

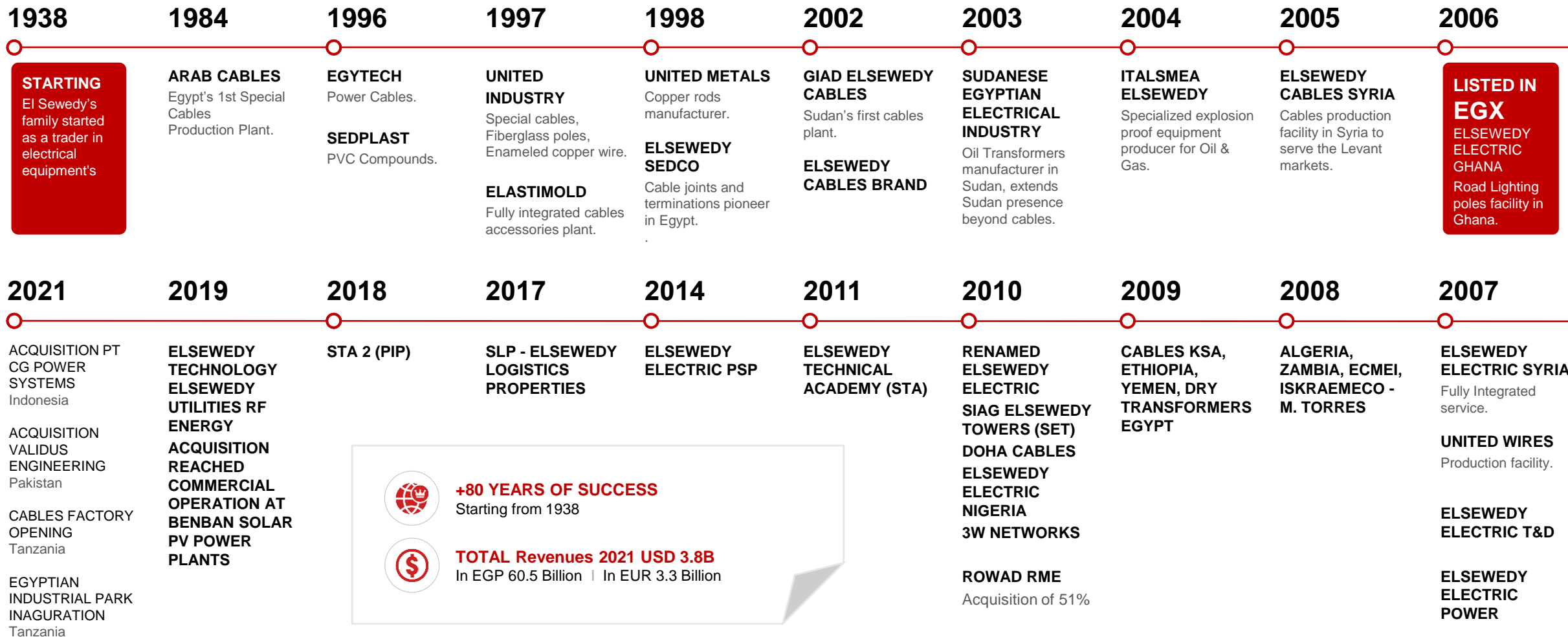
ELSEWEDY ELECTRIC PRESENTATION

EFG Hermes one-to-one conference

Dubai – September 2022

Certain information contained in this document consists of forward-looking statements reflecting the current view of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements, including worldwide economic trends, the economic and political climate of Egypt and the Middle East and changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in such forward-looking statements. Recipients of this document are cautioned not to place any reliance on these forward-looking statements. The Company undertakes no obligation to republish revised forward-looking statements to reflect changed events or circumstances.

The Elsewedy Electric name has existed in the market since 1938 as a distributor of electrical equipment, becoming Egypt's first specialized cables distributor by 1960 and Egypt's first private manufacturer of cables with the establishment of a production plant in 1984. Over the next 30+ years, Elsewedy Electric would expand both organically and inorganically through the establishment of plants and the acquisition of companies across the value chain both domestically and abroad.



Elsewedy Electric offers a comprehensive range of cabling solutions for residential, industrial, commercial and energy sectors



