QALAA HOLDINGS

AFRICAN LEADER IN
ENERGY & INFRASTRUCTURE

ANNUAL REPORT

2019

WE BUILD BUSINESSES

Sustainably and Responsibly

PEOPLE

PLANET

PROSPERITY

CONTENTS

We Build Businesses

SUSTAINABLY AND RESPONSIBLY

With shared responsibility, shared values & shared prosperity at its core, our approach builds a foundation for a sustainable future.

Our Heritage & DNA
A Foundation for the Future

Over the past 16 years, Qalaa Holdings has transitioned from an entrepreneurial two-person partnership to Africa's leading private equity firm and finally to its current structure as an investment holding company with a narrower focus in fewer strategic sectors.

2004-2012

Our founders' vision

- **Founded in 2004 by two entrepreneurs, Ahmed Heikal and Hisham El Khazindar, as Citadel Capital,** a private equity firm with EGP 2 million in capital.
- **Invested in a diversified portfolio spanning 15 countries and 15 industries,** including energy distribution, solid waste management, agrifoods, cement, refining, transportation and glass manufacturing.
- **Became the leading private equity firm in the Middle East and Africa by 2012** with 19 Opportunity-Specific Funds controlling platform companies with investments of USD 9.5 billion.
- **Reached financial close in 2012 on the equity and debt components of the Egyptian Refining Company (ERC),** Qalaa's flagship USD 4.3 billion refinery, a co-investment made alongside Gulf and international investors, global export credit agencies and development finance institutions.
- **Established the Qalaa Holdings Scholarship Foundation (QHSF) in 2007,** which grew to become the largest private sector scholarship foundation in Egypt providing scholarships to Egyptian students pursuing graduate studies at prestigious universities abroad.

Taking the lead in African infrastructure investments

- **With Egypt its center of gravity and spring-board, Qalaa Holdings completed a total of 80+ acquisitions and new company formations,** pursuing control investments across the deal-type spectrum, including turnarounds, buyouts, consolidations/industry roll-ups and green-fields.
- **Raised equity via Opportunity-Specific Funds** that would in turn control a subsidiary company in a specific industry.

Local Insight. Regional Footprint. World-Class Expertise.

2013-2014

Transformation and divestment plan

- **Rebranded into Qalaa Holdings,** and transformed its business model from private equity to conglomerate and investment holding.
- **Narrowed focus on strategic industries,** including Energy, Cement, Agrifoods, Transportation & Logistics and Mining.
- **Divested non-core investments** gradually in an orderly manner over a three-year period, with proceeds from their sale being reinvested to accelerate growth of core subsidiaries.

2015-2017

Strengthening portfolio and investment value

- **Made significant strides toward reshaping business model** and positioning for future growth while creating shared value.
- **Gave weight to impact, in addition to profit,** in all our investments and actively encouraged other private sector companies in Egypt to take similar steps.
- Took concrete steps to lead by example as **early adopters of the United Nations Sustainable Development Goals (SDGs).**
- **Celebrated 10th anniversary of QHSF** awarding a total of 156 scholarships since inception.

2018-2019

Upward momentum

- **Maximized financial and operational efficiencies** across the portfolio.
- **Reached exceptionally important pre-operational milestones at ERC** and entered pre-launch trial operations in 2018.
- **Started full commercial operations at ERC** at the end of 2019.
- **Commenced full operations at TAQA Arabia's EGP 1.35 billion, 65 MW Solar Power Plant** in Benban Aswan.

Qalaa Holdings at a Glance

Improving lives & livelihoods

At Qalaa Holdings, our primary purpose is to improve lives and livelihoods by building sustainable businesses for our employees and community while creating long-term value and prosperity for all our stakeholders.

Transformative investments

Investing in and supporting a diverse array of companies that will fuel sustainable economic growth and job creation in Egypt and across Africa is a key component of our mission.

c. 17,500 EMPLOYEES

Work each day to deliver energy to consumers and businesses alike; to provide reliable, fuel-efficient transportation solutions; to grow or manufacture safe, healthy food; to add value to natural resources; and to help build critical national infrastructure.

We invest heavily in our people addressing the needs of employees and communities alike. Qalaa founded Egypt's largest private sector scholarship foundation, QHSF.

80+ BUSINESSES

Founded & Developed

16 YEARS

Drawing on our roots as Africa's largest private equity firm, we have worked since 2004 to build world-class businesses that cater to the needs of more than 1.3 billion consumers across our footprint in Egypt, East Africa and North Africa.

40,000 JOBS

A Regional Footprint

We invest in high-growth markets across Africa and the Middle East

With landmark investments in 15 countries we are a leading regional energy and infrastructure investor beyond our home market of Egypt.

We are dedicated to promoting diversity & inclusiveness

25%

of Qalaa's board members are women

Qalaa Holdings prides itself on the strength of its diverse management team. Our highly inclusive work environment promotes female leaders across our subsidiaries and our female CEOs, division heads and investment professionals are regionally and locally recognized for their valuable contributions.

Our Strategy & Investment Thesis

What differentiates us?

- Value building & market making investments in infrastructure & manufacturing
- Strong regional portfolio with Egypt as a springboard and center of gravity
- Diversified business model
- Triple bottom line approach
- Shared value for all stakeholders
- High quality import substitution footprint
- Value added exports
- Experienced management teams
- A focus on employee development, shareholder returns & community well-being
- Win-win partnerships

Creating sustainable businesses, long-term value & shared prosperity

Our Sectors & Investments

In 2019, Qalaa reclassified some of its existing investments into new sectors that indicate a renewed focus on expanding into crucial segments of the economy.

ENERGY	CEMENT & BUILDING MATERIALS	TRANSPORTATION & LOGISTICS	AGRIFOOD	MINING
ERC TAQA Arabia	asec holding GlassRock	NILE LOGISTICS NRPMC	DINA FARMS Gozour ICDP	ASCOM GEOLOGY & MINING

PRINTING & PACKAGING	CONSTRUCTION	RECYCLING & WASTE MANAGEMENT	MEDICAL INDUSTRIES	CHEMICAL INDUSTRIES
NATIONAL PRINTING UNIBOARD Bardar WINDSOR	TAQA Arabia ARESCO	tawazon ENTAG ECARU	Allmed	ACM

Chairman's Note

Ahmed Heikal on site at ERC

> "Five months into the pandemic, it is increasingly clear to me that Egypt is presently better-positioned than most countries globally and in our region."

Ahmed Heikal
Chairman and Founder

Fellow Shareholders,

I have been accused of being one of the more optimistic people in our part of the world, and I am guilty as charged, even in this era of COVID-19. It is true that the novel coronavirus and the fallout from measures to contain its spread are unique, generational challenges on a global scale. But it is also true that we have managed this business through a global financial crisis, two revolutions, a failed energy policy regime and a currency crisis until the start of the economic reform program — all in less than a decade. Our investment thesis has held intact throughout.

Color me optimistic: Five months into the pandemic, it is increasingly clear to me that Egypt is presently better-positioned than most countries globally and in our region. As I write you, the International Monetary Fund (IMF) suggests Egypt is on track to grow at 3% through the end of 2021. A year ago, that figure would have prompted tears in many quarters. In a world in which global and regional economies are set to sharply contract, 3% is a win thanks to years of substantial and effective macroeconomic and policy reforms — and a clear, early response to COVID-19 by the authorities.

Now, business and government alike are trying to balance the protection of the most vulnerable in our society with the imperative to allow the economy to grow and support our large, young, growing population.

Against this backdrop, I see multiple opportunities to create new value for all of our stakeholders through small, incremental investments in our existing portfolio of companies, whose assets, people and markets we know intimately and care about deeply.

The 2020 in which we are living now is not the year for which we had planned, but Qalaa's success to date in navigating it is directly tied to the ambitious goals on which we delivered in 2019, the year on which we are reporting in this document.

I am confident that when we look back in three years time, we will see 2019 as a watershed moment — as the year in which we laid the groundwork for a new, more robust company.

Our USD 4.3 billion Egyptian Refining Company (ERC) began full commercial operation last year, with the final unit on site entering service in August 2019; the facility hit 100% utilization in early 2020. ERC is Egypt's largest PPP infrastructure megaproject and the largest private sector-led infrastructure megaproject in Africa. ERC is a pivotal import substitution project that will bolster Egypt's energy security and provide environmentally friendly fuel for sustainable economic growth.

TAQA Arabia, our down-stream platform, opened its 65 MW solar PV plant in Benban, Aswan, the world's largest solar power park. Open since February 2019, Benban contributed EGP 133 million in EBITDA on over EGP 150 million in revenues last year.

We also made important headway on less glamorous but nevertheless critical projects, including the full implementation of our ERP system portfolio-wide to enhance reporting and governance controls. And we took important strides in 2019 on a multiyear program to restructure our debt, which remains a key priority this year (and on which I report in further detail below).

The primary challenge of 2019 came from our legacy exposure to the cement industry, which negatively affected results contributed by ASEC Holding (on the back of challenges facing the cement industry in both Egypt and Sudan) and at ASCOM, our mining company (which has heavy exposure to cement quarrying in Egypt).

While we are reporting a net loss for 2019, we are pleased that by 4Q2019 our companies were reporting a 17% y-o-y increase in EBTIDA to EGP 325 million, reflecting improved operational efficiencies across our subsidiaries. This program of incremental improvements in efficiencies will continue in 2020: Our consolidated EBITDA more than doubled in 1Q2020 as results from ERC, TAQA Arabia, Nile Logistics and National Printing outweighed continued challenges at our cement and cement-related businesses.

The COVID-19 Challenge

This is the footing on which took on the challenges presented by COVID-19. Our response was quick and decisive. Early on, we appointed a crisis response committee to monitor the situation across our footprint with the goal of keeping safe our c. 17,500 employees.

Our first commitment was the easiest to make: We aim to keep our entire team intact, with layoffs being a measure to which we have gone to considerable lengths to avoid. We implemented work-from-home policies at our corporate offices and for all staff at our portfolio companies who can do their work remotely — and tightened health and safety protocols across our portfolio. Social distancing, 14-days of paid "COVID-19" leave for staff opting to self-isolate, strict hygiene practices in our factories and at consumer-facing businesses such as TAQA's filling stations and Dina Farms have been the order of the day.

COVID-19 has had an impact on a number of our businesses, but we are seeing signs of recovery now in the second half of 2020. Export-oriented companies such as ACCM have been hit by slowdowns in their primary markets, while GlassRock lagged as construction activity slowed in Egypt. Regrettably, the company most impacted by the pandemic has been ERC, which has suffered as a result of lower demand for refined products and falling oil prices due to the global price war that overlapped with the early weeks of the pandemic. The narrowing of spreads between heavy fuel oil, on the one hand, and refined products, including diesel and jet fuel may continue to challenge margins this year. Any improvement in global demand of petroleum products will be positive for ERC's profitability.

Moving Ahead

It is against this backdrop that we are pressing on with a strategy that will allow us to enter 2021 on a strong footing and to capture new opportunities created by the fallout from the pandemic. These opportunities are dovetail with our traditional investment thesis centering on energy (and energy efficiency) and manufacturing (for export and import substitutes). Our plan to capture them is two-pronged.

First, we plan up to EGP 2 billion worth of small, incremental investments in our existing companies (separate from the remaining investment in ERC) to enhance both productivity and growth. We will focus these investments on companies including TAQA Arabia, Dina Farms, Nile Logistics, National Printing and ASCOM Calcium Carbonate and Chemicals, all of which are presently benefitting from positive growth drivers. Each of these is in the neighborhood of EGP 90-650 million.

Second, we will continue to focus on debt restructuring to ensure that we enter 2021 on the right footing. Given what has happened to the energy sector, I am pleased to note that ERC reached a debt-deferral agreement with its senior lenders on 30 April 2020. Separately, we finalized some EGP 600 million worth of debt restructuring at ASEC Holding under agreements that came into force in the first quarter of 2020.

Heading into the second half of the year, we are now focused on restructuring debt owed by GlassRock, Nile Logistics and Qalaa itself. We have reached commercial terms on USD 45 million worth of debt at GlassRock and have an agreement in principle with our bankers on EGP 450 million owed by Nile Logistics. On conclusion of these agreements, we will then finalize the restructuring of debt at the Qalaa level.

I expect that the net effect of these agreements will be a significant reduction in interest expenses that will be further supported by interest rate cuts when the Central Bank of Egypt resumes its easing path. In the meantime, we continue to take advantage of COVID-19 measures implemented by the Central Bank of Egypt that have allowed us to shore up our liquidity position.

In parallel, we are mindful of opportunities to continue strengthening the management teams at operating companies — and are determined to make the most out of the improved, near-real-time insights we have into our financial and operational performance thanks to our platform-wide ERP rollout.

The Long Road to Recovery

I believe the global recovery will be slow — perhaps even slower than most pundits presently think. Illiquidity today can turn to insolvency tomorrow, triggering waves of bankruptcies in key global markets. And interest rates will continue to be low (on a global scale) for the coming three years, if not longer.

Bullish on Egypt

Paradoxically, these global challenges are part of why we are so bullish on Egypt at present. Years of reforms, the consumption-led nature of our economy and demographics provide a cushion against the domestic impact of COVID-19 and the global slowdown. In this respect, I see that:

- **Egypt is in a remarkably healthier fiscal (and foreign currency) position** thanks to the phase-out of energy subsidies. Moreover, policymakers now have room to maneuver thanks to massive natural gas discoveries and, frankly, because of ERC — helped along by both low international oil prices and a reduction in wasteful energy consumption at home.
- **Lower outlays for imported energy will also help** as we grapple with the impact of hits to our traditional sources of foreign exchange, including tourism, remittances and the Suez Canal. Also, high interest rates have, once again, left Egypt the world's most lucrative carry trade. Some pressure on the EGP is natural in the current situation, but we are largely in a position of supply-demand balance.
- **Business and households alike are benefitting from productivity gains,** particularly in the energy sector, where we believe policymakers will realize further savings in FX demand by shifting from liquid petroleum products to natural gas.
- **Significant investment in agriculture** by both the state and private companies is now on the menu given the natural mid-pandemic concerns about maintaining food security.
- **Business challenges secondary to both rising nationalism and the pandemic have foreign companies looking at Egypt** as a safe and convenient hub in which to build factories. We are aware of white goods, FMCG and other companies relocating production lines to Egypt from China (the benefit from our trade agreements) as well as from the Gulf and Turkey (thanks to our trade agreements and lower cost base).
- **Finally, I believe our consumption-led economy is in the midst of a revolution in financial inclusion** that will see not just consumers but micro, small- and medium-sized businesses enter the formal economy — and benefit from access to credit.

This is not an exercise in punditry: We distribute electricity to the 10 million square meter Sixth of October Industrial City. Despite the impact of the pandemic, consumption is up 3% in 1H2020 compared to the same period last year. We also distribute natural gas in the Suez Industrial City, where consumption is up 1% in the first half of 2020 compared to 1H2019.

Do I wish I were a hotelier, an investment banker, airline owner or a restaurateur right now? No. We are clearly entering a period that could be described as a Tale of Two Economies, in which agriculture, industry, logistics and online commerce will thrive — while many businesses in services will suffer.

But out of these challenges will come opportunities as we ask ourselves fundamental questions that we have ignored for so long: Why are we importing soda ash when this country had the capacity to manufacture it back in 1955? Why are we importing irrigation pivots from Saudi Arabia, when we have agrarian know-how, manufacturing capacity and a booming tech sector well-versed in applications of Big Data here at home?

I look forward to reporting to you next year on how we have emerged stronger from this crisis — and how we've captured new opportunities in the process.

Ahmed Heikal
Founder and Chairman

2019 FINANCIAL HIGHLIGHTS

Qalaa's performance was propelled by a continued focus on robust growth and an enhancement of operations in a manner that creates value for all our stakeholders.

14.9 EGP BN
total revenues FY19

1.26 EGP BN
EBITDA

5.187 EGP BN
total equity

86,183 EGP MN
total assets

Management Discussion & Analysis

Qalaa's commitment to operational excellence, ability to unlock value and generate synergies across the sectors it operates in has resulted in double digit growth in 2019.

Qalaa's focus on business expansion and operational efficiency was reflected in the company's results for 2019. The company recorded consolidated revenue of EGP 14,916.8 million in 2019, an 11% y-o-y increase driven by strong growth at TAQA Arabia and supported by improvements at Dina Farms and Nile Logistics.

The energy sector has contributed 54% to Qalaa's top line in 2019, continuing to hold the lion's share of total consolidated revenues on the back of solid performance from TAQA Arabia. TAQA is considered Egypt's leading integrated energy distribution company, offering customers one-stop-shop energy solutions, and is committed to further expanding business operations and leveraging the company's extensive experience to unlock and capture opportunities in the sector. To this end, TAQA Arabia booked strong results in 2019 with revenues expanding by a solid 31.7% y-o-y, reaching EGP 7,724.1 million in 2019. The expansion comes on the back of solid performance across all of TAQA's subsidiaries and compounded by strong results delivered by the company's Benban solar plant in its first year of operations.

On the cement front, Qalaa's cement platform ASEC Holding recorded a 5% y-o-y decline in 2019, settling in at EGP 2,731.2 million on the back of slow cement market activity, with lower cement demand leading to weak performance by cement construction and management subsidiaries. Meanwhile in Sudan, social and political unrest posed difficult conditions for cement operators in the country and led to production stoppages at Al-Takamol Cement which affected the plant's operational performance.

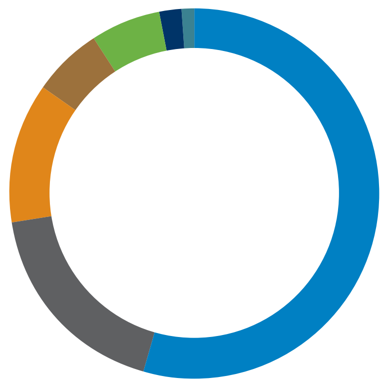
Qalaa's subsidiary, National Printing recorded a decline of 7% y-o-y, reaching EGP 1,817.2 million in 2019 with a contribution of 12% to the Group's top line. The dip in performance comes on the back of fierce competition El Baddar is facing and pricing pressures on Uniboard, impacting their top lines and declining by 18% and 8% y-o-y and settling in at EGP 346.4 million and EGP 896.4 million respectively. National Printing's third subsidiary, Shorouk, witnessed a modest y-o-y revenue increase of 3%, reaching EGP 756.5 million in FY19. The increase came on the back of a 2% increase in volumes sold at 32,150 tons.

ASCOM, Qalaa's mining division, achieved y-o-y top line growth across all its subsidiaries in 2019, reaching EGP 967.1 million in revenues with a y-o-y growth of c. 2%. ACOM's performance in 2019 comes on the back of an 8% y-o-y increase in volumes at ACCM as well as improved product sales at GlassRock. Furthermore, management focused on adjusting contracts and adopting the minimum take criteria as well as renewing other contracts to be on a take-or-pay basis in attempt to cover the costs incurred when markets are not performing well. These contract adjustments have helped the company deliver steady revenue growth in 2019.

Qalaa's other sectors witnessed improved performance in 2019, with the company's transportation and logistics (T&L) operations recording strong results in 2019 with revenues increasing by a strong 79% y-o-y, reaching EGP 236.0 million. Meanwhile, Qalaa's agrifoods operations at Gozour recorded a 6.8% y-o-y increase in revenues, settling in at EGP 871.1 million. The T&L and agrifoods segments combined constituted a 7% share of total revenue in 2019.

At the profitability level, Qalaa's EBITDA remained steady at EGP 1,258.9 million in 2019 and was largely a result of a 60% y-o-y decline in ASEC Holding's EBITDA in 2019 to EGP 224.8 million on account of an underperforming cement market in Egypt. However, the weak performance by cement-related operations was offset by strong EBITDA performance at TAQA Arabia, which recorded an impressive 76% y-o-y increase to EGP 665.1 million in 2019. TAQA's strong performance at the EBITDA level was driven by profitable expansion across the company's business segments and a growing contribution from its recently inaugurated solar power plant in Benban, Aswan. Additionally, EBITDA performance was also strong at CCTO (Nile Logistics' holding company) as the company turned a positive EBITDA of EGP 51.1 million in 2019 versus a negative EGP 30 million last year.

Qalaa Holdings Consolidated Revenues by Sector FY19



Energy	54%
Cement	18%
Packaging & Printing	12%
Mining	6%
Agrifoods	6%
Other	2%
Transportation & Logistics	1%

Qalaa recorded **bank interest expense** of EGP 1,546.9 million in 2019 compared to EGP 1,350.8 million in 2018. Higher interest expense during the year was primarily driven by TAQA Solar, which began booking interest on its c. USD 55 million long-term facility from the International Finance Corporation

(IFC). Additionally, some EGP 35 million in USD-equivalent were booked as bank charges and letter of credit commissions on Orient (ERC's holding company) during the fourth quarter of 2019.

The Group's total **impairments and write downs** reached EGP 226.7 million in 2019, down from EGP 496.2 million in 2018. The decline in impairments during the year were largely driven by a subsidiary of Grandview, Allmed, following an updated valuation which revised down the asset value by c. EGP 99 million.

Losses from **discontinued operations** stood at EGP 156.2 million in FY19, of which EGP 92.4 million were booked during the final quarter of the year, mainly related to an asset impairment at Zahana Cement (ASEC Cement's plant in Algeria). Zahana Cement recorded an impairment of EGP 82.3 million in 4Q2019 related to its old production line. The impairment followed a revaluation based on market conditions in Algeria, with political uncertainty and slowing economic activity affecting cement demand.

Qalaa recorded an **FX gain** of EGP 624.5 million in 2019, driven by the Egyptian pound's continued strengthening against the US dollar during over the course of 2019 and its effect on Qalaa's USD-denominated liabilities.

The Group recorded a consolidated **net loss** after minority interest of EGP 1,135.5 million in FY19 versus a net profit of EGP 1,350.8 million last year. It should be noted that 2018 profitability was driven by non-cash gains of EGP 3,963 million related to the deconsolidation of Africa railways' operational liabilities in both Kenya and Uganda.

Qalaa Holdings has reached advanced stages of negotiations with respect to its **debt restructuring** at the holding level and at a number of its subsidiaries, which should result in debt reduction of c. EGP 600 million at ASEC Holding (restructuring came into force in 1Q2020), c. EGP 450 million at Nile Logistics (restructuring agreed to with the banks) and c. USD 6 million at GlassRock (restructuring finalized and should be signed in 2Q2020), a subsidiary of ASCOM. Upon implementation, Qalaa is expected to record significant reductions in interest expense, which will be further supported by recent interest rate cuts in Egypt.

Qalaa's **consolidated debt** excluding Egyptian Refining Company (ERC) and ERC-related debt stood at EGP 10.05 billion as of 31 December 2019 versus EGP 9.20 billion as of 30 September 2019. The increase in debt excluding ERC and ERC-related debt is mainly related to TAQA Arabia's gas arm. USD-denominated debt at the holding level and at ERC, as well as ERC-related debt at Qalaa's SPVs fell in the quarter to 31 December 2019, due to the EGP's appreciation against the US dollar during the period.

Outlook

Qalaa has witnessed improved performance across several of the sectors it operates in over the course of 2019, however, much like all businesses globally, the company is impacted by the repercussions of the COVID-19 pandemic. In the early months of 2020, recessionary fears and ongoing volatility in oil markets have pushed oil prices to record lows and have narrowed spreads between HFO and diesel prices. This has led to a significant decline in ERC's Gross Refining Margin (GRM), which peaked at c. USD 3 million per day during the Nov-Dec 2019 period, and will adversely affect ERC's profitability in its first full-year of operations.

Moreover, Qalaa is anticipating pressure on its cement activities on account of subdued demand and a slowdown in local construction activity. This will in turn also affect GlassRock (an ASCOM subsidiary) where construction serves as the primary demand driver for the company's insulation materials. At ACCM, border closures and the slowdown in global trade will curtail export volumes which constitute c. 80% of the company's sales. However, other Qalaa subsidiaries will prove more resilient with limited pressure on operational performance, namely Dina Farms and National Printing that enjoy more defensive selling prices and will capitalize on lower material and feedstock costs.

