front, the livestock division witnessed a 123% y-o-y increase in gross profit to EGP 85.6 million in 4Q23, while the agriculture division reported a y-o-y rise in gross profit from zero to EGP 2.5 million. This performance drove an improvement in the company's bottom-line, which rose by 53% y-o-y from a net loss of EGP 35.8 million in 4Q22 to a net loss of EGP 16.8 million in 4Q23. On a full-year basis, Dina Farms' EBITDA stood at EGP 378.0 million compared to EGP 127.7 million in FY22. The company also achieved a net income of EGP 67.4 million in FY23, up from a net loss of EGP 81.2 million recorded during the same period last year. All profitability figures reported are after stripping the impact of the herd revaluation, which varied significantly from 2022 to 2023 and skewed the company's profitability measures.

#### **International Company for Dairy Products (ICDP)**

In 4Q23, ICDP's total SKU volume stood at 6,263 tons, representing a 38% y-o-y increase. Meanwhile in FY23, total SKU volume rose by 16% y-o-y to 20,957 tons.

ICDP witnessed a top-line expansion of 145% y-o-y in 4Q23, with revenue for the period reaching EGP 432.2 million. Similarly, ICDP's FY23 revenue increased by 121% y-o-y to EGP 1.2 billion. Revenue growth for the quarter and full-year period was driven by price increases across the board, coupled with a continued noticeable increase in the volume of cheese, juice, and skimmed milk powder sold. Additionally, a recovery in milk sales following a slump during the first two quarters of the year provided an additional boost to the company's top-line.

At the cheese division, sales volume increased by 184% y-o-y in 4Q23, following the commissioning of two new cheese lines in 2023, as well as the introduction of several new products throughout the year. Sales volume was also further boosted by the successful introduction of new product offerings to act as substitutes for imported cheese brands that have become increasingly difficult to find in the Egyptian market due to import constraints. It also benefitted from

market share lost by competitors due to production issues. As a result, and alongside the inflationary price increases witnessed throughout the year, revenue from the division increased significantly from EGP 38.4 million in 4Q22 to EGP 162.5 million in 4Q23. These drivers were also in play on a full-year basis, with sales volume rising by 193% y-o-y, driving a 358% y-o-y increase in revenue to EGP 371.9 million.

Fresh milk revenue increased by 63% y-o-y to EGP 138.3 million, propelled by a combination of higher prices, and a 13% y-o-y increase in volume as the segment continued to recover from the slump witnessed during the first two quarters of the year. In parallel, powdered milk sales volume reached 327 tons in 4Q23, up 224% from the 101 tons sold in 4Q22. This, in addition to the rise in the price per ton of powdered milk, drove a near fourfold y-o-y increase in powdered milk revenue from EGP 12.0 million in 4Q22 to EGP 47.4 million in 4Q23. On a full-year basis, fresh milk revenue increased by 43% y-o-y, despite a 3% y-o-y drop in volume, on the back of higher prices. Meanwhile, revenue from powdered milk rose from EGP 26.9 million in FY22 to EGP 142.2 million in FY23, following a 237% y-o-y increase in volume sold to 1,032 tons during the period, coupled with an increase in the price per ton of powdered milk.

Revenue at the yogurt segment expanded by 99% y-o-y to EGP 21.6 million in 4Q23, on the back of higher prices, which further augmented the 29% y-o-y increase witnessed in sales volume. As for FY23, revenue was up 83% y-o-y to EGP 80.8 million, as volume recovered from the slump witnessed during 2Q23, recording a 14% y-o-y increase during the full-year period.

Juice revenue expanded by 95% y-o-y to EGP 40.4 million in 4Q23 following a turnaround in sales volume, which rose 58% y-o-y, and was further boosted by an increase in prices during the quarter. Similarly, FY23 revenue witnessed a 43% y-o-y increase to EGP 120.8 million, on the back of similar price and volume dynamics.

