CITADEL CAPITAL

القلعة

Local Insight
Regional Footprint
World-Class Expertise

ANNUAL REPORT 2011

PART OF THE SOLUTION








CITADEL CAPITAL القلعة
Local Insight
Regional Footprint
World-Class Expertise

ANNUAL REPORT 2011
PART OF THE SOLUTION

1

Empowering Entrepreneurs

Citadel Capital portfolio company Tanmeyah has helped more than 70,000 small entrepreneurs grow their businesses and create jobs nationwide.

2

State-of-the-Art Glass

Citadel Capital platform company GlassWorks produces float glass to the most exacting international standards for use in a wide variety of industries.

3

Healthy Food

Citadel Capital portfolio company Gozour supplies the market with fresh produce, is the leading producer of fresh packaged milk, and makes regional staples such as halawa and tehina.

4

Safer Vehicles

Citadel Capital portfolio company United Foundries isn't just a leading exporter — it is also a top producer of cast parts for the domestic automotive assembly industry.

5

Import Substitution

Citadel Capital portfolio company ASEC Cement spurs local development by providing quality building materials without relying on imports.

6

Cleaner Air

Citadel Capital platform company ERC will produce the cleanest-burning diesel fuel in the world, helping curb Egypt's present-day sulfur dioxide emissions by as much as 30%.

7

Fuel Security

Citadel Capital platform company TAQA Arabia converts vehicles to cleaner-burning CNG and helps deliver natural gas to more than 300,000 households while producing electricity for industry.

8

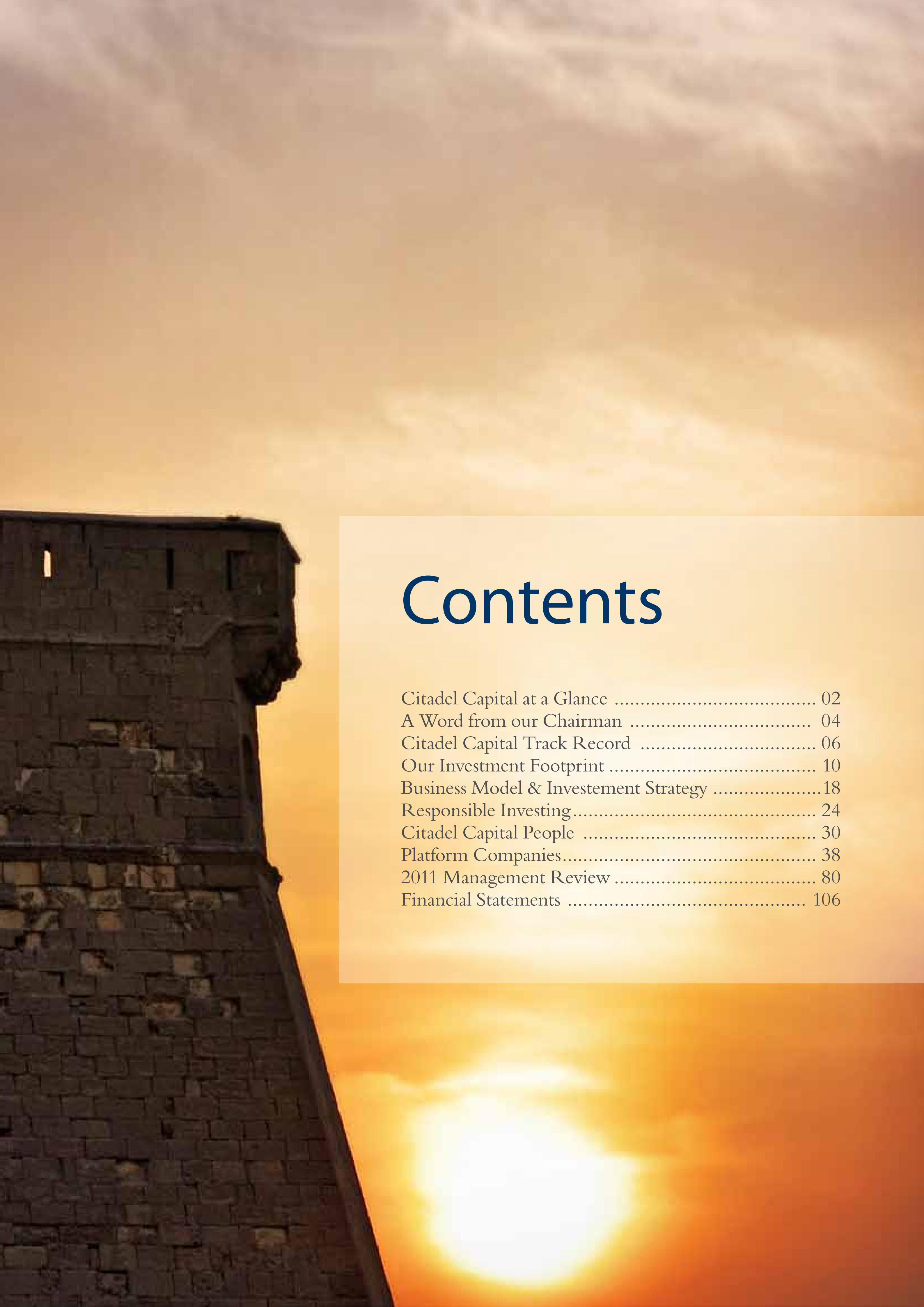
Cleaner Cities

Citadel Capital platform company Tawazon transforms municipal and agricultural products into alternative fuels in addition to producing waste-based paper substitutes.

9

Alternative Transport

Citadel Capital platform company Nile Logistics helps ease road congestion and reduce fuel emissions by shifting freight onto the River Nile.



Contents

Citadel Capital
At a Glance

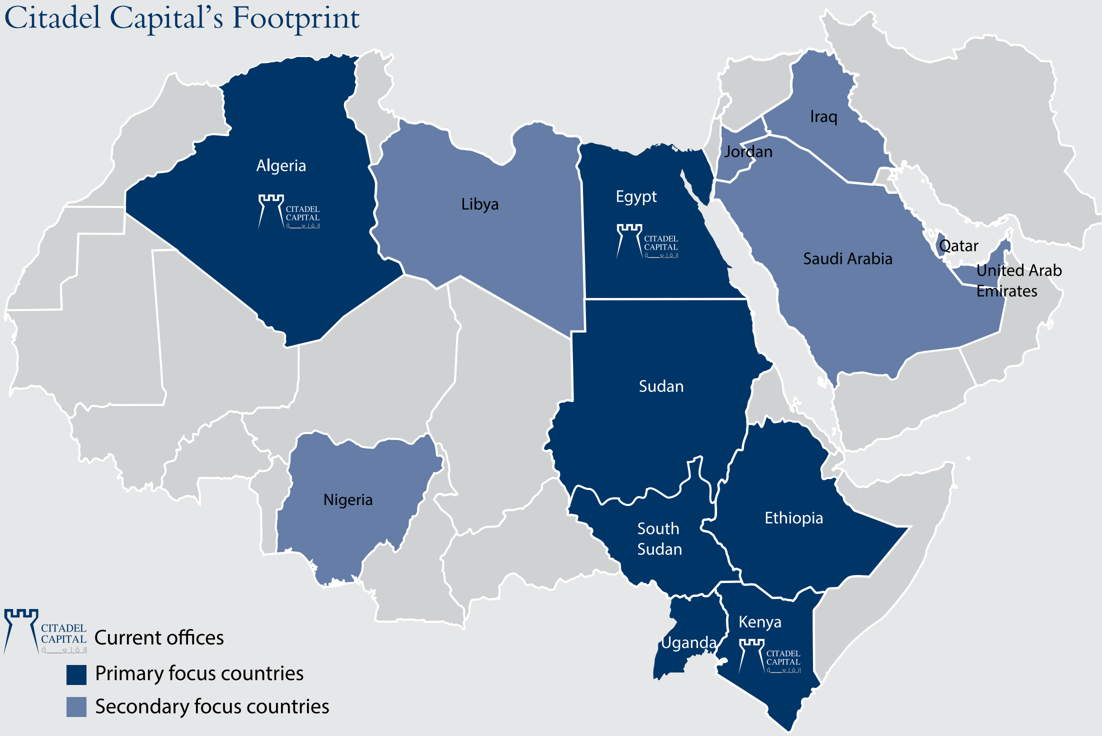
$9.5 bn
in investments under control as of year-end 2011

$940 mn
in principal investments

15
industries from cement to agriculture, financial services to energy distribution

19
Opportunity-Specific Funds as of year-end 2011

Citadel Capital's Footprint



Total Investments Under Control
US$ 9.46 billion

Committed Equity
US$ 4.32 billion

Committed Debt
US$ 5.15 billion

Invested Assets Under Management
US$ 3.28 billion

Uninvested Assets Under Management
US$ 1.03 billion*

Drawn
US$ 2.11 billion

Undrawn
US$ 3.04 billion

Citadel Capital
Principal Investments
US$ 0.94 billion

Third-Party AUM
US$ 2.34 billion

Fee-Earning
Third-Party AUM
US$ 2.10 billion

Non-Fee Earning
Third-Party AUM
US$ 0.24 billion

* Includes uninvested portions of MENA and Africa Joint Investment Funds, Egyptian Refining Company and undrawn portion of Africa Railways equity and committed funds from OPIC (distinct from new financing facility for Citadel Capital).

$2.2 bn

in cash returns to shareholders and limited partners on investments of $650 mn

$767 mn

in fresh international cash raised in 2011

$325 mn

in cash added to the firm's own balance sheet in 2011

15

countries, spanning the Middle East and Africa

#1

private equity firm in Africa by PE funds under management, 2007-12, as ranked by Private Equity International

A Word from our Chairman

The year just ended can only be called one thing: Tough. Before the Revolution, we were on a roll to reach financial close on the Egyptian Refining Company (ERC), which is building a US$ 3.7 billion greenfield petroleum refinery, and many of our platforms were posting stronger performances. The deterioration of the global environment had slowed despite the challenges facing Europe and the United States. Interest rates were going to stay low for a long period of time. Although risk remained somewhat elevated and significant deleveraging in the global banking system was taking place, QEI and QEII had prompted emerging markets equities to rally. Moreover, strong performances in key emerging markets helped the picture. Our share price was recovering nicely and had reached EGP 9.50 per share.

On January 25, the Revolution began in Egypt. Perhaps I should not be saying this, but it took us by surprise, and the 12 weeks that followed will one day be taught as a textbook case of what not to do in a transition to democracy. We saw wholesale prosecution of cabinet ministers, of public officials, and of leading figures in the business community. Everything that had happened during the Mubarak era was being condemned. Paralysis set in, and the investment environment was wounded.

On 20 February 2011, I convened a meeting of senior management in our Nile-side offices. My views at that meeting were bearish: Tourism and FDI were hit, and imports of petroleum products and food would become drags on the currency. The budget deficit, I said, would soar with or without the Revolution — this was going to be the first year in which the Egyptian General Petroleum Corporation (EGPC) was going to ask for support directly from the Ministry of Finance.

> "If we get our Loula, watch out for Egypt! In the meantime, our eyes are wide open to the many risks — and potential rewards — of the coming period."

In the period that followed, we took a big, sharp blow to the chin when I, as part owner of Citadel Capital, was accused of profiteering from a privatization deal and was slapped with a travel ban. These accusations were patently false: Citadel Capital had bought the company in question a full three years after its privatization — and only after the owner who purchased it as part of the privatization program had died of pancreatic cancer. Indeed, Citadel Capital had not even been incorporated at the time of the privatization. I take heart that the allegations were subsequently put to rest without charges being laid, and thank those who stood by the firm during this time.

All of this was going to mean that we needed a stable source of finance to support projects that had not reached financial close — as well as those investments that remained in turnaround or greenfield modes. We landed decisive one-two punches by closing our US$ 175 million rights issue (on which Citadel

Capital Partners, the vehicle through which senior management holds its equity, were forced into further dilution) and then agreed with the United States Overseas Private Investment Corporation (OPIC) to secure a US$ 150 million, 10-year loan. Both packages helped us enormously.

We simultaneously engaged in a serious cost-cutting exercise: Our aim was (and still is) to reduce our OPEX spending to less than EGP 100 million per year from EGP 180 million two years earlier. We promised our shareholders that any amount in excess of that sum will be borne by the management team.

We also engaged in a review of our business model, having determined that the current "illiquidity discount" meant that accessing the cashflows of some of our companies should be considered. For this review, we have engaged Bain and Co. and we are constantly communicating with our Board of Directors on this issue. This review and the subsequent implementation of its conclusions will profoundly change our existing modus operandi.

The environment in Egypt will continue to be challenging. Unemployment will rise, the currency will come under additional pressure, and inflation will remain high. Without reform to the public sector and to the subsidy system, the budget deficit will soar. Citadel Capital estimates that the budget deficit in FY 2012-13 will exceed EGP 170 billion — around 12% of GDP. Without reform, next year will be significantly worse. All this will cause serious social pressure. To put it in historical context, though, this is not substantially different than Turkey in 2000. Indeed, I remember being a fixed-income investor in Turkey in 2000 when interest rates shot to 1,000% in the overnight market and devaluation was 1.5% a day.

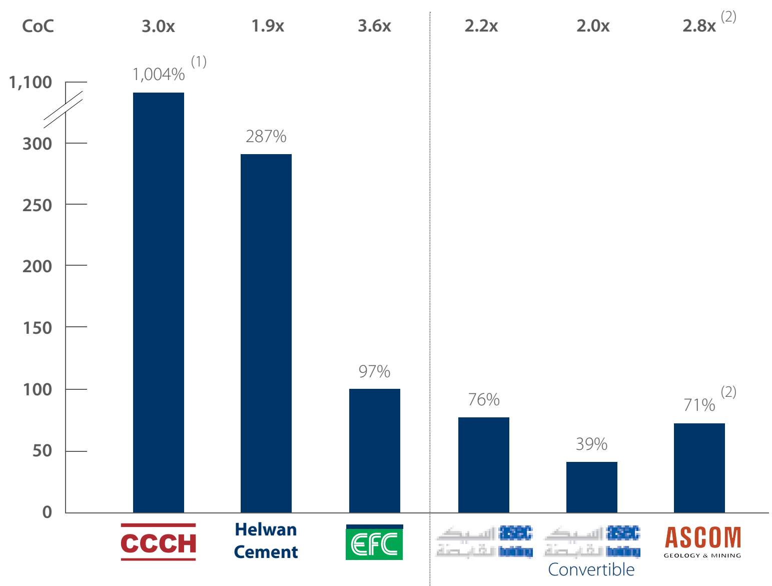
Fortunately for Citadel Capital, we saw the deterioration of Egypt's macro position coming. Most of our investments fall into four categories: Investment in commodities which are dollar-denominated; export industries; investments outside of Egypt; and investments in industries that will benefit from partial energy deregulation. All four categories of investments stand to benefit from, or be neutral to, macro deterioration.

In the future, the role of the private sector will expand. With a soaring deficit, the state will no longer be able to invest. This is an Indonesia after the Suharto moment, a Turkey before the Erdogan moment, or a Brazil before Loula. The examples are numerous. If we get our Loula, watch out for Egypt! In the meantime, our eyes are wide open to the many risks — and potential rewards — of the coming period.

Ahmed Heikal
Chairman and Founder

Citadel Capital Track Record

Proven ability to make exits

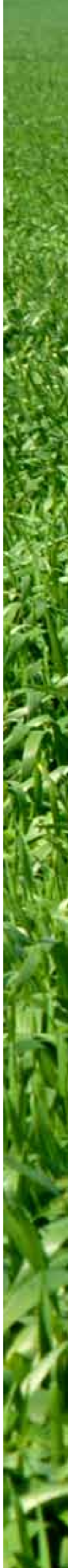


	CCCH	Helwan Cement	EFC	asec holding	asec holding Convertible	ASCOM
Year of Realization	2004	2005	2007	n/a	n/a	n/a
Holding Period	3m	6m	24m	n/a	n/a	n/a
	Realized Investments			Partially Realized Investments		

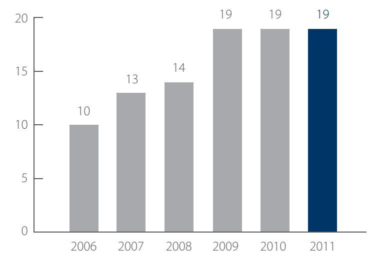
- **Generated US$ 2.2 billion in realized value from 6 successful exits**

- **Full exits**
  - 3 investments
  - Value of US$ 1.8 billion
  - IRR of 167%
  - Cash on cash of 3.0x
- **Partial exits**
  - 3 investments
  - Value of US$ 427 million
  - IRR of 67%
  - Cash on cash of 2.2x
- **Helwan Cement was sold to Italcimenti**
- **EFC was sold to Abraaj then swapped into OCI**
- **ASCOM was listed on the EGX**

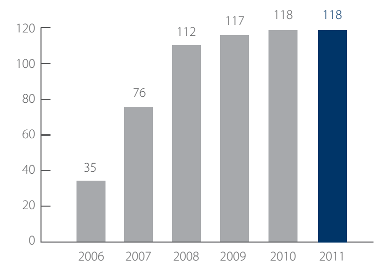
(1) The high IRR is due to the short duration of the holding period for this investment.
(2) Multiple of investment and IRR based on market values as at 31 December 2011.



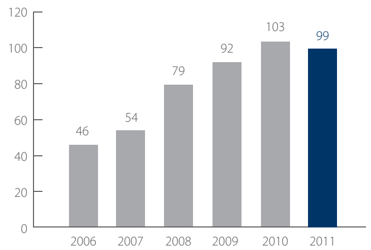
Number of Platform Companies



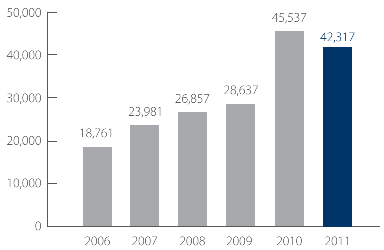
Number of Operating Companies



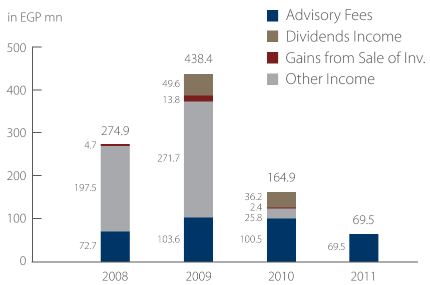
Citadel Capital Headcount



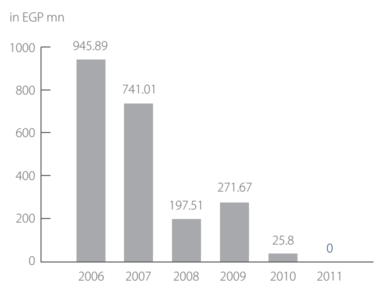
Employees at Operating Companies



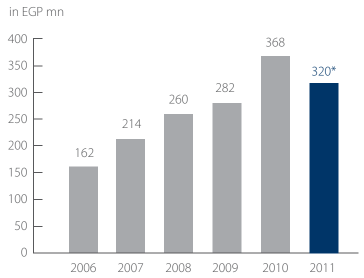
Revenue and Other Income



Capital Gains

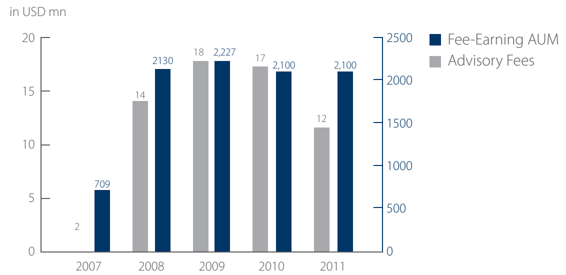


Total Taxes Paid By Portfolio Companies



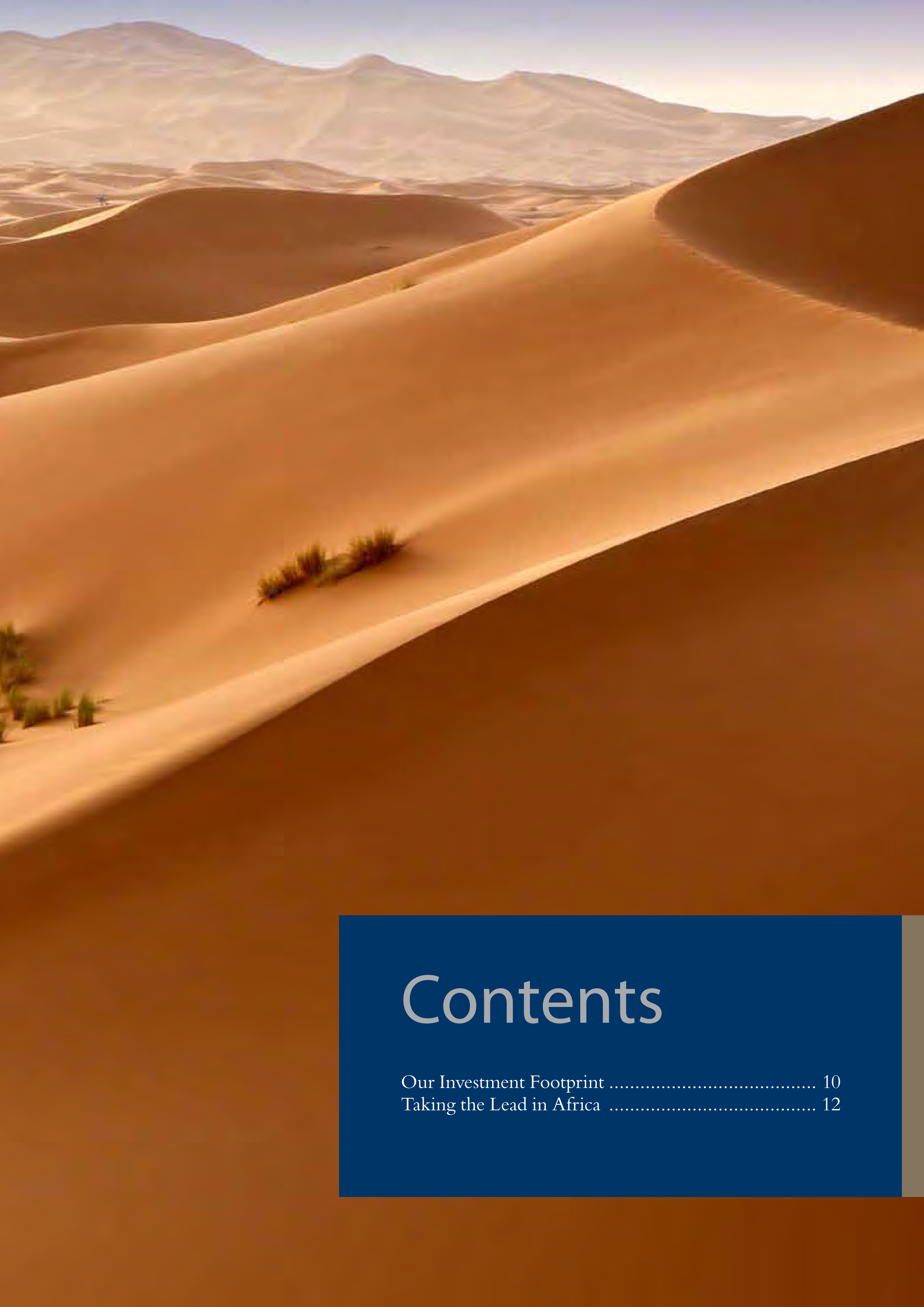
* Approximate value.