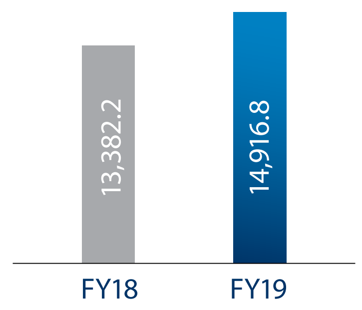
Qalaa is taking all the necessary measures and deploying proactive strategies to help manage the risks associated with COVID-19 and help minimize its impact. The company's number one priority is protecting the health and the safety of the company's c. 17,500 employees and empowering management teams across the Group's divisions to provide the support and guidance needed to help navigate these critical times. Additionally, Egypt's relief measures, including energy price cuts, interest rate cuts and a six-month deferral on debt payments will support Qalaa Holdings' liquidity position with estimated debt service and other costs savings of c. EGP 350 million across all platforms in 2020.

Qalaa Holdings has weathered challenging environments in the past and has consistently remerged as a stronger and leaner organization. Qalaa will continue to leverage its team of seasoned professionals, leading industry experience and strong long-term fundamentals to navigate these unprecedented times and ensure business continuity whilst holding the safety and well-being of the company's employees and stakeholders at the highest level of priority.

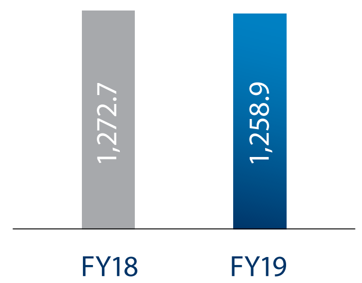
EGP 14.9 BN
2019 Revenues

11%
Y-o-Y Revenue Growth

Revenue Progression (EGP mn)



EBITDA Progression Graph (EGP mn)



2019 Milestones

January

- Qalaa Holdings held **an exclusive visit for shareholders** to its mega project, **the Egyptian Refining Company**
- **Ministry of Planning, Qalaa Holdings and Nile University sign collaboration protocol** to conduct a vital study on the economic, social and institutional reform required to develop Egypt's energy sector
- **Qalaa Holdings is named one of Egypt's top 100 companies** on the EGX for fourth consecutive year
- Qalaa Showcases Egyptian Refining Company at **Davos**

February

- **TAQA Arabia** announces the start of operations on its EGP 1.35 billion 65 MW **Solar Power Plant in Benban** Aswan
- Minister of Petroleum and Mineral Resources, Eng. Tarek Al-Mulla, inspected the **Egyptian Refining Company** in Mostorod, in preparation for the start of the commercial operations in 2H19

SUSTAINABLE DEVELOPMENT GOALS

March

- Qalaa Holdings presents its **responsible investing model at GAFI-organized CSR conference**

The launch of **TAQA Arabia's Benban Solar Power** plant in February and the **start of full commercial operations for ERC** in September were two major operational milestones for Qalaa in 2019

April

- Qalaa Holdings participates in the 5th Annual Corporate Social Responsibility Conference under the theme **CSR and the Rise of Regional Partnerships in Development**
- ERC announces the third round of **Mostakbaly for Teachers** Scholarships to upgrade skills of local public school teachers, one of four pillars in ERC's **Community Development Program**

May

- Qalaa Holdings reports 25% revenue growth in FY18 to **EGP 13.2 billion** on the back of strong growth from its energy subsidiary **TAQA Arabia and Sudan's Al-Takamol Cement**
- Qalaa Holdings completes final **USD 120 million** funding round for the **Egyptian Refining Company bringing the total cost of the megaproject to USD 4.3 billion**

June

- **QHSF announces its 2019/2020 class of scholarship recipients,** bringing the foundation's total number of scholarships awarded to **195** at some of the world's most prestigious universities
- Qalaa Holdings' **General Counsel, Yasmin Al Gharbawie,** was selected for inclusion in Financial News' list of **50 Most Influential Women in Middle East Finance**
- Qalaa Holdings records a **13% y-o-y increase in revenue in 1Q19** to EGP 3.4 billion driven by strong growth and progress across all its subsidiaries

July

- Qalaa Holdings' agrifoods subsidiary, **Dina Farms, showcased its integrated farm model** composed of livestock, agricultural, dairy manufacturing and its farm retail outlet sectors, in addition to its production units with milk line expansions and upcoming new yogurt line launch

September

- Qalaa Holdings **records revenue of EGP 3.5 billion in 2Q19,** up 8% y-o-y on the back of strong performance at **TAQA Arabia**
- **ERC is 100% complete and ready for the start of full commercial operations**

October

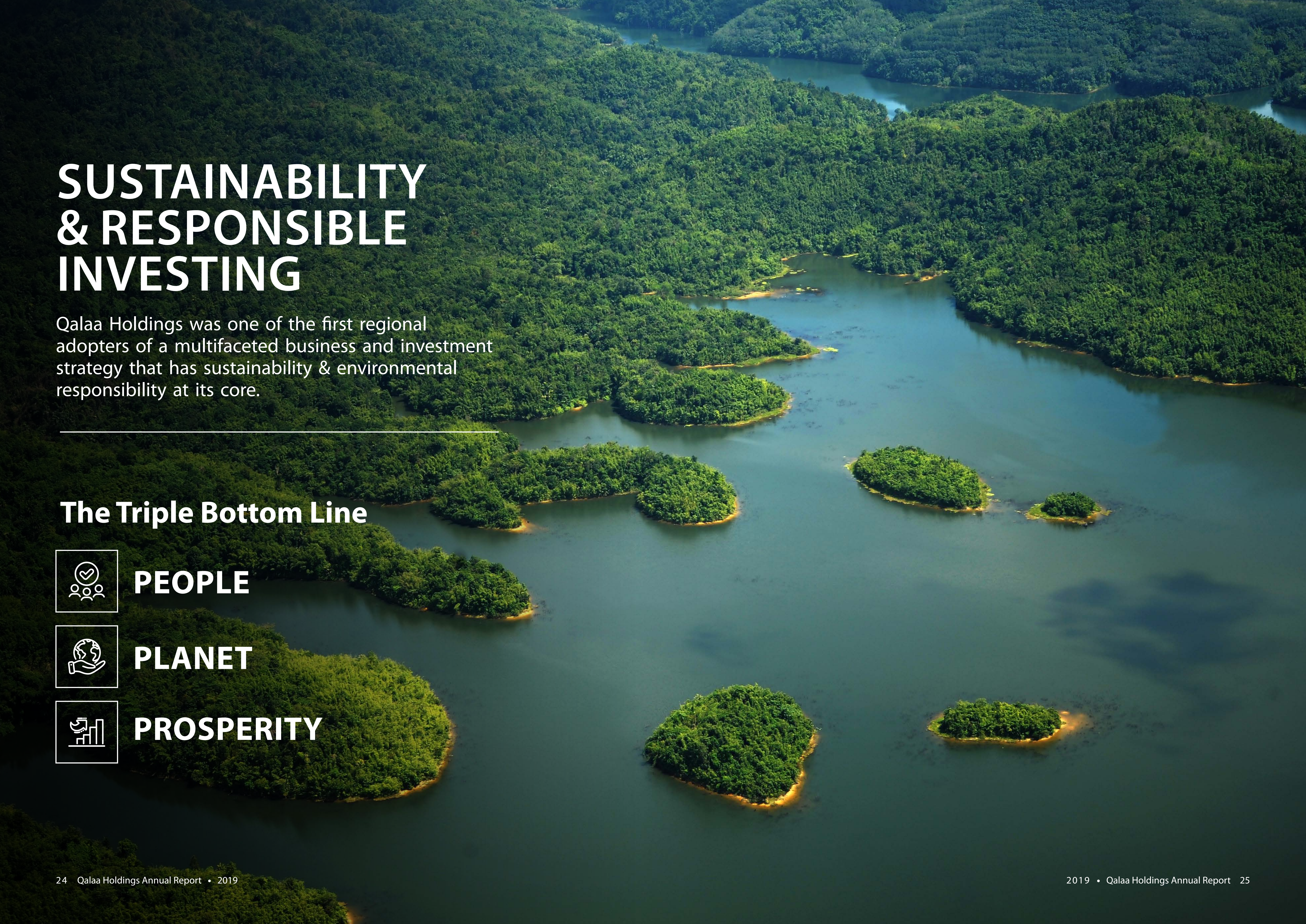
- Qalaa Holdings' Chairman and Founder, **Dr. Ahmed Heikal,** participates in panel on African investments at the Russia- Africa Economic Forum in Sochi
- **Four Qalaa** executives including **Dr. Ahmed Heikal** and Managing Director and Co-Founder, **Hisham El-Khazindar**, as well as **Ghada Hammouda and Karim Sadek,** participate in the **Egypt Can** conference
- **Ghada Hammouda,** Qalaa Holdings' **Chief Sustainability and Marketing Officer,** named among 30 women celebrated during the first edition of the Egyptian Women Forum, and recognized by the **Arab League and CSR Arabia** for pioneering work in sustainability

November

- Qalaa Holdings' Chairman and Founder, **Dr. Ahmed Heikal, discusses the future of global energy at the third annual Future Investment Initiative, Davos in the Desert,** in Al-Riyadh, in the presence of international energy leaders
- **ERC became fully operational selling 1.3 million tons of products**

December

- **ERC** launched new technical education scholarships to **Don Bosco Institute,** increases 2019 **Mostakbaly** beneficiary count to 27 for a total of 81 beneficiaries in Mostorod and show-cased women and youth economic empowerment initiatives **Tamkeen** and **Mashrouy** in the presence of H.E Dr. Hala El Saeed, Minister of Planning and Administrative Reform
- Qalaa Holdings revenues climb by **16% y-o-y in 9M19 to record EGP 11.1 billion**



SUSTAINABILITY & RESPONSIBLE INVESTING

Qalaa Holdings was one of the first regional adopters of a multifaceted business and investment strategy that has sustainability & environmental responsibility at its core.

The Triple Bottom Line

PEOPLE

PLANET

PROSPERITY

People, Planet, Prosperity:

The Three Pillars of a Sustainable Company & a Sustainable Future

Qalaa Holdings has established itself as a regional pioneer in the area of sustainability and ESG. As the world grapples with the impact of a global pandemic, we are putting our commitment into action by contributing to the development of a circular economy through a multi-faceted inclusive growth and development strategy.

Our Approach to Sustainability

As one of the earliest adopters of a multi-pronged investment strategy centered on a balanced environmental, social and governance (ESG) framework, Qalaa Holdings is a regional pioneer. Since our inception, we have made great strides to ensure that each of our investments is responsible across the economic, environmental and social spheres. This triple bottom line approach to our investments, which gives equal consideration to people, planet and profits, has borne fruit — resulting in a diverse portfolio of companies spanning multiple sectors, which have positively impacted sustainable economic growth and job creation in Egypt and Africa.

We have worked to incorporate international best practices, as outlined by the UN Sustainable Development Goals (SDGs) into the core fabric of our operations. Additionally, we are a proud member of the UN Global Compact (UNGC) and firmly believe in the ten principles of the compact which aim to benefit employees and employers alike. Qalaa Holdings and its subsidiaries adhere to robust codes of conduct, regulations and procedures that have been drafted in compliance with the UNGC's principles in the areas of human rights, labor, environment and anti-corruption.

Our efforts in the space of sustainability and ethical corporate governance underline our commitment to ensuring that our operations are able to have positive impact. During 2019, we have built on these efforts by promoting collective action to achieve quantifiable sustainability targets to maximize our efficiency and better identify how to meet the responsibilities we have undertaken to our people and the communities in which we operate.

Our investments are responsible across the economic, environmental and social spheres

THE TRIPLE BOTTOM LINE

Enabling our People

Developing our Communities

Neutralizing our Environmental Impact

Delivering on the SDGs

On a corporate level, Qalaa has integrated the below SDGs into the core fabric of its operations. At the heart of it all is SDG 17 - Partnerships for the Goals, which ties all our programs together.

We continue to align our methodologies with the SDGs, and proudly promote responsible business practices within and beyond our subsidiaries

Shared Prosperity

Affordable and Clean Energy

With the inauguration of the Egyptian Refining Company (ERC) and TAQA Arabia's Benban solar power plant, Qalaa Holdings remains dedicated to investing in renewable energy ventures, reducing its carbon footprint and lowering harmful emissions.

Economic Growth

Investing in and supporting a diverse array of companies that will fuel sustainable economic growth and job creation in Egypt and across Africa is a key component of our mission. Since our founding in 2004, we have built more than 80 businesses and created more than 40,000 jobs.

Industry Innovation and Infrastructure

Qalaa's flagship energy project, ERC, is using advanced technology to convert lowest value fuel oil into middle and light distillates. ERC was constructed alongside leading international experts who provided crucial transfer of knowledge and innovation to local workers.

Partnerships for the Goals

This is the age of unprecedented collaboration. Qalaa believes that partnering with like-minded local and international organizations such as the UNGC and the WEF, who are working towards common goals, will enable us to further our reach and add more value to our communities.

Enabling People

Quality Education

Qalaa follows a holistic approach to supporting education in Egypt which means that we have multiple programs that support all levels of vocational education in multiple industries, higher education both in Egypt and abroad, teacher education to train the trainers and the education and personal development of our own employees. Through this holistic approach we are heavily invested in training future generations throughout our own companies and fortifying the Egyptian workforce with the skills needed to not only climb corporate ranks but give back to the communities in which they live and to the country as a whole.

Gender Equality

Qalaa Holdings prides itself on the strength of its diverse management team. Gender balance and female economic empowerment are cornerstones of Qalaa's human capital development programs. Qalaa believes in fostering a highly inclusive work environment that promotes women's influence and impact. 25% of Qalaa's board members are women, 46% of QHSF scholars are women and 8,500+ benefited from ERC's Tamkeen for women empowerment program.

Reduced Inequalities

The ultimate goal of all our initiatives and projects is to help reduce economic and social inequalities by building capacities through education and human capital development. Through our community development initiatives — Tamkeen, Reyadah and Mashrouy — we support women, youth and special needs.


Dina Farms pivot irrigation

Neutralizing Environmental Impact

Responsible Consumption and Production

Qalaa Holdings' subsidiaries employ strict waste management policies, with some of them using waste as input to produce a variety of materials that range from clean alternative energy (Tawazon) to duplex boards (Shorouk, a subsidiary of National Printing Company). ERC utilizes an environmentally friendly closed-circuit cooling system that makes the best use of a limited supply of water and reuses it efficiently in the cooling process with the aid of cooling towers. ERC performs upgrades including the installation of environmental monitoring equipment at neighboring refinery CORC as per the contractual agreement between ERC and CORC.

Climate Action

Qalaa is the first Egyptian company to sign an international pledge that aims to limit the effects of global warming and building a net-zero carbon economy for the future. As signatories of the Business Ambition for 1.5°C, Qalaa will measure, quantify and accordingly reduce its greenhouse gas emissions at a pace and scale that is necessary to limit global warming.

While we deliver on all 17 goals, we are currently focusing on 9 goals as an integral component of our responsible investment strategy

Prosperity

Our Contributions to Egypt's Economic Growth

Founded by Qalaa Holdings

Qalaa Holdings has successfully established new businesses and transformed local companies into regional leaders, despite economic challenges

Acquired, developed and added production lines

Founded by Dr. Ahmed Heikal*

* EFG Hermes: Dr. Ahmed Heikal in partnership with Dr. Mohamed Taymour
* Qalaa Holdings: Dr. Ahmed Heikal in partnership with founding partner - Hisham El-Khazindar
* Raya Holding: Dr. Ahmed Heikal in partnership with Eng. Medhat Khalil
* Arab Co. for Arts: Dr. Ahmed Heikal in partnership with others
* City Gas: Dr. Ahmed Heikal in partnership with Eng. Abd Elhamid Abu Bakr
* Arab Co. for Arts and Publishing: Dr. Ahmed Heikal in partnership with Dar El Shorouk

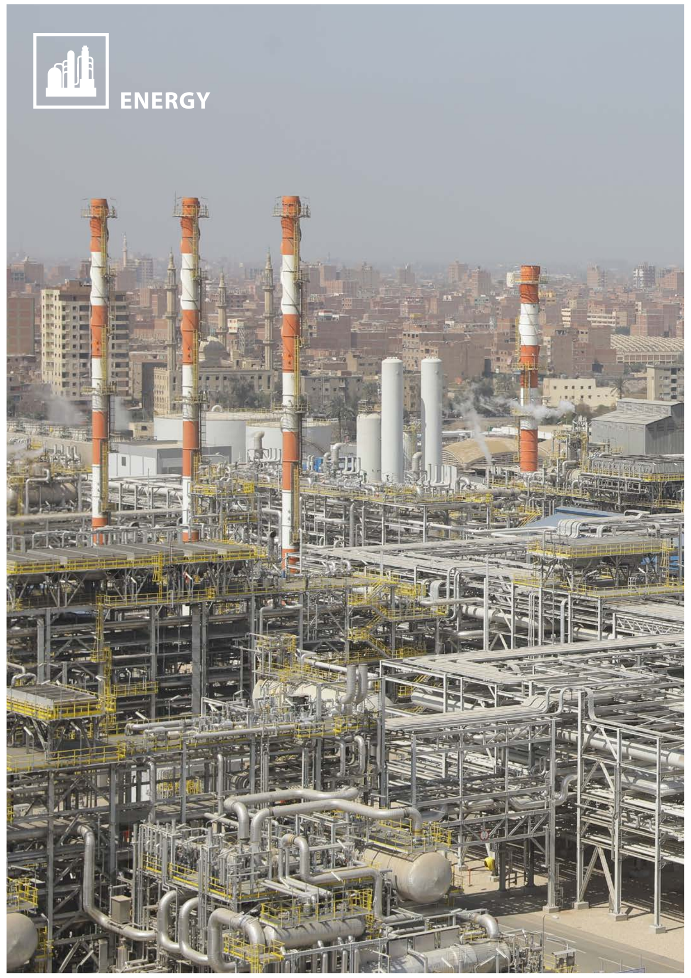
c. 17,500
Employees currently employed by Qalaa Holdings and its subsidiaries

40,000+
Jobs created

80+
Businesses founded & developed

43
Businesses founded by Qalaa Holdings

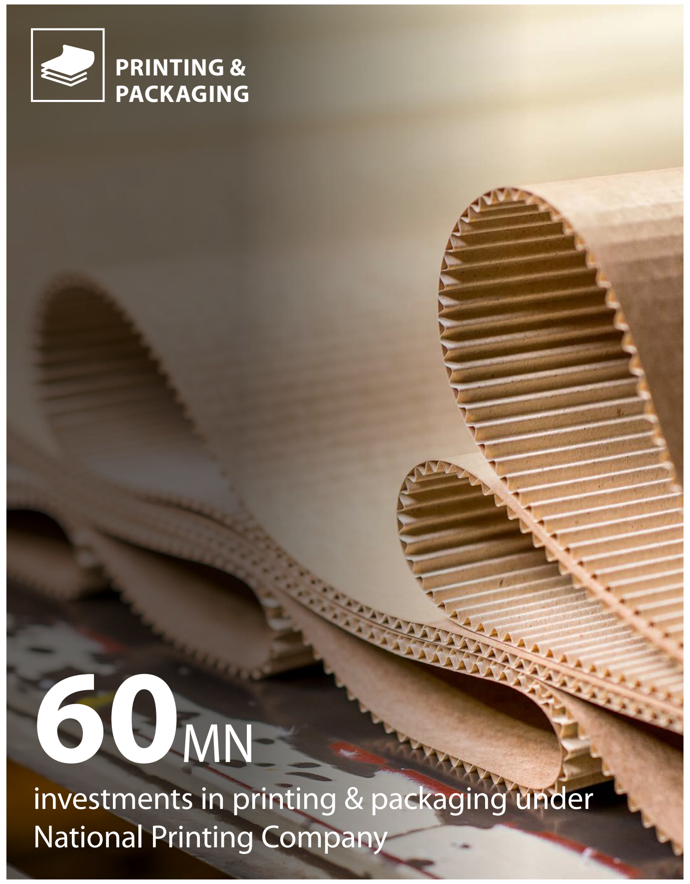
39
Businesses developed by Qalaa Holdings

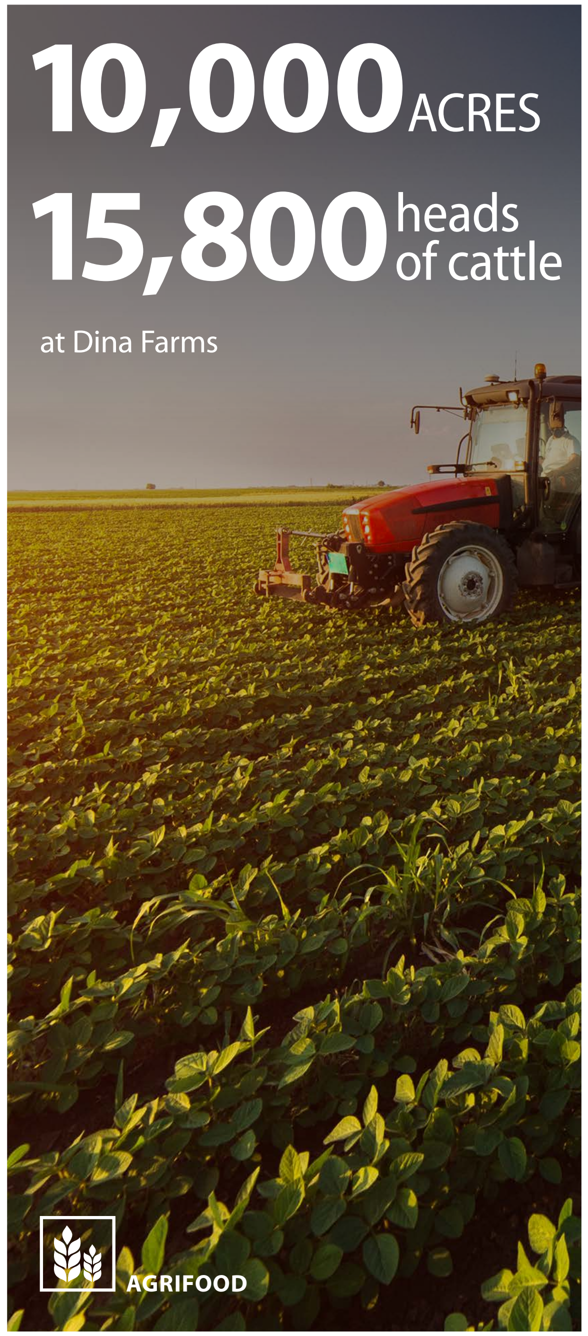

ENERGY


4.3 USD BN
Invested in infrastructure megaproject, ERC
ENERGY


ENERGY
72 USD MN
investment in TAQA Arabia's Benban Solar Park


ENERGY
1.2 MN
residential, commercial & industrial customers connect to the gas grid by TAQA Gas


PRINTING & PACKAGING
60 MN
investments in printing & packaging under National Printing Company


10,000 ACRES
15,800 heads of cattle
at Dina Farms
AGRIFOOD


100 K TONS
grain handling and storage capacity in Alexandria, Nile Logistics
TRANSPORTATION & LOGISTICS

People

Enabling our People

At Qalaa Holdings, we firmly believe that people are the backbone of our company and the engine that will drive growth in our societies. Therefore, we ensure that our people are well-trained, well-cared for and given equal opportunities to excel and advance within the company. Our management teams are diverse and balanced in terms of gender. 25% of our Board seats are held by women and our legal, sustainability and Marcom divisions are fully staffed by women.