On the profitability front, ICDP's results witnessed a significant recovery, as the company managed to adjust prices in line with the soaring raw milk and packaging material costs, which had been lagging for several quarters due to market constraints. The recovery in demand and sales volumes further supported profitability during the quarter. Additionally, ICDP managed to successfully capitalize on its unique position as the premiere local alternative for imported cheese, delivering solid results. EBITDA for 4Q23 surged 301% y-o-y to EGP 54.0 million, while net income expanded significantly during the quarter, rising from EGP 0.3 million in 4Q22 to EGP 32.4 million in 4Q23. Meanwhile in FY23, EBITDA reached EGP 98.5 million, up 107% y-o-y from the EGP 47.6 million recorded in FY22. Although the company's bottom-line continues to be impacted by the growing finance costs resulting from the loans taken out by ICDP throughout the year with the purpose of financing the capex related to new product line expansions and working capital requirements, the recovery in gross margins has begun to trickle down to net income. On that front, net income reported a 353% y-o-y increase in FY23, rising from EGP 8.2 million in FY22 to EGP 37.0 million in FY23.



## 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 APM investment Holding BVI (APM) (which is consolidated under the equity method as a share of associates' results).



**QALAA HOLDINGS OWNERSHIP — c.54.1%**

In 4Q23, ASCOM recorded a 40% y-o-y increase in revenue to EGP 510.0 million, as the EGP devaluation augmented the USD-denominated revenues of ASCOM's two largest revenue generators: ACCM and GlassRock. Improved performances across both ACCM and the company's quarrying operations in Egypt further supported ASCOM's top-line results. On a full-year basis, ASCOM's top-line rose 41% y-o-y to EGP 1.9 billion following revenue expansion at Egypt quarrying, in addition to the effect of the EGP devaluation.

APM Investment Holdings Limited (APM), a wholly owned subsidiary of ASCOM, sold its c.35% stake in Ethiopia's Kurmuk Gold Project to Canadian company Allied Gold Corp. The revenue from the transaction includes the receipt of around 11.5 million shares in Allied Gold in favor of APM Investment Holdings Limited, with a total value of c.USD 25.1 million as of 30 September 2023, as well as deferred payments totaling USD 65.6 million by Allied Corp to APM in three installments starting 30 September 2024 and ending 30 September 2027.

### Key Performance Indicators

	Units	4Q22	4Q23	% chg	FY22	FY23	% chg
ASCOM Revenue	(EGP mn)	264.0	510.0	40%	1,362.5	1,920.2	41%
ASCOM EBITDA*	(EGP mn)	47.9	101.8	112%	212.7	398.2	87%
ASCOM Net Income**	(EGP mn)	(219.0)	(299.9)	-37%	(82.5)	1,958.6***	N/A
ACCM Revenue	(USD mn)	8.0	9.0	12%	39.9	35.8	-10%
ACCM EBITDA	(USD mn)	1.8	2.2	25%	9.5	8.7	-8%
ACCM Net Income**	(USD mn)	0.7	1.4	105%	6.4	4.0	-38%
GlassRock Revenue	(USD mn)	4.3	4.4	2%	15.0	14.9	-0%
GlassRock EBITDA	(USD mn)	1.0	1.4	44%	2.5	4.3	72%
GlassRock Net Income**	(USD mn)	(0.2)	(0.0)	91%	(3.4)	(1.0)	71%
Egypt Quarrying Revenue	(EGP mn)	56.0	101.6	81%	214.9	352.7	64%
Egypt Quarrying EBITDA	(EGP mn)	(10.8)	4.6	N/A	(15.8)	23.3	N/A
Egypt Quarrying Net Income**	(EGP mn)	(24.5)	19.8	N/A	(79.7)	35.0	N/A

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

\*\*The optional exceptional accounting treatment of reclassifying the FX to the Other Comprehensive Income (OCI) has been applied in 2023.

\*\*\* Net Income in 3Q23 includes a gain of EGP 2.4 billion million from the sale of APM. Net income in 4Q23 includes a loss of EGP 286 million related to Allied Gold Corp's market value.