24 FACTORIES IN AFRICA

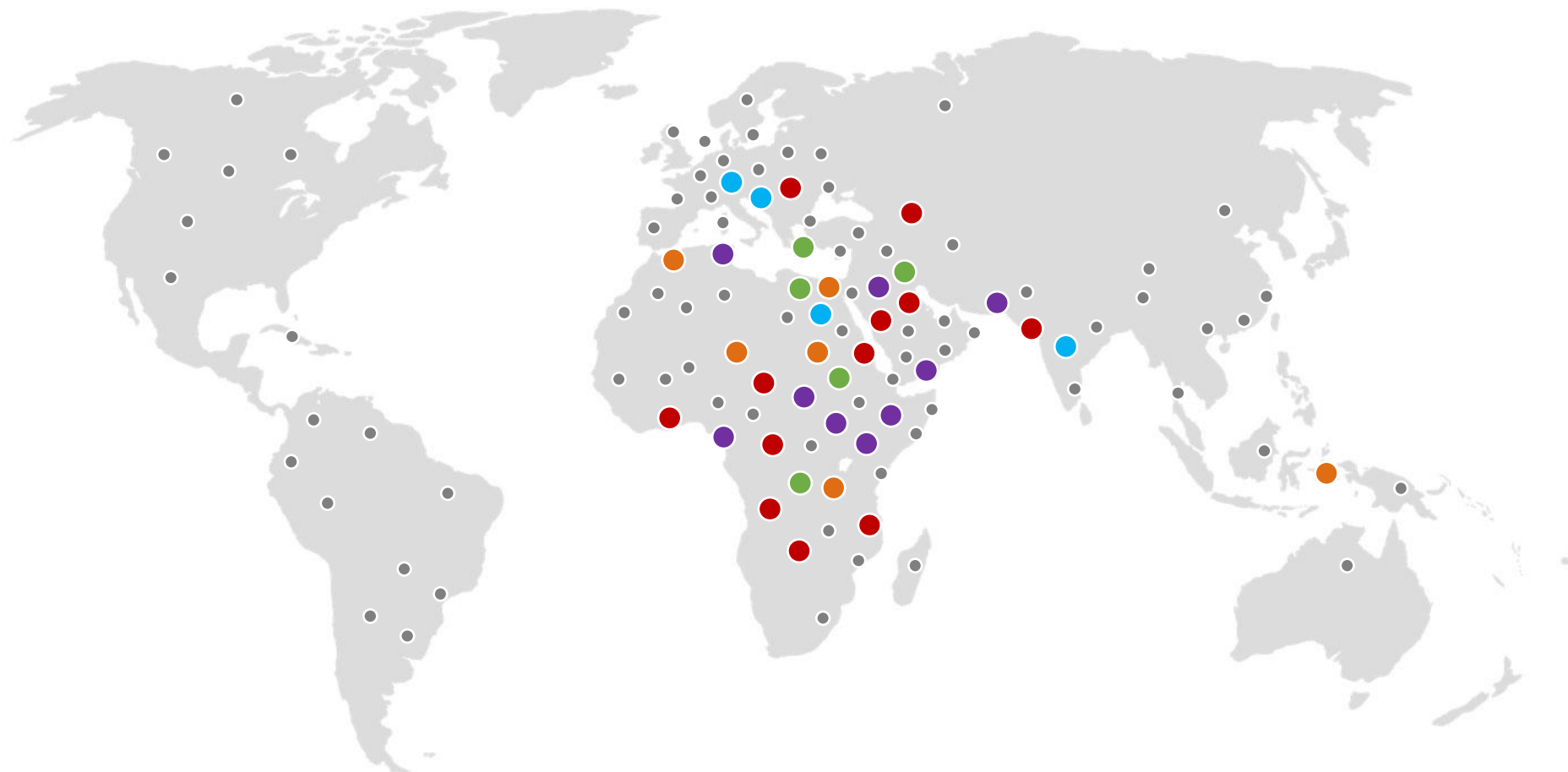
5 FACTORIES IN ASIA

2 FACTORY IN EUROPE

TOTAL OF
31 PRODUCTION
FACILITIES

48 INTERNATIONAL OFFICES

110 EXPORT MARKETS



**CABLES &
ACCESSORIES**

**RENEWABLE
ENERGY**

**PROJECTS &
DEVELOPMENT**

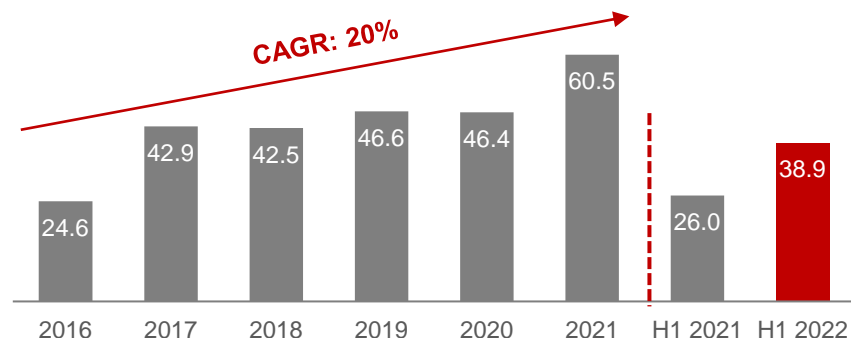
TRANSFORMERS

METERS

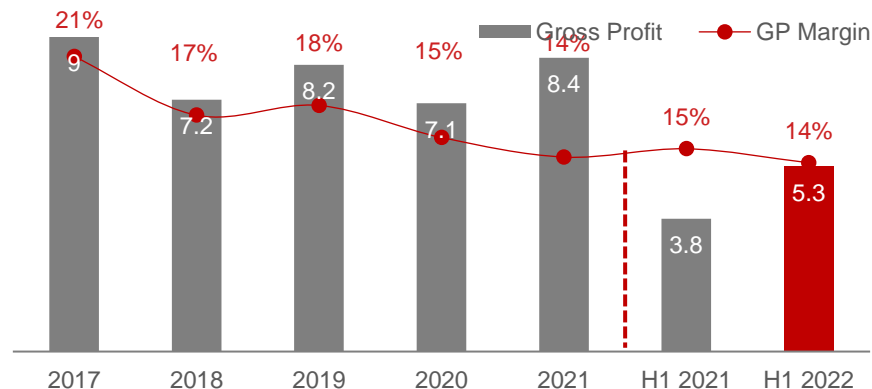
EXPORT

Total Revenue

(EGP bn)



Gross Profit



EGP **38,964** mn

Revenues

▲ 49.8% y-o-y

EGP **1,887** mn

Net Income

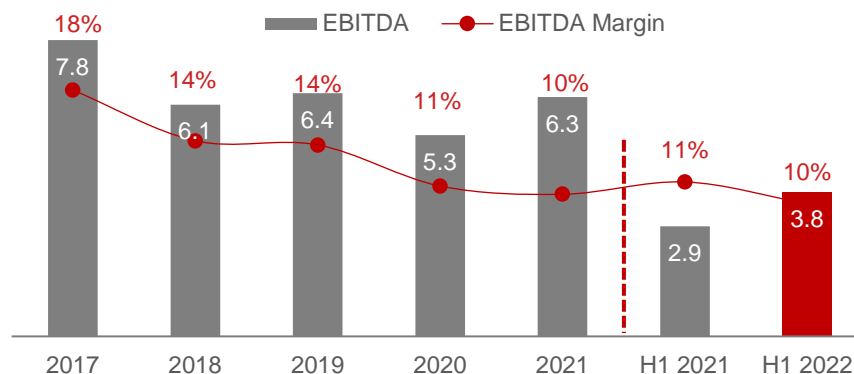
▲ 18.7% y-o-y

>17,000

No. of Employees

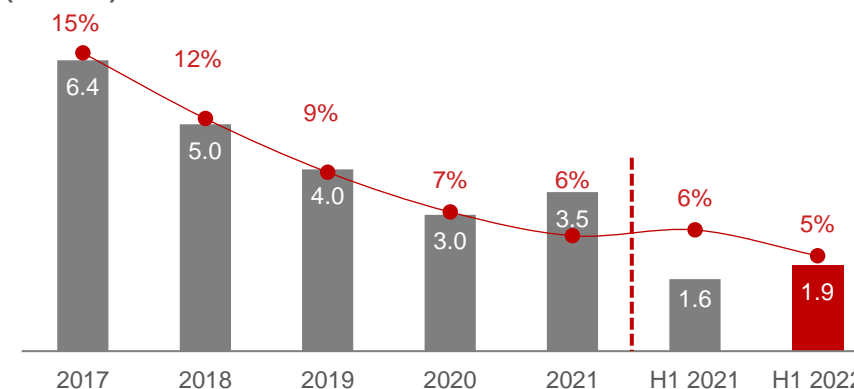
EBITDA

(EGP bn)