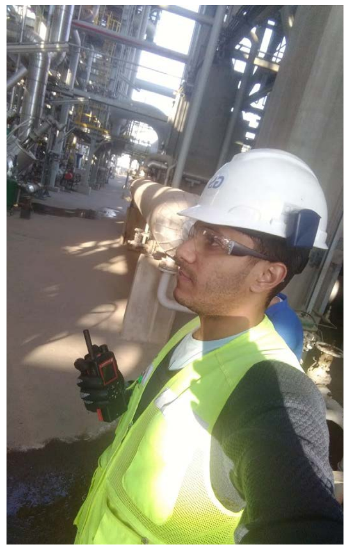
Increasing the diversity of leadership teams has led to more innovation and improved financial performance



Qalaa believes in fostering a highly inclusive work environment that promotes diversity



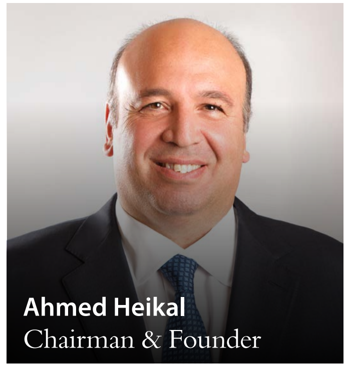






Management Team

Qalaa Holdings prides itself on the strength of its diverse management team, which brings together some of the most qualified calibers in the industry. Qalaa believes in fostering a highly inclusive work environment that promotes the empowerment of women.

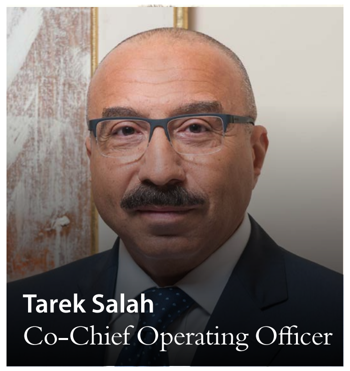

Ahmed Heikal
Chairman & Founder

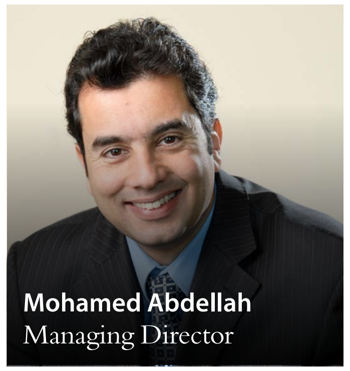

Hisham El-Khazindar
Co-Founder & Managing Director

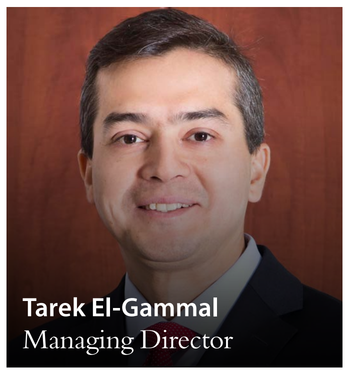

Karim Sadek
Managing Director, Head of Transportation & Logistics

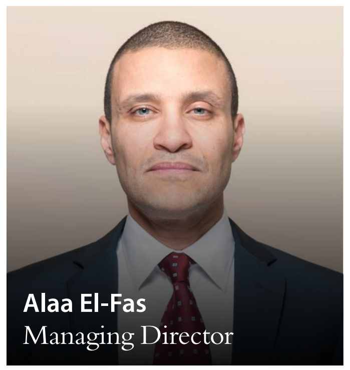

Moataz Farouk
Group Chief Financial Officer

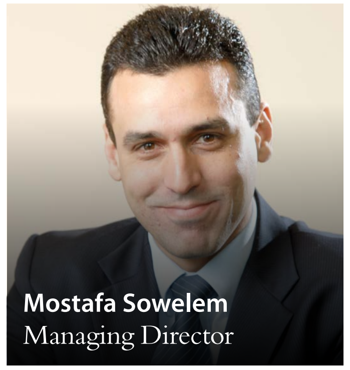

Amir Naguib
Co-Chief Operating Officer


Tarek Salah
Co-Chief Operating Officer

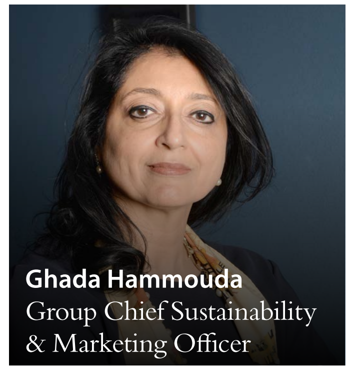

Mohamed Abdellah
Managing Director


Tarek El-Gammal
Managing Director


Alaa El-Fas
Managing Director

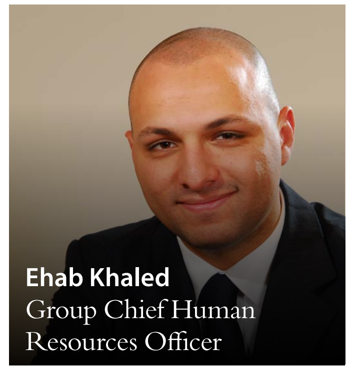

Mostafa Sowelem
Managing Director


Mariane Ghali
Managing Director

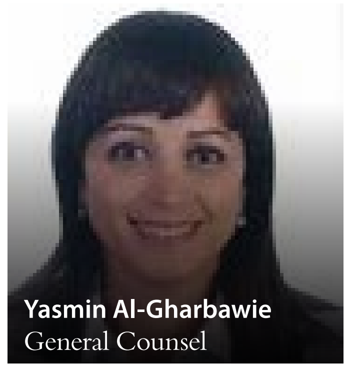

Ghada Hammouda
Group Chief Sustainability & Marketing Officer

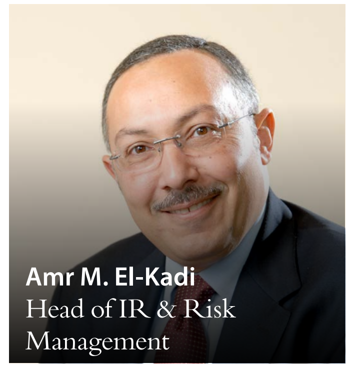

Emad Taryal
Group Chief Internal Audit Officer

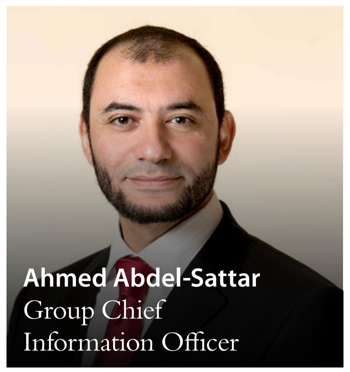

Wael Radwan
Group Chief Government Relations Officer

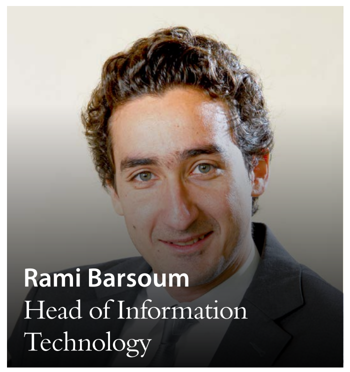

Ehab Khaled
Group Chief Human Resources Officer


Tarek Hassan
Head of Legal Department


Yasmin Al-Gharbawie
General Counsel


Amr M. El-Kadi
Head of IR & Risk Management


Ahmed Abdel-Sattar
Group Chief Information Officer


Rami Barsoum
Head of Information Technology

Subsidiary Management Teams

Energy

Khaled Abubakr
TAQA Arabia,
Executive Chairman

Pakinam Kafafi
TAQA Arabia,
Chief Executive Officer

Mohamed Saad
ERC,
Managing Director

Mining

Amir Naguib
ASCOM, Managing Director

Cement & Construction

Tarek El-Gammal
ASEC Cement, Chief
Executive Officer

Alaa Ismail
NDT, Chairman and
Managing Director

Transportation & Logistics

Maged Farag
Nile Logistics, Chairman
of the National Council for
Multimodal Transport

Agrifood

Amanallah Saad
Investment Company for Diary
Products, Managing Director

Yasmine Abany
Dina Farms,
Marketing Manager at ICDP

Khaled Biblawy
Dina Farms,
Managing Director

Printing & Packaging

Sherif El Moallem
Dar El Shorouk,
General Manager

Marianne Ghali
Grandview,
Chairman and Managing Director

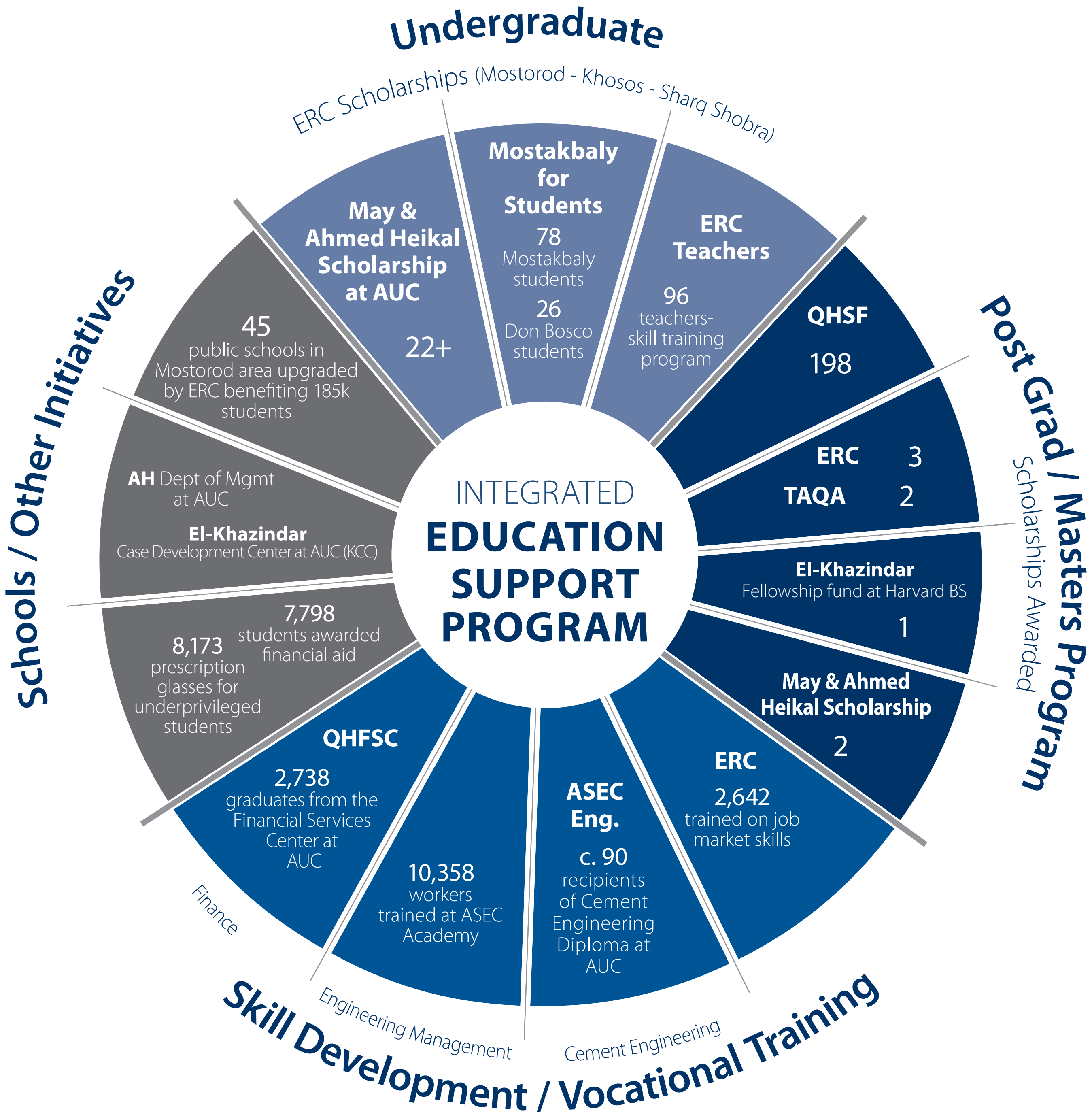
Recycling & Waste Management

Hisham Sherif
Tawazon,
Chief Executive Officer

Investing in Human Capital Development

32,000

Total beneficiaries of QH human capital development programs



مـؤسسة القلعة للمنـح الـدراسيـة

Qalaa Holdings Scholarship Foundation

Every year since 2007, the Qalaa Holdings Scholarship Foundation (QHSF) has been giving approximately 15 of Egypt's brightest students the chance to pursue graduate studies abroad at leading global universities in the U.S. and Europe. By providing youth from cities throughout Egypt with educational opportunities, we are enabling them to make a positive impact on the economic and social well-being of the country. To ensure the program's continuity, we established an endowment to fund the activities of the Foundation and as a result the program has continued uninterrupted for 14 years despite the economic and political challenges over the years.

Today, QHSF has grown to become the largest private sector funded scholarship program in Egypt. Thus far, QHSF has awarded 198 scholarships to students from more than 15 governorates across Egypt who have attended more than 60 global universities. The program is inclusive of all genders with approximately 46% of all QHSF scholarships going to female scholars.

As a condition of acceptance, QHSF scholars pledge to return and contribute to Egypt following the completion of their studies. Many of our scholars have returned to make significant contributions in their respective fields from nanotechnology to public policy, as well as heritage conservation to political development. QHSF scholars are a remarkable group of talented young Egyptians who will help our nation tackle challenges and explore new opportunities.

In addition to its primary scholarships, QHSF has awarded scholarships funded by Qalaa subsidiaries, TAQA Arabia and the Egyptian Refining Company (ERC), to students pursuing studies in the fields of renewable energy and petroleum.

15 governorates

14 scholarship rounds

46% female scholars

Supporting our Communities

Community Development Initiatives

The Qalaa Holdings Financial Services Center (QHFSC)

In keeping with Qalaa Holdings' commitment to education in Egypt, QHFSC, in collaboration with the American University in Cairo, was founded to help students develop the skills and qualifications needed to pursue careers in securities trading, risk management and asset allocation.

The center remains one of Qalaa Holdings' central projects and is recognized as the first center of its kind in the MENA region. QHFSC focuses on human capital development to foster economic growth and social transformation; it offers students trainings and qualifications that will assist them in pursuing careers in risk management, securities trading and asset allocation.

Qalaa Holdings donated USD 250,000 in seed funding to establish the center and USD 30,000 annually to ensure the sustainability of operations. The center provides students with unique learning opportunities by integrating hands-on, practical education with financial concepts. Throughout the years, the company has invested USD 180 million in databases and software to ensure the center continues to operate seamlessly. QHFSC has trained over 2,738 graduates, researchers and faculty members so far across its expanding geographic network in Egypt.

Sustainable Development Initiatives

The Egyptian Refining Company (ERC), Qalaa's flagship USD 4.3 billion greenfield refinery in Greater Cairo, has undertaken a commitment to better the lives of people living in its immediate communities through the implementation of sustainable development initiatives that directly target their needs. Following an in-depth needs assessment, which included extensive discussions with community members, stakeholders and other entities, ERC identified four main areas through which to support the local community: educational development, economic empowerment, youth development and capacity building and special needs support. Through its various programs, ERC seeks to bring about positive change in its neighboring communities of Mostorod, El Khesous, Shobra El Kheima and Matarreya, and believes in maintaining a dialogue with community leaders on the ground to ensure maximum levels of awareness and to guarantee that resources are being allocated in an efficient and targeted manner for the benefit of all parties concerned.

> Through its various programs Qalaa seeks to bring about positive change, reduce inequalities and empower women & youth


Mostakbaly for Students beneficiary

Education

299,355 Beneficiaries

Currently in its fourth year, ERC set up the Mostakbaly for Students program to provide students the opportunity to pursue undergraduate degrees in various specialties at some of Egypt's most established universities, including the Zewail University for Science and Technology, the Arab Academy for Science, Technology and Maritime Transport, Nile University, Ain Shams University and the American University in Cairo. The program has benefited 78 students to date and has also sponsored three students pursuing graduate studies abroad. Additionally, the program expanded its scope in 2019, awarding scholarships to 26 students to attend vocational training programs at the Don Bosco, an Italian secondary school that focuses on much-needed vocational and technical training.

96 teachers

Beneficiaries of training in early-years education at the American University in Cairo

The company also runs the Mostakbaly for Teachers program to help support and improve the skills of public school teachers. The initiative began in 2017 as part of a broader program developed by ERC to address educational inequalities and improve the quality of education offered by public schools in its surrounding community. In 2019, 30 teachers received high-level training in early-years education at the American University in Cairo, bringing the total number of beneficiaries since the program's establishment to 96 from Mostorod, El Khesous, Shobra El Kheima and

Matarreya. Prior to the announcement of the 2019 teacher scholarships, a roundtable was conducted to showcase success stories from previous Mostakbaly for Teachers scholarship recipients highlighting the trajectory of their skills development post the completion of the program and the positive impact that this has had on their students.

This highly successful program for teachers, is an innovative way of tackling the skills gap that exists in the often underfunded Egyptian public school system. By training the trainers, ERC seeks to achieve a multiplier effect that will, in time, make a significant positive impact on schools in the Mostorod area, and in the long-term, on the entire country.

ERC also instated programs to refurbish schools and provide teachers with capacity building, a total of 7,798 students have received aid.

Economic Empowerment

8,680 Beneficiaries

56,155 Beneficiaries

ERC offers economic empowerment programs targeting youth and women through Tamkeen. Tamkeen, which provides both financial and non-financial support to help female entrepreneurs, has already achieved tangible results with 85 beneficiaries of artistic training, as well as 169 beneficiaries of economic empowerment projects. This year, Mashrou3y has supported 70 youth start-ups and offered 1,144 vocational training opportunities and 3,500 employment opportunities (3,200 directly at ERC and 300 other projects), bringing the total number of beneficiaries to 56,155 to date.

Youth Development and Capacity Building

1,440 Beneficiaries

ERC also operates Reyada, a youth empowerment program


Don Bosco beneficiary

that seeks to support new and existing small projects developed by youth.

ERC strongly believes that investing in youth is crucial to the promotion of sustainable development. Accordingly, it established the Reyada program, which encourages youth to volunteer and participate in community initiatives. Through Reyada, ERC has trained 100 volunteers on managing social initiatives, 30 of whom are directing their own volunteer groups. Reyada has benefited a total of 1,440 individuals through its efforts.

Special Needs Support

5,405 Beneficiaries

ERC launched Takaful with the aim of supporting individuals with special needs as they integrate into their communities. The program works with government institutions and local community development associations to empower c. 700 differently abled individuals. To date, Takaful has benefited a total of 5,405 people.


Takaful beneficiary

Qalaa strongly believes that investing in youth & special needs is crucial to the promotion of sustainable development


Tamkeen beneficiary


Takaful beneficiaries


Don Bosco beneficiary


Mashrouy beneficiary

COVID-19 Response

Qalaa Holdings has placed the safety of its c. 17,500 employees at the forefront of its priorities as it navigates the unprecedented COVID-19 pandemic and the challenging external environment. By developing strict safety protocols across the organization, the company has ensured the health and safety of all stakeholders and guaranteed business continuity for the duration of the crisis.

Key Measures

Qalaa Holdings acted swiftly in implementing an early response plan to mitigate the impacts and risks associated with the COVID-19 outbreak, which involved a constant stream of communication with leadership teams across its subsidiaries to identify risks posed by the pandemic and to develop appropriate measures that ensure the health and safety of its employees and guarantee business continuity. Qalaa has aligned all safety protocols with local and global best practices set out by the Egyptian Ministry of Health and Population (MOHP) and the World Health Organization (WHO).

- Establishment of a specialized committee to monitor the situation across Qalaa's footprint to manage and oversee response strategies related to COVID-19;
- Stringent health and safety protocols at the holding and platform levels, including frequent disinfection of facilities, placement of hand sanitizers, provision of safety gear and guidelines for employees, particularly in customer-facing positions such as at TAQA Marketing's fueling stations, and strict hygiene processes at food processing facilities, including Dina Farms and ICDP;
- Employee temperature screening and more lenient sick-leave policies, including a 14-day paid leave for any employee suspected of contracting COVID-19;
- Social distancing measures, including limiting in-office work to necessities, holding virtual meetings and supporting working from home policies where possible with necessary tools and IT infrastructure;

Balancing lives and livelihoods

- Contingency plans and business continuity protocols, including for supply chain and inventory management as well as maintaining efficient communication channels;
- Periodic review of the Group's liquidity position and short-term financial obligations, ensuring efficient cash management and reduction of non-essential cash uses;

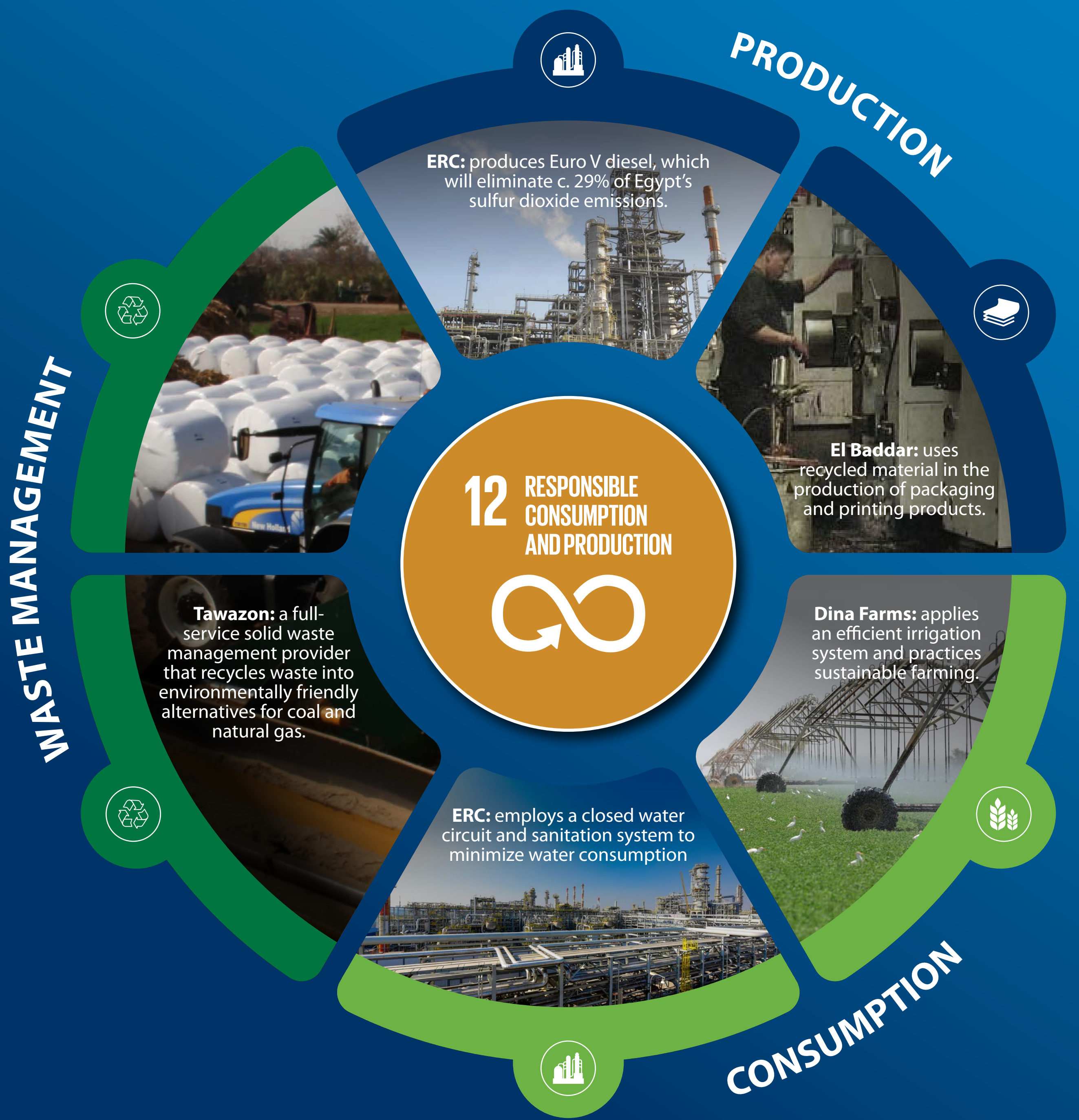
These measures are an essential component of Qalaa's business continuity protocols that will help protect employees by minimizing the number of people that are physically present on company premises at any given time. Additionally, these measures are key to the sustainability and continuity of the business because they serve to safeguard the company's cash position and ensure an efficient supply chain across Qalaa's operations.