### ACCM

ACCM's revenue at the close of 4Q23 reached USD 9.0 million, a 12% y-o-y improvement. Revenue growth was largely driven by a 36% y-o-y increase in volume to 116,190 tons following the addition of two new ball milling lines, which came

online in June 2022 and the beginning of 2023, and more than offset a 17% y-o-y decrease in the average price per ton during the quarter. On a full-year basis, ACCM's revenue dropped by 10% y-o-y to USD 35.8 million, as the average price per ton fell by 23% y-o-y, outweighing the effect of the 16% y-o-y increase in volume to 440,236 tons. The decline in average price per ton was a result of a drop in global freight costs, which are incorporated in the price, following the stabilization of supply chains after a period of disruptions and instability. Price per ton was further depressed by the decline in the price of stearic acid, a key raw material and price determinant. Additionally, selling prices in Egypt have not risen in line with the currency devaluation, and have therefore declined in USD terms.

In terms of profitability, EBITDA reported a 25% y-o-y increase to USD 2.2 million in 4Q23 compared to USD 1.8 million in 4Q22. Despite the decrease in average price per ton, EBITDA margin increased on the back of the 22% y-o-y drop in variable costs, mainly driven by the EGP devaluation (which resulted in a decrease in local cost components), as well as the drop in the cost of stearic acid and shipping. Meanwhile, net income improved by 105% y-o-y to USD 1.4 million during the quarter from the USD 0.7 million recorded in 4Q22. In FY23, EBITDA dropped by 8% y-o-y from USD 9.5 million in FY22 to USD 8.7 million. Conversely, FY23 net income stood at USD 4.0 million, a 38% y-o-y decrease from the USD 6.4 million achieved in FY22. The decline in the company's bottom-line was mainly a result of lower export subsidies compared to those received during 2022, as well as an increase in finance costs driven by a rise in loans for capex and working capital expansions, in addition to the interest rate hikes witnessed throughout the year.

Moving forward, ACCM will continue to work towards expanding its exports, which already account for most of the company's top-line. As a result, any further EGP devaluation will increase ACCM's competitiveness within the international market. On that front, ACCM is pushing ahead with its sales channel diversification strategy by directing its business development efforts to new export regions and has expanded its exports into new countries in South America, Eastern Europe, and East Asia during the second half of 2023. The company is also planning to install additional production lines to expand its production capacity and meet its planned growth targets, with two ball milling lines already scheduled to come online in 2025.

### GlassRock

In 4Q23, GlassRock achieved a revenue of USD 4.4 million, a 2% y-o-y increase mostly driven by a 51% y-o-y rise in GlassWool volume sold, and further boosted by higher selling prices for locally sold GlassWool and RockWool. As for FY23, revenue remained largely stable y-o-y at USD 14.9 million, despite increased selling prices across most of the company's product mix, following a 14% y-o-y drop in total volume sold to 9,370 tons in FY23.

GlassRock	4Q22	4Q23	% chg	FY22	FY23	% chg
<b>Sales Revenue (USD mn)</b>	<b>3.8</b>	<b>4.1</b>	<b>7%</b>	<b>12.8</b>	<b>13.7</b>	<b>8%</b>
RockWool – Export	0.7	0.3	-65%	2.7	1.2	-58%
RockWool – Local	1.5	1.3	-12%	5.0	4.2	-16%
GlassWool – Export	0.3	0.6	94%	1.5	2.3	56%
GlassWool – Local	1.3	1.9	48%	3.6	6.1	69%
<b>Sales Volume (Tons)</b>	<b>2,887</b>	<b>2,863</b>	<b>-1%</b>	<b>10,843</b>	<b>9,370</b>	<b>-14%</b>
RockWool – Export	808	352	-56%	3,506	1,341	-62%
RockWool – Local	1,286	1,313	2%	4,479	4,000	-11%
GlassWool – Export	221	492	123%	1,108	1,842	66%
GlassWool – Local	573	706	23%	1,750	2,187	25%

GlassRock's portfolio includes export markets across Africa, Europe, and Asia, with the company also working on expanding into a number of new European countries. In 4Q23, GlassRock's export revenue dropped by 19% y-o-y to USD 0.8 million following a decline in the export volume of RockWool, coupled with lower export prices of both GlassWool and RockWool. In FY23, GlassRock's export revenue fell 18% y-o-y to USD 3.4 million following a significant decline in RockWool export volume, which more than offset the positive effect of higher RockWool export prices and improved GlassWool export volume driven by a competitive pricing strategy and the penetration of new markets.