Advisory Fees vs Fee-Earning AUM



Our Investment Footprint

Turning one of the region's most common resources into a value-added product — float and container glass — **GlassWorks** is part of the solution. This platform has created jobs at its greenfield Sphinx Glass factory and has become an important exporter of float and container glass while serving domestic needs.



Contents

© Marcello Bertinetti/White Star Archive

Our Investment Footprint

We invest in fast-growing economies in the Middle East and Africa

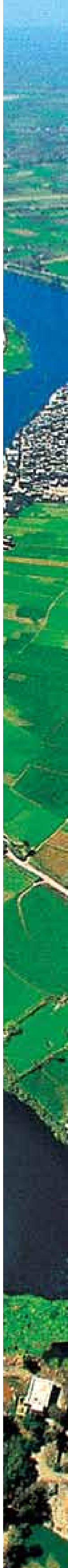
Citadel Capital invests across the Middle East and Africa. To begin with, the dynamic Middle East and North Africa (MENA) region offers unique investment opportunities for those with the local insight to identify them and the world-class expertise to capitalize on them. With a population of c.350 million, the MENA region is the third-largest in the world: twice as large as Russia and more than four times larger than the United Kingdom. More than 60% of the population is under the age of 30, further supporting the region's attractive demographics.

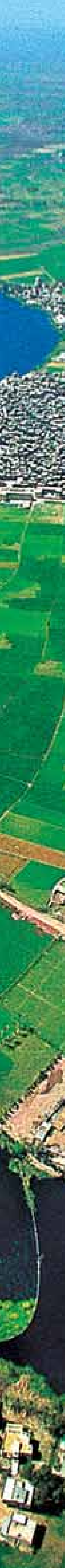
Events across the region in 2011 have not reshaped MENA's compelling fundamentals, which include energy earnings flowing into the GCC and around the region; strong sovereign fiscal positions in our key markets (Egypt being the exception); economic diversification and infrastructure spending programs announced by many regional governments; government legislative and fiscal support for private sector development; a sound regional banking system; a fast-growing and essentially un-leveraged consumer class; and the continuing shift of energy-intensive industries from Southern Europe to North Africa.

Indeed, the global competitiveness of the MENA countries — particularly Egypt, the region's most diverse economy and a natural global export and manufacturing hub — will only rise as long-term political risk is mitigated by the emergence of greater democracy even at the price of slower short-term growth.

Further to the south, the African continent is home to some 54 countries and is more than three times the size of the United States. Africa, with the world's fastest growing population, crossed the 1 billion mark in 2010 and will have the world's largest working-age population by 2040.

While much of the world looks at Africa as a pure "commodities play" — leveraging high global commodity prices against relatively accessible untapped natural resources across the continent — Citadel Capital believes African investors must themselves take the lead on large-scale infrastructure and industry investments that will catalyze economic development and have a multiplier effect





across regional economies.

As in the Middle East, the firm sees substantial opportunities in Africa presented by the strong growth of the continent's consumer base — which is leading to increased consumption and which will translate into stronger demand for consumer finance — as well as by a "value-added" approach to management of the continent's natural resource wealth, which will prioritize higher-value exports as opposed to pure sales of commodities.

Moreover, a new generation of African policymakers have prompted changes in governance that have been the catalyst of positive change, opening previously off-limits sectors of the economy to investment by the private sector.

In the ten years to 2010, six of the ten fastest-growing economies in the world were in Africa — and seven of the ten projected to be the fastest-growing in 2011-15 are on the continent, according to data compiled by the IMF World Economic Outlook and the Economist.

Citadel Capital structures investments that are designed to be part of the solution to pressing challenges facing nations across our investment footprint. The firm's investments result in cleaner air, ease road congestion, produce safer fuel, more efficient industry, create jobs and help railways better serve their clients.

By leaving the communities in which it does business better than it found them, Citadel Capital and its platform investments aren't only "doing good" — impact investing has the potential to turbo-charge long-term returns for limited partners and co-investors while creating value for shareholders.

> "Our investments are part of the solution to challenges across our 15-country footprint."

Citadel Capital is part of the solution

The firm's investments produce cleaner-burning fuel, ease road congestion, help industry become more efficient, improve infrastructure, create jobs and deliver energy across a 15-country footprint.

Taking the Lead in Africa

We are the leading private investors in Africa's critical infrastructure and resources sectors, with US$ 9.5 billion in investments under control

Citadel Capital (CCAP.CA on the Egyptian Exchange), is the leading private equity firm in the Middle East and Africa. Citadel Capital's 19 Opportunity-Specific Funds control platform companies with investments of US$ 9.5 billion spanning 15 countries and 15 industries including energy distribution, solid waste management, agrifoods, cement, refining, transportation and glass manufacturing.

Outstanding Returns

Since it began operations in 2004, the firm has raised and invested equity of more than US$ 4.9 billion, including over US$ 940 million of its own capital. In the same period, Citadel Capital has generated more than US$ 2.2 billion in cash proceeds from five successful exits (three full and two partial) on investments of US$ 650 million, more than any other private equity firm in the region.

Flexible Fundraising Approach

The firm has completed a total of 54 acquisitions and new company formations and pursues control investments across the deal-type spectrum, including turnarounds, buyouts, consolidations / industry roll-ups and greenfields.

The firm raises equity via Opportunity-Specific Funds (each of which controls a platform company in a specific industry) and has reached first close on the MENA and Africa Joint Investment Funds, its first standard institutional funds.

Development finance institutions are among Citadel Capital's most valued limited partners, having committed the lion's share of the more than US$ 761 million in equity and debt committed to Citadel Capital's platform and portfolio companies in 2011.

A Proven Team

The firm employs 73 professionals, including a 41-strong team of investment professionals. The vast majority of senior staff are from the region and enjoy the benefits of both having long relationships with key players in the MEA business community and substantial international exposure.

Ranked Largest Firm in Africa

A founding member of the Egyptian Private Equity Association (EPEA), and a board member of the African Private Equity Association (AVCA), Citadel

To date, ten of the firm's 19 OSF's have **notable presences in African economies other than Egypt.** While Egypt remains a core market and a springboard for most of Citadel Capital's regional expansion activities, a growing number of the firm's investments have started in African economies other than the firm's original market.

Capital has been ranked four years running as the largest private equity firm in Africa by Private Equity International on the PEI 300, which also ranks the firm among the ten largest in global emerging markets.

Growing Pan-African Presence

To date, ten of the firm's 19 OSFs have notable presences in African economies other than Egypt.

While Egypt remains a core market and a springboard for most of Citadel Capital's regional expansion activities, a growing number of the firm's investments began operations in — or have expanded to — African economies other than the firm's original market.

Multiple Revenue Streams

Citadel Capital generates revenue in two ways: Through dividends and capital gains on its principal investments, and through fees earned as an asset manager. Asset management fees include a carried interest over a hard hurdle on capital gains which Citadel Capital makes for limited partners in its OSFs as well as advisory fees on the equity it has under control. Advisory fees cover in part the cost of services the firm provides to platform companies, such as strategic input, debt financing expertise, project management and the recruitment of senior staff.

Publicly Traded

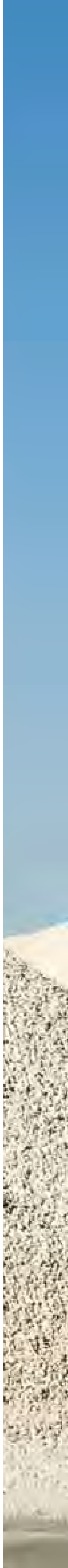
Citadel Capital shares have traded on the Egyptian Exchange under the symbol CCAP.CA since December 2009. In addition to leading regional research houses, Citadel Capital shares are covered by Credit Suisse, Deutschebank and Goldman Sachs.

Earning Shareholder Trust

Citadel Capital's shareholders and the limited partners in its OSFs include leading investors and family offices from Egypt, the Gulf Cooperation Council and North Africa, as well as a growing base of international institutional investors.

Hands-on Managers

As a control investor, Citadel Capital is a hands-on manager of its investments, an approach that allowed it during both the global financial crisis and the Arab Spring to ensure that its investments had the business plans and funding they needed to thrive in those challenging times.



Citadel Capital's strategy is to **create regional champions** in the firm's specific industries of interest. The firm has developed a proven methodology that allows it to structure large, complex deals by addressing key risk points, thereby creating opportunities that are both attractive and accessible to global investors including development finance institutions and export credit agencies.

Our Investement Strategy

Many Citadel Capital platform and portfolio companies are **leading exporters** in fields ranging from services to float glass, from cast automotive parts to technical calcium carbonate used in paint, paper and plastics.

Contents

Investment Themes and Macro Trends by Select Platform Company

Select Platform	Investment Theme: Commodities	Exporters or Import Substitutes	Benefitting from Energy Deregulation	Investments Outside Egypt (US$ revenues)
Egyptian Refining Company		✓	✓	
Tawazon		✓	✓	
Rift Valley Railways				✓
Nile Logistics			✓	
Gozour				
Agriculture	✓	✓		
Dairy		✓		
Packaged Foods		✓		✓
Wafra	✓			✓
TAQA Arabia				
Power Generation			✓	✓
Gas Distribution			✓	
Oil Marketing			✓	
CNG Conversion			✓	
ASCOM				
Quarrying	✓			
Gold Exploration & Production	✓			✓
Calcium carbonate / Rockwool / Glasswool		✓		
Nile Valley Petroleum	✓			✓
ASEC Holding				
ASEC Cement	✓	✓		✓
Contract Cement Plant Mgmt.		✓		
Construction & Engineering		✓		
GlassWorks		✓		
United Foundries		✓		

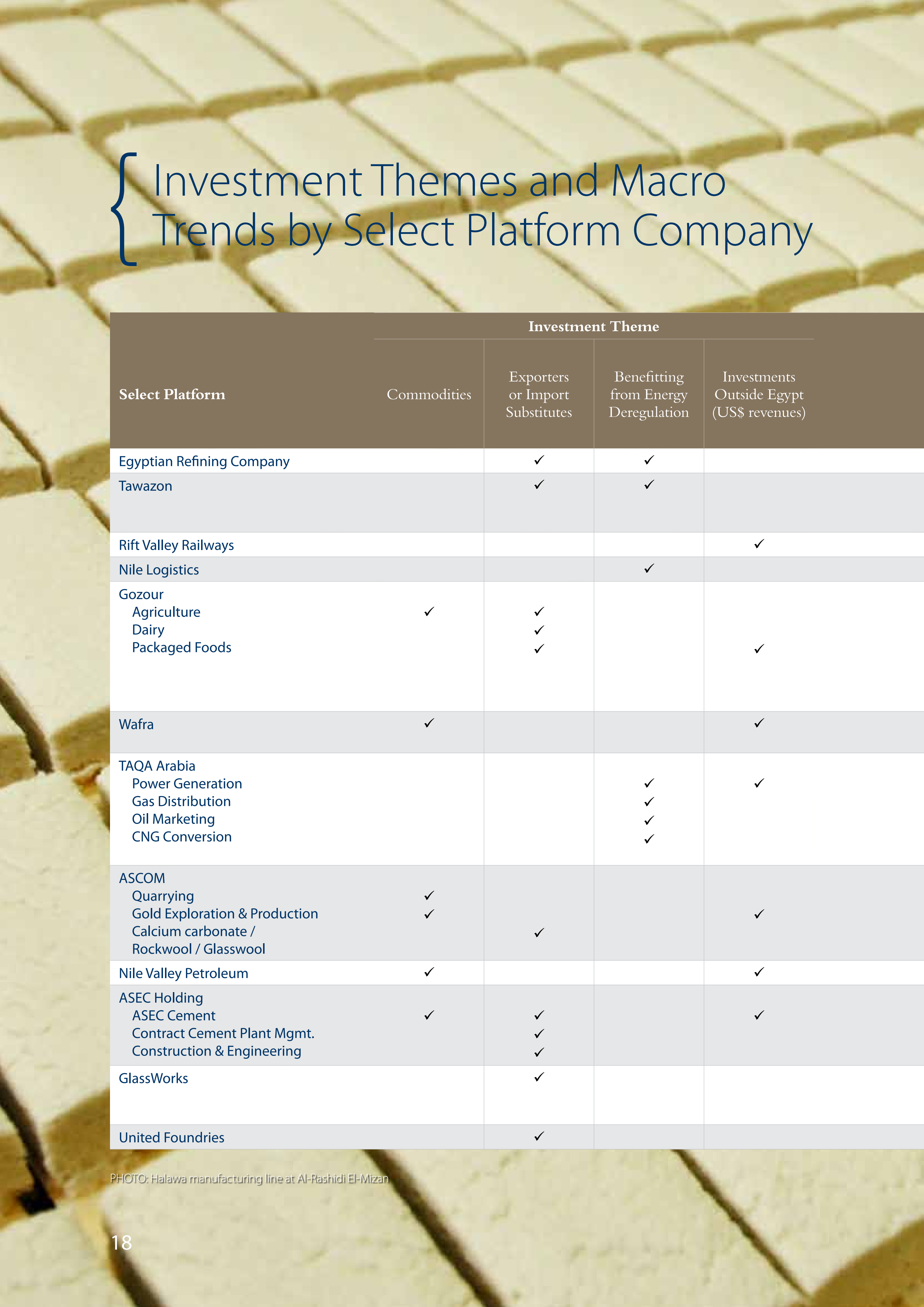


PHOTO: Halawa manufacturing line at Al-Rashidi El-Mizan

Macro Trend			
Devaluation	Elimination of Subsidies / Energy Dereg.	High Commodities Prices	
✓	✓	✓	25-year offtake agreement at international prices in USD.
✓	✓		ECARU produces alternative fuels for industry from refuse. ENTAG exports, has foreign USD-denominated management contracts.
✓			Operates national railways of Kenya / Uganda.
	✓		Fuel-efficient alternative to road transport.
✓ ✓ ✓		✓	Agriculture in Egypt serves both domestic demand and foreign need of specialty exports. Dairy operations (milk, cheese, yogurt) are substitutes for imports (cf: powdered milk) with export potential. Packaged food from Rashidi El-Mizan and juice from Enjoy have proven regional export track records; REM investment in Sudan through Al-Musharraf.
✓		✓	Commodity play serving Sudan and South Sudan, both of which are deficit markets for cereal and oilseed crops.
	✓ ✓ ✓ ✓		Power generation arm suited to serve growing domestic demand in Egypt at a time of subsidy removal. Gas distribution arm operates household accounts, connects households to grids. Company converts motor vehicles to CNG, which will be in demand as fuel prices are liberalized.
✓ ✓		✓ ✓	Quarrying is an indirect play on the Egyptian cement industry. Gold E&P is a USD, commodities-linked revenue stream. Exports accounted for 56% of ACCM's FY11 sales, while the glassrock startup will target 50% exports initially and 80% going forward.
✓		✓	Oil and gas E&P in Sudan and South Sudan.
✓ ✓ ✓		✓ ✓ ✓	Cement businesses in Algeria, Sudan are USD-linked. Plant management contracts are generally USD-denominated. Construction and engineering contracts are structured to provide insulation against forex swings.
✓			Exports accounted for 52% of sales at float-glass maker Sphinx Glass (up from 24%in FY10) and for 46% of sales at glass container maker MGM (up from 40% in FY10).
✓			A strong exporter of automotive parts.

A Flexible, Hybrid Model

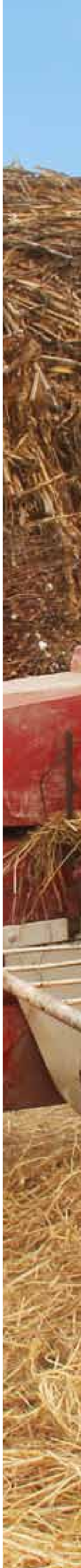
Our business model incorporates aspects of a traditional investment firm with characteristics of a private equity asset manager

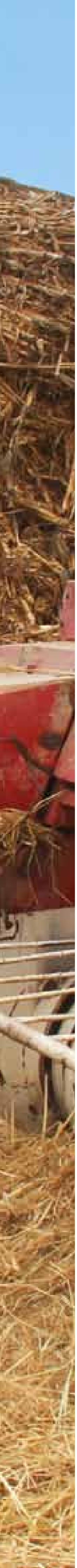
Citadel Capital acquires or creates national champions that serve as platforms for regional expansion in specific industries. For each deal, the firm raises an Opportunity-Specific Fund (OSF). To date, Citadel Capital has raised 19 OSFs that control platform companies in 15 industries with investments of US$ 9.5 billion. The firm pursues an incremental approach to investment that allows it to continue to nurture and build its investments through challenging economic climates including the 2008-09 fallout from the global financial crisis and the more recent impact of the events associated with the Arab Spring.

Citadel Capital is a control investor, with its senior management and staff standing as its largest shareholders, ensuring the full alignment of interests between shareholders, limited partners and staff. It is also a principal investor in its own portfolio, with equity of more than US$ 940 million committed to its own transactions. The firm's investment footprint spans the Middle East and Africa, with a particular emphasis on opportunities in North and East Africa.

Citadel Capital has a hybrid business model that incorporates aspects of a traditional investment firm with characteristics of an asset manager. As a principal investor, Citadel Capital contributes 10-20% of the equity in each of its funds, with the balance being third-party money from leading MENA and global limited partners. Citadel Capital has a long track record as a trusted partner-of-choice for sophisticated international LPs including development finance institutions.

Hybrid business models are also hallmarks of our investments: Tawazon isn't just a solid waste manager, but a leading player in the new waste-to-energy field in Egypt.





As a result, the firm generates revenues from two different streams: Through capital gains on its principal investments, and through the asset management side of the business, where the firm earns an advisory fee on assets under management and a carried interest over a hard hurdle on the capital gains it makes for the LPs in its Opportunity-Specific Funds.

Advantage of Platform Strategy

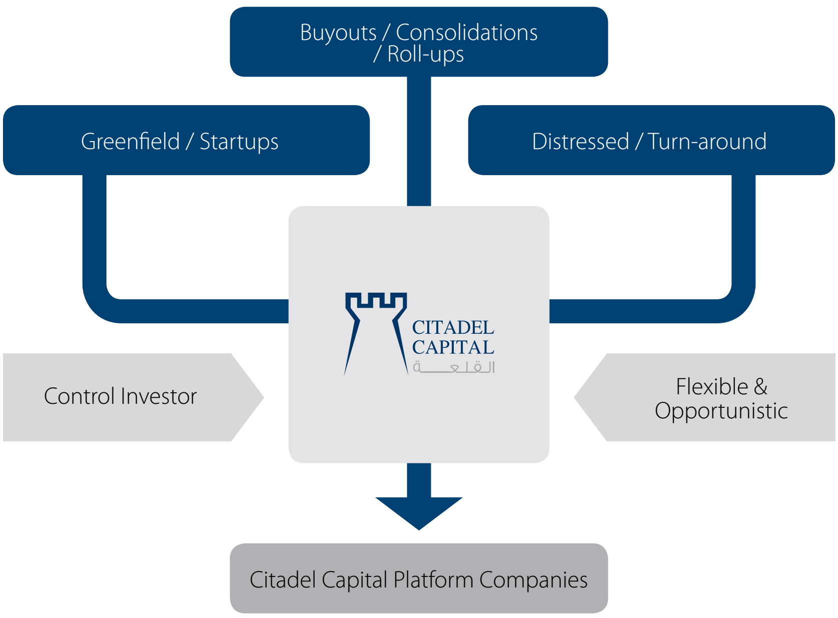
+

Citadel Capital Support/Value Added to Platform Companies

Acquisition Types

Citadel Capital takes a flexible approach to the types of investments it makes across the region, giving it more latitude to invest throughout the business cycle relative to traditional buyout firms. The common theme running through all of its investments is the firm's commitment to raising OSFs that create and control platforms for regional growth.

The firm's willingness to pursue an incremental approach to building its platform investments (and its continued ability to raise debt) has allowed it to capitalize on opportunistic investments despite global economic conditions in the past two years.