Outlook

There is global consensus that there is no specified date for when and how markets will recover, and Qalaa Holdings shares the same view. However, the company will continue monitoring developments and tailoring safety protocols to mitigate the negative impacts of COVID-19. Additionally, Qalaa will maintain constant communication with regulators, management and stakeholders in order to continue pivoting strategically to ensure that the company remains resilient and well positioned to weather the storm and come out strong on the other end.

Our Environmental Scorecard

Responsible Consumption and Production: The circular economy is based on less consumption and creating new green products.



Environmental Policy Highlights

Use of Materials

At Qalaa Holdings, we are cautious with our use of materials. We ensure that the materials used are allocated in a manner that maximizes efficiency and ensures sustainability.

Use of Energy

Pinpointing the different types of energy used by all the different sectors makes it easier for us to identify whether our use of energy is allocated strategically.

Biodiversity

Most of Qalaa Holdings plants and facilities operate in industrial areas. Due to the fact that Qalaa Holdings is involved with heavy industries, the facilities are designed to ensure no negative impact on residential and wild life.

Use of Water

Qalaa Holdings is committed to the sustainable use of water resources, and to the investment in the efficient use of available local resources.

Emissions, Effluents & Waste

The refining process to produce lighter products such as Euro V diesel at the Egyptian Refining Company (ERC) removes sulfur from fuel oil. ERC is thus **preventing the release of 93,000 tons of sulfur** that are currently being emitted into the air and accordingly represents **a reduction of 186,000 tons in annual SO2 emissions.** This equates to **a 29% reduction in the total amount of SO2** currently emitted in Egypt from the burning of sulfur-containing fuels, such as fuel oil and diesel.

Our Commitment to Climate Action & Minimizing our Environmental Impact

In early 2020, Qalaa Holdings took its commitment to responsible consumption and production a step further as a signatory to the Business Ambition 1.5°C science-based emissions reduction targets pledge aligned with a net-zero future in response to the latest climate science recommendation to limit the worst impacts of climate change. Qalaa became one of 177 pioneering early adopters of the campaign to address climate change in a more urgent and quantifiable manner.

The campaign was originally announced in Madrid, Spain at the 25th annual United Nations Climate Change Conference COP 25. As signatories of the 1.5°C Pledge, Qalaa will be able to measure, quantify and accordingly reduce its greenhouse gas emissions at a pace and scale that is necessary to limit global warming.

The scale of the climate crisis is more visible than ever and the need for climate action is more pressing with each passing day. By signing the pledge, Qalaa is underscoring its accountability, responsibility and leadership towards carbon neutrality and achieving a more sustainable future for generations to come.

The 1.5°C climate pledge is in line with the company's triple bottom line strategy that aims to promote long-term economic, social and environmental development and supports the achievement of Egypt's Vision 2030 and the UN Sustainable Development Goals (SDGs). Like all signatories to the 1.5°C pledge, Qalaa will be asked to set verifiable science-based targets through the Science Based Targets initiative (SBTi), which independently assesses corporate emissions reduction targets against scientific best practice.

Sustainable Consumption and Production

The volatile nature of the sectors within which Qalaa Holdings operates has made the company highly aware of the impact it has on its surroundings. We are therefore constantly on the lookout for ways to eliminate the harmful effects our activities may cause. We have made and continue to make significant progress throughout our subsidiaries in terms of production, consumption and waste management with the aim of achieving climate neutrality and zero carbon footprint. The holding company's Environmental Compliance Strategy is still in effect, bringing together global guidelines and standards from every country we operate within.

In 2019, we remained committed to diversifying our portfolio and reaffirming our goals to expand in renewable energy with the launch of TAQA Arabia's 65 MW solar power plant in Benban Solar Park, Aswan,

With investments in solar, Qalaa is leading the renewable energy transition in Egypt

1.5°C

Qalaa will measure, quantify and accordingly reduce its greenhouse gas emissions

BUSINESS AMBITION FOR 1.5°C

Refuse-derived fuel (RDF)

Egypt. This EGP 1.35 billion investment is now part of the largest solar park in the world, and factors in Egypt's 2022 plan of producing 20% of its electricity needs through renewable resources. TAQA has also continued examining opportunities to expand into alternative energy and wind power. TAQA currently transmits and distributes natural gas connections to more than 1.2 million customers in 42 cities across Egypt.

The Egyptian Refining Company (ERC), is now fully operational and has sold more 1.3 MT of products as of November 2019. The project is set to have a transformational impact on Egypt in the economic, environmental and social spheres. The refinery supplies enough high-value Euro V diesel (the cleanest fuel of its type in the world) annually to eliminate a significant portion of Egypt's import capacity. It will also eliminate a notable 93,000 tons and 186,000 tons of the country's sulfur and sulfur dioxide emissions, respectively.

To ensure the safe discharge of wastewater to Ismailia Canal, ERC established a tertiary Industrial Wastewater Treatment Facility and utilizes closed cooling water circuits to reduce cooling water consumption from Ismailia Canal and prevent thermal water pollution. ERC utilizes an environmentally friendly closed-circuit cooling system that makes the best use of a limited supply of water and reuses it efficiently in the cooling process with the aid of cooling towers.

Qalaa's solid waste management subsidiary, Tawazon maintained strong efforts in providing cleaner alternative fuels, such as biomass and refuse-derived fuel (RDF) to heavy consumers throughout 2019. As of the end of September 2019, the company produced and distributed 493,248 tons of RDF and organic compost and 1.3 million tons of biomass.

Nile Logistics, our river transportation subsidiary remains one of the most fuel-efficient and environmentally friendly methods of transportation available in Egypt and neighboring Sudan and South Sudan. Nile Logistics has a large fleet of fuel-efficient, environmentally friendly river barges that transport cargo along the Nile.

All of Qalaa's businesses are environmentally responsible in consumption, production and waste management

The company continues to transport the equivalent of 20-40 truckloads on each barge with a fraction of the fuel and money usually invested in other methods of transport.

With an agricultural footprint of over 10,000 acres, Qalaa subsidiary Dina Farms, is the leading private sector dairy farm in Africa. Throughout its operations, Dina Farms applies an efficient advanced irrigation systems technology (drip and pivot irrigation) and promotes sustainable farming.

Recycling and Energy Efficient Products

Our printing and packaging subsidiary, El Baddar, develops corrugated sheets and boxes that are widely used for shipping, particularly in the food industry. Baddar products are renowned in the market for their strength, durability, lightness, recyclability and cost-efficiency. The company recycles paper and materials in the production of packaging and printing products.

Qalaa's USD 70 million sustainable insulation materials company, GlassRock, maintains a total annual production capacity of 30,000 metric tons of rockwool and 20,000 metric tons of glasswool. Both materials are considered key in environmentally friendly construction as they are, thus far, some of the most optimum materials used to reduce carbon dioxide emitted by buildings. GlassRock continues to target export sales above 50% of revenue before year-end 2019.

ERC utilizes an environmentally friendly closed-circuit cooling system that makes the best use of a limited supply of water

INTEGRITY & COMMITMENT

OUR CORPORATE GOVERNANCE PILLARS

Qalaa Holdings has created an organizational culture that supports trust and ensures every team member embraces and acts on stated values. Our governance pillars include diversity, transparency, trust, equal opportunity and respect for human rights. Sound governance is a fundamental driver of sustainability revenue growth at Qalaa Holdings and across all it's subsidiaries.

Promoting Good Business Ethics & Integrity

Creating a Culture of Accountability

A pioneer in sustainable and ethical business practices, Qalaa Holdings views private sector leadership as crucial to affecting positive social change and economic development in Egypt. The firm believes that high-quality governance is a fundamental enabler of superior corporate performance and that the components of effective governance can help reduce risk, identify internal and external threats and assist in capturing profitable business opportunities. Over the years, we have overcome many challenges and made significant progress in implementing comprehensive and effective corporate governance strategies. In mid-2017, the company took active steps to share our experiences in this project with other companies in Egypt's private sector by joining the Egyptian Junior Business Association's Integrity Network Initiative (INI). This initiative connects Egypt's leading companies with its most promising SMEs in a collective effort to fight corruption and create a culture of accountability and transparency.

Partnering with like-minded local and international organizations who are working towards common goals will enable us to further our reach and add more value to our communities.

Network Egypt
WE SUPPORT

"Throughout Qalaa's 16-year journey, maintaining good governance has been critical in seeing us through the volatility of our markets and helping us build sustainable businesses in multiple countries throughout the region."

Ahmed Heikal
Chairman & Founder

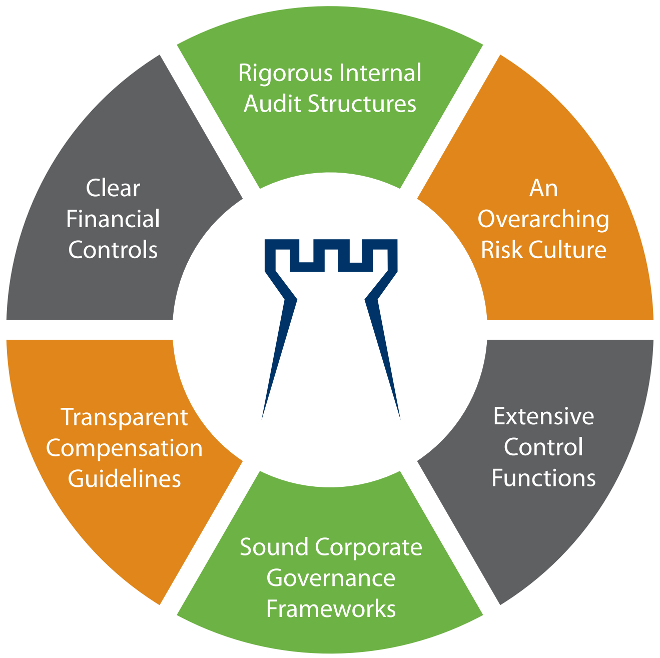
"The principles of fairness, openness and transparency are things that we take very seriously as a company. Over the past years, we began a process that has seen us strengthen our governance function to support sustainable growth, enhance risk management and maximize efficiency at Qalaa Holdings and across all our subsidiary companies. This approach to governance has progressively regulated a wide range of practices ranging from risk assessment frameworks to anti-fraud and financial reporting policies."

Hisham El-Khazindar
Co-Founder & Managing Director

Delivering Long-Term Sustainable Value for our Stakeholders Through Governance & Accountability

Institutionalizing the corporate governance processes is an ongoing, long-term objective across all of our platform companies. Equally important are the principles of fairness, openness and transparency, which we have worked diligently to instill as part of our corporate culture.

In 2019, we continued along the path to strengthen our governance to support sustainable growth, enhance risk management and maximize efficiency at Qalaa Holdings and across all subsidiary companies. This determined approach to governance has progressively regulated a wide range of practices at Qalaa Holdings and its subsidiary companies, ranging from a risk assessment framework and anti-fraud and financial reporting policies to the manner in which management interacts with shareholders and the creation of shareholder value across our subsidiaries.



Qalaa's Diverse Board of Directors

Executive Board Members

Ahmed Heikal
Chairman & Founder representing Citadel Capital Partners Ltd.

Hisham El-Khazindar
Co-Founder & Managing Director representing Citadel Capital Partners Ltd.

Karim Sadek
Managing Director, Head of Transportation & Logistics

Moataz Farouk
Board Member representing Citadel Capital Partners Ltd.

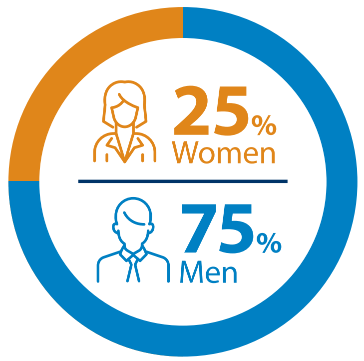
Non-executive Board Members

Magdy El Desouky
Board Member, representing Citadel Capital Partners Ltd.

Philip Blair Dundas Jr.
Board Member (Independent)

Mona Makram Ebeid
Board Member (Independent)

Dina Hassan Sherif
Board Member (Independent)



Corporate Governance Committees

An interdisciplinary approach to governance incorporates distinct roles for Qalaa's specialized committees that are made up of both executive and non-executive members. These committees are tasked to carry out specific duties and report directly to the Board of Directors.

Management Committee

Qalaa Holdings' Management Committee is comprised of a diverse group of individuals with complementary skill sets who are responsible for the day-to-day management of the company. The Management Committee meets regularly to ensure a rigorous process of participation by a wide cross section of executives from Qalaa Holdings.

Ahmed Heikal
Chairman & Founder

Hisham El-Khazindar
Co-Founder & Managing Director

Karim Sadek
Managing Director, Head of Transportation & Logistics

Moataz Farouk
Group Chief Financial Officer

Amir Naguib
Co-Chief Operating Officer

Tarek Salah
Co-Chief Operating Officer

Mohamed Abdellah
Managing Director

Tarek El-Gammal
Managing Director

Alaa El-Fas
Managing Director

Mostafa Sowelem
Managing Director

Mariane Ghali
Managing Director

Ghada Hammouda
Group Chief Sustainability & Marketing Officer

Emad Taryal
Group Chief Internal Audit Officer

Wael Radwan
Group Chief Government Relations Officer

Ehab Khaled
Group Chief Human Resources Officer

Tarek Hassan
Head of Legal Department

Yasmin Al-Gharbawie
General Counsel

Amr M. El-Kadi
Head of IR & Risk Management

Ahmed Abdel-Sattar
Group Chief Information Officer

Rami Barsoum
Head of Information Technology

Finance & Investment Committee

Ahmed Heikal
Chairman & Founder

Hisham El-Khazindar
Co-Founder & Managing Director

Moataz Farouk
Group Chief Financial Officer

Karim Sadek
Board Member, Head of Transportation & Logistics

Tarek Salah
Co-Chief Operating Officer

Amir Naguib
Co-Chief Operating Officer and Managing Director, ASCOM

Mohamed Abdellah
Managing Director

Amr M. El-Kadi
Head of IR & Risk Management

Audit Committee

Philip Blair Dundas Jr.
Chairman of the Committee

Magdy El-Desouky
Committee Member

Dina Hassan Sherif
Board Member

Compensation Committee

Philip Blair Dundas Jr.
Chairman of the Committee

Magdy El-Desouky
Committee Member

Establishing a Sustainability Committee

The committee assists Qalaa Holdings management in drafting short- and long-term policies, and guidance on strategies and goals that promote responsible and sustainable practices across the company and its subsidiaries as well as to relevant stakeholders to mediate risks and create shared value.

Dina Hassan Sherif
Chairman of the Committee

Ghada Hammouda
Committee Member

Hisham El-Khazindar
Committee Member

Internal Audit & Controls

Qalaa Holdings engages the services of only the most reputable audit firms for both ongoing statutory audits and due diligence for all subsidiaries. Financial and operational reports are transparent to all parties with a vested interest — from management and board members to shareholders.

Qalaa Holdings' Internal Audit represents a key element in its corporate governance framework, with a mission to add value and improve Qalaa Holdings' overall operations by providing relevant, timely, independent and objective assurance and advisory activities.

Qalaa Holdings' independent Internal Audit body maintains functional reporting lines to the audit committee and administrative reporting lines to the chairman and chief executive officer.

The Internal Audit team assists the organization in accomplishing its objectives by using a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process, which provides Qalaa Holdings' stakeholders with reasonable assurance over the Group's operations and strengthens the firm's ability to maximize stakeholder value.

With a zero-tolerance approach to fraud, the Internal Audit function has implemented an Anti-Fraud Policy to promote consistent corporate integrity, honesty and ethical behavior within Qalaa and its subsidiaries. This approach helps the firm protect the organization's assets, reputation and employees. The Anti-Fraud Policy was reinforced by availing an anonymous whistle-blowing channel to receive information from inside and outside the company on the Qalaa Holdings website.

We made important headway on the full implementation of our ERP system portfolio-wide to enhance reporting and governance controls

Risk Management

Qalaa Holdings has completed a process of institutionalization that began in 2013 at both the core and subsidiary levels. The comprehensive program included the refinement and improvement of all systems, policies and procedures that management needs to support and grow the business.

New policy documents were developed in parallel with the refinement of existing charters such as the audit committee and compensation committee. Developed policies that are now being implemented include the risk assessment framework, in addition to the anti-fraud and insider trading policies. In addition, audit committees modelled on the Qalaa Holdings' audit committee charter have been established for all major subsidiary companies, where the members of the audit committees are independent of the company's management.

Qalaa Holdings believes in continuously promoting and empowering the control environment within the company. Accordingly, the Internal Audit function has developed a Risk Assessment Framework to be followed throughout the organization. Risk Assessment contributes to the effective and efficient demonstrable achievement of objectives and the improvement of performance on multiple fronts. Qalaa's Internal Audit strives to ensure the presence of the Internal Audit function across all platforms, in its capacity to oversee, monitor, guide, advise and administer its platform.

2019 OPERATIONAL HIGHLIGHTS

14.9 EGP BN

in revenues FY19

BALANCING **THE ENERGY TRIANGLE**

Our energy investments cover all facets of the crucial energy triangle, which includes security and access, economic development and growth as well as environmental sustainability.

ENERGY INVESTMENTS

As a leading player in Egypt's transitioning energy sector, Qalaa Holdings has made strategic sustainable investments in refining, energy distribution, power generation and renewables.

+50%

Our energy investments currently contribute more than half of our consolidated revenue

ERC

THE EGYPTIAN REFINING COMPANY (ERC)

a state-of-the-art USD 4.3 billion greenfield petroleum refinery and Egypt's largest PPP infrastructure megaproject

TAQA Arabia

TAQA ARABIA

Egypt's largest private sector energy distribution company with investments in gas transmission and distribution, solar power generation and distribution and marketing of petroleum products

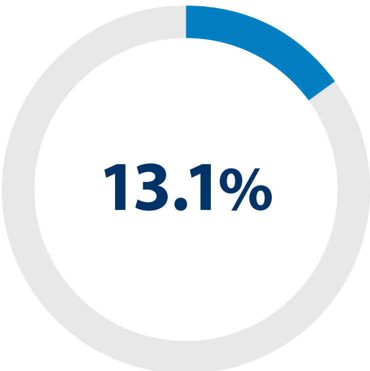
ENERGY

THE EGYPTIAN REFINING COMPANY (ERC)

ERC is a state-of-the-art USD 4.3 billion greenfield petroleum refinery, Egypt's largest PPP infrastructure megaproject and the largest private sector-led infrastructure megaproject in Africa that has been developed with the cooperation of a broad spectrum of debt and equity investors led by Qalaa Holdings.

Qalaa Holdings Ownership

(as of July 2019)



ERC, Egypt's largest PPP infrastructure megaproject, is a pivotal import substitution project that will bolster Egypt's energy security and provide environmentally friendly fuel for sustainable economic growth.

ERC is converting lowest value fuel oil into middle and light distillates that are meeting domestic consumption needs and eliminating 186,000 tons of Egypt's annual sulfur dioxide emissions or c. 29% of Egypt's present-day total, and improving the quality of the national refined products supply.

In June 2012, ERC reached financial close on the equity and debt components of project financing. Qalaa Holdings invested in the project alongside Gulf and international investors, global export credit agencies and development finance institutions. Construction began in 2014, with the consortium of GS Engineering & Construction Corp. and Mitsui & Co. Ltd acting as the contractor for the project. The project has generated more than 18,000 jobs at peak construction, and 1,000 permanent positions.

The Egyptian General Petroleum Corporation (EGPC) and Cairo Oil Refinery Company (CORC), the nation's largest refinery with 20% of Egypt's current refining capacity, is providing fuel oil as feedstock for ERC. ERC has the capacity to produce 4.7 million tons of refined products per year, including 2.3 million tons of Euro V diesel, representing 30-40% of Egypt's current imports and 600,000 tons of jet fuel. Liquid stock products are being sold to EGPC at international prices under a 25-year off-take agreement.


The Egyptian Refining Company (ERC)

USD 4.3 BN greenfield petroleum refinery

By mid-July 2019, ERC has commenced full commercial operations

ERC fire fighting team

ERC is Egypt & Africa's largest infrastructure megaproject

As an import substitution project delivering diesel and other high-value products to EGPC at the heart of the consumption market in Greater Cairo, ERC is strategically important to Egypt's energy security.

YTD 1Q 2020

Since completion in early 2019, with all project units in operation since August 2019, ERC has sold c. 2.8 million tons of refined products to the Egyptian General Petroleum Corporation (EGPC) and supplied approximately 300,000 tons of pet coke and 47,000 tons of sulphur to key cement and fertilizer players, between August 2019 and end of March 2020, bringing the total amount of refined products and by-products produced by ERC to 3.097 million tons.

ERC's Gross Refining Margin (GRM) grew steadily during 2019 peaking at c. USD 3 million per day in November and December 2019. However, recent oil market volatility and downward pressure on prices has narrowed the spread between heavy fuel oil (HFO) and diesel, leading to a decline in GRM to below one million US dollars per day. Nonetheless, management believes that these effects will be transient in nature.

A gradual recovery in oil prices combined with the IMO directive banning the use of high sulphur fuel oil as shipping fuel beginning in 2020 as a means of decreasing global sulphur emissions, are expected to support ERC's margins in the long-term.

By end of March 2020, ERC has refined a total feedstock of c. 3.1 million tons, including 2.2 million tons of HSFO (atmospheric residue) and c. 0.4 million tons of tolling crude.

Product	LPG	Light Naphtha	Reformate	Fuel Oil	Jet Fuel	Diesel	Total
Quantity (tons)	63,851	176,934	311,297	430,791	277,111	1,282,620	2,542,604

2019 Financial Updates

ERC has been operating smoothly since August 2019 when the facility reached full production capacity. The refinery delivered a strong performance during the fourth quarter of 2019 with c. USD 160 million in operational profits (sales less feedstock and variable costs), on account of widening HFO to diesel spreads during the period. However, ERC's operational profits were not booked on its income statement and instead accounted for as a reduction in the company's "project under construction" on its balance sheet. Starting 1Q2020, ERC has been classified as an asset with consolidation of profits on Qalaa's income statement as of January 2020.

- As of 31 August 2019, ERC has withdrawn USD 2,724 million from its facility totaling USD 2,887 million, with the c. USD 163 million balance earmarked for utilization during the coming months mostly to repay debt interest during construction (IDC).
- Equity investments currently stand at USD 1.5 billion.