Domestically, GlassRock's revenue increased by 16% y-o-y to USD 3.2 million in 4Q23 on the back of higher volumes, as well as an increase in the selling price of GlassWool. Similarly, GlassRock's FY23 revenue rose by 20% y-o-y to USD 10.3 million, mainly driven by an increase in both prices and volume at GlassWool, which more than compensated for the decline in GlassRock's total sales volume. Revenue growth was also boosted by improvements in the quality of the company's GlassWool products, coupled with the import challenges facing the Egyptian market. On that front, being the only producer of GlassWool in Egypt enabled GlassRock's products to emerge as a viable substitute for imports and capture a larger share of the domestic market. It is worth noting that the devaluation of the EGP led to a delay in the execution of specific mega projects across the country, adversely affecting sales volumes, especially those of RockWool, earmarked for these projects.

On the profitability front, GlassRock's EBITDA expanded by 44% y-o-y to USD 1.4 million in 4Q23 versus USD 1.0 million in 4Q22 and recorded a net loss of USD 14.4 thousand in 4Q23 compared to a net loss of USD 167.0 thousand in 4Q22. On a full-year basis, EBITDA increased by 72% y-o-y from USD 2.5 million in FY22 to USD 4.3 million in FY23. At the bottom-line, GlassRock saw its net loss shrink from USD 3.4 million in FY22 to USD 1.0 million in FY23, on the back of price increases across both the local and export markets, as well as the impact of the EGP devaluation which resulted in a decline in the cost of several local components.

### **Egypt Quarrying (ASCOM Mining)**

ASCOM's mining operations rely primarily on the cement sector, with around 90% of the company's revenue coming from cement clients. As such, ASCOM continues to face a challenging operating environment due to the sustained difficulties facing the Egyptian cement industry. However, the company's 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 when markets are underperforming. ASCOM has also successfully renegotiated a number of contracts, passing the increased expenses associated with the weakening EGP onto its clients, thus supporting revenue and profitability. Additionally, ASCOM was able to terminate defaulting contracts and voluntarily shut down some non-profitable projects, replacing them with more profitable ones. As a result, the company witnessed an improved performance during 4Q23. On that front, revenue during the quarter reached EGP 101.6 million, representing an 81% y-o-y increase from the EGP 56.0 million recorded in 4Q22. Similarly, revenue for FY23 rose by 64% y-o-y to EGP 352.7 million following the robust performance throughout the year. However, overhaul work at one of ASCOM's clients, coupled with a temporary shutdown at another client's production plant, both of which took place during 1H23, dampened the improvement in the company's results, which otherwise would have grown at an even larger rate.

In terms of profitability, ASCOM Mining reported a 4Q23 EBITDA of EGP 4.6 million, a significant improvement versus the loss of EGP 10.8 million recorded in 4Q22. The company's bottom-line after removing one-off events declined during the quarter from a loss of EGP 24.5 million in 4Q22 to a loss of EGP 30.7 million, on the back of higher tax provisions. On a full-year basis, EBITDA rose from a loss of EGP 15.8 million in FY22 to a profit of EGP 23.3 million in FY23. In parallel, the improvement in commercial terms implemented during 1Q23 helped propel FY23 bottom-line after removing one-off events to a loss of EGP 32.1 million, up from a net loss of EGP 59.1 million reported during the same period last year.

On a separate note, ASOCM Mining is currently exploring opportunities for expanding domestically and internationally into the quarrying of other materials such as phosphate, kaolin, sand, and gypsum.

**ASCOM call option**

Qalaa signed an agreement with Financial Holdings Investments Ltd. (FHI) which gives Qalaa the right to purchase shares owned by FHI representing 14.39% of ASCOM's total shares. The call option is exercisable between the end of September 2024 and the end of December 2025, with the purchase to be implemented in accordance with the applicable Egyptian Capital Market Law.