Typical Transaction Structure

Citadel Capital 20% | JIF 40% | Co-Investors / LPs 40%

- Citadel Capital is an investor as well as an asset manager, typically taking a 20% equity stake or a minimum 10% stake in its investments
- The Joint Investment Fund (JIF) will contribute capital alongside Citadel Capital's principal investment at a fixed ratio of 2:1

Opportunity-Specific Fund

Platform Company

- Opportunity-Specific Funds set up on a deal-by-deal, industry-by-industry basis
- Control of OSFs through shareholder agreements
- Platform company established / acquired to act as holding company
- Acts as a basis for follow-on Investments (horizontal and vertical)

Add-On Investments | Add-On Investments | Add-On Investments | Add-On Investments

- Add-ons to capture the full value chain
- Strategic vision to build regional leaders in a variety of industries

Disciplined Investment Process

Due Diligence	Post-Acquisition Value Enhancement: Organic Growth	Post-Acquisition Value Enhancement: Regional Expansion	Exit Management
• Commit resources early • Quick identification of material issues • Significant 3rd party review • Secure exclusivity subject to due diligence • Incorporate hedges on key risks	• Strengthen / incentivize management team • Improve financial management • Operational improvements • Build industry leaders through commitment of capital and expertise - Organic growth - Add-on acquisitions • Build platform companies to capitalize on market opportunities	• Transformation of local players into regional champions • Apply expertise in new markets • Accelerate value creation	• Early identification of exit options • Focus on scale to facilitate exit via public market or strategic players • Flexible approach and readiness to sell at the right value
Focus on generating proprietary or advantaged situations	Grow and enhance business to build domestic champions	Leverage on domestic strengths to build regional champions	Focus on exit planning and keeping a flexible approach

Citadel Capital **creates long-term value** for the firm, its shareholders and its co-investors by pursuing opportunities through leveraged buyouts, distressed investing, consolidation plays / industry roll-ups, and greenfield investments.

Responsible Investing

We believe we have a duty to leave the communities in which we do business better than we found them. We place special emphasis on promoting education and helping preserve the environment as the keystones for a sustainable future for generations to come.

We firmly believe that the private sector must play a more socially responsible role in the upcoming period in order to balance economic growth with overall development in the region

Citadel Capital pursues sustainable investments that reflect the view that environmental, social and corporate governance (ESG) issues do affect the performance of an investment portfolio and therefore must be given special consideration. By incorporating ESG issues into our decision making process and aligning our objectives with those of society at-large, we will not only deliver strong returns to our shareholders, but we will also help nurture and grow the nascent economies of the Middle East and Africa as they transition into more democratic systems.

In addition to our platform investments, which have added 27,000 direct jobs since 2006, Citadel Capital has contributed more than US$ 60 million to community development programs since 2004, particularly in activities related to education.

Another Bottom Line

Every year more than 42,000 employees of the companies in which Citadel Capital invests serve millions of clients. The firm's mission is to generate outstanding returns for our shareholders and co-investors. We look for investment opportunities that capitalize on the unique fundamentals of the Middle East and Africa, but when we

Impact Investing:

Citadel Capital has been inspired by the guidelines set by the Global Impact Investing Network (GIIN), a non-profit organization established in 2009 by leading industry professionals dedicated to increasing the effectiveness of for-profit investing that addresses social and environmental challenges.

At Citadel Capital the concept of impact investing has been a driving force behind all our transactions and investment strategies. We believe that our outstanding returns to stakeholders are measured not just by the US$ 2.2 billion in cash returns we have generated for shareholders and co-investors, but also by doing right by the millions of people we interact with every year.

The type of impact investing that we have consistently engaged in across all our platforms is the perfect complement to our CSR programs.

Citadel Capital pursues **sustainable investments** that reflect the view that environmental, social and corporate governance (ESG) issues do affect the performance of an investment portfolio and therefore must be given special consideration.

make investment decisions, we give preference to transactions that will create follow-on economic opportunities for those who live in the surrounding communities.

By encouraging environmental sustainability through investments in river transport, recycling and cleaner energy, Citadel Capital has proved itself to be more than simply a profit-oriented enterprise — the firm is demonstrably a driving force for positive social and economic development in Egypt and the region.

Promoting Green Projects Throughout the Region

Citadel Capital platform companies operate some of the most environmentally sustainable projects in their respective industries: Efficient design and cleaner production are often part of the operational added-value which private equity firms introduce to their target industries. Citadel Capital is one of the leading promoters of environmental sustainability through its investments in critical sectors ranging from energy and waste management to transportation and logistics.

Among Citadel Capital's investments that positively impact the environment is Tawazon, the firm's platform company for investment in the solid waste management industry. Tawazon promotes environmental best practices through the operations of its subsidiaries, ECARU (a solid waste management service provider) and ENTAG (a solid waste management engineering and contracting company).

ECARU was one of the first Egyptian organizations to sign a greenhouse gas emission reduction purchase agreement with the World Bank in 2008. The agreement stipulates that Tawazon will sell 325,480 tons of carbon dioxide equivalent greenhouse gas emission reductions to the Carbon Fund for Europe. ECARU also collects and processes up to 525,506 tons of agricultural solid waste and converts it into higher-value products like alternative agricultural products and fuel substitutes.

Supporting Education

The Citadel Capital Scholarship Foundation (CCSF)

In 2007 Citadel Capital established the Citadel Capital Scholarship Foundation (CCSF) as its flagship CSR project. The firm has endowed the Foundation to grant academic scholarships to talented young Egyptian men and women interested in pursuing Master's degrees and PhDs at international universities. Fifteen to twenty students each year receive generous scholarships to follow their dreams at some of the most prestigious educational institutions worldwide. The only condition: They must return to work in Egypt upon graduation. Scholarship recipients have come from across Egypt, including Cairo, Giza, Alexandria, Menoufia, Ismailia, Assiut, Qaliubeyya, Daqqahleyya, Gharbeyya and Aswan. Since its inaugural year, the Foundation has granted scholarships to support 89 Master's degrees and 13 PhDs.

The Citadel Capital Financial Service Center (CCFSC) at AUC

In 2006 Citadel Capital established the Citadel Capital Financial Services Center (CCFSC) at the American University in Cairo (AUC). The center is the Middle East's first institution dedicated to providing financial and analytical education that prepares students for careers in securities trading, risk management and asset allocation. Citadel Capital donated US$ 250,000 to start CCFSC in November 2006 and has further donated US$ 30,000 annually to cover operating costs.

100+

The Citadel Capital Scholarship Foundation has provided graduate-level scholarships to more than 100 outstanding young Egyptian scholars since it was founded.

Since 2006, Citadel Capital's platform investments have added **12,700 direct jobs** to the communities in which we operate — and have offered work training and graduate education opportunities to thousands more. We believe the private sector must play a more socially responsible role in the decades to come to balance economic growth with the overall development of the region

ECARU has also been contracted to supply 50,000 tons annually of RDF feedstock from municipal solid waste. The RDF is the left-over waste after sorting, composting and extracting of the recyclables, metals and organic fractions that would otherwise be land-filled.

Tawazon's contributions include the following:

- Reducing pollution
- Producing organic fertilizers, fodder and wood
- Generating foreign currency from exports and assisting in import substitution through the production of alternative fuels and animal fodder
- Providing new job opportunities in an underdeveloped sector
- Developing new environmentally friendly technologies

$60mn

Citadel Capital has committed more than US$ 60 million to community development programs since 2004, particularly in activities related to education.

Wafra Creates New Jobs and Transfers Knowledge to Local Communities

Sabina, Wafra's portfolio company for investment in agricultural production in Sudan, has put in place a US$ 1.58 million fund for social infrastructure improvements near Kosti in Sudan's White Nile State where the company has obtained a 99-year lease on 254,000 feddans of land.

Highlights include:

- An average of 22% of Sabina's agricultural yield is earmarked for the local community.
- Following the completion of Sabina's operations, 33% of the existing irrigation schemes and 15% of the land will be handed back to local farmers.
- Approximately US$ 395,000 will be allocated each year for the next four years to rehabilitate schools in the local communities and establish vocational training programs for the farmers in a range of jobs including electricians, plumbers and mechanics. Three schools have already been renovated and the fourth is in progress.
- Approximately 7,000 feddans of community irrigation canals have been rehabilitated.
- All land developed for both Sabina and the local communities will be developed to the same design and standard as the land that Sabina will commercially farm.

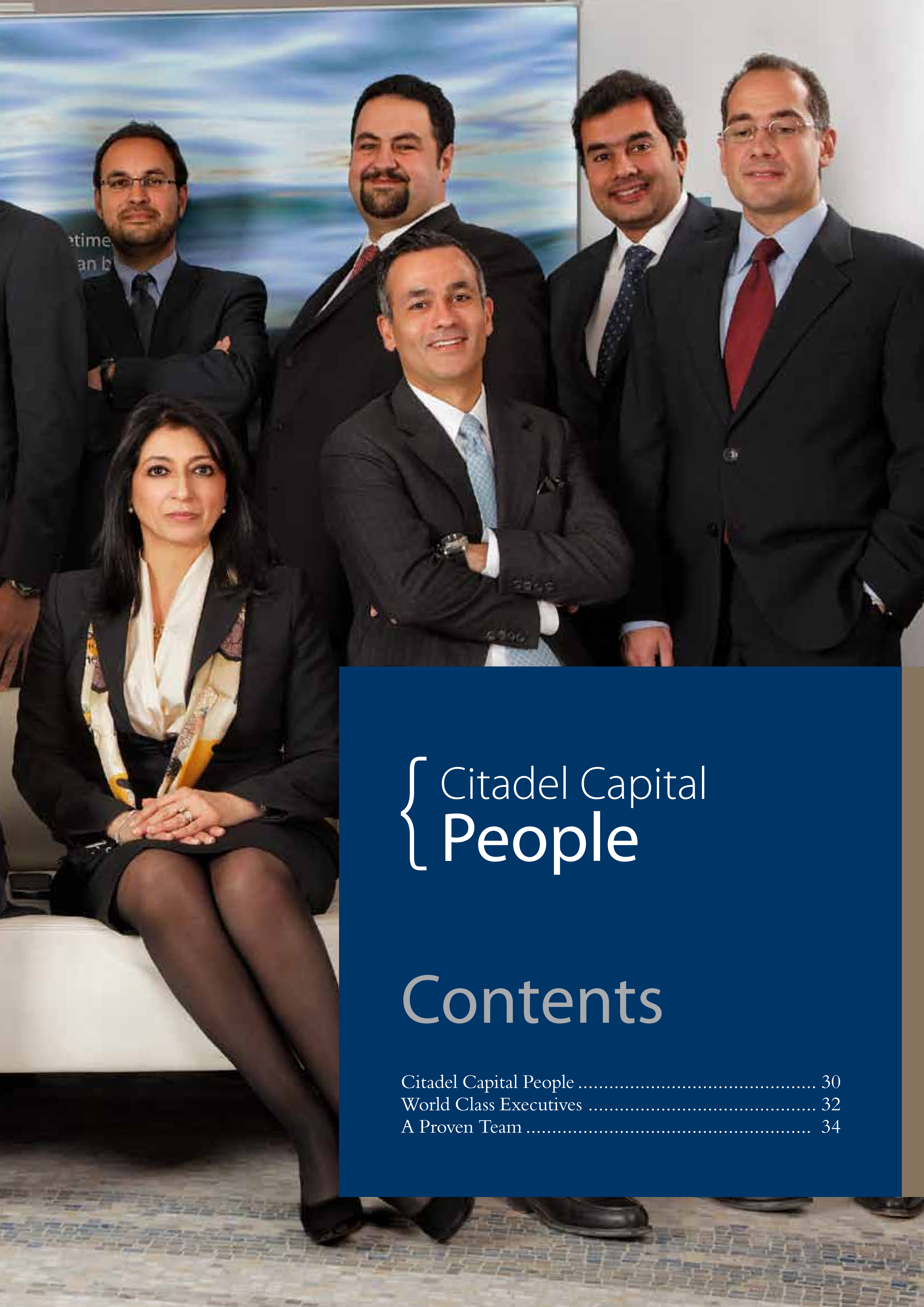
In South Sudan, Wafra portfolio company Concord, which holds 250,000 feddans, has benefitted local communities by providing them with much needed grains, and the transfer of knowledge and expertise to local farmers.

ERC Commits to Training Over 2,000 Workers

The Egyptian Refining Company (ERC), Citadel Capital's state-of-the-art US$ 3.7 billion greenfield second-stage oil refinery in the Greater Cairo Area, is committed to ensuring that the local communities around the refinery in Mostorod benefit from the project in terms of training, employment opportunities and development projects that address the social needs of the area. Although activity on the project has not started, vocational training to prepare people in the nearby communities for jobs has begun.

Highlights include:

- Community Development Centers offering a variety of community services based on a needs assessment conducted in cooperation with local residents. Programs will include: vocational training, computer skills classes, literacy classes, health education and healthcare support.
- Thus far ERC has trained 100 pipe fitters, 40 mechanics, 15 electricians and 45 computer technicians.
- ERC has further committed to providing training to over 2,000 local residents over the next two years.
- Programs established by ERC in cooperation with the Egyptian Welding Academy and Cairo Oil Company's (CORC) Welding Training Center in Mostorod have trained over 500 welders.



Citadel Capital
People

Contents

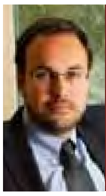
Our People

Our 19 platform investments employ more than 42,000 people in 15 industries and are guided by 73 professionals, including 41 investment professionals

Executive Committee

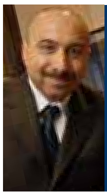
Ahmed Heikal
Chairman and Founder
Experience: 24 years
Background: EFG Hermes, Founoon

Hisham El-Khazindar
Co-Founder and Managing Director
Experience: 14 years
Background: EFG Hermes, Goldman Sachs

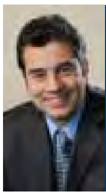


Karim Sadek
Managing Director
Experience: 17 years
Background: Arab Bank, CIB

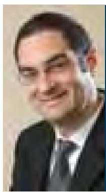
Marwan Elaraby
Managing Director
Experience: 16 years
Background: EFG Hermes, Shearman & Sterling



Tarek Salah
Managing Director
Experience: 30 years
Background: Arab Consulting Engineers



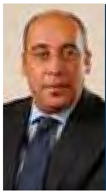
Mohamed Abdellah
Managing Director
Experience: 24 years
Background: EFG Hermes, CIB



Shereef El Prince
Managing Director
Experience: 15 years
Background: EFG Hermes, Vodafone

Aladdin El-Afifi
Managing Director
Experience: 11 years
Background: GS, EFG Hermes, HC Securities

Stephen Murphy
Managing Director
Experience: 29 years
Background: Citi, Salomon Brothers, E*TRADE International



Bassem Azab
Managing Director
Experience: 17 years
Background: Citi, EFG Hermes, Beltone

Amr El-Barbary
Managing Director
Experience: 12 years
Background: Citi, Deutsche Bank

Principals (8)
Ahmed El Sharkawy
Mostafa Sowelem
Karim Badr
Raouf Tawfik
Tarek Hayaly
Alaa El Fas
Mohsen Mansour
Ahmed El Saghir

Vice Presidents (3)
Dena Sarrouf
Youssef Allam
Ali Galal Youssef

Associates (9)
May El Kasaby
Rana Abdel Latif
Hassan Massoud
Salma Mansour
Omar el-Alfy
Sandra Rashed
Nazim Meziane
Christos Argyriou
Omar El Imam

Analysts (7)
Laila Hassan
Mohamed Sarhan
Yasmine El Bialy
Randa El Borollossy
Mohamed Ata
Hashem Sabry
Khaled Badr

Origination and Execution | Project Management | Human Resources | Information Technology | Debt Raising | Equity Raising

Corporate Communications | Investor Relations | Risk Management | Internal Legal Counsel | Finance and Accounting

The way we approach our transactions is a true indication of work and life at Citadel Capital.

Investment professionals are typically assigned to the firm's general pool, where they usually work on a number of transactions simultaneously. Indeed, it is not unusual for a professional to be assigned to three to four transactions at one time. Given the size and complexity of our transactions, this exposure to a broad range of deals and deal types offers Citadel Capital's investment professionals a world-class experience that will stay with them throughout their careers.

The Firm is dominated by young professionals with an average age of just under 30. Yet the combined private equity, capital markets, and investment banking experience of the firm's partners is unmatched

Citadel Capital is a small, close-knit firm with a wide regional footprint.

The firm employs **73 professionals**, including a **41-strong team** of investment professionals, the vast majority of whom are from the region and bring deep regional knowledge to play with substantial international experience.

World-Class Executives

Our senior management team is collectively the firm's leading shareholder

Hisham El-Khazindar
Co-Founder and Managing Director

Prior to co-founding Citadel Capital, Mr. El-Khazindar was Executive Director of Investment Banking at EFG Hermes, where he advised on key transactions, and where he started his career in 1996. In 1999-2000, he was on secondment to Goldman Sachs in London, advising firms on strategic options and M&A transactions. Mr. El-Khazindar sits on the boards of leading companies including ASEC Holding and El Sewedy Cables. He was Chairman of the Capital Markets and Investment Committee at the American Chamber of Commerce in Egypt, and was a member of US-Egyptian Business Council. He is a member of the Advisory Committee of EMPEA, is a founding member of EPEA, a board member of the Egyptian Capital Markets Association, and a member of the board of advisors of AUC's School of Business. He holds a BA in Economics from the American University in Cairo (1996) and an MBA from Harvard Business School (2003).

Ahmed Heikal
Chairman and Founder

Prior to founding Citadel Capital, Mr. Heikal was an executive board member and Managing Director of EFG Hermes, which he helped transform from a small financial consultancy into the leading investment bank in the Arab world. He was head of asset management (1994-95), head of securities (1997-99), head of investment banking (1996-97) and head of private equity (1999-2001). There, he spearheaded highly successful private equity investments, one leading to the creation of Egypt's leading IT company and another to the nation's largest natural gas distribution company. He also raised three rounds of finance for regional mobile telecoms operator Orascom Telecom and led the IPOs of Orascom Construction Industries and Orascom Hotels, among other transactions. Mr. Heikal holds a Master's degree and a PhD in Industrial Engineering and Engineering Management from Stanford University.

Karim Sadek
Managing Director

Prior to joining Citadel Capital, Mr. Sadek was Managing Director of the Arab Investment Company (ABIC), one of the largest private equity firms in Egypt. During his tenure, Mr. Sadek returned a substantial part of the firm's total investments (valued at over EGP 500 million [US$ 90.91 million]) to ABIC's shareholders in the form of dividends and share buybacks. Mr. Sadek holds a Master's in International Securities, Investment and Banking from the Business School for Financial Markets at the University of Reading in the United Kingdom. He has extensive experience in corporate banking and credit risk assessment through his work both at the Commercial International Bank (CIB) and Arab Bank.

Marwan Elaraby
Managing Director

Prior to joining Citadel Capital in 2005, Mr. Elaraby was a partner at Shearman & Sterling LLP in New York, one of the leading global law firms, focusing on high-yield and leveraged acquisition finance as well as oil & gas transactions. Mr. Elaraby was earlier an executive director at EFG Hermes, the premier regional investment bank, where he worked as an investment banker advising clients on numerous capital markets and M&A transactions. Mr. Elaraby studied Economics at the American University in Cairo and Yale University, and also holds a Juris Doctor from Columbia University School of Law.

A Proven Team

Our managing directors combine outstanding local and regional insights with global best practices

Tarek Salah El-Din Atteya, Managing Director for Greenfield Projects

Mr. Atteya joined Citadel Capital in 2007. Previously, he worked with Arab Consulting Engineers in the Project Management Department, where he managed projects including the US$ 750 million CityStars multi-purpose real estate development and a US$ 107 million float glass factory in Tenth of Ramadan City. He holds a BSc in Engineering from Cairo University and an MBA from the Arab Academy for Technology and Maritime Transport in Cairo. Mr. Atteya is presently on secondement to ARESCO, a portfolio company of ASEC Holding, where he is serving as Managing Director and Chief Executive Officer.

Amr El-Barbary, Managing Director

Amr El-Barbary joined Citadel Capital as a Managing Director in 2009 after a career that spanned principal finance, corporate finance, and derivatives trading and structuring at Deutsche Bank and Citigroup. Prior to Citadel Capital, Mr. El-Barbary was part of the Emerging Markets Trading and Special Situations division at Deutsche Bank focusing on opportunities in MENA and Africa. Born in Egypt, he completed his Bachelor's in Mechanical Engineering at the American University in Cairo with a stint at Pennsylvania State University.

Shereef El Prince, Managing Director

Prior to joining Citadel Capital in 2006, Mr. El Prince served as Senior Manager of Strategic Planning and Investor Relations at Vodafone Egypt, where he helped grow market capitalization to US$ 4 billion from US$ 1.5 billion. Previously, he was Vice President of Investment Banking at EFG Hermes, where he managed and coordinated a number of merger & acquisition transactions including the valuation analysis for Heineken's US$ 287 million acquisition of a strategic share in Al-Ahram Beverages. He also led the US$ 1.6 billion listing of Vodafone Egypt on the Cairo and Alexandria Stock Exchange and helped coordinate a US$ 368 million listing of Orascom Telecom Global Depository Receipts on the London Stock Exchange. Mr. El Prince holds a BA in Economics from the American University in Cairo.

Bassem Azab, Managing Director

Bassem Azab joined Citadel Capital in 2009 as a Managing Director and today manages equity placements across the Arab world. Azab was formerly Managing Director at Beltone Financial's brokerage group, where he led Gulf Cooperation Council and MENA coverage. He previously served as Head of High Net Worth and Arab Institutions at EFG Hermes, the Arab world's leading investment bank. He began his career in finance with the former Egyptian American Bank (today Crédit Agricole Egypt) and Citibank-Egypt, where he worked in corporate finance.

Stephen A. Murphy, Managing Director

Prior to joining Citadel Capital in 2008, Mr. Murphy was head of private placements at Citigroup Global Markets. With more than 20 years of experience in private equity fundraising and investment banking, Mr. Murphy held a range of positions with Salomon Brothers / Salomon Smith Barney in New York, Tokyo and London starting in 1985. Originally a mergers and acquisitions specialist who headed Salomon's European M&A practice in the early 1990s, Mr. Murphy's career has covered a wide range of advisory as well as public and private fundraising activities. He executed Salomon's first lead-managed IPO in Europe and has handled yankee and convertible bond funding and private placements for both general partners and private companies. Before re-joining Citigroup in 2001, he held the post of Managing Director of E*Trade International Capital, where he was, among other things, responsible for setting up the company's online distribution of equity offerings via its web portal.