1.5 USD MN

total equity invested in ERC

4.7 MN TONS

total annual production of refined products and high-quality oil derivatives

2.3 MN TONS

annual production of Euro V Standard Diesel

2019 Sustainability Achievements

01 Prosperity

- Saving USD 300 million annually for the state treasury directly
- Providing around 18k job opportunities
- Reducing Egypt's dependence on diesel imports by 30-40%
- Reducing the country's need for hard currency c. USD 600 million - USD 1 billion annually, depending on international oil prices

02 Planet

- Improving air quality through the production of high-quality products that meet the highest European quality standards such as Euro-V Diesel
- Reducing SO2 emissions (186,000 tons of sulfur dioxide annually)
- Extracting 500,000 tons of petcoke annually from diesel, that would have been emitted as Carbon Dioxide gas
- Consuming water resources efficiently through a three-stage industrial wastewater treatment plant
- Managing waste responsibly

03 People

- Focusing on human capital development and economic empowerment for local community with focus on youth, women and special needs
- Providing educational support through "Mostakbaly" (total beneficiaries: 299,355)
- Providing economic empowerment through "Tamkeen" and "Mashrouy" (total beneficiaries: 8,680 and 56,155 respectively)
- Supporting youth through "Reyada" youth volunteering and capacity building programs (total beneficiaries: 1,440)
- Supporting special needs through "Takaful" (total beneficiaries: 5,405)

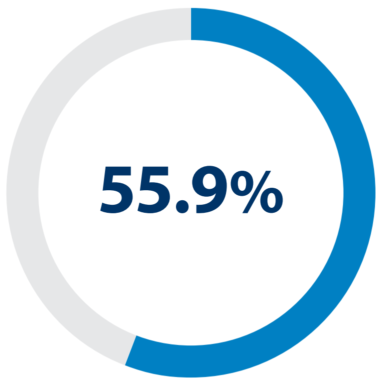
ERC is improving the quality of the national petrol supply by producing middle & light distillates

ENERGY

TAQA ARABIA

TAQA Arabia is Egypt's largest private sector energy distribution company with over 23 years of experience investing and operating energy infrastructure, including a 65 MW PV plant in Benban, Aswan

Qalaa Holdings Ownership
(as of July 2019)



TAQA Arabia is a pioneer in energy distribution in several countries in the Middle East and Africa. The company stands as a leading one-stop-shop integrated energy distribution company in the country, offering more than 1.3 million customers with their daily energy needs. TAQA operates three separate divisions covering all aspects of the energy distribution value chain. The company's gas business connects and distributes natural gas to residential, industrial and commercial customers, as well as compressed natural gas (CNG) for vehicles via eight CNG retail stations located across the country, and mobile CNG services to clients without access to the national grid. TAQA power's main line of business is the generation and distribution of conventional and renewable power across the country. The company's oil marketing division acts as a fuel and lubricant retailer and distributor, with a chain of 55 TAQA branded filling stations located nationwide.

TAQA Arabia's subsidiary "TAQA Solar" is also one of the pioneer investors in Egypt's Benban Solar Park, one of the world's largest PV solar parks in the world consisting of a complex of 32 solar power plants generating a total of 1,650 MW of electricity. TAQA Solar's landmark USD 72 million, 65 MW photovoltaic power plant, carried out under the government of Egypt's Feed-in-Tariff 2 framework, is in line with Qalaa Holdings' strategy to invest in sustainable energy solutions in Egypt and Africa. The award-winning Benban Solar project was primarily funded through an EGP 1.35 billion financing package created in partnership with the International Finance Corporation (IFC) and four other international and regional lenders.


Benban solar power plant, Aswan

TAQA Arabia is committed to exploring new opportunities to further diversify the company's operations and enter new lines of business. After venturing into the field of solar energy, with positive results, TAQA is currently assessing possible projects in the energy efficiency sector including the design and implementation of energy saving solutions. The company is also working to identify several PV opportunities as it presses on with its plans to increase its exposure to the renewable energy market.

USD72mn investment in TAQA's Benban solar power plant

TAQA is successfully capitalizing on the favorable energy market liberalization and diversifying its energy portfolio

TAQA gas distribution facility

TAQA utilizes the most advanced technology to deliver safe energy solutions to millions of clients

2019 Operational Review

TAQA Gas

TAQA Gas is one of the country's largest and most diversified private-sector companies in the gas distribution and transmission sectors, with more than 40% of the share of the private LDC's market in Egypt. TAQA Gas provides over 1.2 million residential, commercial and industrial customers with approximately 6.2 BCM of natural gas distributed annually with a capacity to expand to 9.6 BCM/year. The company oversees four natural gas distribution concessions covering eight governorates and 42 cities in Suez, Red sea (City Gas), Damietta (Repco Gas), Kafr El-Sheikh (Trans Gas) and Upper Egypt from Beni-Suef up to Assuit in addition to the new valley and Toshka (Nile Valley Gas), as well as natural gas operations in the MENA region. TAQA Gas converts nearly c. 150,000 customers to natural gas each year as part of the Egyptian government's plan to expand the natural gas network to residential customers nationwide, accomplished thanks to its professional in-house engineering, procurement and construction teams.

TAQA Gas also operates a network of eight service stations under the brand name (Master Gas) that convert vehicles to compressed natural gas (CNG) as well as CNG Mobile Services for clients in remote areas beyond the reach of natural gas networks. The company also has an ambitious plan to inaugurate 13 new CNG stations by 2020. Over the last two years the demand for Compressed Natural Gas (CNG) has increased due to sharp cuts in energy subsidies resulting in a significant increase in gasoline prices relative to CNG.

From surveys to engineering, procurement, construction works, marketing and distribution, O&M, billing and collections, TAQA Gas covers the entire downstream gas value chain including the management and operation of natural gas filling stations.

In 2019, the company's total gas distribution grew by 37.5% y-o-y reaching 6.25 BCM vs. 4.55 BCM in FY18. TAQA Gas converted 154,588 households recording a 37% y-o-y increase and exceeding its 2019 annual target of 150,000 connections. Additionally, the company connected c. 15 new industrial clients over the course of the year reaching a total industrial client base of 231.

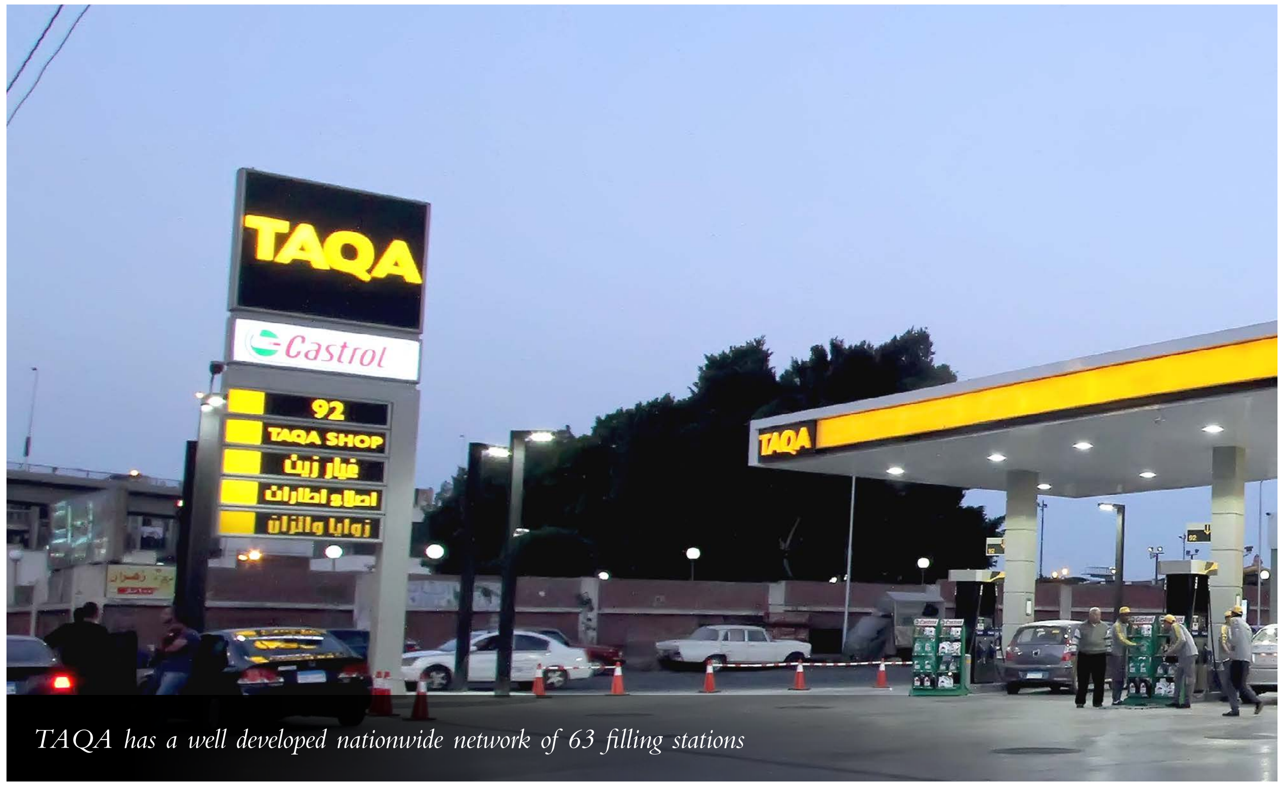
The solid performance was supported by a favorable operating environment. As deregulation/the removal of energy subsidies drove gasoline and LPG prices up, the trend was balanced by large new natural gas discoveries including the Zohr gas field. The shift in market dynamics drove growth in household connections and gas distribution as well as CNG demand. Going forward, TAQA Gas is perfectly positioned to capture new opportunities and is looking to more than double the number of operational CNG stations bringing the total to 21 by year-end 2020.

6.25BCM

Total Gas Distributed (FY19)

▲37.5% increase y-o-y

TAQA Gas carried out c. 155,000 new household conversions, a 37% y-o-y increase



TAQA has a well developed nationwide network of 63 filling stations

TAQA Power

TAQA Power is a leading private sector developer that constructs, operates and maintains power generation plants and distribution networks for a wide range of commercial, oil and gas, tourism and residential clients with tailored packages that address operational requirements from finance and design to construction. TAQA Power is the first private sector company in Egypt licensed to distribute power in an industrial zone. It also operates and maintains low-, medium-, and high-voltage power plants and distribution networks geared towards the oil and gas, industrial, residential, commercial and tourism sectors in Egypt.

In 2019, TAQA Power achieved a 11.4% y-o-y increase in its power distribution arm, recording 1,038 M kW/hr, offsetting a decline in the conventional electricity generated during the year following the completion of a cement contract during the second quarter of 2018.

The division contributed c. 1,9% to TAQA's 2019 top line growth with revenues growing 37.9% y-o-y. TAQA Power is strategically positioned to capitalize on the Egyptian government's initiatives in the energy sector with a distribution capacity of more than 1,000 MW and a power generation capacity of 100 MW.

Solar Energy

TAQA Solar is TAQA Power's newly established renewable energy subsidiary. It's flagship 65 MW solar power plant in Benban, Aswan began commercial production in February 2019. The plant has performed exceptionally well, contributing over EGP 150 million in revenues and recorded robust margins as formulated by the feed-in-tariff program with the Egyptian government.

TAQA Power's management aims to capture value as the government pushes forward with its plan to have 40% of the country's power generated through renewable energy sources by 2035.

Commercial operations began in February 2019 at Benban solar plant

1,038 M KWH
Total Power Distributed (FY19)
▲11.4% y-o-y

TAQA's Benban solar plant delivered strong results in its first year of operations

252 M KWH
Total Power Generated (FY19)
▲67% y-o-y

750.4 M Liters
Total Liquid Fuels Distributed (FY19)

126.03 M KW/hr
Solar Energy Generated (FY19)

55 Stations
Filling Stations (FY19) vs. 47 as at FY18

TAQA Marketing

TAQA Oil Marketing is the first and only privately owned Egyptian company to supply petroleum products to retail, industrial and wholesale customers focusing on under pumped markets offering favorable competitive landscapes.

In 2019, the company inaugurated eight new stations, bringing the total number of stations to 55 across 14 governorates. The company plans on further expanding in the Delta and Upper Egypt, with its target to launch eight new stations during 2020 proceeding on schedule.

TAQA Marketing's management is optimizing operations in anticipation of the market's full liberalization. Once the subsidy phase-out on oil products is complete and prices are set according to international prices, a deregulation plan is envisioned allowing retail distribution players to import and sell oil products locally. Companies with terminals will be strategically positioned to benefit greatly from the liberalization, thus the division has commenced construction of a new fuel terminal in Alexandria in addition to its existing 17 million liter fuel storage terminal in Suez.

2019 Financial Updates

TAQA Arabia reported strong results in 2019 with revenues reaching EGP 7,724.2 million and EBITDA coming in at EGP 665.1 million. TAQA Arabia's EBITDA grew at a CAGR of 56% from 2017 to 2019.

TAQA's gas division reported a 40% rise in revenues to EGP 1,396.7 million and contributed c. 18% to TAQA Arabia's top line growth for the year. The division's EBITDA expanded by 32.2% y-o-y to EGP 293.2 million, driven by a 37.5% increase in total gas distribution, exceeding its 2019 household connections target and connecting c. 15 new industrial clients

TAQA's power division's revenues reached EGP 1,494.8 million, increasing 37.9% y-o-y. Revenue also caused an increase in EBITDA by 212% to EGP 251.1 million, the increase was thanks to the 65 MW Benban solar project performing exceptionally well in its first year of operation, contributing over EGP 150 million in revenues and EGP 133 million in EBITDA of the power division.

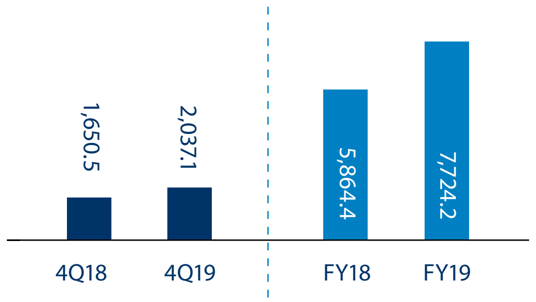
The steady performance, significant size and growth potential of the power sector is causing management to expect new and exciting opportunities in the coming years.

TAQA's oil marketing and distribution division reported a 28% expansion in revenues to EGP 4,832.7 million, revenue growth for the year was driven on account of the subsidy phase out. This resulted in the division contributing 63% to TAQA's top line growth for FY19.

All of TAQA's business segments, gas, power and marketing, witnessed solid revenue and EBITDA growth in FY19 with growing contribution from TAQA solar

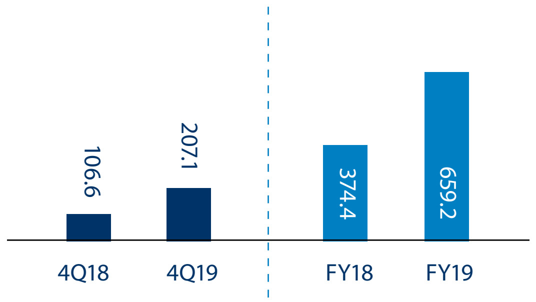
Silverstone (TAQA Arabia Holding Co.) Revenues

(EGP mn)



Silverstone (TAQA Arabia Holding Co.) EBITDA

(EGP mn)



2019 Sustainability Achievements

01 Prosperity

- Reached 55 filling stations across 14 governorates of which eight are CNG stations
- Achieved strong revenue growth across all business segments; gas, power and marketing

02 Planet

- Launched a 65 MW PV solar power plant in Benban Aswan, which will result in c. 78,000 tons of emissions reduction annually
- Converted more than 1.2 million residential customers, 3,400 commercial clients and 216 industrial customers to cleaner burning natural gas

03 People

- Funded the graduate studies of students in the field of renewable energy and related disciplines
- Ensured that all of the company's operations, particularly emergency teams for electricity and gas remained safe and fully operational at full capacity during the COVID-19 pandemic

MEETING DEMAND **FOR INFRASTRUCTURE**

Our investments in cement production, construction and engineering management directly address demand and help build infrastructure to support the region’s growth.

Strong fundamentals such as large growing populations, abundant raw materials and low production costs will eventually lure back high levels of public and private investment into infrastructure and industrial modernization initiatives, boosting demand for cement.

CEMENT & BUILDING MATERIALS

Qalaa Holdings' operational cement platform company is ASEC Holding, which comprises cement manufacturing (ASEC Cement) through two production facilities: Al-Takamol Cement in Sudan and Zahana Cement Co. in Algeria.

ASEC HOLDING

ASEC Holding is a leading national and regional investor in cement production, technical management & consultancy and construction

GLASSROCK

GlassRock insulation company manufactures sustainable insulation solutions for thermal, acoustic and fire applications

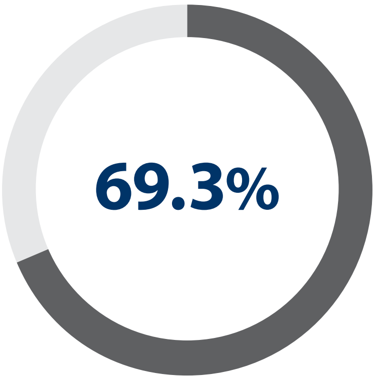
CEMENT & BUILDING MATERIALS

ASEC HOLDING

ASEC Holding is Qalaa's operational cement platform company with subsidiaries operating in cement manufacturing, construction and technical management.

Al Takamol Cement, Sudan

Qalaa Holdings Ownership
(as of July 2019)



Founded in 1975, ASEC Holding is a leading national and regional investor in cement production, technical management and consultancy and construction. The company has grown significantly over the years to form an integrated group composed of three distinct divisions (cement manufacturing, operation and management and construction and contracting) serving both industry and end-consumers.

With more than 40 years of experience and the support of Qalaa's investments, the Group's engineering and consultancy arm has made important contributions to the modernization of the cement industry in Egypt and the MENA region providing end-to-end solutions for world-class cement plants from engineering all the way to O&M.

In 2015, Qalaa began divesting from the cement manufacturing segment of ASEC Holding starting with the sale of ASEC Cement's stake in business unit Misr Cement Qena in a deal valued at c. EGP 700 million, as well as exiting ASEC Minya and ASEC Ready-Mix in a c. EGP 1 billion deal. Additionally, the company finalized the sale of its Algerian Cement Plant (AACC) Djelfa in a USD 60 million transaction in 2017.

Cement Manufacturing

ASEC Cement

After exiting the majority of its cement production facilities over the course of the last five years, ASEC Cement currently maintains ownership of two regional companies: Zahana Cement in Algeria (35% owned by ASEC Cement) and Al Takamol Cement in Sudan (51% owned by ASEC Cement), with the former currently undergoing a divestment process that has slowed down in light of recent political developments in Algeria.

Al Takamol's performance in early 2019 was negatively impacted by political unrest and social instability in Sudan that resulted in operational disruptions, however by

Al Takamol Cement became the top-ranked cement manufacturer in Sudan in terms of market share in the second half of 2019

Al Takamol Cement, Sudan

mid-2019, a return to normal operations led to recovery and an increase in sales volumes of 978,000 tons in FY19. Throughout the year, Al Takamol maintained the second highest market share in the cement sector and closed the year with an overall 26.7% share of the market, and even more reached a 29.8% market share and a number one ranking versus its peers for the second half of the year.

Construction & Contracting

ASEC Automation

ASEC Automation provides process industries with automation and electrification solutions ranging from design and engineering to instrumentation, commissioning and maintenance. The company offers solutions and systems spanning enterprise control systems, high-medium voltage cables and systems and enterprise control software. The company has extensive operations in Africa, Asia and Europe. ASEC Automation has also been the supplier of choice for major international cement producers for 20 years, serving major clients such as Lafarge, Italcementi, Titan, Cemex and Cimpor.

Operation & Management

ASEC Engineering

ASEC Engineering is the leading provider of cement plant consultancy, engineering and management services in the MENA region. Currently, the company manages eight cement lines in Egypt with a combined nominal capacity of 10 mtpa, with growing footholds in Africa and the Middle East. ASEC Academy has always been the gateway for professional training on modern cement manufacturing technology. ASEC Engineering was also entrusted as

Al Takamol is a leading cement manufacturer in Sudan

0.98MTPA

Al-Takamol Total Sales Volume (FY19)

0% y-o-y

0.61 MTPA

Zahana Total Sales Volume (FY19)

▼13% y-o-y

the consultant for Egypt's largest cement facility in Beni Suef with six production lines constructed simultaneously.

In FY19, ASEC Engineering managed 8.98 MT of clinker production, a 4% y-o-y drop that drove a 1% decline in the company's top line. Lower managed capacities were a result of multiple clients experiencing shutdowns due to overall weakness in the cement market. The company is currently negotiating contracts with regional and international entities in an attempt to diversify operations and hedge against volatility in the local cement market. Three new contracts have already been signed as part of a push to build a more diversified portfolio that is split between local and international clients.

ASENPRO

ASENPRO is a pioneer in the field of environmental protection in the MENA region, specializing in controlling pollution and dust emissions resulting from cement production. The company supplies cement plants with a broad continuum of services and

ASEC Cement maintains ownership of two regional companies: Zahana in Algeria and Takamol in Sudan

environmental control equipment on a turnkey basis, in addition to conducting dust emission measurements and environmental assessment studies to ensure compliance with pollution limits. ASENPRO is supported by extensive expertise in environmental control within the cement industry and has the potential to diversify into other industries as well.

8.98 M Tons

Managed Clinker Production (FY19)

▼4% y-o-y

Pressure on cement activities on account of subdued demand and a slowdown in local construction activity impacted results in 2019

Al Takamol has maintained successful operations despite a challenging environment

2019 Financial Updates

In 2019, ASEC Holding, at the consolidated level, reported revenues of EGP 2,731.2 million, a 5% y-o-y decrease from FY18 caused by the underperforming cement market in Egypt.

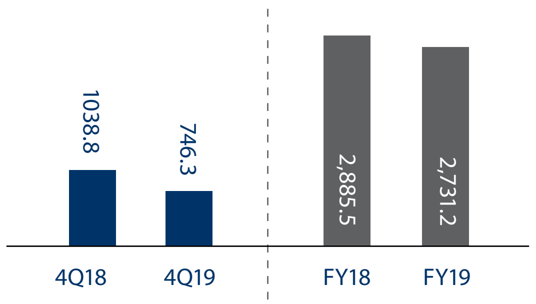
Management initiated intensive efforts to restructure ASEC Holdings' debts, resulting in the conclusion of restructuring agreements with all relevant banks. The finalized restructuring is expected to significantly decrease ASEC Holding's interest expenditures over the coming period, facilitating a return to profitability over subsequent quarters.

ASEC Cement

In 2019, ASEC Cement consolidated revenues fell to EGP 1,394.8 million from EGP 1,750 million in FY18, on the back of a fall in revenues in Al Takamol due to political unrest

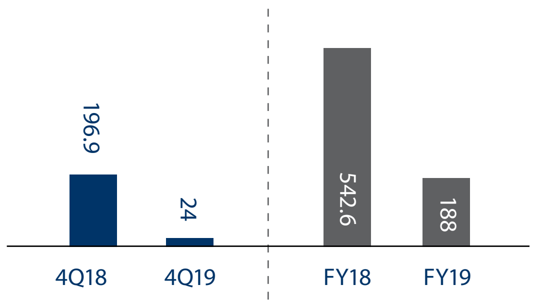
ASEC Holding Consolidated Revenues

(EGP mn)



ASEC Holding Consolidated EBITDA

(EGP mn)



ARESCO is a turnkey contractor specialized in industrial projects

and social instability in Sudan. Revenues in Al Takamol fell by 20% reaching EGP 1,394.8 million in FY2019, while EBITDA pummeled by 62% to reach EGP 231 million. For Zahana in Algeria, revenues contracted by 18% to reach EGP 531.4 million and EBITDA also took a hit, falling 72% to EGP 44.9 million, impacting the discontinued operations value.

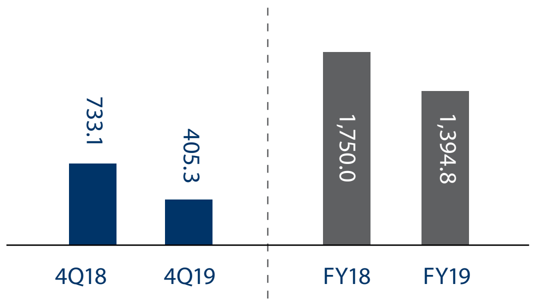
ASEC Engineering

ASEC Engineering revenues declined by 1.4% in 2018 reaching EGP 802.6 million. The drop in revenues is mainly attributed to a 4% y-o-y drop in clinker production in 2019 to 8.98 MT. Lower managed capacities were a result of multiple shutdowns of the company's clients due to overall weakness in the cement market. FY2019 EBITDA fell to EGP 0.67 million from EGP 20.4 million in FY2018.

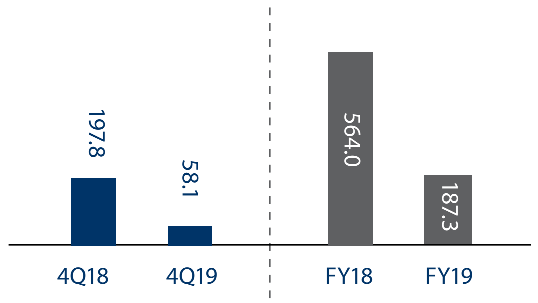
ARESCO

In June 2019, ARESCO has been reconsolidated after having been classified as a discontinued operation for several quarters during which it was under divestment. The previously initiated sale process has been halted.