Net Income

(EGP bn)



84

Years of Operation

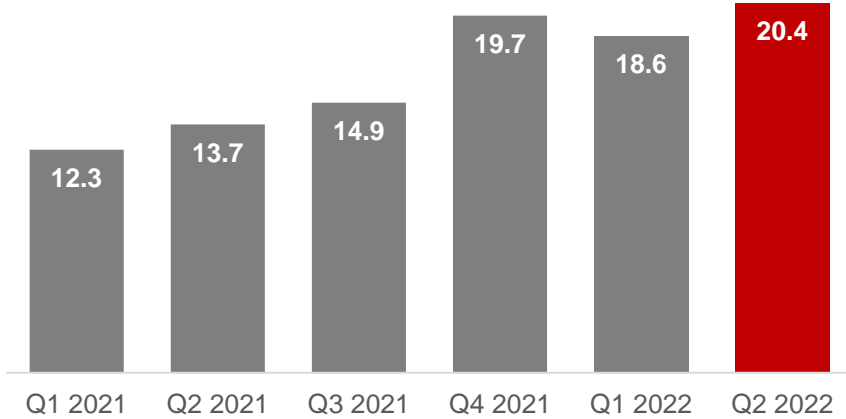
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Production Facilities

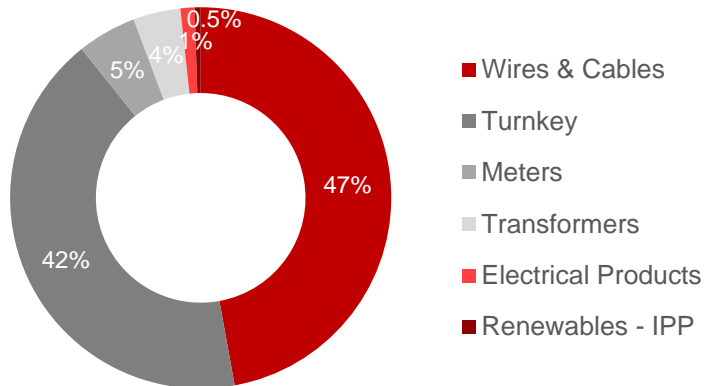
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Export Countries

Total Revenue (EGP bn)



Revenue by Segment – Q2 2022

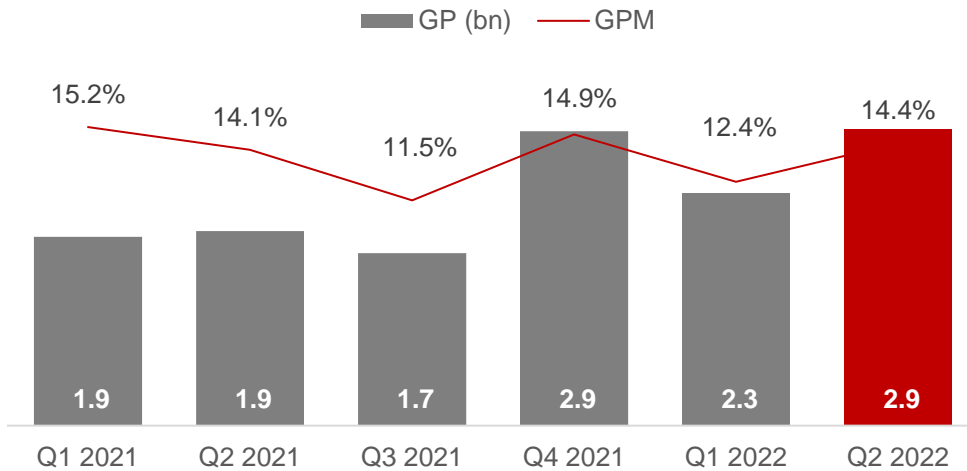


EGP **20,391** mn

Q2 2022 Revenues - ▲ 48.6% y-o-y

- **Consolidated Revenues** grew by **48.6% y-o-y** to **EGP 20,391 million** in Q2 2022
 - **45% of revenues** are coming from sales outside Egypt.
- **Wires and cables** segment generated 47% of consolidated revenues, remaining Elsewedy's largest top-line contributor and achieving EGP 9,669 million.
 - **57%** of the Wire & Cables segment's revenues are coming from sales outside Egypt & Exports
- **Turnkey projects** brought in 42%, to reach revenues of EGP 8,646 million.
 - **28%** of revenues are coming from turnkey projects outside Egypt.
- The remaining segments generated 10% of total revenues for the quarter

Gross Profit (EGP bn)



- **Gross Profit** increased by 51.9% y-o-y to reach EGP 2,941 million in Q2 2022, backed by strong growth in wires and cables and turnkey projects.

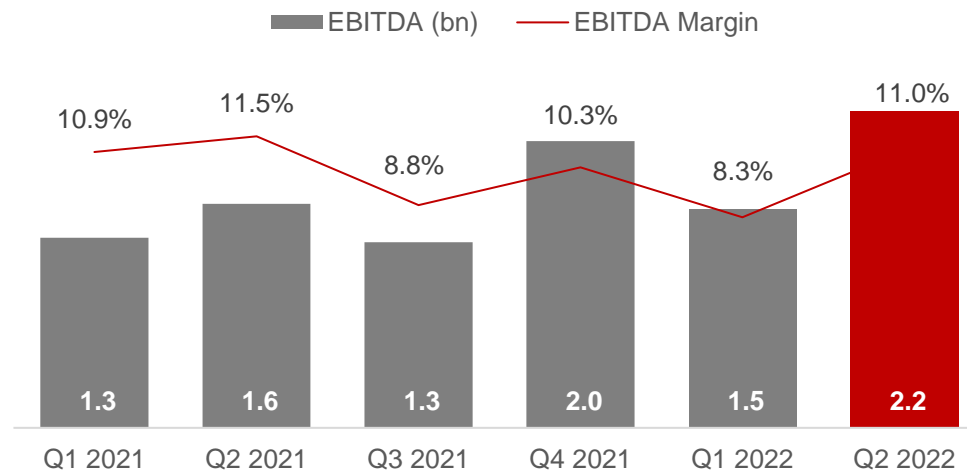
- Consolidated gross profit margin increased to 14.4% versus the 14.1% recorded in Q2 2021, due to:

- The improved profitability of the wires & cables segment;
- Favourable currency movement.