Mohamed Abdellah, Managing Director

Before joining Citadel Capital in 2005, Mr. Abdellah was with the high net worth desk at EFG Hermes' securities brokerage arm. Earlier, at the Commercial International Bank (CIB)'s Credit Department, he handled the textiles and paper sector with a utilized portfolio of EGP 500 million. Mr. Abdellah holds a BA in Accounting from Cairo University's Faculty of Commerce.

Aladdin El-Afifi, Managing Director

Prior to joining Citadel Capital in 2006, Mr. El-Afifi was part of the UK Mergers and Acquisitions and the Industrials and Natural Resources teams at Goldman Sachs & Co in London. There, he worked on a number of high-profile investment banking deals and advised clients including Mittal Steel, Petroplus, Saint-Gobain, BP, Shell, BG, InterGen, MOL, SAS, ICI and Odeon Cinemas on mergers and acquisitions, equity and debt market strategies and raid-defense activities. He started his career as an investment banker at EFG Hermes, the leading investment bank in the region. Mr. El-Afifi is a Chartered Financial Analyst (CFA) who holds a BA in Economics and Business Administration from the American University in Cairo and an MBA from the Wharton School of Business, with a concentration in Finance, Strategic and Entrepreneurial Management.

Board Of Directors

Our Board of Directors is composed of majority non-executive members who provide management with oversight and a solid regional perspective

In addition to the firm's Founder, Co-Founder and the two other Managing Directors on the Executive Committee, Citadel Capital's Board of Directors now includes seven non-executive members nominated by the firm's shareholders.

Chairman and Founder

Ahmed Heikal

Executive Members

Hisham El-Khazindar
Co-Founder and Managing Director

Karim Sadek
Managing Director

Marwan Elaraby
Managing Director

Non-Executive Members

Madgy El Dessouky
(Joined 2010)

Alaa Arafa
(Joined 2009)

Karim El-Sirafy
Power Investments (Joined 2010)

Sari Mouris
Olayan Financing
(Joined 2010)

Ragheed Shanti
Emirates International
Investments Company
(Joined 2009)

Sheikh Mohamed bin Sehim Al Thani
(Joined 2009)

Walid Abunamay
(Joined 2012)

Ziad Abunamay
(Joined 2012)

Aly El-Tahry
(Joined 2012)

2010 & 2011

Banner Years for Citadel Capital

emeafinance Europe • Middle East • Africa	Best Transport Deal in Africa (for Nile Logistics) 2011
Infrastructure Investor Awards 2011	African Infrastructure Deal of the Year (for Rift Valley Railways) 2011
emeafinance Europe • Middle East • Africa	Private Equity Firm of the Year 2011
emeafinance Europe • Middle East • Africa	Best Project Finance Transaction (for Egyptian Refining Co.) 2011
africainvestor	Oil and Gas Deal of the Year (for Egyptian Refining Co.) 2010
emeafinance Europe • Middle East • Africa	Best Private Equity House in Africa 2010
GTM/EGX	Best Private Equity Firm in Egypt 2010 Best Managing Director 2010
africainvestor	Regional Infrastructure Investment Initiative of the Year (for Rift Valley Railways) 2011
emeafinance Europe • Middle East • Africa	Best Fundraising (for Rift Valley Railways) 2011
ACQGLOBAL	Best Buy and Build Private Equity House in Africa 2011
PEI 300 2010	African Infrastructure Fund Manager of the Year 2010
Infrastructure Investor Awards 2010	African Infrastructure Fund Manager of the Year 2010
global investor isf	Private Equity House of the Year 2010
African Business	African Business of the Year 2010
MENA Investors Summit	Best Private Equity House 2010

www.citadelcapital.com

Platform Companies

Citadel Capital: Powered by people

Our 19 platform investments employ more than 42,000 people across a 15-country footprint. We have created 12,700 new jobs since 2004 and are honored to employ nearly 39,000 people in Egypt alone.

Contents

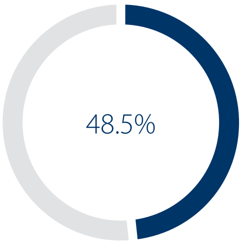
ASEC Holding

INDUSTRY
Engineering, Construction and Cement

INVESTMENT DATE
December 2004

INVESTMENT TYPE
Distressed and Greenfield

CITADEL CAPITAL OWNERSHIP



ASEC Holding (ASEC) is a leading regional cement, engineering and construction group with operations spanning the Middle East and Africa. With over 30 years of experience, ASEC's portfolio of services includes plant design and engineering, technical management, automation and construction. Portfolio company ASEC Cement is emerging as a leading regional cement producer that plans to produce 10 million tons per annum (MTPA) of cement by 2015 in attractive, key markets in the region, including Egypt, Sudan and Algeria.

Other ASEC Holding companies — ASEC Engineering, ARESCO, ASEC Automation and ASENPRO — provide full-spectrum turnkey contracting solutions including technical management and environmental protection services.

While the bulk of ASEC Holding's services cater to the cement sector, the group is rapidly diversifying its client base with large industrial clients such as steel producers and power plants, among others.

OPERATIONAL UPDATE

ASEC Cement owns three assets in Egypt, including a significant minority stake in Misr Qena Cement Co., the Arab National Cement Company (a 2 MTPA plant under construction in Minya) and Ready Mix operations in Upper Egypt. The company has entered other markets including Algeria and Sudan, and is well on its way to becoming a substantial regional player controlling the production of 10 MTPA of cement by 2015.

In Algeria, where demand for cement outstrips the country's production capacity, ASEC Cement has established a strong presence by acquiring a 35% stake and management control of Algeria's government-owned Zahana Cement Company and continues building a 3.4 MTPA greenfield cement plant in the central region of Djelfa in two phases. Construction at Djelfa is now underway, with the project set for completion in 2015. The Djelfa plant will not only create 800 direct and as many as 1,500 indirect jobs when complete, it will also accelerate the development of infrastructure in the surrounding areas.

ASEC Cement's 1.6 MTPA Takamol plant in Sudan began operations in August 2010. Takamol primarily serves Sudan's sizable local market and today stands as the most technologically advanced cement plant in the country. In its first year of operations Takamol produced approximately 800,000 tons of clinker and cement, increased revenues by over 400% and continues to be the second-largest player in the Sudanese market with a 25% market share.

Subsidiary Arab National Cement Company (ANCC) obtained a US$ 185 million syndicated loan in October 2010 to finance the construction of its 5,500 TPD greenfield cement plant in Egypt's Minya governorate. With a total investment cost of US$ 335 million, the ANCC plant will be completed by the first half of 2013, in time to meet the projected spike in demand that will occur as several key infrastructure projects launch in Upper Egypt. ANCC has concluded approximately 98% of all civil works on site and is proceeding towards a 2013 start of operations.

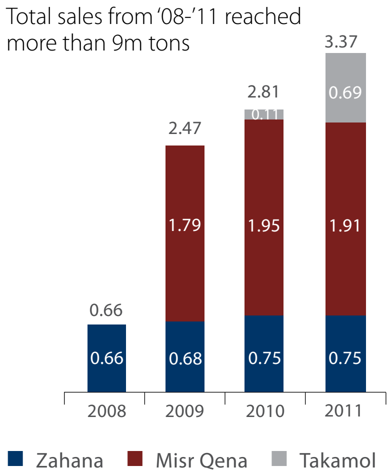
In Egypt, subsidiary ASEC Ready Mix began operations during the summer of 2010 with three batching plants: one in Qena, the second in Sohag and the third in Assiut. Despite the political instability in the country ASEC Ready Mix continued to report strong sales growth in 2011, a development that (coupled with a program to control costs) should see it report a net profit beginning sometime in 2012.

Lastly, ASEC Cement also owns a license to build and operate a 1.6 MTPA plant in Syria. To continue its expansion into new markets, ASEC Cement is also exploring the Ethiopian market and evaluating opportunities in Sub-Saharan Africa and the MENA region.

In 2011, ASEC Engineering managed seven cement plants in Egypt with a total production capacity of 12 MTPA, equivalent to 24% of total cement capacity in Egypt. In addition, it expanded its operation regionally to service Qatrana cement plant in Jordan. Additional contracts across the region are currently under negotiation.

Turnkey contractor ARESCO reported substantial operational progress throughout the year that included both improving workshop quality and maximizing the ability to land new business, with revenues rising by more than 78% as a result. ARESCO is currently completing a new cement plant for the Building Materials Industry Company (BMIC) in the Upper Egyptian governorate of Assiut. The company has also signed for another mega project at El Minya cement plant and for the rwevamping and upgrading of National Cement, in addition to smaller projects in other industrial sectors, namely power generation.

Evolution of Consolidated Sales
(in mn tons)



ASEC Holding is a leading regional cement, engineering and construction group with operations spanning the Middle East and Africa. ASEC's portfolio of services includes plant design and engineering, technical management, automation and construction.

Select Portfolio Companies: ASEC Cement, ASEC Engineering, ARESCO, ASEC Automation, ESACO and ASENPRO

Countries: Egypt, Algeria, Sudan

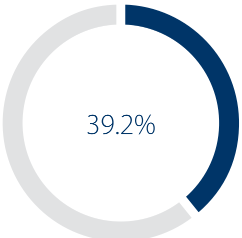
ASEC Company for Mining (ASCOM)

INDUSTRY
Mining

INVESTMENT DATE
December 2004
(Spun-off December 2006 from ASEC Holding)

INVESTMENT TYPE
Consolidation and Greenfield

CITADEL CAPITAL OWNERSHIP



ASCOM is a leader in the field of geology and mining in North and East Africa, the Gulf, and the Levant, offering the market a unique interface between science and field applications. In addition to research and development activities related to its mining assets, ASCOM has also moved up the value chain within the industrial minerals sector with the production of calcium carbonate and glasswool.

ASCOM's operations can be summarized as follows:

- Quarry management with a focus on complete outsourcing solutions for cement plant quarries operating in Egypt and Sudan.
- The mining of building materials, particularly aggregates with operations in Egypt, Algeria and the United Arab Emirates.
- The mining of precious metals, particularly gold, with ongoing exploration projects in Ethiopia and Sudan.
- The manufacturing of industrial minerals, namely calcium carbonate, glasswool and rockwool in Egypt.

ASCOM (ASCM.CA on the Egyptian Exchange) has a paid-in capital of US$ 60 million and has expanded from one legal entity to 15 companies with a presence in five countries employing approximately 1,100 people.

OPERATIONAL UPDATE

ASCOM has grown to become the largest specialized company in the quarry management sector in the Middle East and North Africa region. Over the past decade, the company has developed its unique expertise in this field, particularly

ASCOM

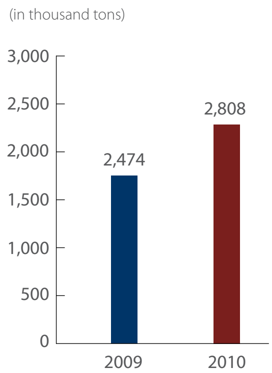
GEOLOGY & MINING

within the cement industry. The company manages the bulk of the large cement quarries in Egypt and Sudan, mining over 35 million tons per annum.

In the building materials sector, ASCOM has gone from being a service provider to holding concessions for mining aggregates, silica sand, gravel and other basic raw materials. The aim was to expand beyond the domain of the cement industry. Today, the company operates a number of small quarries in Egypt and has two fully specialized companies operating in the aggregates markets in the UAE and Algeria.

ASCOM established ASCOM Precious Metals Mining (APM) as a logical progression to consolidate all exploration operations of precious metals mining under one entity. After years of hard work, the company recently announced strong positive results in their exploration fields in Western Ethiopia. The company currently has four concessions in Ethiopia.

Cement Dispatches



The company has also started fieldwork on its recently acquired concessions in Sudan's Blue Nile State. APM's Ethiopian and Sudanese concessions are both located within the Arabian-Nubian Shield, an under-explored area that is highly promising for its gold and gold-plus-base-metal mineralization.

APM is working on all concessions with a primary focus at present on the concessions in Asosa, an 800-square-kilometer area in Western Ethiopia, specifically the Dish Mountain and Abetslo concessions, where results have identified two well-defined gold and gold-plus-metal targets showing tonnage and grade potential to suggest an economic discovery is possible. A drilling phase began in October 2010 and surveys are ongoing in Sudan.

ASCOM's first manufacturing plant — Minya Technical Calcium Carbonate — was commissioned in 2009. The 180,000-ton-per-year milling plant specializes in the production of calcium carbonate, a material with vast applications in the fields of plastics, paper, paint and chemicals. ASCOM holds a number of concessions for high-quality calcium carbonate in Upper Egypt within close proximity to the plant.

The plant is making steady progress and began making full use of its production capacity in the second half of 2010, a strong achievement for a newly operational greenfield. The company recently secured a US$ 7.3 million financing facility from Ahli United Bank to more than double its current footprint from 120,000 TPA to 450,000 TPA. The majority of this new capacity would be in the fine-to-superfine products enabling growth into the high-value and high-growth export markets.

ASCOM has also completed the erection of its 50,000 tons-per-year glasswool and rockwool plant in Egypt. The plant started production tests in April 2012 and is due to be fully operational by early July. Both plants are focused on export markets and are accordingly established as free zone companies, allowing them to take advantage of low taxes and favorable customs regulations.

ASCOM is a regional geological and mining services company that specializes in geological investigations and the management of quarry operations for the cement industry, as well as exploration and production of industrial minerals and precious metals, including gold and copper.

Select Portfolio Companies: ASCOM Precious Metals Mining (APM), ACCM, Glasswool / Rockwool

Countries: Egypt, Algeria, Sudan, Ethiopia

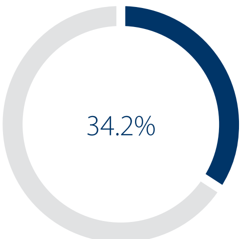
Nile Logistics

INDUSTRY
Transportation and Logistics

INVESTMENT DATE
September 2006

INVESTMENT TYPE
Greenfield

CITADEL CAPITAL OWNERSHIP



Nile Logistics is Citadel Capital's platform company in the logistics, river transport and port management sector, with operations in Egypt, Sudan and South Sudan. Nile Logistics is home to four complementary companies in the transportation and logistics sector. With a well-developed portfolio of services, Nile Logistics provides seamless door-to-door service for industrial and agricultural producers and traders in Egypt, Sudan and South Sudan and also offers indirect services in Uganda, Ethiopia and Kenya. The four companies under Nile Logistics are: Nile Cargo, National River Ports Management Company (NRPMC), Keer Marine and Ostool Trucking Company.

Nile Cargo builds and operates a fleet of fuel-efficient, environmentally friendly river barges with a geographical coverage that spans river transport routes from northern to southern Egypt.

NRPMC owns and operates a network of river ports at strategic locations along Egypt's navigable waterways to load and unload dry bulk materials and containers, providing services to Nile Cargo as well as to third parties.

Keer Marine, Nile Logistics' arm in the underserved Sudanese / South Sudanese markets, operates a fleet of barges as well as ports. Barges currently operate within South Sudan and previously across borders. A new South Sudanese company — Nile Barges for River Transport Ltd. — has also been established to facilitate operations in South Sudan.

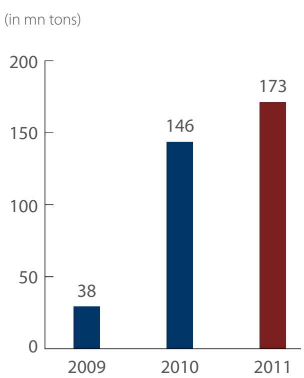
In addition, Nile Logistics also owns a minority stake of 45% in Ostool Trucking Company (in Egypt), which complements the company's existing business.

OPERATIONAL UPDATE

Nile Logistics portfolio company Nile Cargo started operations in 2008 with 31 re-furbished 50-meter river barges, before taking delivery of four 100-meter, state-of-the-art, custom-designed, environmentally friendly, self-propelled river barges in 2010-11. The new 100-meter barges were designed by leading national and international consultants and constructed by the Alexandria Shipyard to meet the highest global standards in river transportation.

The company took receipt of four additional 70-meter vessels in early 2012, bringing its total fleet to 39 operating barges. A further five barges are expected to be completed by the Alexandria Shipyard in 2012. Also this year, the company will take delivery of three additional push and pusher barges from the Arab Contractors Shipyard.

Ton-kilometers



The company plans to contract European as well as local shipyards to undertake the construction on the remainder of Nile Cargo's fleet, which will ultimately reach a total of 111 vessels. Nile Cargo's fleet currently transports both bulk goods and containers for a varied list of clients.

River ports operator NRPMC began official operations at its Tanash Port in the Greater Cairo Area in 1Q10. The inauguration of the port coincided with the start of a strategic five-year contract to transport up to 2 million tons of wheat annually along the River Nile for the General Authority for Supply Commodities (GASC), a governmental entity and the largest importer of grains in Egypt.

Tanash Port currently handles bulk goods such as grains, metals and aggregates as well as containers. As NRPMC matures, this 27,000-square-meter port will serve as a hub for additional logistics services and join a network of similar facilities along Egypt's navigable waterways stretching from Alexandria to Upper Egypt. NRPMC is currently developing smaller ports in Beni Suef, Minya, and Aswan as part of a larger nationwide network stretching from the Mediterranean to Upper Egypt.

To date, NRPMC has completed 90% of works on its Nubareya terminal in Alexandria as well as phase one of the Minya terminal.

A majority stake in Keer Marine was acquired by Nile Logistics in a deal that included the purchase of multipurpose river barges and pushers. The company also owns a well-equipped river port in Kosti, 300 kilometers south of Khartoum. Keer Marine currently operates the river route in South Sudan, transporting bulk goods, food and petroleum products.

Historically, the company transported goods between Kosti and Juba but that has been halted because of the current political situation. Additionally, a South Sudanese company — Nile Barges for River Transport Ltd. — has been established in Juba to facilitate operations in South Sudan.

Over the coming few years, the company's management intends to further expand its fleet of barges in response to increasing demand for transport, be it in South Sudan or across border.

Nile Logistics is Citadel Capital's platform company in the regional logistics, river transport and port management sector.

Select Portfolio Companies: National Company for Multimodal Transport, Nile Cargo, NRPMC, Keer Marine and Ostool.

Countries: Egypt, Sudan, South Sudan

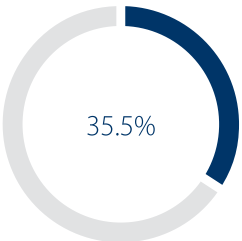
Africa Railways

INDUSTRY
Transportation and Logistics

INVESTMENT DATE
December 2009

INVESTMENT TYPE
Consolidation

CITADEL CAPITAL OWNERSHIP



Africa Railways is Citadel Capital's platform for investments in Africa's railway sector. Africa Railways' primary investment at present is a 51% stake in Rift Valley Railways (RVR), which holds a 25-year concession to operate 2,352 kilometers of track linking the Indian Ocean port of Mombasa to the interiors of Kenya and Uganda, including the Ugandan capital of Kampala.

Africa Railways has completed due diligence on three other railways in Africa and remains actively engaged in discussions with governments and stakeholders regarding other rail investments on the continent.

OPERATIONAL UPDATE

In 2011, RVR commenced operations of a new passenger route in the Nairobi Commuter Service connecting downtown Nairobi with the Athi River industrial area. RVR also increased the frequency of some commuter services. Studies are currently underway to optimize the service offering to customer demand patterns and may result in further fine tuning of the commuter service offering. Additionally, the commuter service is currently undergoing a process to switch to a system of electronic ticketing.

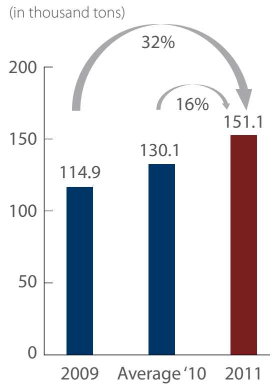
Between February 2011 and January 2012, RVR increased average revenue per net ton kilometer, an improvement that can be attributed to more robust pass-through of fuel prices through a new fuel surcharge policy, better capacity allocation to more profitable clients, and higher reliability standards attracting more profitable clients. Additionally, incidents per 1 million train kilometers were down 32.1% to 370 in January 2012.

RVR closed 2011 with the drawdown of US$ 49.1 million of the US$ 164 million senior facility signed in August 2011, putting it on the right track to execute its investment plan for 2012. Moreover, Africa Railways drew by year-end 2011 fully US$ 35 million of the US$ 70 million capital increase concluded earlier in the year. Both transactions met with strong appetite from leading international institutional investors including development finance institutions and specialist investors.

Highlights of the US$ 69.3 million investment plan for FY12 include US$ 29.3 million in deferred infrastructure maintenance, US$ 19.4 million in deferred locomotive maintenance, US$ 9.5 million in deferred maintenance for wagons and coaches, and more than US$ 7 million in telecommunications and IT equipment.

The deferred infrastructure maintence plan includes replacing 70 kilometers of rails between Mombasa and Nairobi, specifically in the curves. The rails along these stretches of track are responsible for more than 60% of incidents, and changing the rails is expected to drastically reduce incidents in these areas.

Freight Volumes



Africa Railways is Citadel Capital's platform for investments in the African railway sector. It holds a 51% stake in Rift Valley Railways (RVR), which holds a 25-year concession to operate 2,352 kilometers of track linking the Indian Ocean port of Mombasa to the interiors of Kenya and Uganda, including the Ugandan capital of Kampala.

Select Portfolio Companies: Rift Valley Railways

Countries: Kenya, Uganda

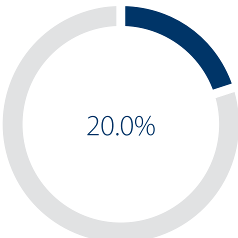
Gozour

INDUSTRY
Agriculture and Consumer Foods

INVESTMENT DATE
September 2007

INVESTMENT TYPE
Consolidation

CITADEL CAPITAL OWNERSHIP



Gozour is a regional multi-category integrated agrifoods platform. The group includes three primary lines of business: agriculture, dairy, and dry consumer foods. Gozour portfolio companies include Dina Farms, Rashidi El-Mizan, Enjoy, Elmisrieen, Investment Co. for Dairy Products (ICDP, which produces Dina Farms-brand fresh milk), El-Aguizy International and Mom's Foods in Egypt, as well as confectioner Al-Musharraf in Sudan.