ASEC Cement Revenues
(EGP mn)



ASEC Cement EBITDA Recurring
(EGP mn)



2019 Sustainability Achievements

01 Prosperity

- Built what is today a leading cement manufacturer in Sudan with the highest market share as of 2H2019

02 Planet

- ASEC subsidiary ASENPRO is a MENA pioneer in the field on environmental protection specializing in controlling pollution and dust emissions resulting from cement

03 People

- Created the ASEC Academy for vocational training, as well as training for engineers, chemists and geologists employed in the cement industry (as of 2019, a total of 10,358 people were trained)

CEMENT & BUILDING MATERIALS

GLASSROCK INSULATION COMPANY

Since 2008, GlassRock has been manufacturing high performance, efficient and sustainable insulation solutions for thermal, acoustic and fire applications engineered by our trained local teams from both rockwool and glasswool for construction, industrial, agriculture, transportation and other OEM sectors.

GlassRock Insulation Company began producing rock wool at its USD 70 million greenfield facility in May 2012, targeting both domestic sales and exports to key markets in Europe, North Africa, the Gulf Cooperation Council (GCC) countries and Turkey. The company, which continues to improve its global competitiveness, produces mineral wools used in projects such as insulation, filtration and soundproofing. Total production capacity for GlassRock's environmentally friendly insulation materials is split at 30,000 metric tons of rockwool and 20,000 metric tons of glass wool per annum.

2019 Operational Review

In 2019, GlassRock made significant headway in optimizing product pricing and operational efficiency. As a result of the renewed sales push and substantial cost optimization, the company saw strong improvement in both revenues and profitability despite a decline in volumes.

As the COVID-19 pandemic continues to unfold causing travel restrictions and closed borders, GlassRock's ability to export its products will be negatively impacted. However, beyond the current crisis, GlassRock's long-term growth fundamentals remain intact. The company remains ideally positioned to capture new growth opportunities. With a current production capacity of 50,000 tons per annum, GlassRock is on track to ramp up production utilization of its two production lines to meet the growing demand for rockwool and glass wool insulation materials. Additionally, management is targeting growth in local markets and identifying new regional opportunities.

2019 Financial Updates

GlassRock Insulation Company revenue increased 5% y-o-y to USD 9.6 million in 2019, up from USD 9.1 million in 2018. The increase was achieved thanks to the management efforts in optimizing product pricing and operational efficiency. EBITDA grew to reach a USD 1.1 million profit in 2019, up from USD 700,000 in 2018.

GlassRock continues to improve its global competitiveness with a targeted 50% of output going to markets outside Egypt

9.4 K Tons

GlassRock Volumes Sold (FY19)

▼2% y-o-y

2019 Sustainability Achievements

01 Prosperity

- Globally competitive as an exporter with growing market share in Europe, North Africa and the GCC

02 Planet

- Insulation material produced by GlassRock can save up to 40% of the cooling and heating load in buildings and thus minimize carbon dioxide emissions

03 People

- Employs and trains local technical teams at USD 70 manufacturing facility

SAFE AND EFFICIENT **MODES OF TRANSPORT**

In a world where energy is scarce, focusing on efficiency via river transport is a key competitive advantage. As fuel subsidies are gradually removed in Egypt and fuel prices go up, manufacturers will be seeking cheaper alternative means of transporting goods.

Our investments in river transport aim to provide affordable and reliable logistics solutions that can become an engine of national and regional growth and help dismantle barriers to cross-border trade in Africa.

TRANSPORTATION & LOGISTICS

Over the past few years, our investments in river transport, logistics and stevedoring have gained momentum.

100K Tons

Grain handling and storage capacity in Alexandria

NILE LOGISTICS

Nile Logistics is Qalaa Holdings' transportation & logistics holding company with subsidiaries that deliver transportation efficiencies including seaport services in Egypt and river transportation solutions for clients in Egypt and South Sudan

NILE CARGO

Nile Cargo operates a fleet of barges through which it offers transportation services along the Nile, stevedoring services and a container feeder service

NRPMC

NRPMC operates multiple ports and port handling equipment

TRANSPORTATION & LOGISTICS

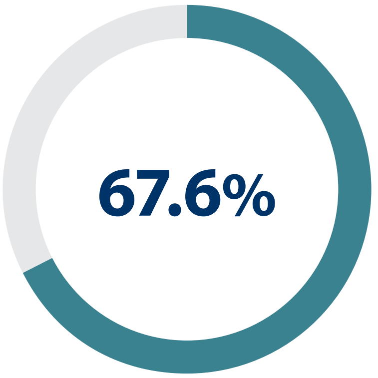
NILE LOGISTICS NRPMC

NILE LOGISTICS

Nile Logistics is Qalaa Holdings' transportation and logistics holding company with subsidiaries that deliver transportation efficiencies including seaport services in Egypt and river transportation solutions for clients in Egypt and South Sudan.

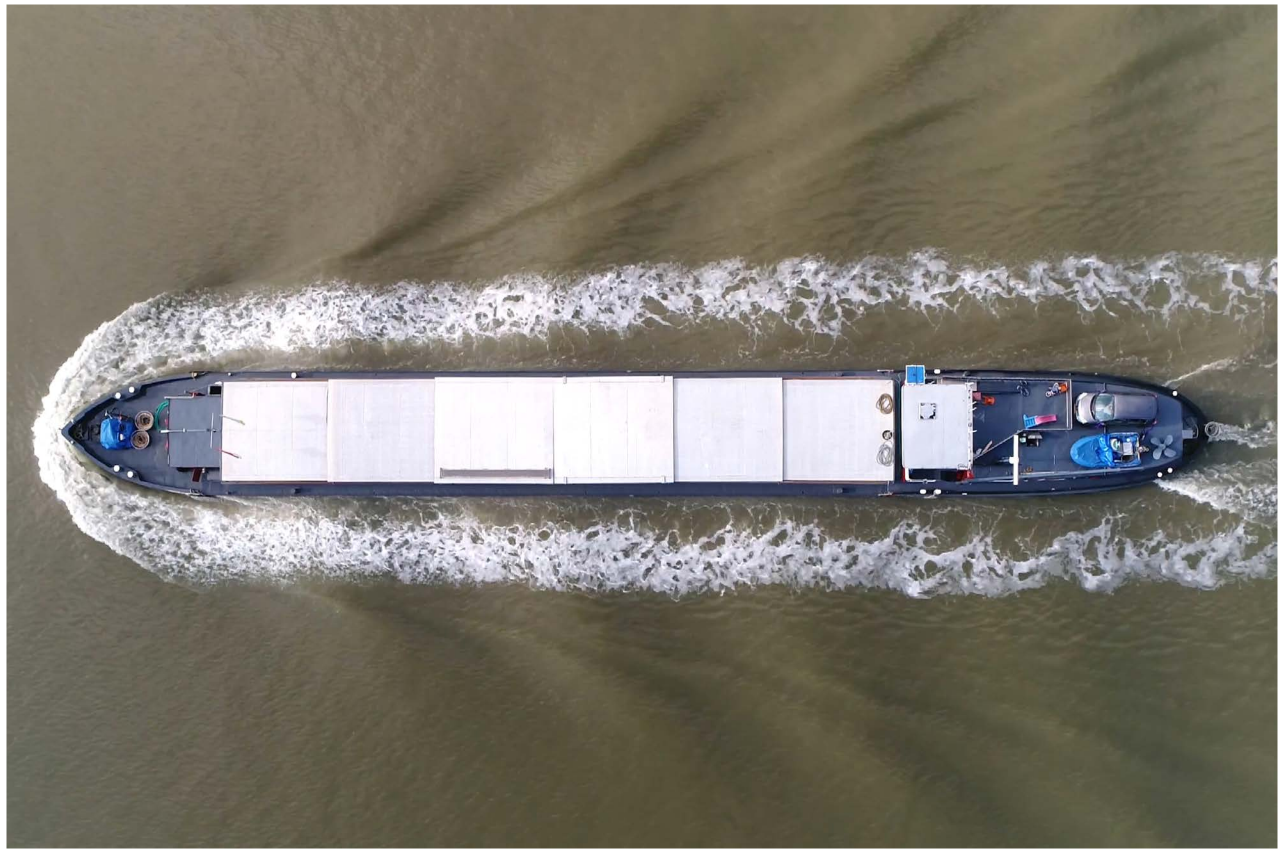
Qalaa Holdings Ownership

(as of July 2019)



Through Nile Logistics, Qalaa Holdings operates three subsidiaries that offer stevedoring and river transportation services across Egypt and South Sudan. Nile Logistics' subsidiaries offer stevedoring on anchor services at many Egyptian ports as well as an inland container depot in Noubareya, Alexandria serving a broad base of exporters operating in multiple sectors.

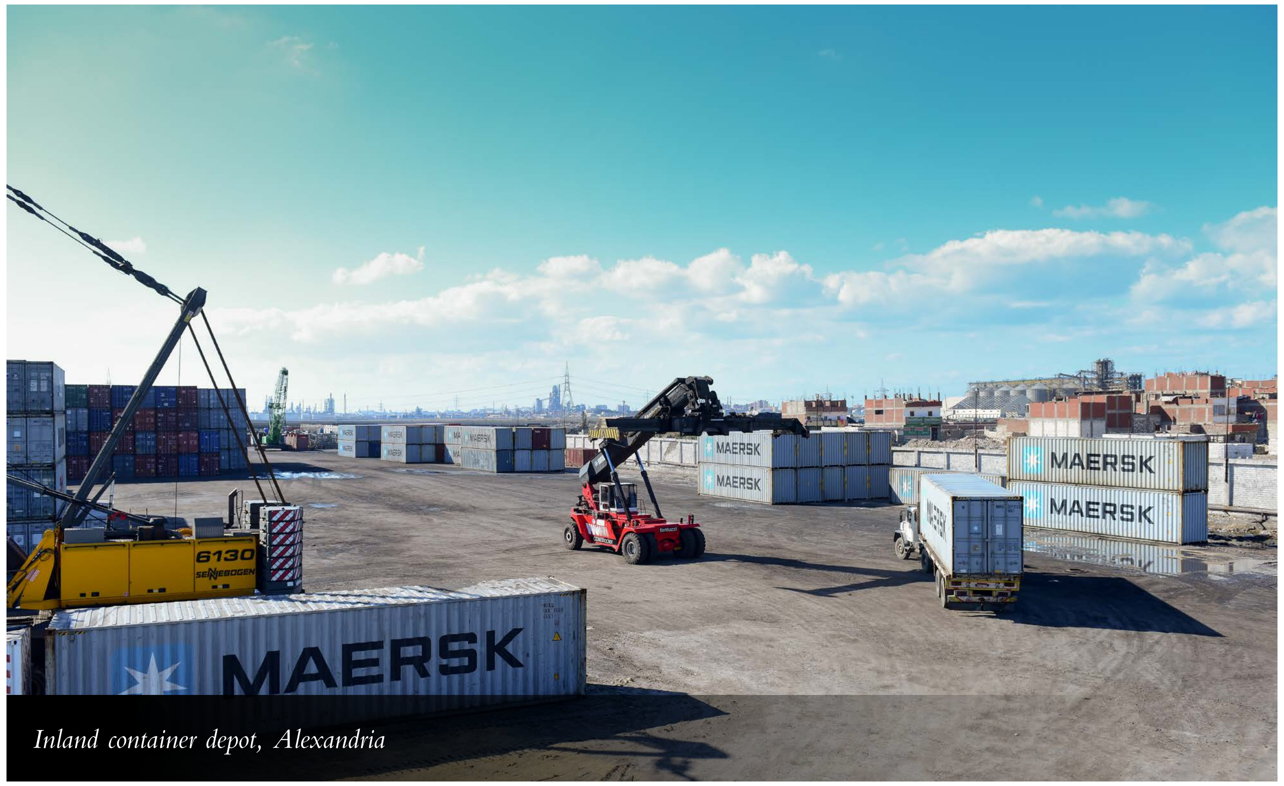
Nile Logistics also operates a fleet of fuel-efficient river barges used for the transportation of cargo along the Nile. With a capacity amounting to 20-40 truckloads each, the river barges are more operationally viable both in terms of fuel consumption and cost, making them an environmentally friendly alternative transport option.



Nile Logistics inaugurated a new grain storage facility, expanded stevedoring capacity and continues to ramp-up operations at its inland container depot

NILE LOGISTICS MAINTAINS OPERATIONS IN EGYPT ACROSS FOUR MAIN PILLARS

- Coal handling and storage in Alexandria and the Tanash port in Cairo.
- Container handling and storage in Alexandria (Inland Container Depot), with operations including various activities as handling of empty, full and reefer containers for perishable goods.
- Grain handling and storage in Alexandria with a capacity of 100,000 tons with a target turnover of 6-7 times per annum.
- River transport, which offers a more efficient method for shipping goods via the Nile River and provides lucrative pipeline opportunities.



Inland container depot, Alexandria

Nile Logistics Subsidiaries

Nile Cargo (NC)

Nile Cargo operates a fleet of barges through which it offers transportation services along the Nile, stevedoring services in several Egyptian ports as well as a container feeder service in Port Said between the eastern and western container terminals.

National River Ports Management Company (NRPMC)

National River Ports Management Company operates multiple ports and port handling equipment. It offers a range of services, including warehousing and cargo handling in Egypt's major ports in Alexandria, Suez and Damietta.

Nile Barges for River Transport

Located in South Sudan, Nile Barges for River Transport transports goods across the country using its fleet of three pushers and eight dumb barges.

2019 Operational Updates

As the Egyptian government implemented a program to gradually phase out energy subsidies, Nile Logistics became perfectly positioned to benefit from the new landscape through its unique offering. Transporting goods via river barges is becoming an attractive alternative for companies seeking a cost-efficient method of transport. Nile Logistics is prepared to capitalize on this opportunity and is equipped with a strategy to expand its capacity as well as its service offering in order to offer its clients a more comprehensive set of services, catering to their needs.

In 2019, the company brought online its new grain storage warehouse and enhanced its stevedoring capacities while continuing to ramp-up operations at its inland container depot. Since launch in September 2019, the grain storage warehouse has received and handled a total of 157,000 tons of grain from five vessels. Additionally, the company's Inland Container Depot recalibrated its operational efficiencies during the year with the aim of improving the range of container types handled at the facility, resulting in an increase in revenues for the year. Nile Logistics' stevedoring operations in Alexandria ended the year with a total of 1.253 million tons of coal/pet coke handled, 175,000 tons of which were handled to cater for a newly launched business line in Tanash port in Cairo, which has been operational as of July 2019.


River Nile in Sudan

Sudan (Nile Barges)

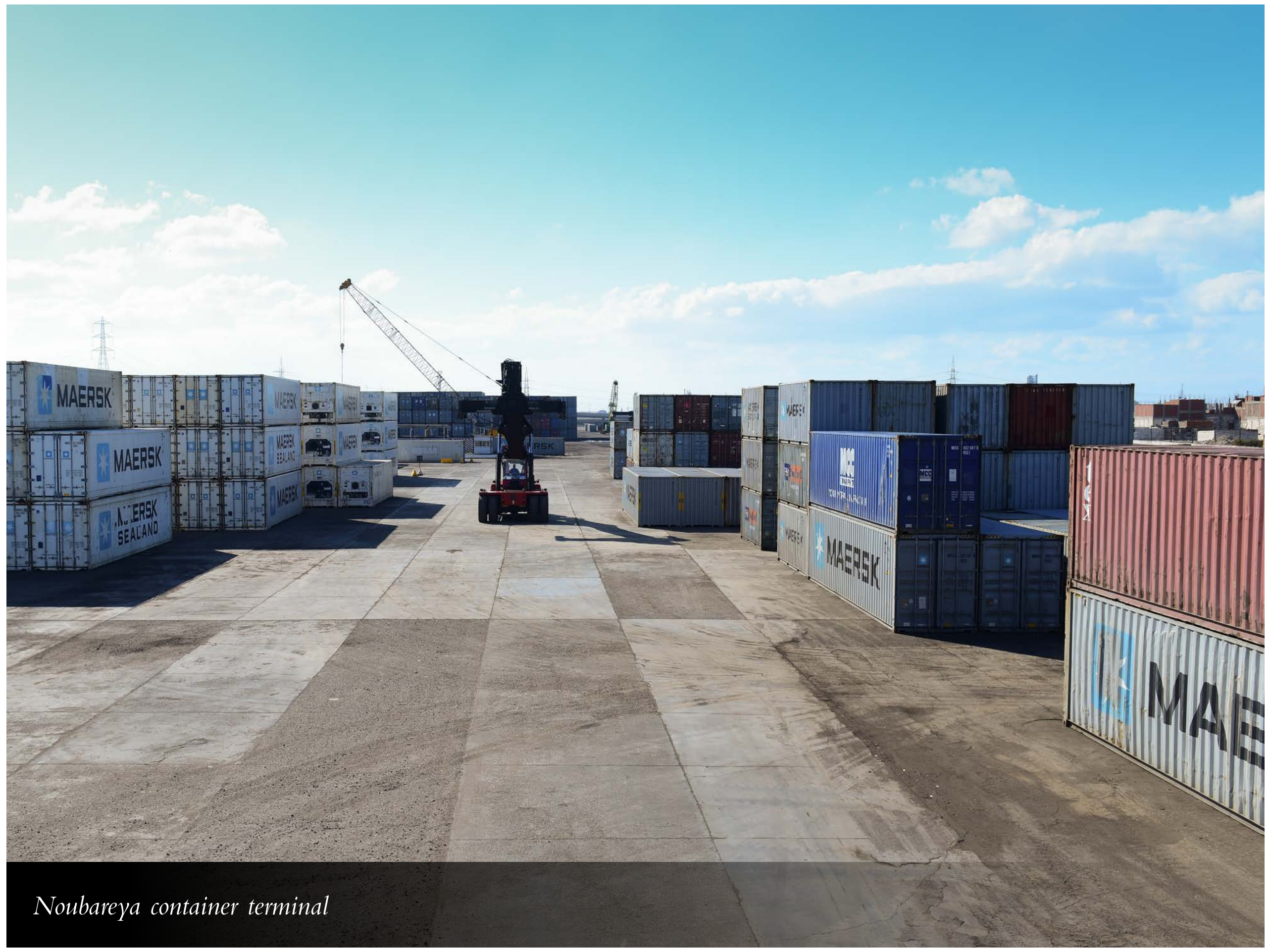
Nile Barges' Sudan operations are centered on the transportation of food items on behalf of the World Food Program (WFP). The company currently operates using one active pusher with which it aims to complete four trips each year. Its second pusher is currently undergoing refurbishment and is expected to become operational by the end of 2020, while the third pusher is currently being technically assessed for required maintenance works. In 2019, the company successfully transported 4,500 tons of food items and 1,600 tons of non-food items.

Nile Logistics delivered a strong turnaround with revenue growth of 79% y-o-y to EGP 236 million in FY19

1.253 MN Tons

Stevedoring Tons Handled – Alexandria (FY19)

▲77% y-o-y



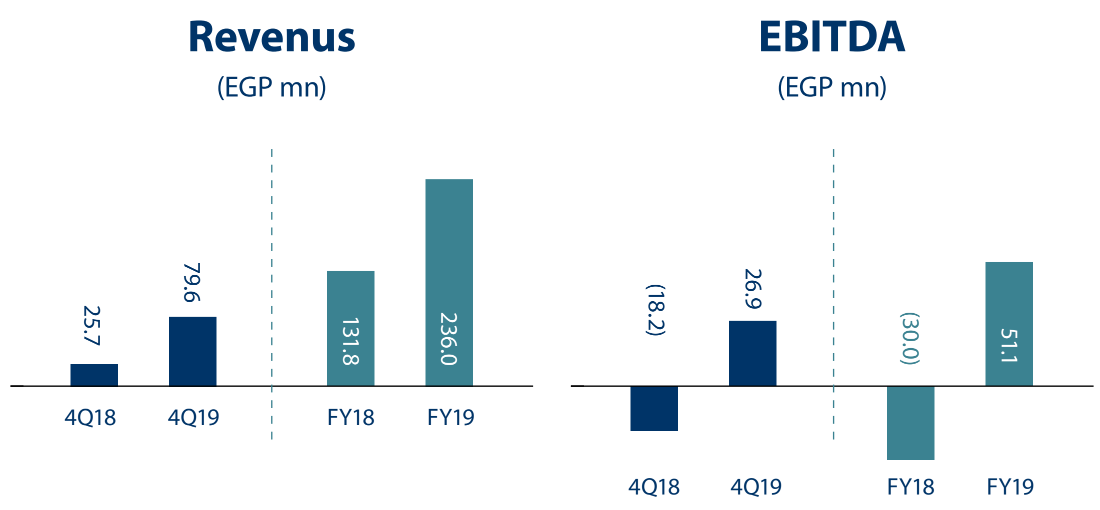
Noubareya container terminal

2019 Financial Updates

Nile Logistics witnessed exceptional results driven by the company's solid operational performance throughout the year. Revenues came in at EGP 236 million in 2019, increasing by 79% from the previous year. Additionally, the company's EBITDA came in at EGP 67 million, increasing from the negative EGP 13.6 million recorded in 2018. The company's Inland Container Depot also saw a 32% increase in revenues in 2019, in spite of a 13% dip in twenty-foot equivalent units (TEUs) handled during the year. The strong financial performance was primarily driven by new operational developments across the board and the launch of new capacities throughout the year.

Nile Barges in Sudan also saw the year deliver healthy returns with revenues coming in at USD 1.2 million and EBITDA recording USD 0.63 million spurred by three trips completed during 2019.

CCTO is the holding company that owns Nile Logistics and consolidates its operations in Egypt and Sudan.



2019 Sustainability Achievements

01 Prosperity

- Each river barge transports the equivalent of 20-40 truckloads with a fraction of the fuel, emissions and money usually invested in other methods of transport

02 Planet

- Operates fleet of fuel efficient, environmentally-friendly barges in Egypt, Sudan and South Sudan

03 People

- Transported food items for the World Food Program, delivering crucial supplies to compromised communities in South Sudan (4,500 tons of food items and 1.600 tons of non-food items have been delivered as of 2019)

LARGE-SCALE **AGRI INVESTMENTS**

Significant investment in agriculture by both the state and private companies is now on the menu given the natural mid-pandemic concerns about maintaining food security.

Qalaa's investments in the agrifoods sector began in 2007 through Dina Farms and were geared toward boosting the agricultural sector in Egypt. The company's strategy focuses on introducing new levels of specialization and consolidation into the market, in addition to introducing top-notch, fresh reliable products from trusted sources.

AGRIFOODS INVESTMENTS

Qalaa Holdings' investments in agrifoods aim to overcome challenges facing the agricultural and food production sector in Egypt and the region, namely inefficient managerial expertise, the lack of economies of scale and insufficient funding. Qalaa Holdings' companies in the agrifoods sector bring trusted household names to market, such as Dina Farms.

70%

of the fresh milk market in Egypt is controlled by Dina Farms

DINA FARMS

With an agricultural footprint of over 10,000 acres, Dina Farms is Egypt and Africa's largest private-sector dairy farm and distributor of fresh milk

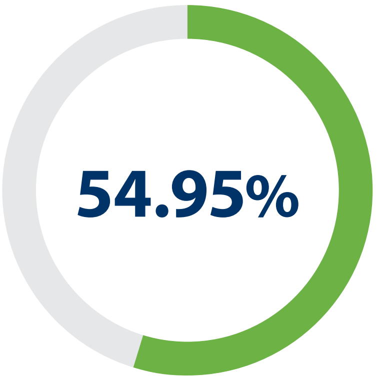
AGRIFOOD

GOZOUR

National Company for Investment and Agriculture S.A.E (Gozour) is a leading agriculture and consumer foods company utilizing environmentally responsible practices.