- Wires and cables was the largest contributor at 49% with a gross profit of EGP 1,431 million

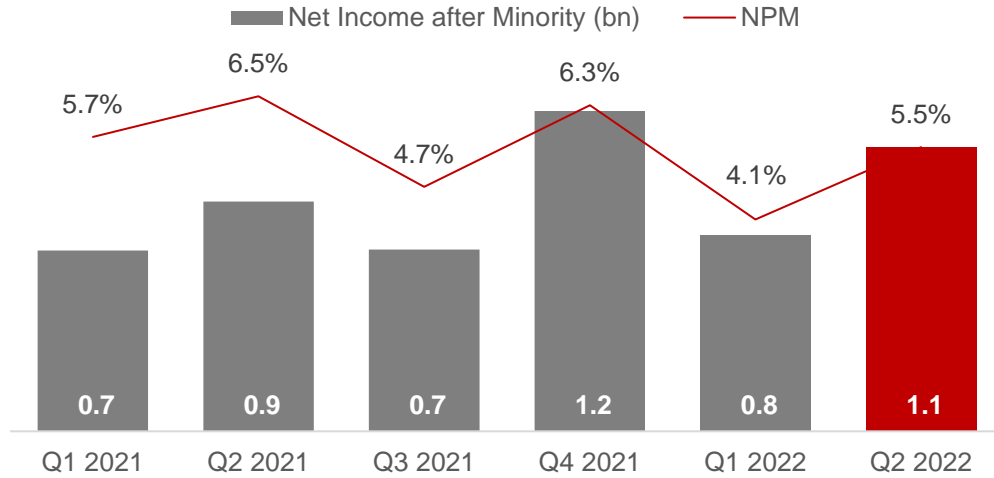
- Turnkey projects was the second- largest contributor at EGP 1,021 million which represents 35% of consolidated gross profit.

EBITDA (EGP bn)



- **EBITDA** increased by 41.1% y-o-y to EGP 2,234 million in Q2 2022, while the EBITDA margin was 11% compared to the 11.5% one year previously.

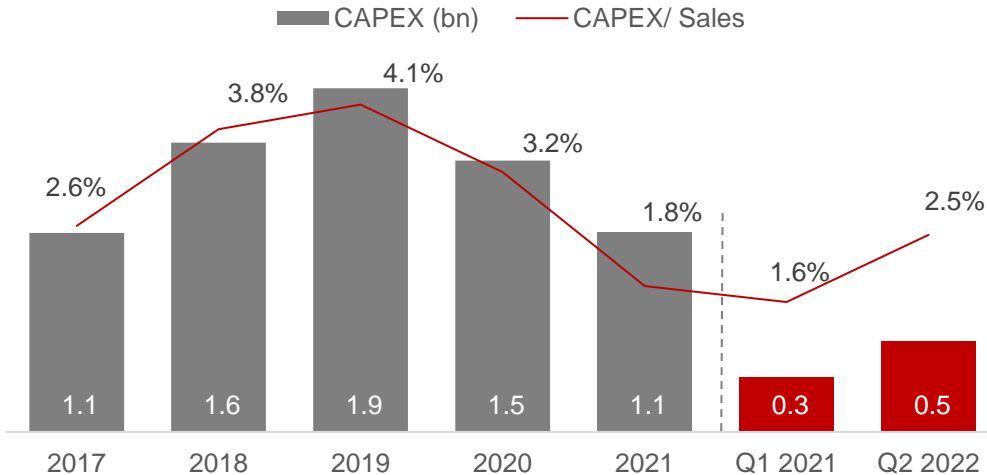
Net Income (after Minority Interest) (EGP bn)



• Net Income after Minority Interest:

Net Income grew 26.6% y-o-y to EGP 1,126 million in Q2 2022, up from the net income of EGP 890 million posted in Q2 2021. Net profit margin came in at 5.5% in Q2 2022 against 6.5% in Q2 2021.

CAPEX (EGP bn)



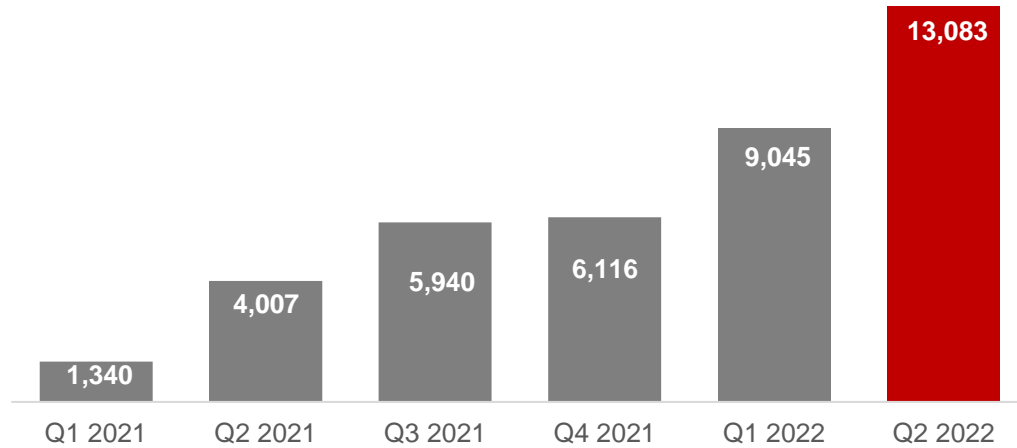
• CAPEX:

Maintenance CAPEX came in at EGP 0.55 bn in Q2 2022 which accounts for 2.7% of total sales.

Meanwhile, total CAPEX which includes investments came in c. EGP 0.7 bn.