In Egypt and the region, investment in the agri-foods sector is heavily fragmented. There are very few professionally managed, large-scale investments in Egypt, which has left the arena wide open for well-financed players to introduce new levels of specialization and economies of scale to the market.

OPERATIONAL UPDATE

Dina Farms is Egypt's largest private farm with 10,000 feddans and the country's leading producer of fresh milk with an annual capacity of 60,000 tons (projected to rise to 64,000 tons per annum in 2012) and more than 13,000 head of cattle (of which 6,200 are milking cows).

Despite the economic repercussions of the Revolution, the company achieved its targets in 2011 and is finalizing investment plans to import an additional 2,000 milking cows by the end of 2012, which will help Dina Farms address the supply shortage of milk in the market. Dina Farms is also a key supplier of diverse fruit and vegetable products and provides milk to leading producers of processed dairy products.

In 2010, Dina Farms successfully launched a premium line of fresh milk products (centered around a new PET fresh pasteurized milk plant inaugurated in February

2010) and opened six retail outlets in the Greater Cairo Area, primarily to sell fresh produce from Dina Farms. The milk plant completed doubling its capacity at the end of 2010, which allowed it to add new SKUs to its existing product range. In January 2011, Dina Farms launched the single serve pack in addition to its leading 1-liter flagship pack. Yogurt production has risen to 35,000 cups per day from 300. In less than two years, Dina Farms fresh milk has become the market leader.

Rashidi El-Mizan continued to lead the market in the halawa and tehina segments with its core products in addition to ongoing product innovations. It now enjoys a market share of 52% in halawa and 70% in tehina and is the number two jam producer in Egypt.

In 2011, the company launched a new halawa spread product, which met with wide consumer acceptance in Egypt and the region. The company has also built its jam business in Egypt to reach a 15% share and has grown its export business for jams with key retail chains in the US, Japan and Africa. Also last year, management more than doubled Al Musharraf's business in Sudan to become the leading halawa producer in the country. Rashidi El-Mizan had an exceptional year, recording the highest sales in its history.

Elmisrieen manufactures a variety of cheese products that enjoy strong brand equity on the Egyptian market. In 2010, the company executed its first TV campaign after being off-air for more than 10 years, and also gave its logo a facelift. These moves helped Elmisrieen to grow sales by more than 30%, with an improvement in profitability.

The company faced operational issues with the market slowdown after the Revolution but is now on-track to relaunch its products and is paving the way for growth, despite heavy competition. The company faced a tough 2011 with a drop in sales of almost 60% after posting 35% growth in gross sales the previous year. Sales in 2012 are expected to grow by c.100%.

Enjoy, Egypt's second-largest brand of dairy and juice products, has grown its top line by more than 25%. The company — like most Egyptian dairy and juice companies — faced a decline in sales during 2011 of more than 25% and focused at year's end on the restructuring of its sales operations. Disruptions to operations in the year put growth on hold, prompting management to rethink strategy for 2012. In 4Q11, Enjoy was growing month-on-month by 15-20%. The 2012 sales plan targets 42% growth with an eye on its 2010 position and foresees an additional US$ 3.0 million in investments for two new packaging machines that will expand capacity by 40%.

Gozour appointed Hatem Saleh in September 2011 as the Chief Executive Officer of its integrated dairy division with a mandate to integrate Gozour's dairy portfolio companies — including the dairy farm at Dina Farms, Enjoy, Dina Farms fresh milk, and Elmisrieen — into a single entity benefiting from synergies and economies of scale.

These efficiencies will be particularly important given the challenges now facing the industry as a result of the broader economic slowdown, although management's view is that the slowdown in sales of essential foodstuffs such as halawa, milk, cheese and produce will be substantially less marked than the broader economic contraction.

Gozour is a platform company for an integrated regional agriculture and multi-category consumer foods platform. The group includes three primary lines of business: agri-foods and dairy, fast-moving consumer goods, and intermediate industries such as wet-corn milling and sugar processing.

Select Portfolio Companies: Dina Farms, Rashidi El-Mizan, Enjoy, Elmisrieen, Investment Co. for Dairy Products (ICDP), El-Aguizy International and Mom's Foods, Al-Musharraf

Countries: Egypt, Sudan

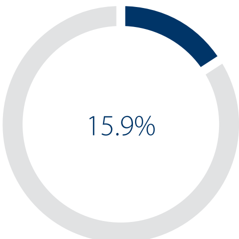
Egyptian Refining Co.

INDUSTRY
Petroleum Refining

INVESTMENT DATE
April 2007

INVESTMENT TYPE
Greenfield

CITADEL CAPITAL OWNERSHIP



The Egyptian Refining Company (ERC) is building a state-of-the-art US$ 3.7 billion greenfield second-stage oil refinery in the Greater Cairo Area, which will produce over 4 million tons of refined products, including 2.3 million tons of EURO V diesel, the cleanest fuel of its type in the world.

ERC's production of liquid products will be sold to the Egyptian General Petroleum Corporation (EGPC) under a 25-year offtake agreement at international prices.

OPERATIONAL UPDATE

ERC is a classic public-private partnership, with the private sector providing the capital and debt financing for a much-needed upgrade of a government-owned refinery. It stands today as one of the largest project finance deals in Africa, with shareholders including Citadel Capital and its co-investors, as well as the Egyptian General Petroleum Corporation (EGPC), which is a 23.8% stakeholder.

Despite rising demand due to Egypt's rapid economic growth, most of the country's refineries are aging and only capable of producing heavy, lower-value

ERC Egyptian Refining Company
الشركة المصرية للتكرير

products. The country currently imports about 30% of its diesel requirements to bridge the gap between domestic demand and production.

EGPC's Cairo Oil Refinery Company (CORC), the nation's largest refinery with 20% of Egypt's current refining capacity, will provide ERC with fuel oil as feedstock. As an import substitution project delivering diesel and other high-value products to EGPC at the heart of the consumption market in Greater Cairo, the ERC project is viewed as strategically important to Egypt's energy security.

EGPC estimates that ERC will result in more than US$ 300 million in annual benefits to the government through avoided transportation and insurance costs, the elimination of product shipment losses, and revenues generated from storage and processing fees paid by ERC to EGPC companies.

ERC's processing of high-sulfur fuel oil, which is currently being burned in Greater Cairo, will have a positive environmental impact by preventing approximately 186,000 tons of SO2 from being released into the atmosphere annually. ERC's operations will reduce by 29.1% the amount of SO2 currently emitted in Egypt from burning sulfur-containing fuels (fuel oil and diesel). Also, ERC will invest in improvements to CORC's environmental performance, reducing the emission of greenhouse gases.
Over 10,000 workers will be employed during the construction phase of the project, and when the refinery is operational, more than 700 permanent jobs will be created.

Regulatory and environmental approvals for the project have been obtained and ERC has signed a lump-sum turnkey contract with GS Engineering & Construction / Mitsui & Co.

In August 2010, ERC signed a US$ 2.35 billion senior financing package provided by Export Credit Agencies and Development Finance Institutions including the Japan Bank for International Cooperation (JBIC), Nippon Export and Investment Insurance (NEXI), the Export-Import Bank of Korea (KEXIM), the European Investment Bank (EIB) and the African Development Bank (AfDB). In addition, a total of US$ 225 million of subordinated debt financing is being provided by Mitsui & Co. and AfDB.

ERC expects to begin construction activities in 2013 and be fully operational by the end of 2016.

The Egyptian Refining Company (ERC) will produce over 4 million tons of refined products when completed, including 2.3 million tons of EURO V diesel, the cleanest fuel of its type in the world.

Country: Egypt

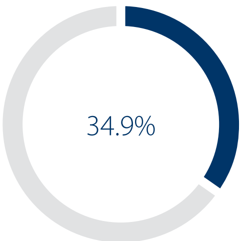
TAQA Arabia

INDUSTRY
Energy Distribution

INVESTMENT DATE
June 2006

INVESTMENT TYPE
Roll-Up

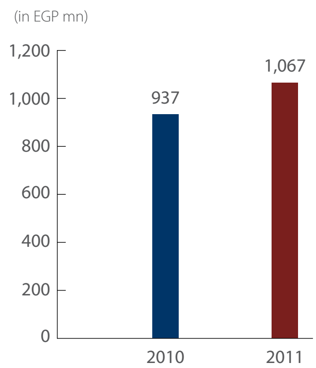
CITADEL CAPITAL OWNERSHIP



TAQA Arabia is the parent company of a full-service energy distribution group with a focus on gas and electricity distribution and fuels marketing. From its base in Egypt, TAQA Arabia has expanded into the United Arab Emirates, Qatar and Sudan.

Rapid industrial growth in Egypt and the region has provided an opportunity for TAQA Arabia to satisfy unmet industrial demand for energy. As governments deregulate their energy sectors and reduce subsidies, there are ample opportunities for an experienced and well-financed group such as TAQA Arabia to become a market leader.

Taqa Arabia Revenues



OPERATIONAL UPDATE

TAQA Arabia's gas distribution arm has licenses for natural gas distribution in four concessions representing 12 Egyptian governorates, where it currently distributes approximately 5.2 billion cubic meters of natural gas per year, primarily to industrial users.

Despite the challenges posed by the economic impact of political developments in 2011, TAQA Arabia's gas arm surpassed expectations with growth of 7.84% in total gas sales volume from 2010. In addition, the company's construction arm successfully connected 84,246 residential clients to reach a total of 372,899 customers for which the company performs collection and maintenance services.

The gas distribution arm also has operations in the UAE and Qatar.

TAQA Arabia also owns Global Energy, a private-sector Egyptian company with a license to generate and distribute electricity. The company has grown this business to supply unmet Egyptian and regional industrial demand for electricity. The company's power arm generated total electricity sales for 2011 659 Million KWhr, a 14.6% increase over 2010.

TAQA Arabia also runs a relatively small but strategically important oil marketing and fuel products distribution business to meet the complete energy needs of its industrial customers. In 2011, the company continued to roll out its TAQA Arabia-branded retail filling stations; the company now has a total of 18 stations in operation, through which it is the exclusive distributor for Castrol products in Egypt.

TAQA Arabia has exercised its put option on the 51% stake held by its power generation arm in Berber for Electrical Power, which runs a 42 MW captive power plant in Sudan.

The company's bottom-line health in FY11 was supported by cost-control measures including improved profitability of existing projects and an emphasis on CAPEX and OPEX controls.

TAQA Arabia is a key player in the regional energy distribution sector, with portfolio companies operating across the spectrum from gas assets to power assets and owned consumer outlets.

Operating Divisions: TAQA Gas, TAQA Marketing, TAQA Power

Countries: Egypt, Sudan, UAE, Qatar (exploring Kenya, Mozambique, Uganda and Rwanda)

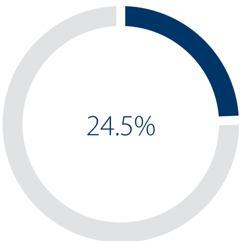
Mashreq Petroleum

INDUSTRY
Energy Distribution

INVESTMENT DATE
March 2007

INVESTMENT TYPE
Greenfield

CITADEL CAPITAL OWNERSHIP



Mashreq was acquired by TAQA Arabia, Citadel Capital's full-service regional energy distribution platform, in 2007. Its asset was a lease for a 210,000 square meter plot of land located in East Port Said near the strategically important entrance to the Suez Canal. Since that time the company has been working to develop a one-of-a-kind Egyptian bunkering facility. In the first quarter of 2009, Mashreq was spun off from TAQA Arabia, becoming a distinct platform company.

To date, Egypt has not been getting maximum benefit from its strategic location on the Suez Canal. With Mashreq, Egypt will be able to capitalize on the heavy traffic that transits the Canal each year. The land that Mashreq leases is also adjacent to Maersk's Suez Canal container terminal, giving it even greater access to vessels as they load and unload cargo.

As ships are waiting for their convoys to pass through the Canal, Mashreq will be able to provide them with fuel as well as other services.

OPERATIONAL UPDATE

Mashreq has obtained the necessary permits from the Port Said Port Authority and completed much of the infrastructure preparations necessary for the launch of the project, including dredging, shore protection and site leveling, as well as engineering and design of the tank farm, layout and marine engineering.

Full-scale construction work will only commence once the appropriate financing package is in place.

Mashreq is now laying the groundwork for a unique petroleum products bunkering and storage facility in East Port Said Port that will capitalize on the high volume of global shipping that passes each year through the Suez Canal. Mashreq will be the only terminal of its kind in the Eastern Mediterranean.

Country: Egypt

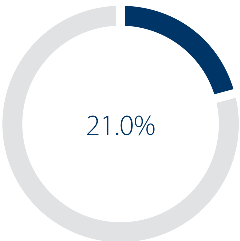
GlassWorks

INDUSTRY
Glass Manufacturing

INVESTMENT DATE
September 2007

INVESTMENT TYPE
Roll-up and Greenfield

CITADEL CAPITAL OWNERSHIP



GlassWorks is Citadel Capital's platform for glass investments in the Middle East and Africa. GlassWorks currently owns a 33% stake in Misr Glass Manufacturing S.A.E. (MGM), a leading manufacturer and exporter of glass containers in the Middle East and North Africa, and a 51% stake in Sphinx Glass, a state-of-the-art, EGP 1.1 billion (US$ 200 million) greenfield float glass facility in Egypt.

The investment in glass manufacturing capitalizes on Egypt's low energy costs, abundance of high-quality raw materials and large supply of labor, all of which are key elements in the production of both float and container glass products.

GlassWorks' subsidiaries will supply both the domestic and export markets for float and container glass. With a manufacturing base in Egypt and a geographic location that easily supports exports, the company is perfectly suited to become one of the region's largest producers and exporters of glass products.

OPERATIONAL UPDATE

MGM was a state-owned company that was acquired by El-Zayat Group in 2004. In the years since, the company has emerged as Egypt's leading manufacturer of glass containers and has, to date, invested approximately US$ 76 million to upgrade its technology base and expand capacity. New operational improvements and investments combined with the unique expertise of the management team at MGM have resulted in an increase in production capacity from 36,000 tons in 2004 to 104,000 tons in 2011.

Sphinx Glass, a 600-ton-per-day, 220,000-square-meter greenfield float glass production facility located in Sadat City, within close proximity to Egypt's two largest cities, Cairo and Alexandria (the primary port offering high-quality logistics services to export markets), began full operations in April 2010. The new factory was designed by world-renowned float glass technology provider PPG Industries and built by leading Italian contractor Ianua S.p.A., one of the world's top contractors and service providers in the float glass industry. With a melting capacity of 200,000 tons of glass per annum, Sphinx Glass is one of the most technologically advanced facilities of its kind in Egypt. The factory has been designed to produce clear, tinted and coated glass. The plant targets both domestic demand and high value exports, capitalizing on Egypt's abundant raw materials and competitive skilled-labor and energy pricing.

In 2011-12, Sphinx Glass expects to invert its sales mix from 70% domestic, 30% export to 40% domestic, 60% export. In seeking export markets, Sphinx Glass will look beyond neighboring countries, which are largely saturated with domestic capacity, in favor of new markets on other continents to benefit from higher demand and improved margins.

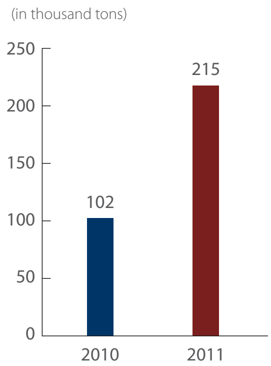
Notably, export sales rose at both glass packaging maker MGM (up 46% of total sales, a rise of 6 percentage points) and Sphinx Glass (52% of total sales, up from 24% the previous year).

At Sphinx Glass, total glass sales rose 27.8% on the full year to 121,998 tons despite the impact of a planned shutdown in October-November 2011. A focus on value-added products helped total Sphinx revenues grow 48.6% year-on-year in FY11.

Sphinx Glass has been selling higher-margin coated glass in the local market and is now the supplier of choice for the local appliance industry. The company's goals for 2012 include increasing sales of value-added products including tinted, coated and jumbo-sized glass. MGM aims to grow exports to 60-70% of sales, boosted by a collaboration with Saab Miller in South Africa. Growth of sales to the highly resilient pharmaceutical sector is similarly a priority, as is development of glass bottling for products such as mineral water and cheeses.

GlassWorks
جلاس وركس

Glassworks Tons Sold



GlassWorks is Citadel Capital's platform for investments in the currently under-served glass market in the Middle East and Africa.

Select Portfolio Companies: Misr Glass Manufacturing S.A.E. (MGM), Sphinx Glass

Country: Egypt

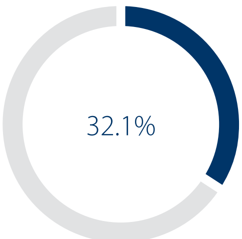
Bonyan Development and Trade

INDUSTRY
Specialty Real Estate

INVESTMENT DATE
August 2007

INVESTMENT TYPE
Greenfield

CITADEL CAPITAL OWNERSHIP



Bonyan for Development and Trade is a specialty real estate developer operating in Egypt. The company builds state-of-the-art commercial real estate projects, the first of which is Designopolis, which stands as the first award-winning design and lifestyle center for all design-related products and services in Egypt and the wider MENA region.

This outdoor lifestyle complex covers more than 116,800 square meters over a one-kilometer stretch of the Cairo-Alexandria Desert Road. Designopolis is currently in the first phase of a three-phase development plan and is home to more than 80 showrooms, including over 30 top Egyptian manufacturers and leading international retailers.

The Designopolis concept addresses the growing need for homeowners to purchase quality products for their homes, from both local and global manufacturers. It is also a lifestyle center and entertainment hub, with services including food and beverage outlets and children's playgrounds.

Underpinned by strong long-term fundamentals in the real estate sector, new international retailers are seeking outstanding outlets to serve the nation's fast-growing population. Total retail space in the Greater Cairo Area stood at c.8.5 million square feet at the end of 2011, with a possible 2.8 million square feet of retail GLA that could enter the market before end of 2013.

OPERATIONAL UPDATE

Bonyan fully launched phase one of the project in December 2010; when all three phases are complete, it will be home to 300 showrooms that include top local and international retail, design and furniture outlets, up-and-coming

BONYAN
DEVELOPMENT AND TRADE

art galleries, interior design consultancies, cafés, restaurants, children's playgrounds, and lifestyle services.

The SODIC-owned land surrounding Designopolis is home to five real estate developments, both residential and commercial, including Beverly Hills, Allegria, Casa, Westown, and the Strip. Together, they host 6,000 people today, and will service 60,000 in the near future, further adding to the growing need for design-related products and services.

Designed by the renowned architectural firm Skidmore, Owings and Merril, Designopolis is registered with the US Green Building Council and pre-certified to receive Egypt's first Leadership in Energy and Environmental Design (LEED) certificate, a sign of excellence in environmentally responsible design, construction and operation.

Additionally, Bonyan for Development and Trade has won several awards for Designopolis' cutting-edge design, including the first-ever Egyptian award from the International Council of Shopping Centers (ICSC) award program for the highest level — Gold Award — in the Category of Design and Development of a Retail Project in 2011. With this win, Designopolis is eligible to win ICSC's International Best-of-the-Best VIVA Award, which recognizes the shopping center industry's most cutting-edge properties throughout the world.

Bonyan also won the first place award for Designopolis in the category of Best Sustainable Development at the 2012 Cityscape Awards, and was awarded 'Highly Commended' in the category of Best Sustainable Development Award at the Cityscape Real Estate Awards, MENA 2012.

Bonyan continues steady development of Designopolis' second and third phases, with the second phase including over 40 new shops, and third phase (Gallery Level) providing smaller retail spaces and therefore being able to accommodate approximately 150 shops. Phase one gross leasable area (GLA) reached a total of 20,622 sqm at the end of 2011, with phase two following with a total of 19,830 sqm, and phase three following with 11,227 sqm.

Construction of phases two and three will recommence as soon as anchor tenants and debt financing are secured.

DESIGNOPOLIS

SHAHIRA H.FAHMY
ARCHITECTS

SHATEX
HOME COLLECTION

Bonyan is a specialty real estate developer operating in Egypt and the wider MENA region. In Egypt, Bonyan is building two state-of-the-art commercial real estate projects, namely design, furniture and home accessories malls, under its Designopolis brand.

Select Portfolio Companies: Designopolis

Country: Egypt

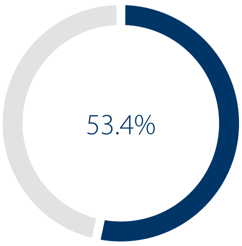
Tawazon

INDUSTRY
Solid Waste Management

INVESTMENT DATE
November 2009

INVESTMENT TYPE
Consolidation

CITADEL CAPITAL OWNERSHIP



Tawazon is Citadel Capital's platform company for investment in the regional solid waste management industry. The sector is rapidly developing throughout the region with a limited number of large companies and often inefficient operations translating into significant pockets of unserved demand.

This platform investment holds two companies: Egyptian Company for Solid Waste Recycling (ECARU), a solid waste management service provider, and the Engineering Tasks Group (ENTAG), a solid waste management engineering and contracting company. Together, these two companies form a leading waste management enterprise with extensive operations in Egypt as well as international exposure to Oman, Malaysia, Sudan, Libya, Saudi Arabia and Syria.

OPERATIONAL UPDATE

Established in 1997, ECARU specializes in both municipal and agricultural waste management. The company was granted a contract to receive, sort, treat and landfill up to 1,500 tons of municipal solid waste (MSW) per day for a flat annual tipping fee. After ECARU receives the MSW, it separates the recyclables (such as glass and plastic) for resale, uses organic material in the waste to produce low quality compost and landfills the rejected waste.

ECARU also has contracts to collect and process up to 525,506 tons of agricultural solid waste in return for service fees. ECARU processes and converts the waste collected into higher value products such as compost, animal fodder (where it has pioneered a technology to produce pre-digested food to be used as

tawazon

food substitute for feedstock) as well as compressed and ground agricultural products to be used as fuel substitutes.