Qalaa Holdings Ownership

(as of July 2019)



Qalaa Holdings' investments in the agrifoods sector began in 2007 through Dina Farms and were geared toward boosting the agricultural sector in Egypt, in addition to developing Dina Farms as a fully integrated commercial farm in Egypt and the region. The company's strategy focuses on introducing new levels of specialization and consolidation into the market, in addition to introducing top-notch, fresh, reliable products from trusted sources. While the majority of Qalaa's portfolio in the agrifoods sector has been successfully divested, it still retains key investments in the agrifood sector all consolidated under parent company, Gozour, that includes dairy producer Dina Farms, and the Investment Co. for Dairy Products (ICDP), which manufactures, markets and distributes fresh milk and other dairy products under the brand name 'Dina Farms'.

2019 Operational Updates

Dina Farms

Dina Farms was originally acquired by Qalaa Holdings in 2007 and has today grown to become Egypt and North Africa's largest fully integrated farm with an agricultural footprint of over 10,000 acres and 15,800 heads of cattle, of which 7,884 are milking cows. The dairy farm was originally established in 1987 with just 300 pure breed Holstein Friesian heifers.

Dina Farms, 10,000 acres on the Cairo-Alexandria desert road

Dina Farms is currently the leading market player in its category controlling c. 70% of the fresh milk market in Egypt. The dairy farm supplies c. 20% of raw milk sales to ICDP and the remaining goes to key players in the dairy industry.

In addition to the dairy farm and fresh milk production, Dina Farms also has an agriculture segment and an onsite retail outlet, Al Shader, that sells produce, dairy and other household items. Dina Farms' four business sectors — agricultural production, animal production, dairy production and the farm's retail outlet, Al Shader — have allowed it to adopt an integrated business model that gives it a strong competitive advantage in the market. Dina Farms has continued to operate safely and

EGP238MN

ICDP Net Revenues (FY19)

Dina Farms provides consumers with fresh, responsibly produced products from "farm to table"

Al Shader retail outlet


Dina Farms milk and juices

efficiently throughout the COVID-19 crisis to ensure business continuity and an uninterrupted supply of safe, high-quality food products to consumers nationwide.

During the course of 2019, Dina Farms' management team implemented a number of initiatives in addition to undertaking facility enhancements with the aim of improving efficiency and yields. Among these enhancements are investments in curtains and cooling systems at milking stations as well as a slight increase in culling to promote the health and milk production of the overall herd of cows. These efforts have successfully resulted in a considerable increase in the number of tons of raw milk sold to 76,543 tons from c. 75,186 tons in the previous year, which have in turn successfully contributed to an improvement in the company's financial and operational performance.

Dina Farms will seek to further expand on these initiatives in the coming year with the aim of further streamlining operations to improve operational efficiencies and boost the company's top and bottom lines.

Investment Co. for Dairy Products (ICDP)

ICDP manufactures, markets and distributes Dina Farms dairy products, including five product categories: fresh milk (single serve, multi-serve, flavored and unflavored), yogurt, cheese, skimmed milk powder (SMP) and butter.

ICDP's current fresh milk capacity stands at 35 million bottles per annum, SMP at c. 1,300 tons, butter at 600 tons, 234.75 tons per annum for cheese and c. 22 million cups of yogurt. In January 2020, ICDP successfully doubled its yogurt capacity to 50 million cups per annum with the introduction of an additional production line, which should be fully utilized in the coming two to three years. ICDP's current milk production capacity utilization stands at 60%.

In the first half of 2020, ICDP launched a new venture into the fresh juice market in time for peak demand during the month of Ramadan. The new range of Dina Farms brand juices, sold at supermarkets nationwide, includes four flavors: orange, mango, strawberry and lemon mint (and soon pineapple), that come in family-size and single-serve packaging. The juices are 100% natural, made from real fruits and have a 15-day shelf life to preserve the health benefits and flavor of the fruits. ICDP was able to transition idle milk production capacity to produce the new juice line with minimal investments to the existing production line.

In January 2020, ICDP also relaunched its existing yogurt line with new packaging and new strawberry flavored yogurt, catering only to Delta and Upper-Egypt.

2019 Financial Updates

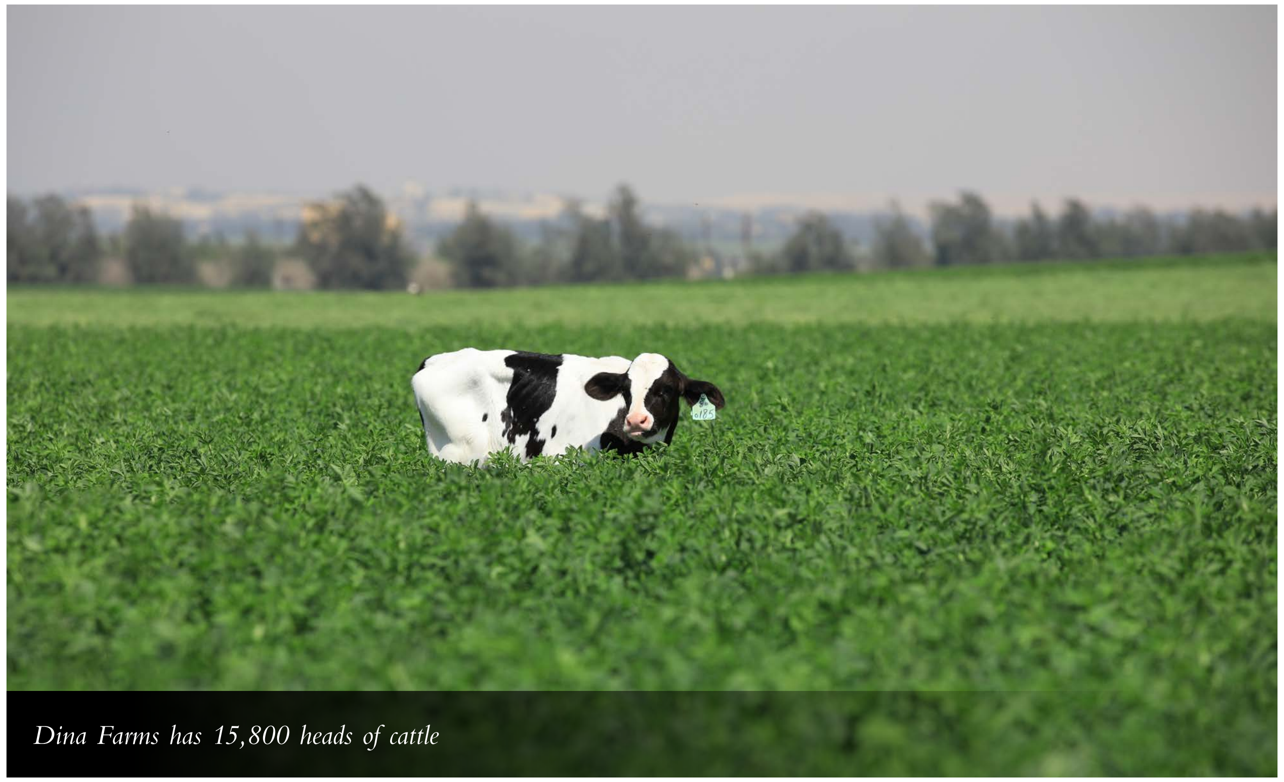
Gozour's consolidated revenues amounted to EGP 871.1 million, up by 6.8% from the 815.5 million recorded at year end 2018. EBITDA also saw an increase of 3.4% during the year, reaching EGP 115.8 million from EGP 112 million recorded in 2018.

76,543 Tons

Dina Farms Raw Milk Sales (FY19)

15,800

Dina Farms Total Herd
(as of 31 December 2019)



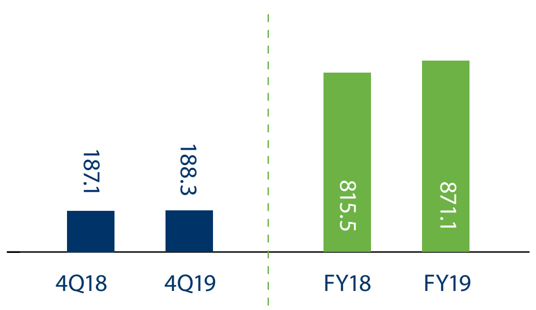
Dina Farms has 15,800 heads of cattle

Dina Farms saw its annual revenues increase by 5% to EGP 679.5 million from EGP 644.2 million in 2018. Similarly, EBITDA increased to EGP 152.9 million from EGP 137.9 million in 2018, marking an 11% increase for the year. The growth was spurred by facility enhancements, including improving the cooling systems in the milking stations, which resulted in a higher productivity per milking cow, leading to a higher total milk production.

ICDP reported a 13% increase in revenues to EGP 238.5 million from the EGP 210.2 million recorded in 2018, driven primarily by a 6% increase in sales volume. The company however recorded a 23% decrease in EBITDA to EGP 13.3 million from EGP 17.3 million in 2018, owing to variable COGS, including raw milk prices and selling and distribution expenses increased, which led to a shrinkage in EBITDA margin.

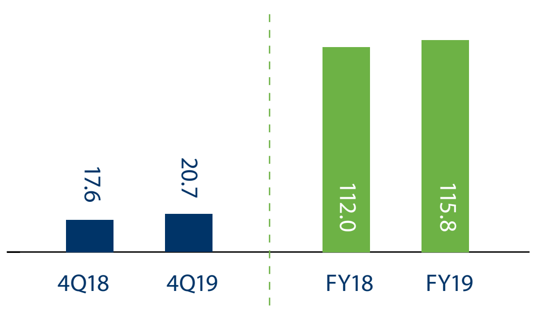
Consolidated Gozour Revenues

(EGP mn)



Consolidated Gozour EBITDA

(EGP mn)



Gozour witnessed steady revenue growth in FY19 with its top line reaching EGP 871 million for the year

2019 Sustainability Achievements

01 Prosperity

- Has grown to become Egypt and Africa's largest fully integrated farm with an agricultural footprint of over 10,000 acres and 15,800 heads of cattle.
- Stands as a model for a successful integrated economic project
- Introduces new levels of specialization and consolidation into the market

02 Planet

- Utilizing the latest irrigation technology for maximum efficiency in water use and expanding the use of solar energy to reduce carbon footprint
- Recycling program in place for composting and manure (45,948 m3 of green manure was produced in 2019 out of which 32,478 m3 were used as fertilizers).

03 People

- Committed to employing and training members of the local community

RESPONSIBLE **MINING**

We practice responsible mining meaning that none of our mining activities involve conflicts with surrounding communities and we actively work to minimize negative environmental impact, provide employment and create economic opportunity.

MINING INVESTMENTS

Qalaa Holdings' approach in the mining sector focuses on investing in the entire value chain helping nations develop and obtain value from their natural resources.

ASCOM
GEOLOGY & MINING

ASCOM

ASCOM is a leading regional provider of mining and quarry management services for the cement industry

MINING

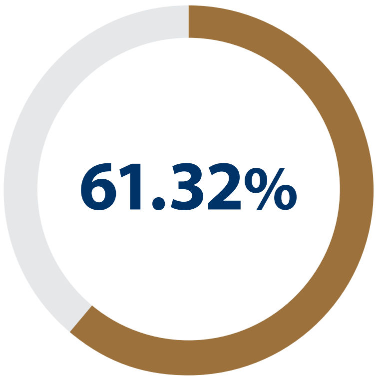
ASCOM

ASCOM GEOLOGY & MINING

ASCOM is Qalaa Holdings' operational platform in the mining sector that specializes in mining services, the management of quarry services for the cement industry and the exploration and production of precious metals, including gold.

Qalaa Holdings Ownership

(as of July 2019)



ASCOM is a mining, geology and materials company operating in North and East Africa with operations in geological drilling and mining consultancy and precious metals exploration.

With an original focus on providing products and services for the cement sector in Egypt, ASCOM has significantly expanded its scope and operational vision. While creating value in Egypt's mining sector, the company has successfully diversified its revenue streams by focusing on capturing potential growth in the industrial minerals sector with two subsidiaries: ASCOM Carbonate and Chemical Manufacturing (ACCM), one of Egypt's leading exporters in the industrial minerals sector, and GlassRock Insulation Company.

In the building materials sector, ASCOM has transitioned from acting as a service provider to holding concessions for gypsum mining aggregates, silica sand, gravel and other basic raw materials. The company also operates a number of small quarries in Egypt and has a fully specialized company operating in the aggregates market in Algeria.

ASCOM limestone quarry

Operational Updates

ASCOM Precious Metals Mining (APM)

APM was established as a logical progression of ASCOM's foray into precious metals mining. The company consolidates all of ASCOM's exploration operations in precious metal mining under one entity. The company currently has one concession in Ethiopia (Asosa – 402 Km2 and Awero Godere – 1,000 Km2). Within the Asosa concession, the company has identified a significant 1.5 million-ounce gold discovery. ASCOM plans to embark on further exploration and drilling work on the site as well as a complete bankable feasibility study and necessary steps to obtain a full mining license and establish a gold production facility.

1.5MN ounce gold discovery in Asosa concession (Ethiopia)

ASCOM achieved y-o-y top line growth across all subsidiaries in FY19

ASCOM manages quarries for Egypt's cement sector

ASCOM is the largest specialized company in the quarry management sector in the Middle East and North Africa

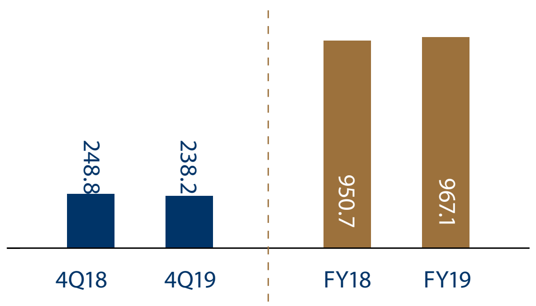
Egypt Quarrying

ASCOM's Egypt Quarrying has grown to become the largest specialized company in the quarry management sector in the Middle East and North Africa. Over the past decade, the company has developed unique expertise in the field, particularly within the cement industry. Around 90% of ASCOM's Egypt Quarrying's revenues are generated from quarrying for cement clients.

Due to continuous pressure on Egypt's cement industry, caused by oversupply and tough market competition, ASCOM is facing an increasingly challenging operating environment. Management has been focusing on adjusting contracts and adopting the minimum take criteria as well as renewing other contracts on a take-or-pay basis in attempt to cover costs incurred when markets are underperforming. These contract adjustments have helped the company deliver steady revenue growth in 2019.

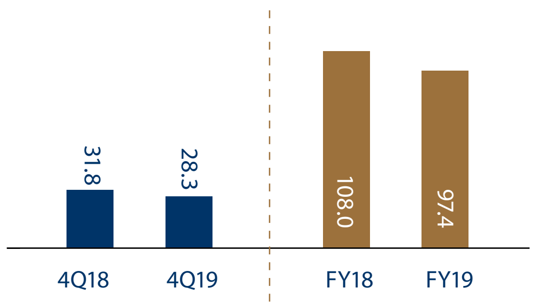
ASCOM Consolidated Revenues

(EGP mn)



ASCOM Consolidated EBITDA

(EGP mn)



2019 Financial Highlights

ASCOM's consolidated revenues in 2019 reached EGP 967.1 million from EGP 911.9 million in 2018. This increase was primarily due to the overall increase in revenues across all of ASCOM's subsidiaries. ASCOM EBITDA fell to EGP 99.49 million in 2019 from EGP 105.6 million in 2018, the decline was caused by a sharp drop in quarrying EBITDA and an increase in variable costs.

Egypt Quarrying revenue grew by 4% y-o-y to EGP 379.8 million in 2019 up from EGP 363.8 million in 2018, due to continuous pressure on Egypt's cement industry, caused by oversupply and fierce market competition. While EBITDA was in the red at negative EGP 5.1 million in 2019 down from EGP 28.7 million in 2018.

Egypt Quarrying revenue grew by 4% y-o-y to EGP 379.8 million in 2019

22.9 K Tons

Egypt Quarrying Volumes Sold (FY19)

▲2% y-o-y

GREENER **PACKAGING MATERIALS**

80K tons

recycled paper used

Qalaa's printing and packaging investments have proven resilient during economic downturns. The sector is expected to continue capitalizing on lower material and feedstock costs.

PRINTING & PACKAGING

National Printing Company has four subsidiaries: Shorouk, Al-Baddar, Windsor and Uniboard, and a total of 2,000 employees.

USD60MN

QH investments in the sector

50%

Reduction in Egypt's Duplex imports as a result of local manufacturing by Uniboard

NATIONAL PRINTING COMPANY

National Printing Company stands as one of Egypt's largest sustainable producers in the sector with four integrated subsidiaries

SHOROUK

Undertakes laminating, cutting, folding, gluing and printing activities.

WINDSOR

Imports, exports and trades raw materials used in the packaging production process

UNIBOARD

Uses recycled wastepaper as one of the main raw materials in the production of duplex boards

EL BADDAR

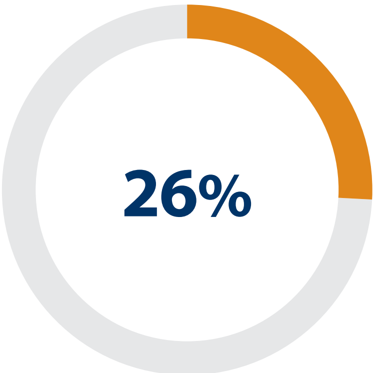
Specializes in the production of corrugated sheets and boxes

PRINTING & PACKAGING

PRINTING & PACKAGING

Through its subsidiary National Printing Company, Qalaa Holdings partnered with one of Egypt's industry leaders, the El Moallem family. The company grew its investments in the printing and packaging space. Today, National Printing Company stands as one of Egypt's largest sustainable producers in the sector with four integrated subsidiaries under its umbrella, including Shorouk, El Baddar, Uniboard and Windsor.

Qalaa Holdings Ownership
(as of July 2019)



Through investments and acquisitions, Qalaa Holdings has solidified its presence in the printing and packaging sector and developed its integrated holdings through the National Printing Company, which has today become one of Egypt's most prominent producers of printing and packaging products. The company has worked to diversify its offerings to include an array of products, including corrugated cartons, a range of boxes, duplex boards manufactured from recycled waste-paper, sheeters, single facers, flexos and chemical additives that are able to meet a significant portion of Egypt's local demand.

Originally established in 2006 under Qalaa's small and mid-cap investments company, Grandview, National Printing owns two subsidiaries: Shorouk and Baddar.

Offset printing process

2019 Operational Highlights

Shorouk for Modern Printing and Packaging (National Printing ownership 90%)

Shorouk operates three primary production lines for laminating, cutting, folding, gluing and printing activities. It currently has an annual production capacity of 50,000 tons, which it allocates to folded boxes (50%), laminated packages (40%) and books (10%). Its primary revenue generators are sales to large multinational corporations in the consumer goods, pharmaceuticals and paper spaces. Additionally, Shorouk generates more than 20% of its annual revenues from exports. In the future, Shorouk will seek to capitalize on its available production capacity to expand its production of books.

50K Tons annual production capacity (Shorouk)

National Printing offers value added products that have been growing exponentially and penetrating key export markets

Offset printing process

Offset printing process

El Baddar for Packages (National Printing ownership 100%)

Baddar is a wholly owned subsidiary of National Printing Company, specialized in the production of corrugated sheets and boxes, which are popular in the market due to favorable properties such as strength, durability, lightness, recyclability and cost efficiency. Widely used for shipping, particularly in the food industry, more than half of the company's top line is attributed to sales to the food and beverage sector. With an annual production capacity of 45,000 tons, Baddar's products hold a total market share of approximately 10%.

Uniboard (National Printing ownership 46%)

Uniboard is a strategic Greenfield investment providing a vertical integration to the rest of the Group. It capitalizes on recycled wastepaper as one of the main raw materials in the production of duplex boards. With an annual production capacity of 135,000 tons, Uniboard supplies the majority of the annual market demand for duplex boards, which currently stands at 200,000 tons. The remainder of the market demand is supplied by a local competitor that is able to supply 25,000 tons annually with the deficit being met through exports.

Uniboard also plays an integral role in National Printing's supply chain, as a supplier of raw materials (primarily manufactured duplex) to Shorouk. Access to a secure supply of locally manufactured raw material has significantly minimized Shorouk's foreign currency risk and maximized its profitability. In addition to local sales, Uniboard is able to export small volumes of its products to China and Turkey.

32,150 Tons

Shorouk Total Volumes Sold (FY19)

▲2% y-o-y

Windsor (National Printing ownership 100%)

Windsor for Trading and Converting Paper was established in 2005 in Obour City to import, export and trade raw materials used in the packaging production process. In 2008, the company was turned into a manufacturing plant for paper packaging and chemical additives. The company's main products are paper cups, corrugated board, sheeting, lamination and chemicals for multinational companies such as Uniliver, Coca-Cola and Pepsico.

2019 Financial Highlights

National Printing Company's revenues witnessed a slight dip compared to the previous year, coming in at EGP 1,817.2 million in FY19, which can be attributed to a decrease in revenues from Baddar, while EBITDA fared better for the year at EGP 282.9 million.

Shorouk saw an increase in both revenue and EBITDA, coming in at EGP 756.5 million and EGP 154.7 million, respectively. The uptick was spurred by a 2% increase in total sales volume, amounting to 32,150 tons.

Baddar saw a 16% decline in sales volumes of corrugated sheets and boxes in FY19, amounting to 28,207 tons, with revenues coming in at EGP 346.4 million, owing to the saturated and fragmented nature of the market. Additionally, production witnessed a lengthy disruption during the year as the company relocated its production facilities to a new site. However, EBITDA saw a 6% increase during the year, coming in at EGP 36.7 million as a result of lower raw material costs.

Throughout 2019, Uniboard continued to build on its capacity utilization, successfully increasing its volumes by a monthly average of 900 tons, resulting in a 6% increase in volume production in FY19. As a result of pricing pressure, the company's revenues saw an 8% decline compared to the previous year, coming in at EGP 896.4 million. However, as a result of increased operational efficiency, a decline in the cost of raw materials, which amount to 60% of Uniboard's total variable cost, as well as economies of scale, the company delivered a 65% increase in EBITDA, amounting to EGP 92.9 million in FY19.

28,207 Tons

Corrugated Sheets/Boxes Volumes Sold (FY19)

▼16% y-o-y

109 K Tons

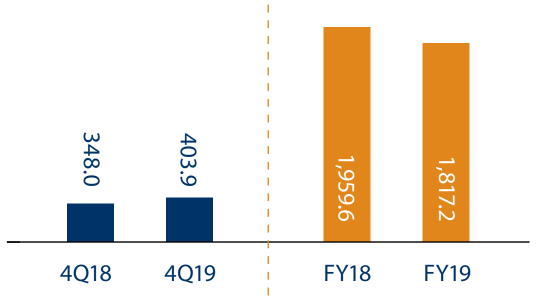
Duplex Board Volumes Sold (FY19)

▲6% y-o-y

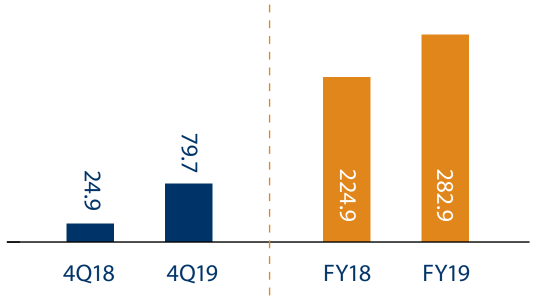
Access to a secure supply of locally manufactured raw material from Uniboard has significantly minimized Shorouk's foreign currency risk and maximized its profitability

Windsor's revenue and EBITDA both saw an increase in 2019, coming in at EGP 59.5 million and EGP 22 million, respectively, on the back of a 10% increase in total sales growing from EGP 54.1 million in FY18 to EGP 59.5 million in FY19.