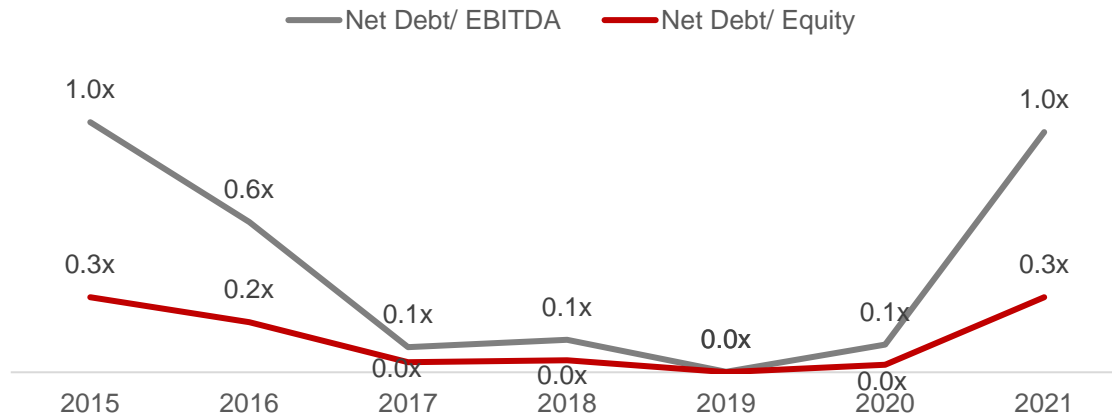
- New investments reached EGP 0.15 bn, which was related to:
 - Investment in Dry Port;
 - Construction of Transformers Factory in Tanzania;

Net Debt (EGP mn)



- Elsewedy reported a net debt position of EGP 13,083 million on 30 June 2022. the increase is driven by mainly the contingency planning efforts deployed in anticipation of delays in commodity deliveries and supply-related shortages that could potentially impact operations
- The increase in net debt was driven by:
 - Continued raw materials stocking.
 - The coverage of associated freight costs.
 - Acceleration of payments to suppliers.
 - Forex effect

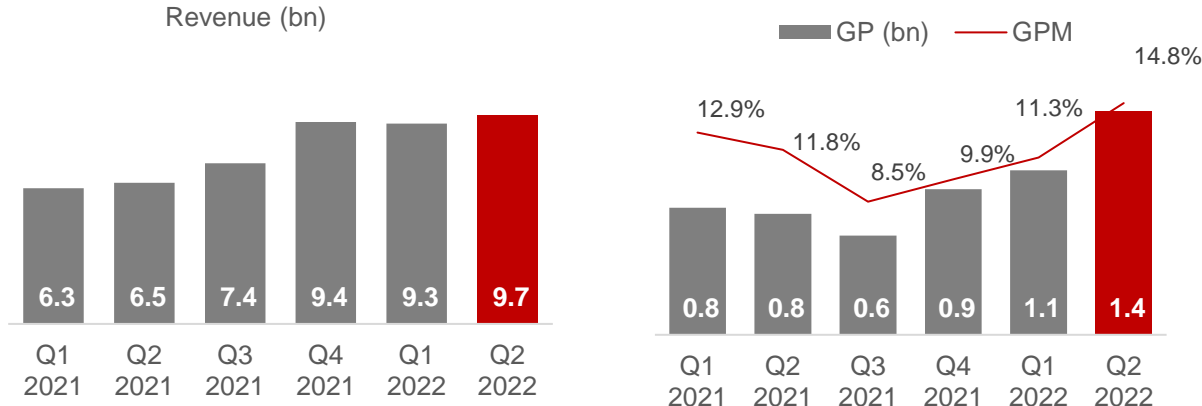
Net Debt Ratios



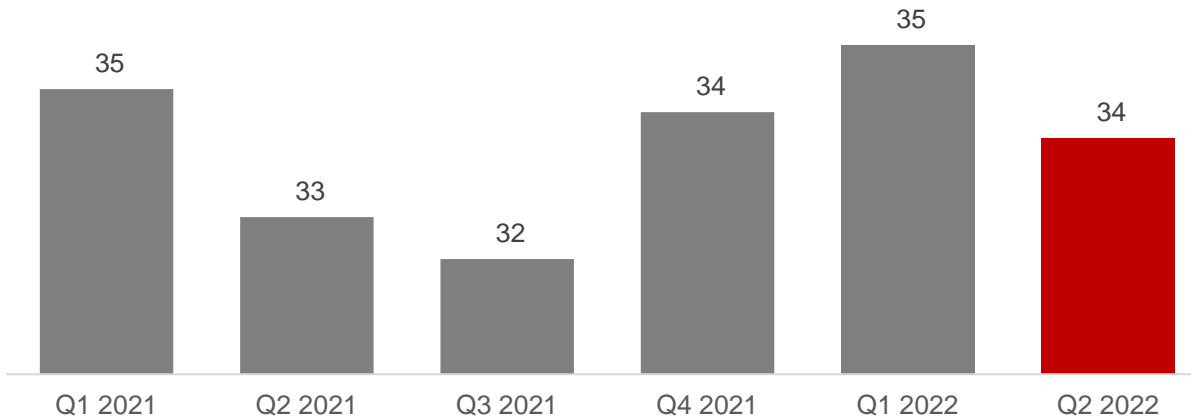
- Net debt to EBITDA reached 1.7x.

Wires & Cables Revenue and Profitability (EGP bn)

EGP **11.3** bn
Backlog as of 30/6/2022

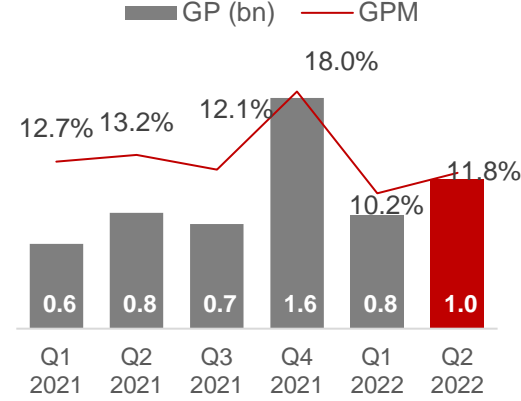
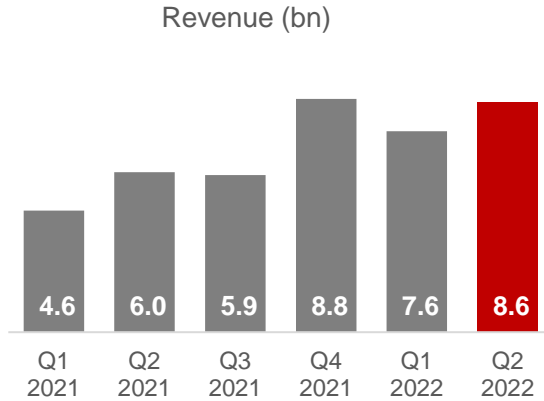


Volume (000 tons)