ECARU was one of the first Egyptian organizations to sign a greenhouse gas emission reduction purchase agreement with the World Bank in the summer of 2008, agreeing to sell carbon dioxide equivalent greenhouse gas emission reductions to the Carbon Fund for Europe. The company is one of only a handful of similar UN-backed clean development mechanism projects operating in Egypt to date. ECARU is currently in the validation period, where the company is actively providing the necessary information to ensure that the process moves as swiftly and as quickly as possible.

In the third quarter of 2011, ECARU successfully concluded a long-term contract with a cement producer to supply up to 300,000 tons of agricultural solid waste and 50,000 tons of refuse derived fuel ("RDF") out of municipal waste. Pricing is tied to fuel oil prices and adjusts for any increases in transportation costs, hence allowing ECARU to share in the upside resulting from the impending and gradual removal of government energy subsidies.

Biofuel products now account for close to 85% of total volume sales with compost and animal fodder making up the balance.

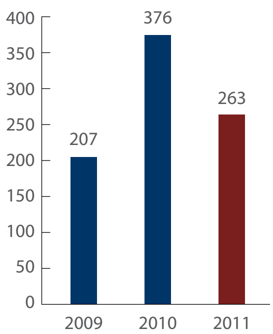
ECARU's sister-company ENTAG, established in 1995, is a regional leader in the turnkey engineering and construction of solid waste handling and sorting facilities and the fabrication and assembly of equipment. It is specialized in designing, manufacturing and erecting solid waste management systems. ENTAG's equipment is partly procured from the world's leading waste management equipment producers and partly designed and manufactured locally in Egypt.

On the international front, ENTAG has successfully constructed a treatment and disposal transfer station for the Muscat Municipality in Oman with a capacity of 800 tons per day. The majority of locally sourced revenues were generated from technical consultancy projects and equipment sales.

The company has thus far completed more than 61 sorting and composting plants in Egypt and another 13 plants in Saudi Arabia, Malaysia, Libya and Sudan. ENTAG's services are the "door opener" for ECARU, which can then properly manage the facilities built by ENTAG.

Agricultural Waste Collected

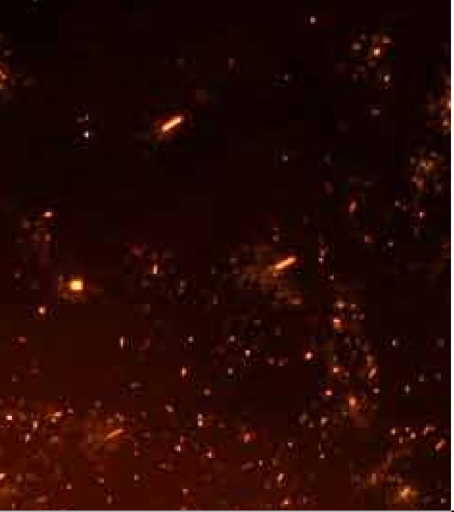
(in thousand tons)



Tawazon is Citadel Capital's platform for investment in the regional solid waste management industry. The sector is rapidly developing throughout the region with a limited number of large companies and often inefficient and incomplete operations creating significant pockets of unserved demand.

Select Portfolio Companies: ENTAG, ECARU

Countries: Egypt, Libya, Sudan, Nigeria, Syria



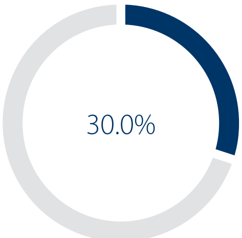
United Foundries

INDUSTRY
Metallurgy

INVESTMENT DATE
Spun-off from ASEC Holding December 2008

INVESTMENT TYPE
Consolidation

CITADEL CAPITAL OWNERSHIP



United Company for Foundries (UCF) is Citadel Capital's platform company in the metallurgy and foundry sectors with a combined production capacity of 45,000 tons of molted metal per year, set to expand to 58,000 tons per year by the end of 1H12. Originally a part of ASEC Holding, United Foundries was spun off as its own entity in late 2008 and includes portfolio companies Amreya Metal Company (100% stake) and Alexandria Automotive Casting (100%).

UCF Group manufactures grinding media and all types of castings, in addition to automotive parts. UCF predominantly caters to the cement plant consumables business, namely grinding balls and grinding media. Portfolio company AAC exports 100% of its production to global automotive manufacturers in Europe, while AMC deals with local automotive companies and produces a variety of castings sold locally and internationally.

The Group derives more than half of its revenues from export sales and has a production capacity nearly four times larger than its nearest challenger in the Egyptian market. Today, the Group has strategic relationships with major global cement producers including Italcementi, Cemex, Lafarge and Holcim, in addition to major automotive producers such as Continental, Brembo, and BMW.

Alexandria Auto Casting was established 2001 as a free zone company with the primary objective of producing high performance automotive cast parts, which are all exported to top tier automotive producers. By mid-July 2012, the company will have completed the first phase of a two-phase capacity expansion to reach 45,000 tons per annum. Phase one will see production capacity rise to 23,000 TPA from 18,000 TPA.

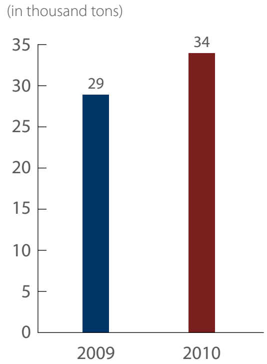
Amreya Metal Company was established in 1979 to produce metal casting products with a specialization in the production of grey and ductile iron castings. By summer 2012, AMC will have grown its production capacity to 12,000 TPA from 5,000 TPA. AMC is also engaged in the casting, machining and assembly of automotive parts serving a diversified customer base that includes pump and valve manufacturers as well as local automotive assemblers.

OPERATIONAL UPDATE

Amid slowdown in market demand in 2011 both domestically (amid economic fallout from the Revolution, which saw demand in the domestic passenger car and other industries contract sharply) and internationally (on the back of the Eurozone crisis), AMC and AAC opted to undergo a number of planned shutdowns for maintenance purposes. Management expects that decision to reduce both downtime and waste in 2012.

Results at UCF were impacted by the devaluation of the euro, the currency in which 100% of AAC's revenues are based, while AMC was impacted by the 29% drop in domestic automotive unit sales (including a 31% fall-off in passenger car sales to 133,165 units market-wide) in 2011. Going forward, UCF has secured a number of new domestic contracts and stands to benefit substantially from any further devaluation of the Egyptian pound against key export currencies including the euro. Exports account for more than 60% of the group's total sales. Moreover, AMC has confirmed sales to cover 70% of its overall capacity post-expansion.

Tons Sold 2009 vs 2010



United Foundries (UCF) is a specialist in the manufacture of grinding media and castings for a full range of industrial applications.

Select Portfolio Companies: Amreya Metal Company, Alexandria Automotive Casting

Country: Egypt

Tanweer

INDUSTRY
Media and Retail

INVESTMENT DATE
April 2007

INVESTMENT TYPE
Consolidation

CITADEL CAPITAL OWNERSHIP

100%

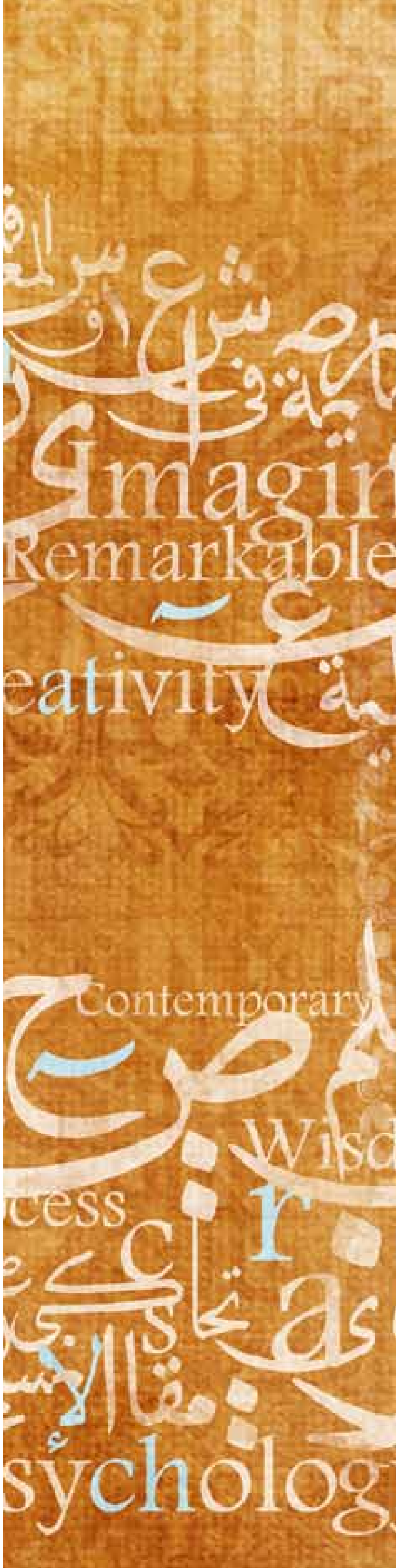
Tanweer is Citadel Capital's investment vehicle in the media and retail sector. It holds a number of investments in leading regional companies, namely Dar El-Shorouk, book retailer Diwan, Al-Mal newspaper, and Al-Shorouk Al-Gedeed.

Dar El-Shorouk is the leading integrated publishing and media player in Egypt. Founded in 1968, Dar El-Shorouk is one of the most prominent publishing houses in the Arab world. It owns copyrights to more than 4,500 titles and is the most award-winning publisher in the region, holding the exclusive Arab-world rights to bestselling authors including the works of Egyptian Nobel laureates Naguib Mahfouz and Ahmed Zewail. It also owns the license to print and publish Oxford Educational books.

Shorouk Bookstores was founded in 2008 and has established itself as a leading bookstore chain benefiting from the fame of the "Shorouk" brand, which has allowed it to trade with leading global publishers. Shorouk Bookstores currently owns seven retail bookstores.

Dar El-Shorouk entered the realm of TV production with the widely successful TV talk show "With Heikal," featuring legendary journalist and thinker Mohamed Hassanein Heikal on Al-Jazeera. In 2010 El-Shorouk expanded their visual production to include sitcoms and TV series; their first production, Ayza Atgawez, achieved a very high viewership rates.

In 2009, Al-Shorouk newspaper was released and quickly positioned itself as one of the leading newspapers in Egypt and the region. It is the first Egyptian newspaper to offer exclusive content from some of the world's leading newspapers, including the *New York Times*, the *International Herald Tribune*, the



Financial Times, the *Washington Post* and *Newsweek* magazine.

Dar El-Shorouk owns 30% of Studio-Pro, a multiplex of film and TV studio co-founded in partnership with leading film director Sherif Arafa, that aims to fill the gap presented by the lack of global-standard studio facilities in Egypt.

Dar El-Shorouk co-founded a post-production house — Time Code — in partnership with talented post-production producers. Time Code works on TV commercials, programs, TV series and feature films.

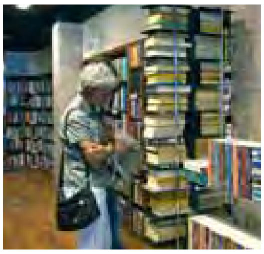
Diwan has emerged as Egypt's premiere chain of boutique bookstores since it opened in 2002. Today, the company has 13 branches, mostly in Cairo and Alexandria, and has plans for both national and regional expansion as it forges partnerships with writers, publishers and cultural centers. Diwan also has distribution rights to five international music labels and distributes music CDs to local retailers.

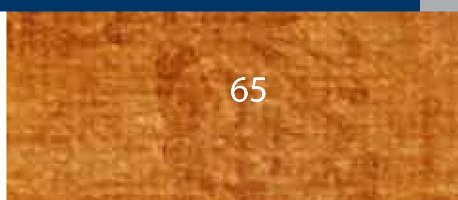
Al-Mal newspaper is a specialized business and economics newspaper with in-depth coverage and special supplements covering local banking, financial markets, and several industrial and commercial businesses.

Al-Mal has pioneered publication of special English-language supplements in the local market and in a variety of occasions, such as the convention of Euromoney conferences, the Economist Roundtables and the World Economic Forum in Egypt.

OPERATIONAL UPDATE

In 2011, following the Egyptian Revolution, Tahrir newspaper was founded to cater to the increasing demand from Egyptian youth for news and opinion. Also last year, Diwan opened two additional branches in Cairo and one in Hurghada.





Tanweer is a platform company for Citadel Capital's investments in a range of leading regional media companies.

Select Portfolio Companies: Dar El-Shorouk, Diwan, Al-Mal

Country: Egypt

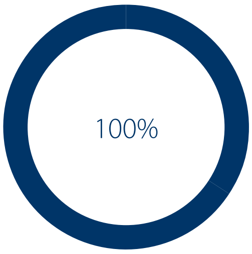
Finance Unlimited

INDUSTRY
Financial Services

INVESTMENT DATE
September 2006

INVESTMENT TYPE
Greenfield

CITADEL CAPITAL OWNERSHIP



Finance Unlimited is Citadel Capital's fully owned platform company for financial services. The company currently holds majority stakes in three key investments and plans to broaden its interests across the full spectrum of financial services in frontier markets in the Middle East and Africa.

Finance Unlimited's current holdings are: Tanmeyah Micro Enterprise Services (a greenfield microcredit lender), Pharos Financial Holdings (a leading Cairo-based integrated investment banking firm) and Sudanese Egyptian Bank (an Islamic commercial bank in Sudan with a primary focus on financing trade between Egypt and Sudan). Finance Unlimited also owns a small cap private equity management company, Sphinx Egypt, through Pharos Financial Holdings.

Tanmeyah Micro Enterprise Services is 65.7% owned by Finance Unlimited in partnership with an Egyptian commercial bank and its expert management team. With a paid-in capital of EGP 50 million, Tanmeyah is one of the fastest growing micro lenders in Egypt with roughly 70,000 customers, 94 branches nationwide and a loan portfolio in excess of EGP 215 million.

Pharos Financial Holding is 53% owned by Finance Unlimited in partnership with its management team and international investors. The firm has operations in brokerage, investment banking and asset management, and has a paid-in capital of EGP 123 million. Pharos has been consistently rated as a top-10 brokerage firm in Egypt and was most recently ranked fifth on the Egyptian Exchange (EGX) in 2011.

The Sudanese Egyptian Bank is a North Sudanese Islamic commercial bank with an estimated net worth of US$ 42 million, using official foreign exchange rates. The bank holds a loan portfolio of SDG 260 million, deposits of SDG 360 million and has a capital adequacy ratio in excess of 27%. By successfully leveraging local corporate relations, primarily in trade transactions between Egypt and Sudan, the bank has shown promising signs of success in retail banking and has now grown its network to eight branches across the country.

Finance Unlimited is constantly seeking new growth opportunities with both expansions and greenfields in sectors where the company has proven expertise. The company is also broadening its financial services footprint in areas such as insurance, consumer finance and commercial banking.

OPERATIONAL UPDATE

Pharos Holding suffered on the back of poor market performance following a halt to trading that lasted for more than a month at the height of civil unrest. Pharos was the fifth-ranked broker by total market executions in 2011 and second in OTC settlements; brokerage revenues slipped 52% year-on-year, slightly better than the overall market. Investment Banking witnessed a challenging environment as there was no appetite for corporate finance deals, while the Asset Management department continued to outperform its benchmarks, albeit at lower AUMs. Sphinx Private Equity continued its solid performance given the nature of its business, as AUMs are locked-in for longer periods. Against this backdrop, management restructured sales and administrative expenses to compensate with the decline in revenues: SG&A were down 26.7% year-on-year, with staff costs declining by 33% in the same period.

Sudanese Egyptian Bank (SEB) recorded 24% growth in total assets and 10% growth in deposits in a very challenging period at the economic (sanctions) and political (North-South conflict) levels. The bank fulfilled the Central Bank of Sudan's statutory minimum capital requirement, raising it to SDG 100 million with a net worth of roughly SDG 107 million (US$ 37 million) at official exchange rates. SEB's loan book quality continues to be one of the best among its peers. The bank remains profitable at the majority of its eight branches and is on a strong course to capitalize on trade transactions between Egypt and Sudan.

Tanmeyah was established in 2009 and is thus in the early stages of development. Nevertheless, the company has posted very strong results in terms of both customer base and branch network growth. Tanmeyah maintains one of the broadest nationwide micro-credit networks: More than 70,000 clients are served by over 1,200 employees at a network of 94 branches nationwide, supporting a lending portfolio of US$ 35.8 million (EGP 215 million).

Finance Unlimited is a platform company for Citadel Capital's investments in the regional financial services industry with exposure to the banking, corporate finance, private equity, asset management, brokerage and investment banking sectors.

Select Portfolio Companies: Tanmeyah Micro Enterprise Services, Pharos Financial Holding, Sudanese Egyptian Bank

Coutries: Egypt, Sudan

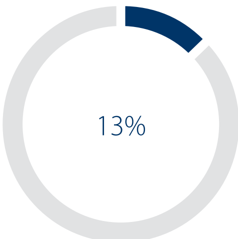
Grandview

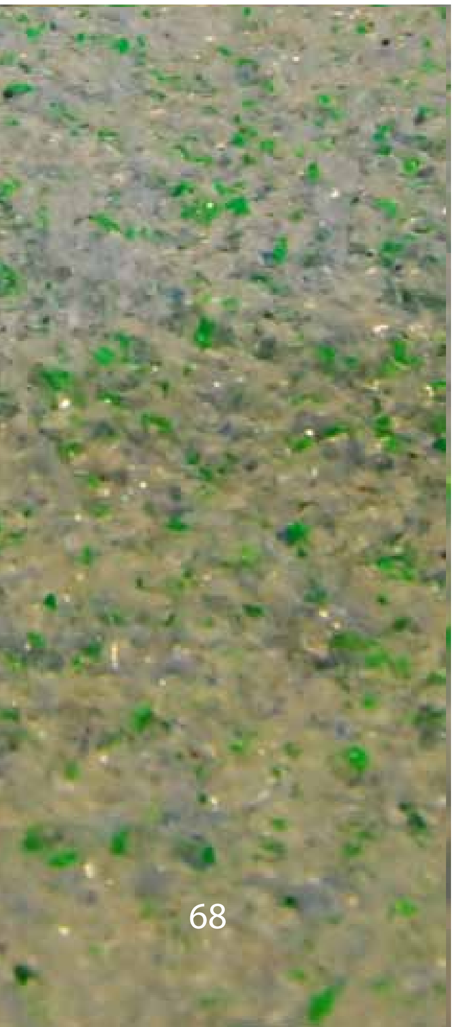
INDUSTRY
Multi-sector

INVESTMENT DATE
May 2005

INVESTMENT TYPE
Consolidation and Buyouts

CITADEL CAPITAL OWNERSHIP





Grandview Investments Holdings Corp. (Grandview) is an investment company established by Citadel Capital and co-investors to invest in mid-cap companies in the Middle East and North Africa region with a focus on Egypt. It has invested in key industries including printing and packaging, healthcare, textiles, restaurants, oil and gas services and building materials. Grandview targets companies with an enterprise value of less than US$ 40 million. Grandview is managed by Sphinx Capital, a private equity management company.

Grandview has an initial paid-in capital of US$ 95 million and has invested approximately 108% of its committed capital in highly successful transactions in key industries. Grandview targets mid-sized companies that are primarily focused on serving the Egyptian market. Citadel Capital's internal valuation of Grandview's portfolio already shows a substantial appreciation in value against acquisition cost.

All of Grandview's portfolio companies have shown strong resilience during both the 2009-10 economic crisis and the political upheaval that took place in Egypt in early 2011. With several primary and secondary M&A transactions in the pipeline, Grandview aims to create shareholder liquidity while remaining firmly committed to capital growth within the platform company.

Grandview's diversified portfolio of investments will mitigate the negative short-term impact of an economic slowdown. Portfolio stakes have been revalued accordingly to reflect bearish market conditions, both on the marketability of the assets held and the performance of each company. As a result, net asset value has dropped by 5% to stand at US$ 146 million, down from US$ 155 million in 2010. Gross IRR stood at 17%.

OPERATIONAL UPDATE

All of Grandview's funds are managed by Sphinx Egypt, a dedicated private equity management company formed by Citadel Capital and Marianne Ghali (who also manages the American University in Cairo's Educational Endowment Fund). Sphinx Egypt also manages the Sphinx Turnaround Fund sponsored by the International Finance Corporate, European Investment Bank and Swiss Investment Fund for Emerging Markets to leverage the knowledge and expertise gained by Citadel Capital in larger investments.

The firm targets the acquisition of controlling interests in mid-sized industrial companies with proven management, stable cash flows and strong potential for expansion and exports. The firm has a broad outlook on opportunities, being equally interested in pursuing distressed assets.

Grandview's current portfolio includes investments in a broad variety of sectors including printing and packaging, specialty building materials, oil services, textiles, healthcare and restaurants as well as restaurants and hospitality.

Post-acquisition, Sphinx Egypt maintains a close working relationship with its portfolio companies, assisting them with financial engineering and strategic repositioning, as well as investment and divestment strategies.

Grandview Investment Holding Corp. (Grandview) is an investment company established by Citadel Capital and co-investors for the purpose of investing in turnarounds and buyouts of small and mid-cap industrial companies in the MENA region with a focus on Egypt.

Select Portfolio Companies: Egyptian Textile Industries (Dice, master Line), Advanced Energy Systems (ADES), Eyptian Danish for Bakery (Trianon, licensor in Egypt of Coffee Bean & Tea Leaf, Segafredo, Carnivore, Tamarind, Popeyes), Haidylena, National Printing, Modern Holding, NEMM

Country: Egypt

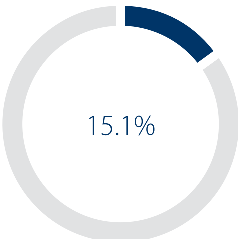
National Petroleum Company

INDUSTRY
Upstream Oil & Gas

INVESTMENT DATE
December 2005

INVESTMENT TYPE
Consolidation

CITADEL CAPITAL OWNERSHIP



National Petroleum Company Egypt Ltd (NPC Egypt) and National Petroleum Company SAE (NPC SAE), two wholly owned subsidiaries of Golden Crescent Investments Ltd, are upstream oil and gas exploration and production platform companies with a MENA footprint.