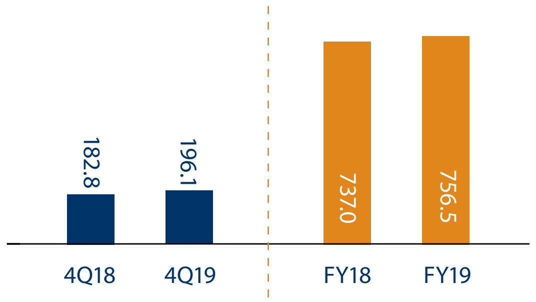
Grandview (National Printing Holding Co.)
Revenues* (EGP mn)



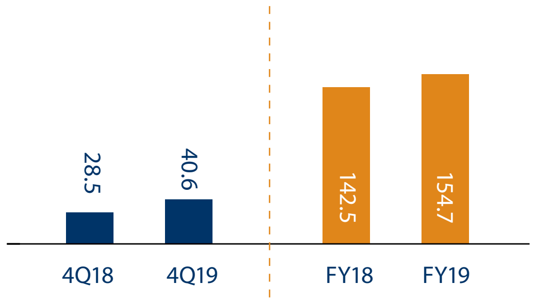
Grandview (National Printing Holding Co.)
EBITDA (EGP mn)



Shorouk Revenues
(EGP mn)

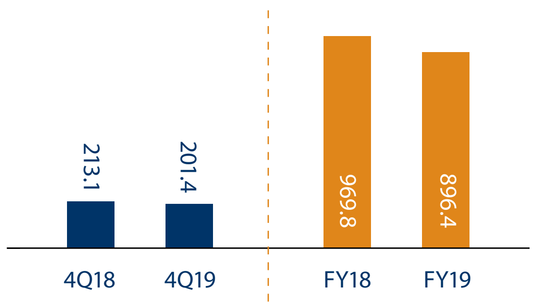


Shorouk EBITDA
(EGP mn)

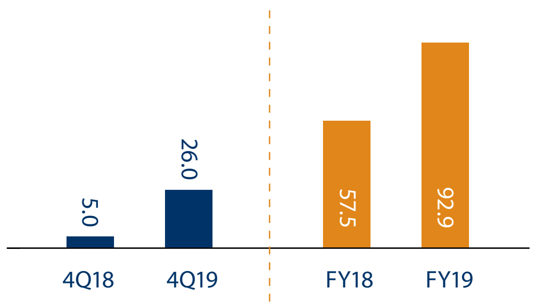


* *The consolidated figures of Grandview used in the chart are statutory figures consolidated by QH.*

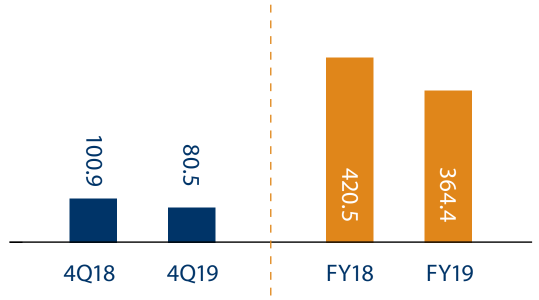
Uniboard Revenues
(EGP mn)



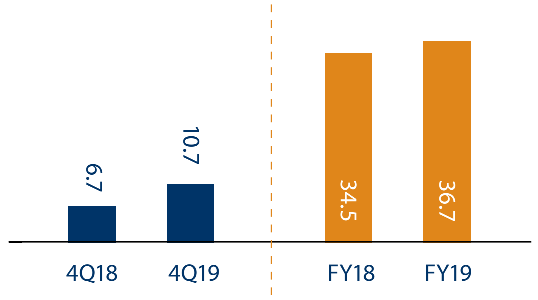
Uniboard EBITDA
(EGP mn)



El Baddar Revenues
(EGP mn)



El Baddar EBITDA
(EGP mn)



2019 Sustainability Achievements

01 Prosperity

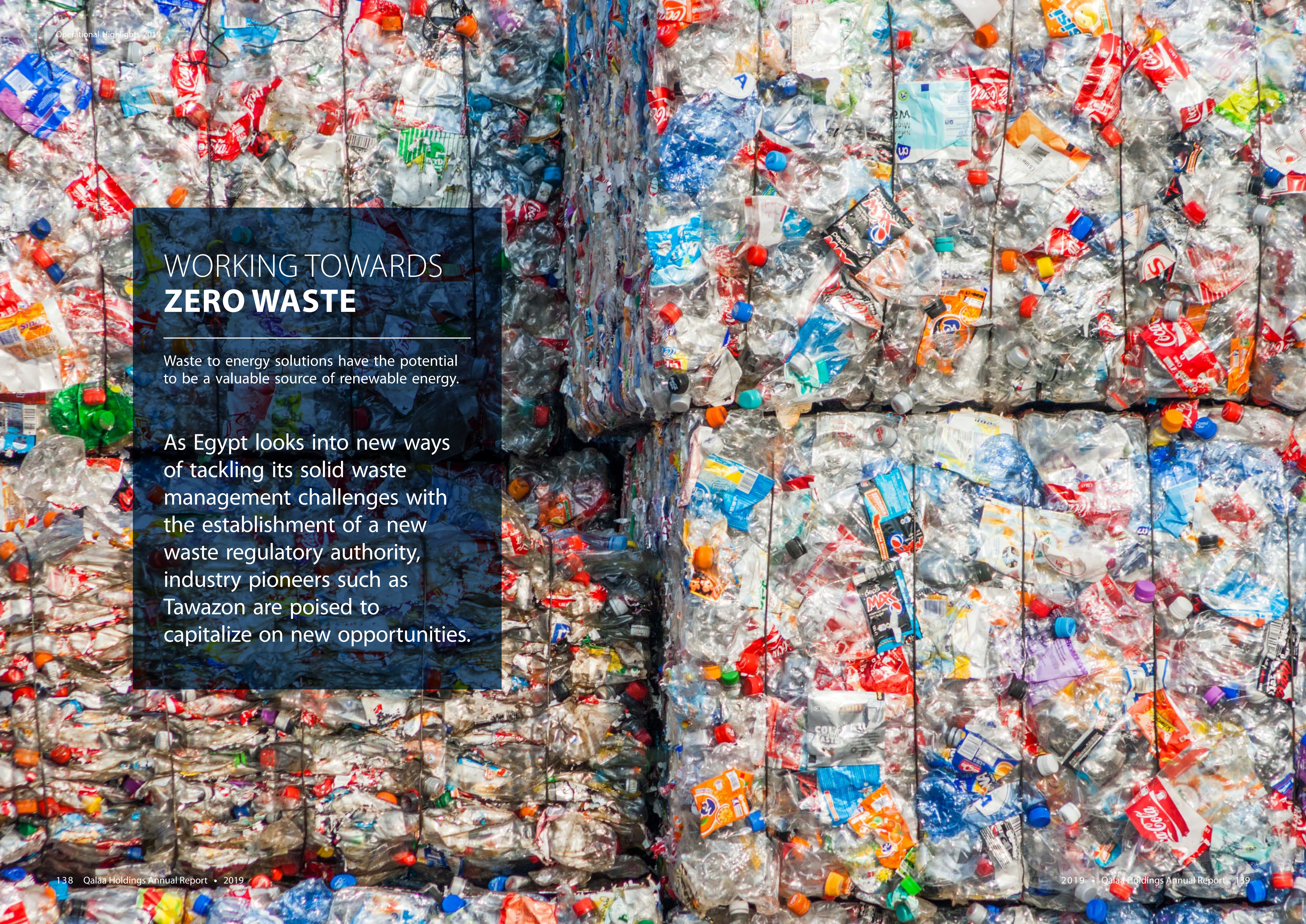
- Stands as one of Egypt's largest sustainable producers of printing and packaging materials

02 Planet

- Provides safe and environmentally-friendly packaging solutions
- Utilized 80,000 tons of recycled wastepaper to produce 107,000 tons of duplex board as of 2019
- Holders of the Forest Stewardship Certification (FSC)

03 People

- National Printing Company and its four subsidiaries employ c. 2000 people



WORKING TOWARDS **ZERO WASTE**

Waste to energy solutions have the potential to be a valuable source of renewable energy.

As Egypt looks into new ways of tackling its solid waste management challenges with the establishment of a new waste regulatory authority, industry pioneers such as Tawazon are poised to capitalize on new opportunities.

RECYCLING & WASTE MANAGEMENT

By converting agricultural and municipal waste into alternative fuels for industry, Tawazon is helping Egypt solve its solid waste challenges.

+85

Consultancy projects for ENTAG across Egypt and in several Arab countries

TAWAZON

a regional pioneer in the solid waste management industry that converts agricultural and municipal waste into alternative fuels for industry and other useful products, including compost and animal fodder

ECARU

ECARU, a regional leader in biomass production, is responsible for collecting, transporting and processing agricultural waste

ENTAG

ENTAG is a solid waste management engineering and contracting company with multiple sorting and composting facilities in Egypt

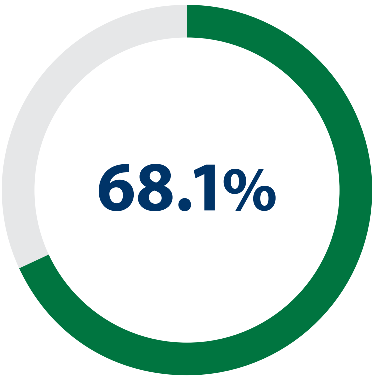
RECYCLING & WASTE MANAGEMENT

TAWAZON

With a renewed commitment towards responsible consumption and production, Qalaa subsidiary Tawazon, a full service solid waste management company, is pioneering in circular waste-to-energy solutions by recycling waste into environmentally friendly biofuels.

Qalaa Holdings Ownership

(as of July 2019)



Qalaa Holdings' commitment to providing the country with efficient renewable energy solutions is highlighted through its investment in the solid waste management and alternative fuels sector. By converting agricultural and municipal waste into alternative fuels for industry and other useful products, including compost and animal fodder, Tawazon is helping Egypt solve its solid waste challenges.

Tawazon currently holds two companies: the Egyptian Company for Solid Waste Recycling (ECARU), a solid waste management service operator, and the Engineering Tasks Group (ENTAG), a solid waste management engineering and contracting company. Qalaa has worked closely with management at both companies to boost human and financial resources to better capitalize on existing opportunities as well as develop and explore new ones. The company's short to medium-term focus is on providing biomass and Refuse Derived Fuel (RDF) as an alternative fuel to heavy energy consumers such as cement factories and as feedstock to medium density fiber-board (MDF) factories and pulp plants.

2019 Operational Updates

Tawazon's two subsidiaries, ECARU and ENTAG, provide an integrated service offering that gives clients access to solid waste management and alternative waste-to-energy solutions.

ECARU

ECARU is responsible for collecting, transporting and processing agricultural waste. For the past six years, the company has been a regional leader in biomass production, a process that recycles agricultural residues that would otherwise be openly burned into fuel for heavy industries, such as cement manufacturing.

During 2019, ECARU continued to be impacted by pressure on the Egyptian cement sector, which has resulted in an overall decrease in demand. The appreciation of the Egyptian pound and subsequent price-competitiveness of imported fuels and the retraction in global coal prices have also led to a decrease in appetite. Although the company's key clients in the cement industry had signed agreements to obtain pet coke, the increase in fuel prices in July 2019 caused some to refuse upward readjustment of price points and to end their partnership with ECARU, causing a growth in inventory held by ECARU against the same period of the previous year.

While there continues to be a degree of uncertainty regarding the renewal of some Municipal Solid Waste (MSW) contracts with the government that have expired at the end of February 2020, ECARU has maintained strong operations at its agricultural waste division, which produces biomass with sales of RDF increasing by 32% y-o-y in FY19.

ECARU agricultural waste processing

32%

y-o-y increase in sales of RDF

ENTAG

ENTAG is a solid waste management engineering and contracting company with multiple sorting and composting facilities in Egypt. The company has consulted on more than 85 projects in Egypt and in several Arab countries and also maintains an international presence, with projects in Saudi Arabia, Malaysia, Libya, Sudan, Oman and Syria. In 2017, ENTAG established an Omani subsidiary that is 60% owned by ENTAG Egypt and 10% owned by ECARU.

96,003 Tons

Total RDF Supplied (FY19)

▲32% y-o-y

181,768 Tons

Total Biomass Supplied (FY19)

▼8% y-o-y

During the first quarter of 2019, the company successfully completed the final portion of ENTAG Oman's following projects in the UAE:

Liner Construction of Cell 3 in Jazeerah Landfill, Ras al Khaimah, UAE, with total value of AED 11 million. The project's contact was signed in November 2017 and successfully completed in December 2018.

Digging up a new garbage dump at the landfill site in Al Saga area — Sharjah, UAE — with a total value of AED 21 million. The project's contract was signed in May 2018 and successfully completed in July 2019.

Prior to the COVID-19 pandemic, management had also started negotiations to expand the company's pipeline with a number of prospective clients in the UAE and other GCC countries.

2018 Financial Updates

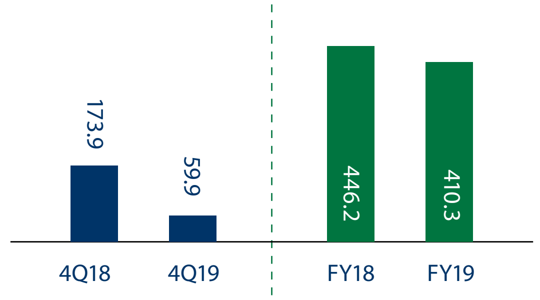
In 2019, revenues at Tawazon decreased in comparison with the previous year reaching EGP 401.3 million. Tawazon reported a 41% decrease in EBITDA to reach EGP 60.3 million in FY19. This contraction is attributed to the sharp decrease in ENTAG Oman revenues and EBITDA during FY19 compared to FY18.

ECARU saw an increase in revenues to EGP 317.3 million in FY19, 8% y-o-y growth on the back of an increase in RDF sales. While EBITDA fell to EGP 32.1 million, marking a 28% y-o-y decrease. On a quarterly basis, it saw a 32% y-o-y top line contraction in 4Q19 to EGP 56.2 million, while EBITDA plunged by 82%, recording EGP 3.0 million for the quarter.

ENTAG Egypt's consolidated revenue contracted by 22% to EGP 13.8 million in FY19, while its consolidated EBITDA was down to negative EGP 9.1 million. On a quarterly basis, the company reported consolidated revenue loss of 66% to EGP 4.6 million in the fourth quarter. ENTAG Oman's EBITDA fell by 72% to EGP 5.0 million in 4Q19 compared to the EGP 18.0 million reported in 4Q18.

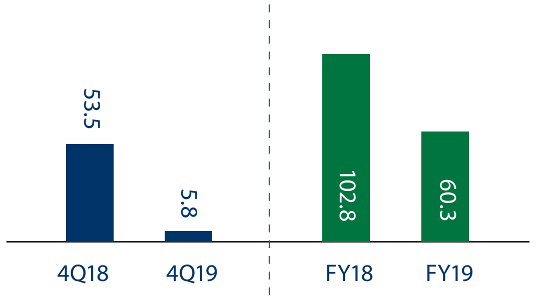
Consolidated Tawazon Revenues

(EGP mn)



Consolidated Tawazon EBITDA

(EGP mn)



2019 Sustainability Achievements

01 Prosperity

- A pioneer in the circular waste to energy sector that can potentially play an important role in Egypt's energy mix

02 Planet

- Distributed and produced 493,248 tons of RDF, 1,068,655 tons of organic compost and 1.3 million tons of biomass as of 2019
- ECARU MSE business treated 5,00 tons of agricultural waste per day

03 People

- 1,200 employees are working with local farmers to recycle agricultural waste that would have otherwise been openly burned

Construction

CONSTRUCTION

TAQA EPC
ARESCO

In line with the Egyptian government's policy to convert residential, commercial and industrial entities to natural gas, a cheaper safer and more environmentally friendly source of energy, TAQA Arabia, Egypt's leading private sector energy distributer, spun-off a specialized EPC unit that eventually became a standalone company called TAQA EPC.

TAQA began operating in the EPC sector in 1999 through subsidiaries House Gas, Pharaonic Gas and TAQA Engineering and Contracting.

House Gas has been converting 150,000 domestic clients to natural gas per year for the past five years. As of 2019, the total number of clients converted has reached more than 1.5 million customers over a period of 22 years.

TAQA's EPC activities are classified as follows:

Engineering and Design

TAQA EPC was established as a standalone entity in 2003 under the name Engineering Company for Gulf of Suez (EGESCO), the company's activities include:

- Engineering, design and consulting work for 1.5 million domestic and commercial clients that are converting to natural gas
- Feasibility studies
- Fire-fighting systems
- Design, supply and installation of pressure reducing stations for natural gas in major Egyptian cities
- Supply and install heating boilers for swimming pools and natural gas water heaters (American products)
- Supply and install residential heating and solar systems

Construction and Installations

Construction work for high and medium pressure gas pipelines, as well as pressure reducing stations, odor addition and low-pressure polyethylene networks for domestic, commercial and industrial users.

ARESCO

ARESCO is a turnkey contractor specializing in industrial projects. The company provides comprehensive design, engineering, procurement, manufacturing, contract management and construction services for industries ranging from cement to power plants and water treatment facilities. After 31 years of operations around the globe, ARESCO has built a reputation for quality, efficiency and professionalism. In June 2019, ARESCO was reconsolidated after having been classified as a discontinued operation for several quarters during which it was under divestment. The previously initiated sale process has been halted.

Chemical Industries

CHEMICAL INDUSTRIES

ASCOM Carbonate and Chemicals Manufacturing

ASCOM CARBONATE AND CHEMICAL MANUFACTURING (ACCM)

ACCM is ASCOM's first manufacturing plant specialized in the production of calcium carbonate, a material with vast applications in the fields of plastics, paper, paint and chemicals.

Over the past three years, ACCM managed to increase operational capacity and utilization from less than 80% in 2017 to 100% in 2019, as well as increasing exports' contribution from 60% in 2017 to over 80% in 2019.

In 2019, sales volumes witnessed a y-o-y increase of 8%, reaching 326,000 tons from 303,000 tons in 2018 that led to a subsequent y-o-y increase in sales revenue for the year. However, ACCM's cost base was affected by the energy subsidy removal program implemented by the government and the increasing inflation of electricity and shipping costs. The company's profitability was further curtailed by the strengthening of the EGP against the USD given that ACCM exports approximately 80% of its total sales.

In an effort to further expand production capacity, the company recently launched a third production line and developed a new sales optimization tool that analyzes and identifies optimal export markets that can boost growth and bolster profits with an eye on diversification. The company also has plans to expand sales locally to hedge against the strengthening EGP and to benefit from stronger working capital dynamics, improved cashflow and healthy margins in the local market.

Medical Industries

MEDICAL INDUSTRIES

ALLMED MIDDLE EAST

Allmed is an international company specialized in the research, development, manufacturing, marketing and distribution of medical supplies with a focus on renal care.

The company manufactures an unmatched range of products for renal care therapies. Through continuous innovation and the company's commitment to the highest standards of quality, Allmed is able to provide the right therapy to meet the specific demands of each patient.

In Egypt, Allmed owns a factory manufacturing Dialysis Fluids Filters, and a factory in Germany manufacturing the fiber threads used in the filters.

As of 2019, the company employed 1,172 people in Egypt.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFITS OR LOSSES

For the year ended 31 December 2019

(All amounts in EGP '000)	Note	2019	2018
Continuing operations			
Revenue	9	14,916,751	13,382,179
Cost of revenue	10	(12,789,984)	(11,359,745)
Gross profit		**2,126,767**	**2,022,434**
General and administrative expenses	11	(1,741,448)	(1,617,562)
Other operating expenses	12	(408,443)	(1,290,798)
Operating losses		**(23,124)**	**(885,926)**
Finance costs – net	14	(1,119,886)	(1,719,504)
Share of profit (loss) of investments in associates	15	(56,848)	(33,533)
Gain on sale of investments - net		-	422
Loss before income tax		**(1,199,858)**	**(2,638,541)**
Income tax expense	16	(218,317)	(136,463)
Net loss from continuing operations		**(1,418,175)**	**(2,775,004)**
(Loss) / profit from discontinued operations (attributable to owners of the parent company)	3(b)	(107,084)	3,704,072
Net (loss) / profit for the year		**(1,525,259)**	**929,068**
Attributable to			
Owners of the parent company		(1,135,537)	1,350,843
Non-controlling interest		(389,722)	(421,775)
		(1,525,259)	**929,068**
		(EGP/Share)	**(EGP/Share)**
Loss per share from continuing operations:			
Basic (loss) earnings per share (EGP/Share)	22	(0.624)	0.742
Diluted (loss) earnings per share (EGP/Share)	22	(0.624)	0.742
(Loss) / earning per share from discontinued operations:			
Basic (loss) / earnings per share		(0.1)	2
Diluted (loss) / earnings per share		(0.1)	2

Scan the QR code to download our audited consolidated financials and full financials available in PDF from our investor relations microsite ir.qalaaholdings.com

Notes available in audited consolidated financials*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2019

(All amounts in EGP '000)	Note	2019	2018
Non-current assets			
Fixed assets	6(a)	70,047,463	71,672,364
Intangible assets	6(b)	325,403	342,151
Goodwill	6(c)	238,181	238,181
Biological assets	6(d)	359,165	302,294
Investments in associates	2(f)	281,119	156,161
Available for sale financial assets	5(b)	12,314	16,496
Trade and other receivables	5(a)	899,745	806,459
Deferred tax assets	6(e)	128,410	14,257
Derivative financial instruments	5(f)	-	212,556
Total non-current assets		**72,291,800**	**73,760,919**
Current assets			
Inventories	6(f)	2,670,654	1,490,220
Biological assets	6(d)	18,219	27,283
Trade and other receivables	5(a)	6,753,310	3,908,637
Due from related parties	21(a)	346,023	507,436
Financial assets at fair value through profit or loss	5(c)	3,010	4,223
Cash at bank and in hand	5(d)	3,667,814	6,401,336
Total current assets		**13,459,030**	**12,339,135**
Assets classified as held for sale	3(c)	432,200	1,196,077
Total assets		**86,183,030**	**87,296,131**
Equity			
Paid-up capital	7(a)	9,100,000	9,100,000
Legal reserve		89,578	89,578
Reserves	7(c)	525,886	1,255,164
Accumulated losses		(17,268,830)	(16,189,793)
Total equity attributable to owners of Citadel Capital Company		**(7,553,366)**	**(5,745,051)**
Non-controlling interests		19,736,696	20,312,440
Total equity		**12,183,330**	**14,567,389**
Non-current liabilities			
Loans and borrowings	5(h)	40,542,959	44,445,192
Deferred tax liabilities	6(e)	199,525	211,597
Trade and other payables	5(e)	299,255	234,388
Derivative financial instruments	5(f)	257,893	-
Total non-current liabilities		**41,299,632**	**44,891,177**
Current liabilities			
Provisions	6(g)	1,627,711	1,321,340
Trade and other payables	5(e)	10,679,343	7,650,924
Due to related parties	21(b)	1,678,175	2,006,272
Loans and borrowings	5(h)	17,996,282	15,783,055
Financial liabilities at fair value through profit or loss	5(g)	364,592	355,296
Current income tax liabilities	6(h)	221,512	176,895
Total current liabilities		**32,567,615**	**27,293,782**
Liabilities associated with assets held for sale	3(c)	132,453	543,783
Total equity and liabilities		**86,183,030**	**87,296,131**

Chief Financial Officer	**Managing Director**	**Chairman**
Moataz Farouk	Hisham Hussein El Khazindar	Ahmed Mohamed Hassanien Heikal

ENERGY

CEMENT & BUILDING MATERIALS

TRANSPORTATION & LOGISTICS

AGRIFOOD

MINING

PRINTING & PACKAGING

CONSTRUCTION

RECYCLING & WASTE MANAGEMENT

MEDICAL INDUSTRIES

CHEMICAL INDUSTRIES

QALAA HOLDINGS القلعة

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Four Seasons Nile Plaza Office Building
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