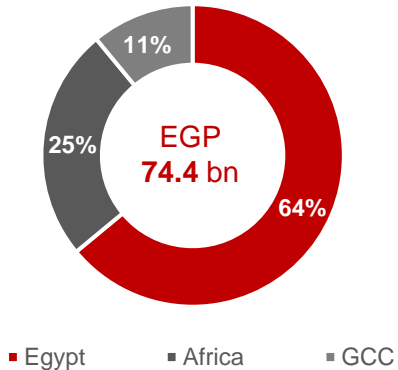


- Wires & Cables represent the largest top-line contributor.
- The segment recorded an impressive growth of 48% y-o-y reaching EGP 9,669 million.
- Sales volumes recorded 33,864 tons (+4% y-o-y vs Q2 2021)
- The revenue increase was driven by:
 - Responsive pricing measures to inflation hikes coupled with 4% YoY increase in volumes
- Gross profit for the wires & cables increased 85.4% y-o-y and reached EGP 1,431 million.
- Gross profit margin for the segment reached 14.8% vs. 11.8% in Q2-2021
- Gross profit per ton rose 83.8% y-o-y reaching EGP 29,066.
- The increase in Wires & Cables segment gross profit is due to:
 - Highly profitable special cable orders;
 - Increase in sales outside Egypt backed by the impact of favourable currency movements

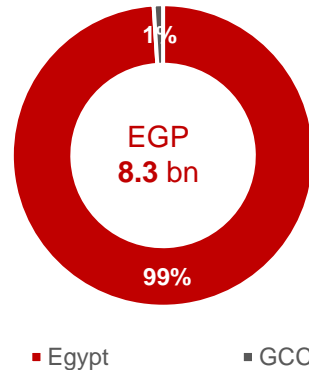
Turnkey Revenue and Profitability (EGP bn)



Backlog by Region
(As of 30 June 2022)

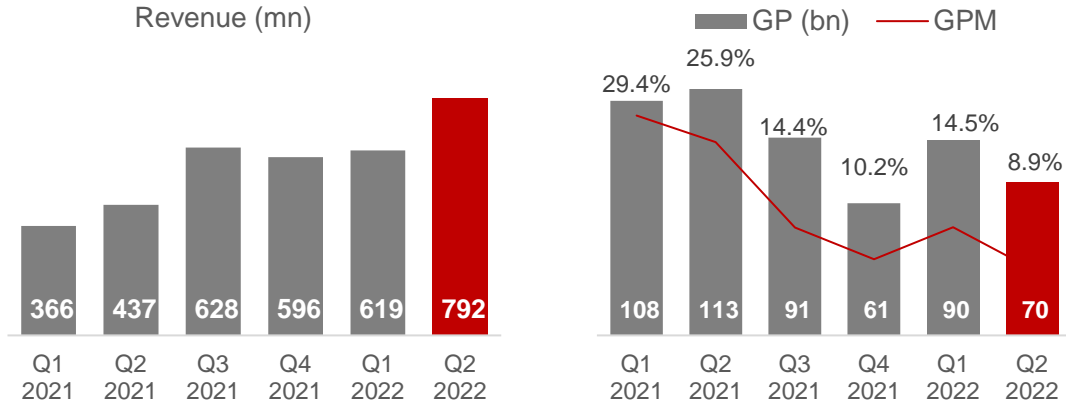


Awards by Region
(As of 30 June 2022)



- Turnkey projects brought in 42% of revenues, increasing by 43.6% y-o-y to reach EGP 8,646 million due to higher execution in Egypt and Tanzania.
- The percent of completion for Tanzania's Nyerere Dam reached 50% as of June 2022.
- Gross profit came in at EGP 1,021 million (+28.5% vs Q2 2021), becoming the second contributing segment to consolidated gross profit with 35% contribution.
- Gross profit margin for the turnkey segment reached 11.8% a 1.4 ppt decrease YoY.
- Turnkey projects backlog grew to a record high of EGP 74.4 billion by the end of June 2022, as a result of higher awards, compared to EGP 49.7 billion at the end of June 2021.
- New awards were mainly contracted in Egypt, which represents 99% of Q2 2022 new awards.

Transformers Revenue and Profitability (EGP bn)

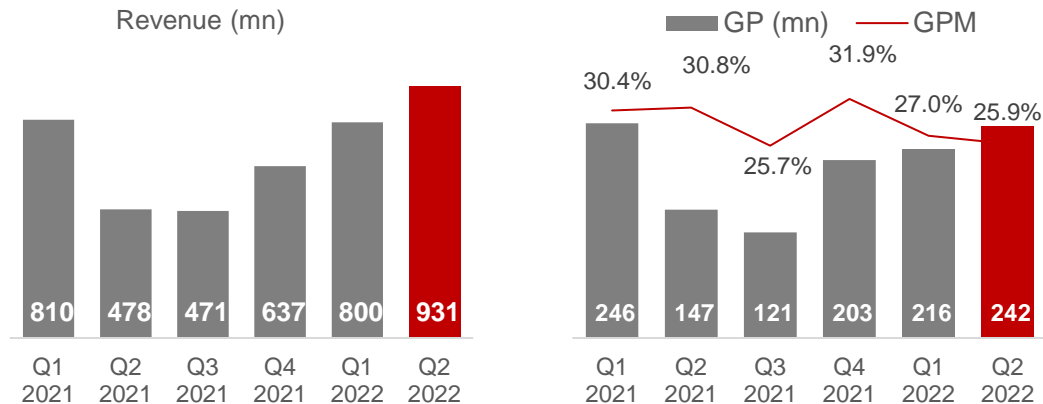


Transformers

EGP **2.8** bn
Backlog as of 30/6/2022

- Transformers segment grew by 81.3% y-o-y to reach revenues of EGP 792 million, despite a decrease in volumes sold, as a result of a slowdown across several regions (2.6K MVA vs. 2.9K in Q2 2021).
- Gross profit margin decreased to 8.9% which is affected by:
 - The restructuring costs in Pakistan and Indonesia;
 - Rising production costs against fixed-price contracts;
 - Some slowdown in several markets.