NPC Egypt holds 100% rights to the productive Shukheir Offshore Concession (which consists of the Gamma and Shukheir Bay fields located in the Gulf of Suez) and 100% rights to the South Abu Zenima (SAZ) Concession, which comprises a development lease. In addition, NPC Egypt holds 100% rights to the exploration concession of North El Maghara (NEM).

NPC SAE, through its wholly owned subsidiary Petzed Investment & Project Management Limited (Petzed), currently holds a 12.75% participating interest in the South Ramadan Concession located in the southern part of the Gulf of Suez. In 2006, NPC SAE, through Petzed, was awarded rights to the East Kheir Offshore Concession, which is currently under ratification by Egypt's People's Assembly.

Moreover, NPC SAE also holds shares in Nile Valley Petroleum Limited, which owns participating interests in two exploration blocks in Sudan and one in South Sudan, and in NOPC / Rally Energy, which has a heavy oil asset in Egypt and a gas field in Pakistan.

OPERATIONAL UPDATE

Based on local, regional and global supply gaps in the energy sector, Citadel Capital saw a compelling opportunity to create a large-scale oil and gas exploration and production company that would consolidate small independent operators and assets in Egypt and the region.

The NPC Egypt and NPC SAE concessions cover approximately 2,501 square kilometers in the Gulf of Suez and Northern Sinai. In 2011, NPC Egypt relinquished 786 square kilometers of the NEM concession in addition to 33 square kilometers of the SAZ concession in accordance with each respective concession agreement.

NPC Egypt's average daily production reached 650 BOPD during December 2011.

With a combination of exploration and production assets — as well as assets such as SAZ that are classified as production under development — NPC Egypt and NPC SAE have balanced exploration and risk with a number of mitigating factors.

Based on the Ryder Scott Company reserves report audited in December of 2009, with the SAZ Concession, the Muzhil field's 2P reserves consist of 8.5 million barrels of oil. Significant upside potential lies primarily in the SAZ-2 area, adjacent to the Muzhil field. According to the Ryder Scott Company resource report audited in March of 2010, P50 recoverable resources in SAZ are estimated at 91 mmbo.

During 2011, NPC Egypt concluded a number of geological and geophysical studies for the NEM concession including work on sequence stratigraphic interpretation, and confirmed a number of prospects and high-grade leads.

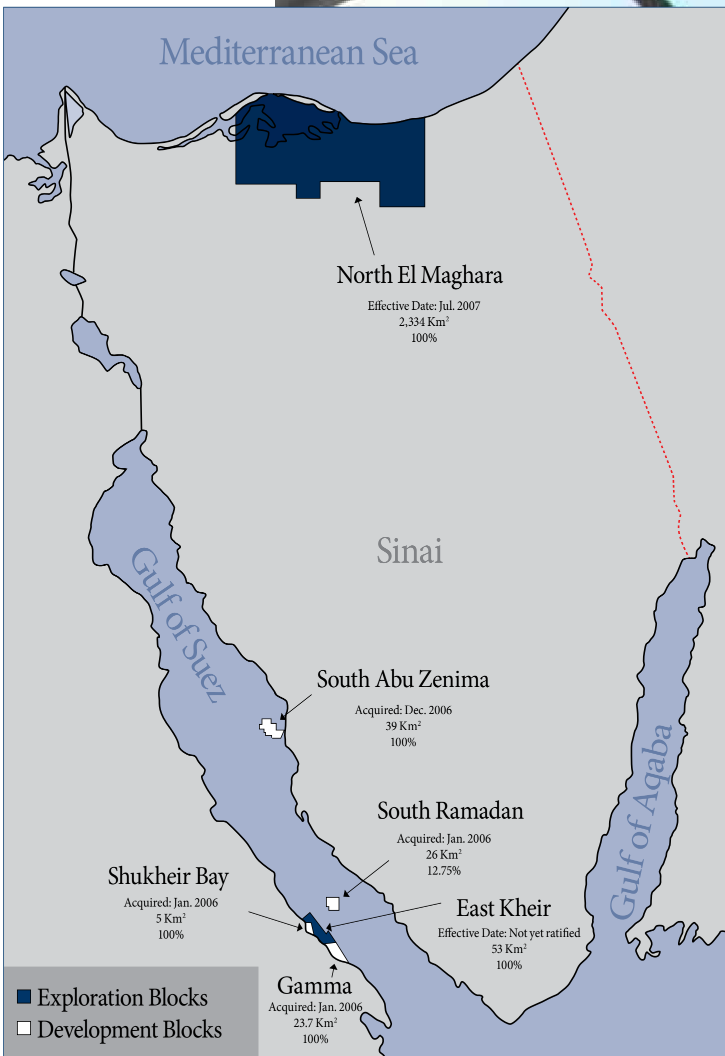
In February 2011, NPC-NEM agreed with EGAS to enter the second three-year exploration phase. Commitment under the second phase includes drilling two wells (LG for US$ 6 million). EGAS also agreed that the second commitment well from the first phase will be carried to the second phase (LG US$ 2 million).

With respect to the SAZ concession, NPC Egypt carried out comprehensive geological and geophysical studies for the SAZ-2 to minimize the uncertainties associated with drilling the proposed well as well as identifying the well location.

The SAZ Development Lease was initially approved by EGPC with the condition that first oil be delivered within four years of the date of the commercial oil discovery, i.e., June 1, 2011. On January 8, 2011, EGPC further approved an extension of the first oil deadline by one year, to June 2012. On November 23, 2011, a formal application for a revised field development plan which contemplates an extension of the first oil deadline to July 2013 was submitted to the Egyptian Ministry of Petroleum.

Finally, with respect to the Shukheir Marine concession, NPC finalized the isolitho maps for Kareem formation sandstone units showing their areal distribution over the Shukheir Bay.

Citadel Capital has signed a share purchase agreement to sell NPC Egypt.



The National Petroleum Company (NPC) is an upstream oil and gas exploration and production platform company with a MENA footprint.

Country: Egypt

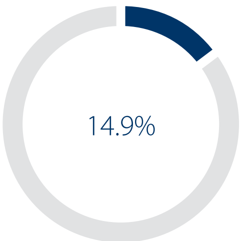
NOPC / Rally Energy

INDUSTRY
Heavy Oil

INVESTMENT DATE
September 2007

INVESTMENT TYPE
Consolidation

CITADEL CAPITAL OWNERSHIP



The National Oil Production Company (NOPC) is a Cairo-based upstream oil and gas exploration and production company. In September 2007, NOPC acquired 100% of Canada's Calgary-based Rally Energy for US$ 868 million. Rally had a 100% operating interest in the Issaran heavy oil field, an onshore asset in the Gulf of Suez. Rally also holds a 30% stake in the Safed Koh block in Pakistan's Punjab Province, where it is participating in the development of a natural gas discovery.

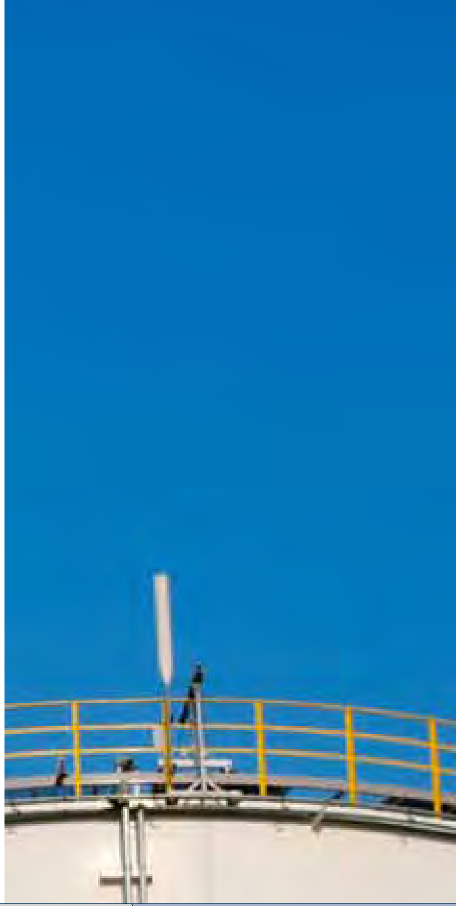
The shareholders of NOPC have invested over US$ 810 million of shareholder equity and loans, plus over US$ 545 million of bank debt, for a total cash investment of over US$ 1.35 billion over the course of what is now a five-year oil production development project.

OPERATIONAL HISTORY

Since NOPC's acquisition of Rally Energy Corp. in 2007, a technical review of the field has been undertaken by five different consultants as well the senior lender technical team. All the consultants have agreed that there is oil in place (OOIP) within the field, but have differed in their views on the recoverability of the oil. None have been close to accurate on the future performance of the field.

NOPC / Rally's management have been trying to identify a development plan for the Issaran field designed to increase and sustain production while piloting various oil recovery techniques in multiple locations in the field. These plans have been placed on hold due to lack of liquidity driven by the delay in collection of receivables.

As a result, nearly two years of negotiations have rendered the field without

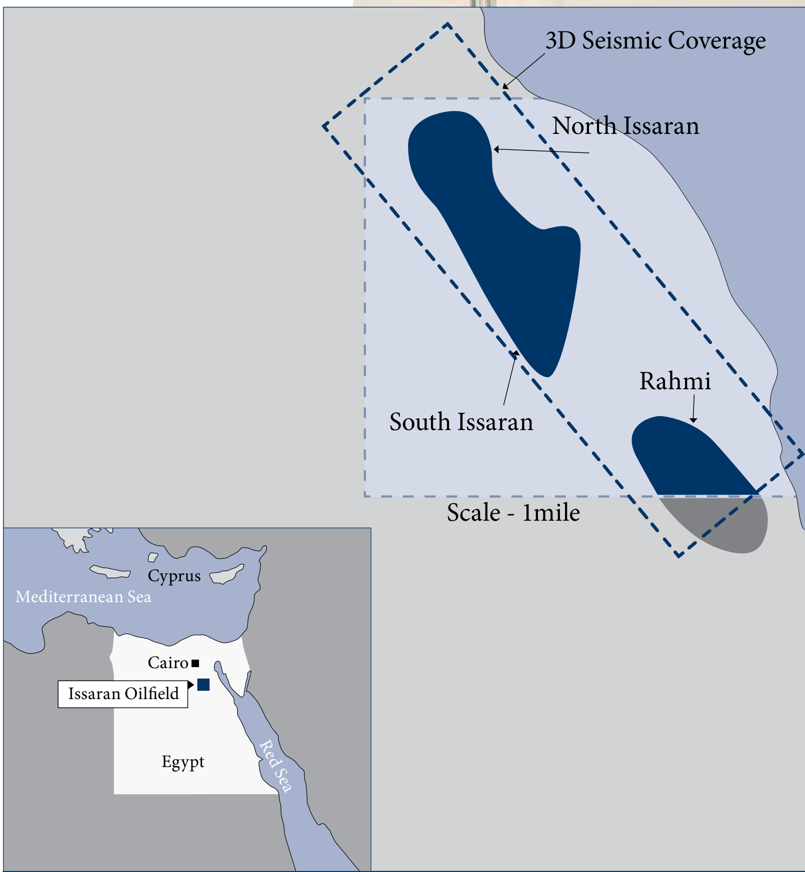


Rally Energy Corp.

a party willing to provide further funding or equity for any purpose. At present, the parties to the debt agreement have also failed to agree to a restructuring of the debt and have moved to discussions regarding a buy-out price.

Citadel Capital has been working closely with management, exerting its best efforts to keep the operations alive with minimum expenditures and within specific cash flow parameters.

Citadel Capital has made the decision to mark down its equity and debt investments in NOPC / Rally group to a value of zero. The firm will revise its valuation of its NOPC / Rally group equity and debt investments if significant success in both debt discussions and field development is achieved.



The National Oil Production Company (NOPC) is an upstream oil and gas exploration and production company. In 2007, NOPC acquired 100% of Rally Energy, which has a 100% operating interest in the Issaran oil field, a significant heavy oil development opportunity in Egypt.

Country: Egypt, Pakistan

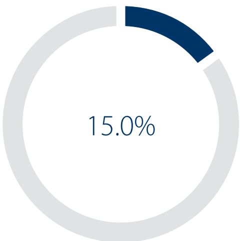
Nile Valley Petroleum Ltd.

INDUSTRY
Upstream Oil & Gas

INVESTMENT DATE
June 2008

INVESTMENT TYPE
Acquisition

CITADEL CAPITAL OWNERSHIP



Nile Valley Petroleum Limited (NVPL) is Citadel Capital's oil and gas exploration and production platform company operating in Sudan and South Sudan. In June 2008, NVPL acquired participating interests in three highly promising blocks (Blocks A, 9 and 11) and is currently engaged in the exploration of all three assets. The three blocks cover a total area of 226,768 square kilometers.

OPERATIONAL UPDATE

As of year-end 2011, NVPL held a 78% participating interest in Block A, located in the Republic of South Sudan. In addition, NVPL held a 41% participating interest in each of Blocks 9 and 11, both located in the Republic of Sudan's central region.

Block A is optimally located at the junction of the Muglad and Melut Basins. Both basins are considered to be world-class hydrocarbon mature basins and contain the majority of the discovered oil fields in the two countries.

To the west of Block A, and along the south extension of Muglad Basin, are Blocks 1, 2, 4 & 5A, which consist of several discovered oil fields. The Panour-N1 well is the most recent discovery in Block 5A, which is located about 17 kilometers to the west of the Block A boundary. To the east, and along the south extension of Melut Basin, seven oil discoveries took place during 2010 and 2011, five of which are in Block 7 (Ruman NW-1, Teen, Mishmish NG-1, Adar G-1 and Abyat NG-1). Teen E-1 was discovered in mid-2010, while Teen-S-1 was discovered in January 2012. The well tested about 2,100 bblpd from Yabus / Sama reservoir. The Teen discoveries proved that Ruman sub-basin is capable of generating hydrocarbons.

Blocks 9 and 11 lie in the fairly unexplored northern part of Sudan. Six prospective basins, including Khartoum Basin, have been identified by gravity and seismic profiles in Block 9. In 2009, a gas discovery was made in Block 8, located 100 kilometers to the southeast of Block 9, which is on trend with the Khartoum Basin.

Interpretation of a recently acquired gravity and magnetic (G&M) survey of Block 9 was completed in January 2011. The integration of geologic, seismic and G&M data was used to define the location of the two commitment wells of the second exploration phase of the Block; namely, Qarad-1 and Kandaka-1 in Khartoum and Atbara Basins, respectively.

Qarad-1 well was designed to be drilled as a vertical hole to a total depth (TD) of 3,000 meters to test the up dip of Democratia-1 well that tested 5.5 bbls oil (35 API°) from Abu Jinn sand reservoir. The well reached the planned TD and encountered all the formation tops as forecasted. Encouraging gas shows up to C5 associated with fair to good oil shows have been documented on the mud log. Two drill stem tests (DSTs) were carried out with negative results mainly due to poor reservoir quality sandstones.

Kandaka-1 well represents the second commitment well of the second exploration period of Block 9. It was the first well to be drilled in Atbara area. Kandaka-1 well was recommended to reach TD at 2,500 meters to test the hydrocarbon potential and also to define the stratigraphic succession in the area, particularly the strong seismic reflector. The well reached TD in basement at 1,681/-1,308 meters (about 800 meters shallower than the planned TD).

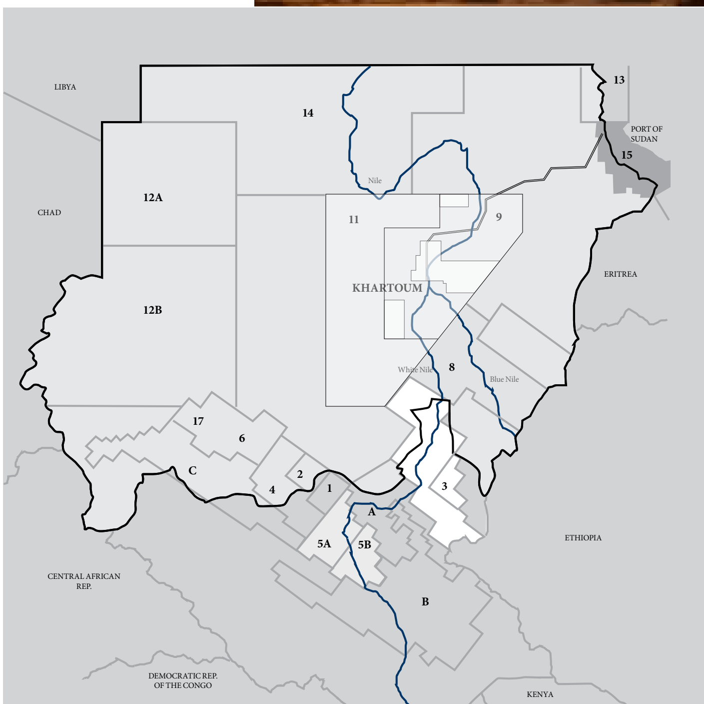
A comprehensive G&G study is currently underway by Beicep Franlab in Paris. The project is expected to be finalized by end of July 2012. Based on the results of this study, the upcoming 2D seismic acquisition program in the Block will be designed.

Block 11 also consists of several basins that represent the northwest extension of the Melut Basin. In 2009, three commercial discoveries in Block 7 (in Rawat Basin which extends into Block 11) were located about 95 kilometers to the southeast of the Block. Also, the processing of the newly acquired 20,000 Lkm of airborne G&M survey was completed and the interpretation is expected to be completed by end of July 2012. The location of the committed 1,000 Lkm of 2D seismic will be defined based on the results of the G&M interpretation.

As lead shareholder, Citadel Capital has been funding NVPL's monthly running costs, including salaries, accrued payables and state entitlements, for some time.

Blocks 9 and 11 are together approximately 15 times as large as Egypt's offshore Gulf of Suez zone, while Block A is nearly three times as large as the Gulf of Suez offshore area.

Sudapak Operating Company, a joint venture between the contractors, is currently operating all three Blocks. In light of the emergence of South Sudan as an independent nation, Block A, which currently belongs to South Sudan, is to be spun off to be operated by a joint venture other than Sudapak.



Nile Valley Petroleum Limited (NVPL) is Citadel Capital's oil and gas exploration and production platform in North and South Sudan. The company acquired participating interests in three highly promising concessions in June 2008 and is currently engaged in exploration on all three assets.

Countries: Egypt, Sudan, South Sudan

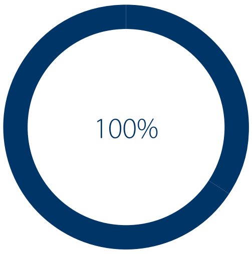
Wafra

INDUSTRY
Agriculture and Consumer Foods

INVESTMENT DATE
September 2007

INVESTMENT TYPE
Consolidation

CITADEL CAPITAL OWNERSHIP



Wafra is Citadel Capital's platform company for agricultural production in Sudan and South Sudan and includes the rights to more than 500,000 feddans of land through investments held under portfolio companies Sabina (324,000 feddans in Sudan) and Concord Agriculture, previously known as Sudanese Egyptian Agricultural Crops Company - SEAC (250,000 feddans in South Sudan).

These projects engage in large-scale cultivation of cash crops including grain sorghum, maize, sunflower, rice and various grain legumes, and together comprise one of the largest agricultural projects in Sudan.

Wafra continues to explore complementary regional development initiatives and expects to develop into a significant player in the agriculture sector.

OPERATIONAL UPDATE

Citadel Capital created Sabina in September 2008 as a portfolio company for investment in Sudanese agricultural production. Sabina holds Citadel Capital's agricultural investment near Kosti, where it has obtained a 30-year lease, renewable for similar periods, on a 324,000-feddan plot of fertile land, 37 kilometers of which are located directly on the Nile. Sabina's holdings are located in Sudan's White Nile State, which lies approximately 300 kilometers south of Khartoum. Part of the land has been designated specifically for the cultivation of sugar cane and the rest will be used for various cash crops.

Concord, a second Wafra portfolio company, was formed in early 2009 under a contract for 250,000 feddans of land in South Sudan. The plot is in

WAFRA

close proximity to a river port owned by Keer Marine, Citadel Capital's portfolio company in the river transportation and logistics sector. Concord holds approximately 250,000 feddans of agricultural land near the city of Bentiu in South Sudan's Unity State (Welayet Al-Wehda). The land is located approximately 600 kilometers north of the South Sudan capital city of Juba.

In 2009, Citadel Capital engaged industry expert Peter Schuurs, who had previously served in both Botswana and Sudan, to lead Concord. At Sabina, the team is lead by Kim Packer, a veteran in large-scale agriculture.

By the end of 2010 Sabina, had completed the development and cultivation of over 2,000 acres of wheat. In April 2011, the company successfully completed its first harvest, with local prices ranging from 25-30% higher than international prices of wheat. In 2011, Sabina also managed to plant and harvest 2,600 feddans of cotton, 700 feddans of sorghum and 700 feddans of sunflower.

The company is currently on track to complete the development of 10,000 feddans to be ready for planting in June 2012. In addition, Sabina rehabilitated 7,000 feddans for the local communities in 2011. Sabina was also able to secure US$ 15 million in debt in 2011. Concord will be ready to seed 3,500 acres of land by the onset of the rainy season in mid-2012; the entire area will be planted with maize and sunflower for sale in the local market. Concord had developed 3,000 acres of agricultural land by the end of FY11.

Citadel Capital raised its ownership of Wafra to 99.9% in early 2012 through capitalization of shareholder loans.

Wafra is Citadel Capital's platform company for agricultural production in Sudan and South Sudan. Wafra includes the rights to more than 500,000 feddans of land through investments held under portfolio companies Sabina in North Sudan and Concord in South Sudan.