## Sector Review: Transportation & Logistics

Qalaa Holdings' operational platform in the Transportation & Logistics sector is CCTO, which includes NRPMC (seaport, stevedoring, and storage services in Egypt) as well as Nile Barges (river transportation in South Sudan)



**QALAA HOLDINGS OWNERSHIP** — c.67.6% as of 31 December 2023

Citadel Capital Transportation Opportunities Ltd. ('CCTO') is Qalaa Holdings' transportation and logistics platform arm and consolidates the company's operations in Egypt (under National River Port Management Company 'NRPMC') and South Sudan (under Nile Barges). In 4Q23, CCTO's revenue increased by 32% y-o-y to EGP 157.6 million, with EBITDA rising by 71% y-o-y to EGP 101.7 million. Meanwhile, net income stood at EGP 43.1 million in 4Q23 compared to a net loss of EGP 9.9 million in 4Q22. In FY23, CCTO's revenue and EBITDA reached EGP 581.6 million and EGP 303.5 million, respectively. Net income recorded EGP 113.9 million in FY23 versus a net loss of EGP 45.9 million reported in FY22, after removing one-off gains.

### Key Performance Indicators

	Units	4Q22	4Q23	% chg	FY22	FY23	% chg
CCTO (Holding Co.) Revenue	(EGP mn)	119.4	157.6	32%	370.8	581.6	57%
CCTO (Holding Co.) EBITDA*	(EGP mn)	59.4	101.7	71%	157.8	303.5	92%
CCTO (Holding Co.) Net Income/Loss**	(EGP mn)	(9.9)	43.1	N/A	500.4***	113.9	-77%
NRPMC Revenue	(EGP mn)	107.2	142.9	33%	340.2	519.8	53%
NRPMC EBITDA	(EGP mn)	66.9	106.5	59%	178.5	315.8	77%
NRPMC Net Income/Loss**	(EGP mn)	(3.0)	68.4	N/A	566.4***	201.0	-65%
NRPMC Coal / Pet Coke Tons Handled	(ooo's Tons)	412.4	391.0	-5%	1,340.7	1,455.3	9%
NRPMC Twenty-Foot Equivalent Handled	(TEU)	15,974	14,088	-12%	77,562	68,543	-12%
NRPMC Storage days for TEUs (# of days)	Days	97,840	127,192	30%	233,011	593,833	155%
Nile Barges Revenue (South Sudan)	(USD mn)	0.5	0.5	-11%	1.5	2.0	28%
Nile Barges EBITDA (South Sudan)	(USD mn)	0.2	0.2	-23%	0.6	1.0	68%
Nile Barges Net Income/Loss (South Sudan)	(USD mn)	0.2	0.0	-95%	(0.2)	0.3	N/A

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

\*\*The optional exceptional accounting treatment of reclassifying the FX to the Other Comprehensive Income (OCI) has been applied in 2023.

\*\*\*FY22 Net Income includes a one-off gain of EGP 546.3 million from the sale of land in 1Q22.

### National Company for River Ports Management (NRPMC) (Egypt)

NRPMC recorded 4Q23 revenue of EGP 142.9 million, up 33% y-o-y. The company's top-line performance was mainly driven by improvements across all revenue streams, especially in the storage and inland container depot service. On a full-year basis, NRPMC's revenue reached EGP 519.8 million, a 53% y-o-y expansion following similar growth drivers.

During the quarter, coal storage volume at the Tanash warehouse increased by 17% y-o-y. Consequently, revenue from storage increased by 39% y-o-y, rising to EGP 65.0 million in 4Q23 from EGP 46.6 million in 4Q22, further boosted by



the company's USD-based contracts. On a full-year basis, storage revenue stood at EGP 212.7 million, up 50% y-o-y from the EGP 141.7 million recorded in FY22.

In parallel, revenue from stevedoring services rose by 12% y-o-y from EGP 30.6 million in 4Q22 to EGP 34.2 million in 4Q23, mainly driven by an increase in coal stevedoring prices. In FY23, revenue from stevedoring services reached EGP 119.2 million, reflecting a 17% y-o-y increase. Top-line expansion during the full-year period came largely on the back of higher volumes during the year, coupled with the aforementioned price increase.