Meters Revenue and Profitability (EGP bn)

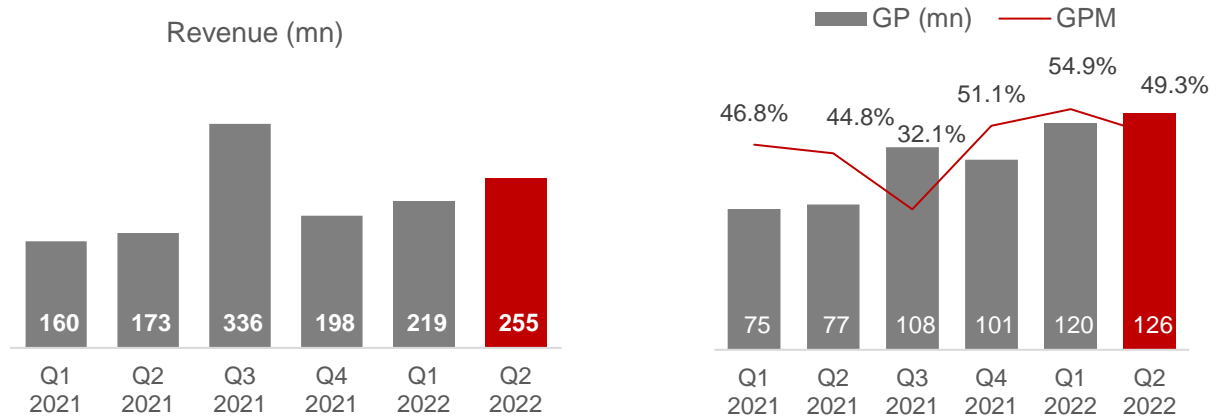


Meters

EGP **4.3** bn
Backlog as of 30/6/2022

- Revenues for Meters segment achieved EGP 931 million a 94.9% y-o-y increase driven by an increase in both volume (1 million meters vs. 0.9 million in Q2 2021) and price.
- The segment generated a gross profit of EGP 242 million (+64.4% vs Q2 2021), with a gross profit margin of 25.9%.
- While the shortage of raw materials remain a challenge, the strategies adopted by Elsewedy Electric, such as redesigning existing products, in addition to securing larger orders from suppliers in advance, have proven to be effective in mitigating associated risks.

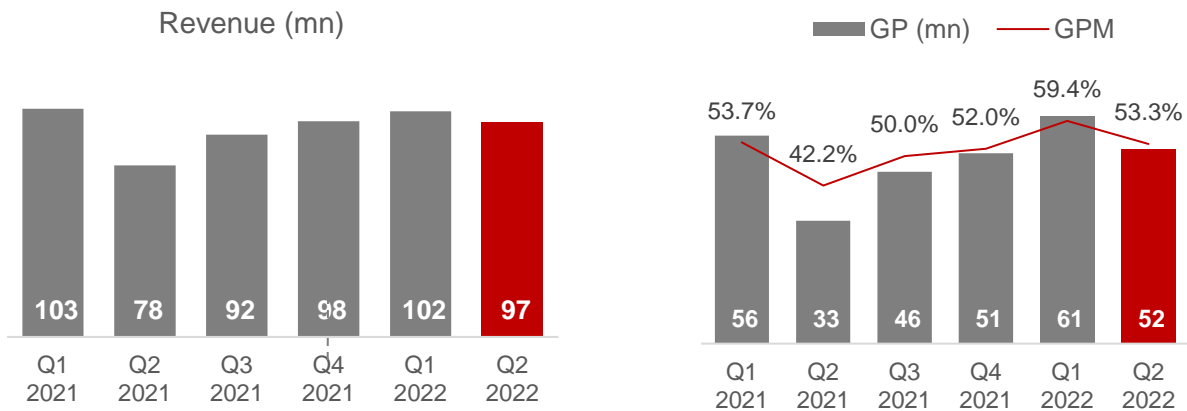
Electrical Products Revenue and Profitability (EGP mn)



Other Electrical Products

- Other electrical products recorded a revenue contribution of 1%, 47.7% y-o-y increase to reach EGP 255 million.
- Gross profit grew to EGP 126 million (+62.6% vs Q2 2021) with a contribution to consolidated gross profit of 4% with a gross profit margin for the segment of 49.3% backed by strong sales in Egypt.

Renewables Revenue and Profitability (EGP mn)



Renewables - IPPs

- The renewables segment generated 0.5% of Elsewedy's revenues in Q2 2022, with revenues ramping up by 25.1% to record EGP 97.3 million.
- During Q2 2022, gross profits amounted to EGP 52 million, representing a 2% contribution to total gross profit with a gross profit margin for the segment of 53.3% pushed by a 58.1% YoY increase in the segment's gross profit.

EGP	Q2-2022	Q2-2021	Change
Sales			
Wires & Cables	9,669,136,523	6,534,718,795	48.0%
Electrical Products	1,978,235,354	1,087,146,590	82.0%
Turnkey Projects	8,743,628,392	6,098,374,384	43.4%
Total Sales	20,391,000,269	13,720,239,765	48.6%
COGS	(17,449,731,112)	(11,784,131,503)	
Gross Profit	2,941,269,157	1,936,108,262	51.9%
Gross Profit Margin	14.4%	14.1%	
SG&A	(1,112,420,506)	(783,571,956)	42.0%
Other Operating Income	193,726,807	126,531,615	
Other Operating Expense	(220,440,722)	(39,283,840)	
Income from Investments	82,497,450	70,467,491	
EBITDA	2,234,423,595	1,583,937,473	41.1%
EBITDA Margin	11.0%	11.5%	
Depreciation & Amortization	(349,791,409)	(273,685,902)	
FX Gain / (Loss)	(30,391,104)	(32,780,088)	
EBIT	1,854,241,082	1,277,471,483	45.1%
Interest Expense	(391,258,706)	(156,620,514)	149.8%
Interest Income	103,068,941	186,303,196	-44.7%
Interest Income / (Expenses)	(288,189,765)	29,682,682	
EBT	1,566,051,317	1,307,154,165	19.8%
Tax	(372,045,093)	(333,377,162)	
Net Income	1,194,006,224	973,777,003	22.6%
Minority Interest	(67,508,676)	(84,252,436)	
Net Income After Minority Interest	1,126,497,548	889,524,567	26.6%
Net Income Margin	5.5%	6.5%	

SG&A increased by 42% which is partly increased due to the new hires resulting from the company's expansion plans coupled with the currency movement effect

Other operating income was mainly affected by capital gain of selling real estate assets.

Other Operating Expense was mainly affected by the increase in the company's impairment, as a result of our provision policy which was affected by the exchange rates changes.

FX loss was mainly due to several currency depreciation in many regions

1. IFC Partnership:

IFC Partners with Elsewedy Electric to expand its manufacturing footprint and increase access to renewable energy in Africa through securing USD150mn loan which will support the Group to invest in several new projects and refinance previous equity acquisitions. Hence, the loan will pave the way to achieve a better financing structure and a faster investments payback.

2. Share Buyback:

Elsewedy Electric Board decided to support the company's stock price after the recent share price decrease, which let the stock to be greatly undervalued, despite the company's strong prospects and potential. Therefore, the Board considered the repurchase of the company's stock as a good investment opportunity. It has given the authorization to repurchase up to 30 million shares in a 3-month period.





3. High-speed train agreement:

Elsewedy Electric and Deutsche Bahn International Operation signed a Term Sheet to maintain and operate Egypt's High-speed, Electrified Mainline and Freight Rail Network.

4. Tanzania's transformers factory inauguration:

Elsewedy Electric launched the second phase of the industrial complex by inaugurating the transformers factory in Tanzania. The Transformers factory covers an area of 5,000 m2 and has a production capacity of up to 2,500 Oil Immersed Distribution Transformers per year.

Elsewedy Electric Sustainability Framework

PILLARS	SDGS	COMMITMENTS	OUR 2030 TARGETS
GOVERNANCE & ECONOMY		<ul style="list-style-type: none"> ▶ Corporate Citizenship ▶ Sustainable Business Model ▶ ESG Integration ▶ Partnerships for Change 	<ul style="list-style-type: none"> → 100% of investment portfolio accounted for under Scope 3 emissions → All suppliers and new investments comply with ESG criteria
TECHNOLOGY & INNOVATION		<ul style="list-style-type: none"> ▶ Digitalization with Purpose ▶ Smart Technology ▶ Responsible Innovation 	<ul style="list-style-type: none"> → 100% coverage by digital services → 100% coverage of own office buildings and facilities, and clients by remote energy monitoring & smart appliances → 50% electric fleet → 100% EPD/ Green Label products
PLANET & RESOURCES		<ul style="list-style-type: none"> ▶ Climate & Water Action ▶ Safe Materials & Chemicals ▶ Circular Economy ▶ Protecting Ecosystems & Biodiversity 	<ul style="list-style-type: none"> → 20% of energy consumption from self supply renewable energy systems → Reduce energy consumption by 20% for all office buildings and factories → Reduce water consumption by 40% for all office buildings and factories → Net-zero operational emissions → 100% supplier compliance on chemical and material safety → 100% of packaging-free from single-use plastics → 90% of sourced materials by volume are renewable, recycled or recyclable → 100% green office buildings → Zero Waste to Landfill → Net Zero Biodiversity Loss
PEOPLE & SOCIETY		<ul style="list-style-type: none"> ▶ Wellbeing, Health & Safety ▶ Employee Development ▶ Diversity & Inclusion ▶ Human & Labour Rights ▶ Social and Community Impact 	<ul style="list-style-type: none"> → Zero fatalities, major injuries and severe accidents annually → 30% women within the workforce → 40% women within the board and management → All operations are reviewed for human rights compliance annually → 100% of employees covered by human rights training on an ongoing basis → 100,000 unprivileged people from local communities trained by 2030

As a part of Elsewedy's plan towards a better environment and community, Elsewedy has announced its sustainability framework which includes 2030 targets to reach our goals in four key pillars; Governance & Economy, Technology & Innovation, Planet & Resources, and finally People & Society.

Our Targets:

- Reduce energy consumption by 20% from self-supply renewable energy systems by 2030.
- Reduce energy consumption by 20% for all office buildings and factories by 2030.
- Reduce water consumption by 40% for all office buildings and factories by 2030.
- Double the investments in renewable energy, climate and water projects by 2025.
- Reach net zero emissions by 2030.
- Reach net zero emissions from the entire supply chain by 2050.

SWDY.CA/SWDY.EY (30/6/2022)

Issued Shares

2,184,180,000 Shares

Share Price

EGP 6.06

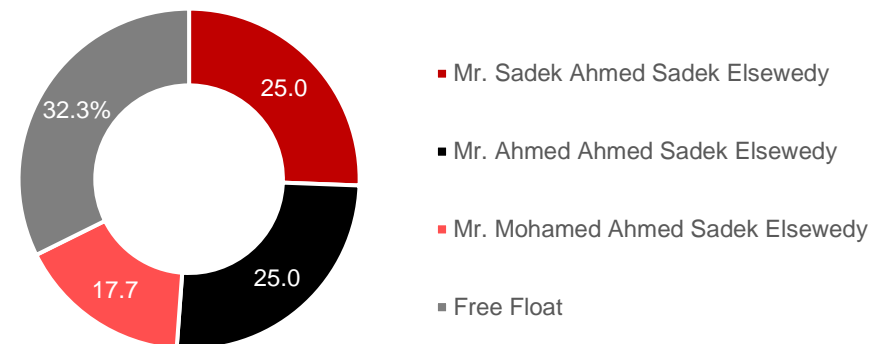
Listing Venue

The Egyptian Stock Exchange

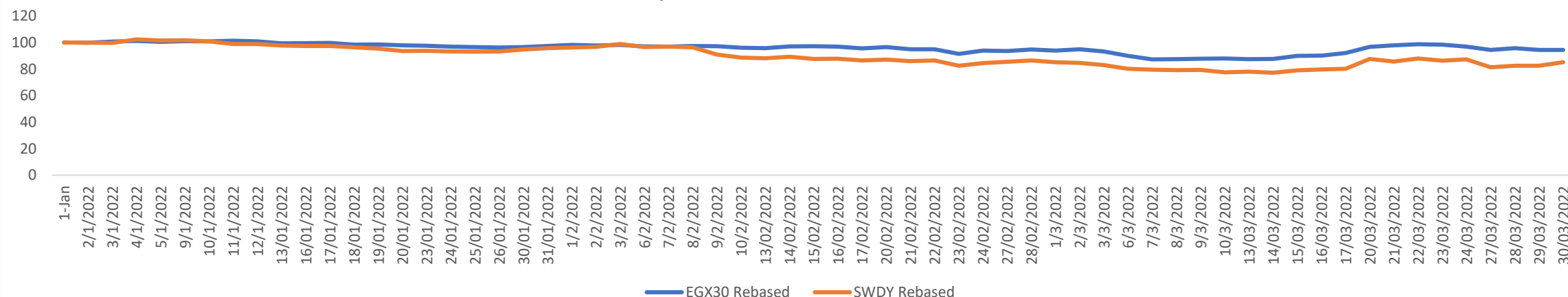
Market Cap

EGP 13.24 bn

Ownership Structure



SWDY Stock performance vs. EGX30 Rebased



Thank You

Investor Relations Contact Information:

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Email: noha.agaiiby@elsewedy.com

Q&A