Moreover, revenue from the company's inland container depot expanded by 49% y-o-y to EGP 43.6 million. Top-line growth was largely driven by a 30% y-o-y increase in the container storage days, which in 4Q23 reached 127,192 days compared to 97,840 days in 4Q22, a 163% increase in power supplied days for reefers, in addition to some increases in fees charged witnessed during the quarter. As for FY23, the inland container depot's revenue almost doubled y-o-y to EGP 187.9 million, following an increase in storage days from 233,011 in FY22 to 593,933 and a 168% increase in power supplied days for reefers in FY23. The increase in storage days during both the three-month and full-year periods was a consequence of the slowdown brought about by the letter of credit requirements for all imports, as well as foreign currency availability issues.

In terms of profitability, NRPMC saw its EBITDA rise by 59% y-o-y in 4Q23 to EGP 106.5 million. Meanwhile, net profit recorded a strong y-o-y increase to EGP 71.6 million during the quarter (after removing the impact of one-off accounting adjustments), from the EGP 3.0 net loss million reported in 4Q22. Similarly, FY23 EBITDA stood at EGP 315.8 million, a 77% y-o-y increase from the EGP 178.5 million recorded in FY22. Net income also witnessed a significant expansion during the full-year period to EGP 201.0 million in FY23 from EGP 11.4 million in FY22, after removing the impact of a one-off gain on the sale of a plot of land in 1Q22, as well as accounting a one-off gain from the revaluation of right of use relating to the Nubaria warehouse rental in 3Q22 and other accounting treatments in 4Q23. Enhanced profitability during the quarter and full-year period came on the back of an increase in both storage and container depot revenues, in addition to a reduction in finance costs, after the company successfully restructured its debt obligations.

### **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 operates three pushers and ten barges following the successful addition of its last pusher in 2022, bringing Nile Barges' entire fleet online.

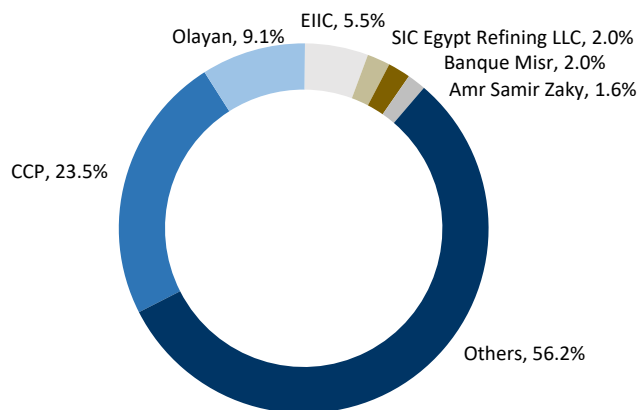
In 4Q23, Nile Barges completed one trip, in line with 4Q22, and recorded USD 0.4 million in revenue, an 11% y-o-y decline. Further down the income statement, EBITDA came in at USD 0.2 million, a marginal decline from 4Q22. Nile Barges reported a net income of USD 11 thousand during the quarter, falling significantly y-o-y from the USD 0.2 million witnessed in 4Q22. As for FY23, the company achieved revenue of USD 2.0 million, up 28% y-o-y. In parallel, EBITDA rose by 68% y-o-y to USD 1.0 million in FY23, while net income closed the full-year period at USD 0.3 million as opposed to a net loss of USD 0.2 million in FY22.

### **CCTO share transaction**

Qalaa signed an agreement with Financial Holdings Investments Ltd. (FHI) to purchase the latter's share in CCTO. The purchase comes as part of a wider agreement with FHI that sees Qalaa receiving shares in some of its subsidiaries that were owned by FHI and settling the bulk of its liabilities and those of its subsidiaries to FHI in exchange for a consideration of assets and shares. Following the conclusion of the transaction, Qalaa will hold an effective ownership of c.92.3% in CCTO.

## SHAREHOLDER STRUCTURE

(as at 31 December 2023)



## 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

## INVESTOR RELATIONS CONTACTS

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