Select Portfolio Companies: Concord, Sabina

Countries: Sudan and South Sudan

© Marcello Bertinetti/White Star Archive

Africa & MENA Joint Investment Funds

The MENA and Africa Joint Investment Funds (JIFs) are both sister funds and Citadel Capital's first standard institutional funds. While Citadel Capital will continue to raise equity primarily on a deal-by-deal basis through its traditional Opportunity-Specific Funds — preferred by the firm's core GCC-based co-investors — standard institutional funds such as the MENA and Africa JIFs provide international institutional investors the opportunity to participate in the firm's transactions within a legal framework and decision-making timeframe that suits their mandate.

The MENA and Africa Joint Investment Funds reached a US$ 140 million combined first close in the third quarter of 2010. Further fundraising was suspended for about 12 months due to the Arab Spring and a final closing of the funds is expected in the third quarter. Equity committed to the MENA and Africa JIFs generate management fees on committed capital and also a carried interest when fund investments are sold at a profit above their 12% annual return hurdle rate.

OPERATIONAL UPDATE

The JIFs have been structured so that for a qualifying investment they will automatically invest US$ 2.00 for every US$ 1.00 that Citadel Capital will invest in a specific business opportunity.

Anchor limited partners in the joint investment funds include:

- International Finance Corporation (IFC)
- African Development Bank (AfDB)
- Netherlands Development Finance Company (FMO)
- Société de Promotion et de Participation Pour la Coopération Economique (Proparco)
- Deutsche Investitions–und Entwicklungsgesellschaft mbH (DEG)
- European Investment Bank (EIB)

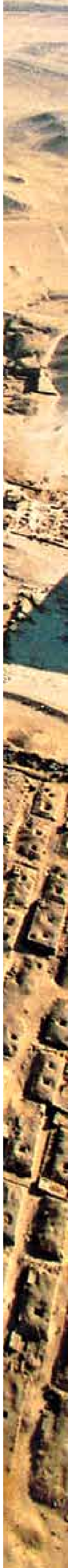
Management is in regular contact with anchor investors in the Funds, who have also become substantial co-investors alongside Citadel Capital in both new and existing Opportunity-Specific Funds.

Strong institutional interest in the MENA and Africa Joint Investment Funds was a substantial momentum driver for the US$ 363.6 in new assets under management the firm added in FY10, accounting for c.27.5% of all private equity funds raised for investment in the Middle East and Africa.

However, as a result of ongoing regional unrest only $90 million of institutional equity capital was raised in 2011. In addition, the final close for both the MENA and Africa Joint Investment Funds was pushed back by one year.

In 2010, the Funds made substantial new investments in Platform Companies including Africa Railways (US$ 20.0 million from the Africa JIF), and US$ 9.3 million in solid waste management play Tawazon (split as US$ 4.7 from each JIF). In 2011 additional funds were drawn to invest in Tawazon's new biofuels subsidiary.

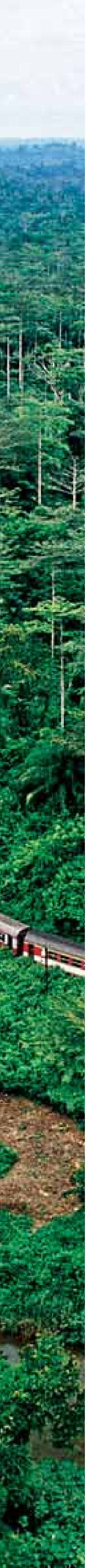
Undrawn equity of just over US$ 100 million in the Africa and MENA JIFs will continue to be drawn down on an as-needed basis in 2012, including a total of $40 million for Egyptian Refining Company ($20 million each), which should close in the second quarter.



The MENA and Africa JIFs provide international institutional investors the opportunity to participate in the firm's transactions within a legal framework and decision-making timeframe that suits their mandates.

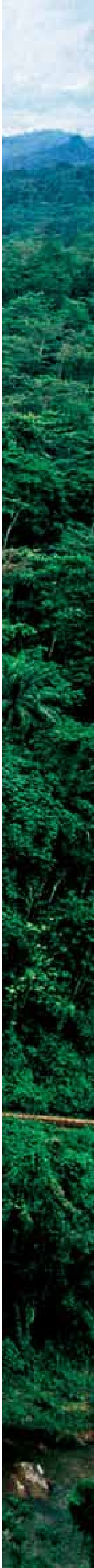
2011
Management Review

Contents



Summary of Key 2011 Accomplishments

Goal	Delivery
Strengthen Our Balance Sheet	• Completed US$ 175 mn capital increase, adding US$ 120 mn in fresh cash on Citadel Capital balance sheet • Finalized US$ 150 mn long-term facility guaranteed by OPIC • Refinanced existing US$ 175 mn facility to better suit planned pace and tenor of investments
Prioritize Fundraising to Drive Growth in Existing Portfolio	• Raised third-party cash of US$ 767.9 million (at platform, portfolio and Citadel Capital levels) • Completed financing package for Rift Valley Railways • Completed capital increase for Africa Railways • Fresh capital for Nile Logistics, NVPL, Grandview, Wafra, Gozour • Equity closure on ERC has new momentum
Preserve Cash	• 19.4% reduction in recurring OPEX in FY11 • Emphasis on cost control continues in 2012 to lock-in savings from the year just ended • Fresh cash channeled to portfolio companies that are turning the corner to become cashflow positive
Focus our Efforts	• Rebalancing of portfolio through divestiture of minor / non-core investments has begun with in-progress sale of NPC Egypt • Rebalancing within 2012 will add US$ 20-40 mn to balance sheet to support growth of core portfolio / platform companies • Focus efforts on companies that will soon be cash generative (e.g., increasing Wafra stake to 99.9%) • No new platform investments since November 2009 • Rebalancing / focusing on core investments allows management to concentrate not on new transactions, but on driving growth at companies it already knows inside-out
Be More Hands-On with our Investments	• Regular, hands-on monitoring of business plans • Management change at platform / portfolio companies as required (Gozour, Sabina, United Foundries, Rift Valley Railways, Nile Logistics) • Tighter group-wide internal controls and procurement policy
Maintain a Conservative Stance	• Write-downs on under-performing upstream oil and gas investments at end of FY10 • Enforced same conservative approach on platform and portfolio companies in FY11 (ASCOM, TAQA Arabia)
Benefit from Macroeconomic Trends	• The state budget is coming under substantial pressure as a result of the fuel subsidy program and scarcity of refined product (particularly diesel) has become a hallmark of the market in 1H12: This development is providing momentum for closure on ERC's equity component expected in 2Q12 and will benefit Tawazon, Nile Logistics and TAQA Arabia from 2H12 onward



2011 Milestones

2011
February

Citadel Capital announces on 3 February that it will re-open the following Sunday following civil unrest attendant to the Egyptian revolution. Senior management has met daily at the firm's Cairo headquarters to discuss the immediate operational repercussions and long-term implications of change.

2011
March

ASCOM announces that subsidiary ASCOM Precious Metals Mining (APM) has received encouraging indications of gold mineralization in the company's Asosa Concession in Western Ethiopia. The first 17 drill holes at Dish Mountain are promising, identifying at least three potential areas of gold mineralization along a 1.6-kilometer mineralized zone.

2011
April

Grandview Investment Holdings, a company managed by Sphinx Private Equity Management, announces that the International Finance Corporation (IFC) will contribute an equity investment of up to US$ 10 million and a loan of up to US$ 15.5 million to complete the building of a new, environmentally-friendly paper mill that will use recycled fiber from local waste paper to produce duplex board, creating 850 jobs and easing Egypt's reliance on imports.

2011
May

For the third year running, Citadel Capital ranks as the largest private equity firm in Africa in the benchmark PEI 300 ranking. The firm also debuts at number eight on the PEI 300 ranking of the largest 10 emerging-markets private equity firms.

2011
June

Citadel Capital announces that German development finance institution DEG (Deutsche Investitions- und Entwicklungsgesellschaft mbH) and the European Investment Bank (EIB) will jointly invest US$ 21 million in the Opportunity-Specific Fund controlling Citadel Capital's Egyptian river transport investments. These include barge operator Nile Cargo and the National River Port Management Company (NRPMC).

Nile Logistics and its portfolio companies are part of the solution.

River ports operator NRPMC holds a contract to transport up to 2 million tons of wheat annually along the River Nile in environmentally-friendly river barges.

2011
June

Nile Valley Petroleum Ltd announces a farm-out agreement with Sudapet, the state-owned Sudanese oil company, for 30% participating interest in two exploration blocks in Northern Sudan. Under the agreement, Sudapet will increase its participating interest in Blocks 9 and 11 to 59% from 29%, paying US$ 10 million for the additional interest. At the same time, NVPL will reduce its participating interest to 41%. Under this agreement, NVPL will be entitled to recover almost all of the recoverable cost pool — US$ 73 million — for Blocks 9 and 11.

2011
July

Wafra portfolio company Sabina concludes its first commercial wheat harvest in Sudan's White Nile State. The 3,000-feddan (3,114 acres) harvest nets a price of US$ 450 per ton, more than US$ 100 per ton above the company's target.

Africa Railways portfolio company Rift Valley Railways (RVR) of Kenya-Uganda reports its first positive EBITDA (US$ 674,000 in EBITDA for the month of June 2011) since Citadel Capital purchased an indirect stake in the company in December 2009.

The Citadel Capital Scholarship Foundation names 14 talented Egyptians to its 2011 class. All 14 receive full academic scholarships to pursue graduate degrees at world-class international institutions on the condition that they return to Egypt post-graduation to work in their chosen fields. Twelve recipients will undertake master's-level studies, while two will study at the doctoral level. The 14 join more than 70 scholars from Cairo, Giza, Alexandria, Menoufia, Ismailia, Assiut, and Aswan.

2011
August

Africa Railways announces that Rift Valley Railways (RVR) has concluded a US$ 164 million financing package for an ambitious five-year capital expenditure program. Six leading global Development Finance Institutions (DFIs) and one local bank are participating in the package, which backs a US$ 287 million capex program to accelerate the pace at which RVR will rehabilitate its infrastructure and rolling stock.

ASEC Holding announces that portfolio company ASEC Engineering and Management has signed three five-year renewable contracts to provide technical management services for three cement plants. A fourth contract, signed in 2000, has been extended for five years and now runs through mid-2016.

The firm calls for subscriptions to an EGP 1.05 billion capital increase via rights issue at par.

ASEC Engineering and Management signs contracts for the technical management of three cement plants and wins a contract extension for a fourth. The contracts will create more than 750 jobs in Qena, Beni Suef and Assiut governorates.

Citadel Capital announces it has concluded a Memorandum of Understanding (MOU) with the Iraqi Ministry of Petroleum to build a 150,000 BOPD complex petroleum refinery in Iraq. The Ministry of Petroleum will guarantee the refinery its feedstock and purchase the refined products under a 25-year offtake agreement at international prices. The MOU gives Citadel Capital three years to complete all project studies; construction of the plant will take up to four years.

2011 September

Citadel Capital announces that it has completed a US$ 70 million (c.EGP 416.5 million) capital increase for platform company Africa Railways Ltd. This brings to more than US$ 319.3 million the total equity and debt raised by Citadel Capital and its platform companies since the beginning of the year.

2011 October

Shareholders fully subscribe to Citadel Capital's EGP 1.05 billion (US$ 175.6 million) capital increase, adding EGP 718 million (US$ 120 million) in fresh cash to the firm's balance sheet. Post the rights issue, Citadel Capital reports paid-in capital of EGP 4,385,125,000 distributed across 871,625,000 shares, including 217,906,250 preferred shares and 653,718,750 common shares.

2011 November

The Board of Directors of the United States Overseas Private Investment Corporation (OPIC) approves a new ten-year, US$ 150 million financing facility to support Citadel Capital's investments. Fully US$ 125 million is specifically designated for investment in Egypt, with the balance earmarked for South Sudan. The figure brings to US$ 325 million the total new long-term capital added to Citadel Capital's balance sheet — and is the second time in just over one year that OPIC has approved financing for Citadel Capital and its investments.

Citadel Capital announces a program to add a further US$ 50 million to its cash balances through a series of small divestitures (rebalancing of its portfolio) through the end of 2012.

Principal Investments

We contribute 10-20% of the equity in each of our OSFs under shareholder agreements that give the firm management control. Gains from the sale of these investments constitute one of two Citadel Capital revenue streams

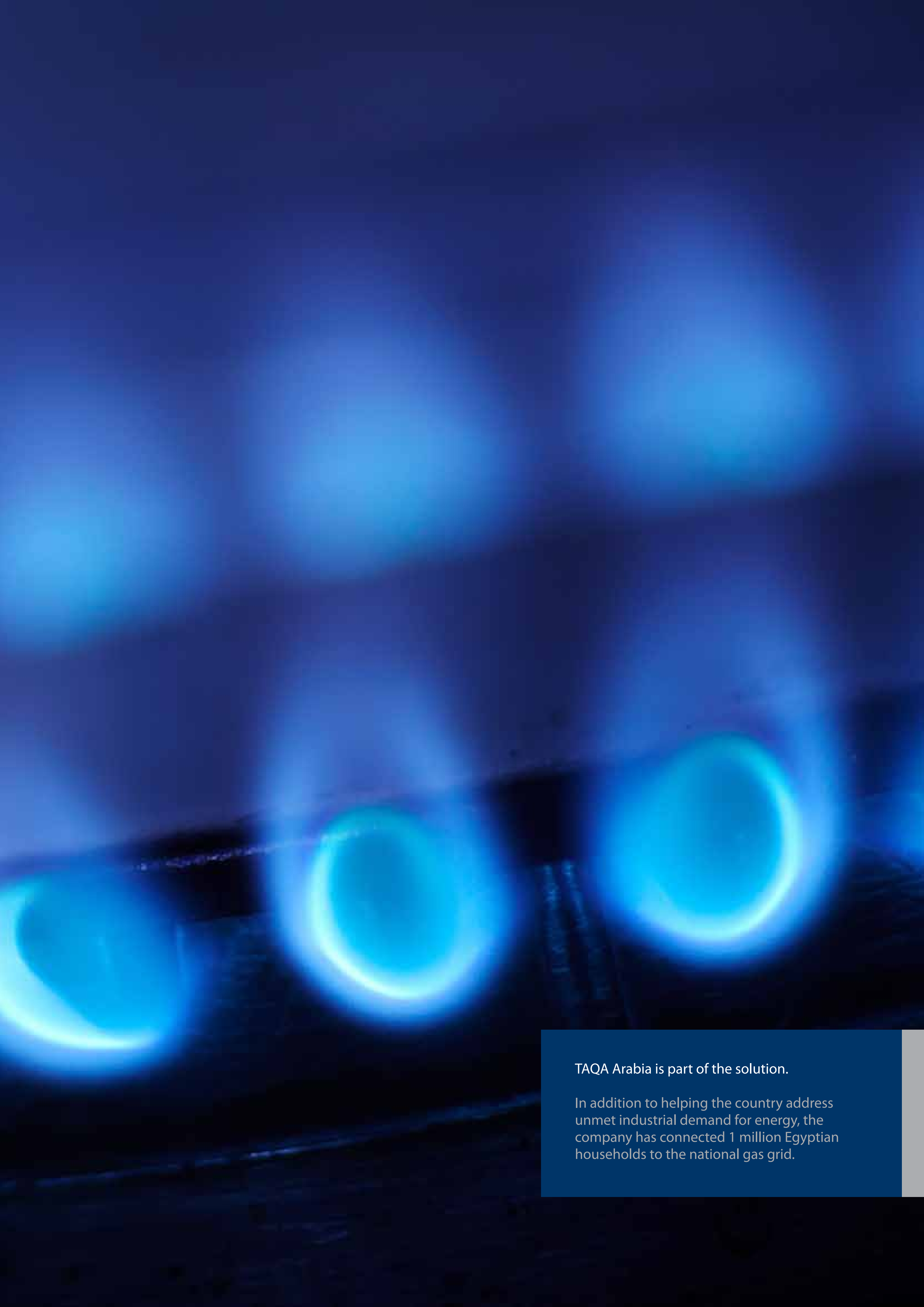
Citadel Capital controlled total investments of US$ 9.5 billion (EGP 57.1 billion) at the end of FY11, comprising both committed equity and committed debt. This represents an 8.7% rise year-on-year and growth of 4.5% quarter-on-quarter on the back of sustained fundraising from leading international institutional investors. New investments under control raised in FY11 break down as 33.7% equity and 66.3% debt.

Citadel Capital's total principal investments (including equity, convertibles and interest-bearing loans to its platform companies) stood at US$ 941.0 million (EGP 5.4 billion) at the end of FY11, a 5.4% rise from the previous quarter and an 8.9% rise year-on-year. The firm made a total of US$ 75.0 million (EGP 450.5 million) in new principal investments in FY11, including US$ 57.6 million (EGP 346.0 million) in the fourth quarter.

On a full-year basis, Citadel Capital's new principal investments include US$ 36.2 million (EGP 217.5 million) in equity and US$ 42.5 million (EGP 255.3 million) in new interest-bearing loans to platform and portfolio companies.

Citadel Capital's total principal investments at 31 December 2011 break down as 82.8% equity* investments, 8.5% investments in convertibles, and 8.7% interest-bearing loans to platform and portfolio companies.

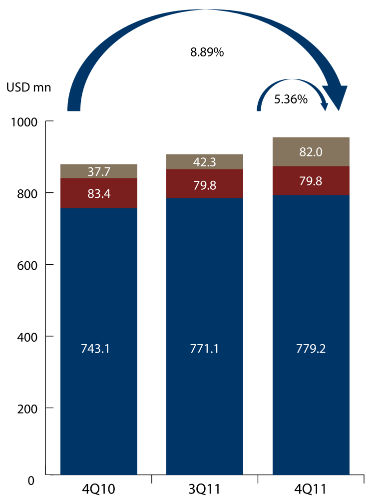
* Kindly note: As part of Citadel Capital's decision to source its Portfolio Net Asset Valuation (PNAV) from an independent third party, management has opted henceforth to re-define slightly the classification of both its principal equity investments and the investments of its co-investors to better reflect reality. Accordingly, all equity investments discussed in this Annual Report represent the actual investment cost to Citadel Capital and its limited partners. It is management's view that this change in methodology ensures consistency across all of its information products (for lenders, limited partners and shareholders). Historical figures have been restated. Please see tables pages 91 and 93 for additional detail.



TAQA Arabia is part of the solution.

In addition to helping the country address unmet industrial demand for energy, the company has connected 1 million Egyptian households to the national gas grid.

Citadel Capital Principal Investments



Equity

Citadel Capital made new principal equity investments of US$ 36.2 million (EGP 217.5 million) in FY11, driven primarily by a total of US$ 34.5 million (EGP 207.2 million) invested in agriculture and consumer foods platform Gozour, Sudanese agriculture platform Wafra and the Egyptian Refining Company (ERC).

Wafra attracted US$ 11.2 million (EGP 67.3 million) in the full year to back plans for an accelerated pace of development at both Sabina (Sudan) and Concord (South Sudan) following the completion of substantial early-stage work, a successful first commercial wheat harvest at Sabina mid-year, and a first cotton harvest with yields exceeding the average in Sudan. Management is sufficiently optimistic about Wafra's long-term prospects to have increased its stake in the company to 99.9% in 1Q12. The firm invested a further US$ 15.3 million (EGP 91.9 million) in Gozour in FY11, which made substantial operational progress in late 2011 even as positive sales and financial momentum at Rashidi El-Mizan, Dina Farms and ICDP (Dina Farms' fresh milk arm) were partially offset by challenges at El-Misriyyeen and Enjoy.

ERC closed FY11 with a net new investment from Citadel Capital of US$ 8.0 million (EGP 48.1 million) with fully US$ 6.6 million (EGP 39.6 million) having been invested in 4Q11 following a temporary reduction in the firm's principal investment in ERC earlier in the year as talks on equity closure had slowed. Negotiations to finalize US$ 1.1 billion in equity and thereby reach financial close on the transaction accelerated in 4Q11. Closure is now expected in the first half of 2012. The US$ 2.6 billion in debt financing for ERC — guaranteed by international development finance institutions and export credit agencies — remains in place.

Citadel Capital's total equity investment in Africa Railways declined US$ 5.4 million (EGP 32.4 million) on a full-year basis following the recovery of US$ 13.9 million (EGP 83.5 million) in equity in 4Q11. This US$ 13.9 million represents funds Citadel Capital had previously advanced Africa Railways pending the raising of US$ 70 million in equity from international LPs. Closure on that capital increase came in 4Q11, allowing return of the funds. Citadel Capital presently holds 35.3% of Africa Railways (directly and via the MENA and Africa Funds).

Citadel Capital's principal investment in ASEC Holding and United Foundries Company declined US$ 5.7 million (EGP 34.2 million) and US$ 0.7 million (EGP 4.2 million) respectively in US dollar terms only as a result of the devaluation of the Egyptian pound. ASEC Holding and United Foundries are the sole Citadel Capital principal investments held on the balance sheet in Egyptian pounds. All other investments in platform and portfolio companies are held in US dollars and hence benefit from devaluation.

Also in FY11, Citadel Capital made new principal equity investments in Tanweer (media and retail), Finance Unlimited (financial services) and Tawazon (solid waste management). The firm's total principal equity investments in the full year were accordingly weighted toward Gozour (30.8% of total new equity invested), Wafra (22.6%), ERC (16.0%), Finance Unlimited (7.8%) and Tanweer (7.5%).

In the fourth quarter, Citadel Capital made new principal equity investments of US$ 49.3 million (EGP 296.1 million), a figure that includes the reduction of equity in Africa Railways and the effect of devaluation of the Egyptian pound on the firm's investment in ASEC Holding. New investments were weighted toward Gozour, ERC, Wafra, Finance Unlimited and Tawazon.

Convertibles

Citadel Capital holds four investments in convertibles: ASEC Holding, United Foundries, NPC and NOPC / Rally Energy. The firm made no new investments in convertibles in 4Q11. On a full year basis, the firm's total investment in convertibles eased US$ 3.6 million (EGP 21.6 million) to US$ 79.8 million (EGP 466.7 million) as co-investors took positions in the United Foundries convertible in 1Q11.

Loans

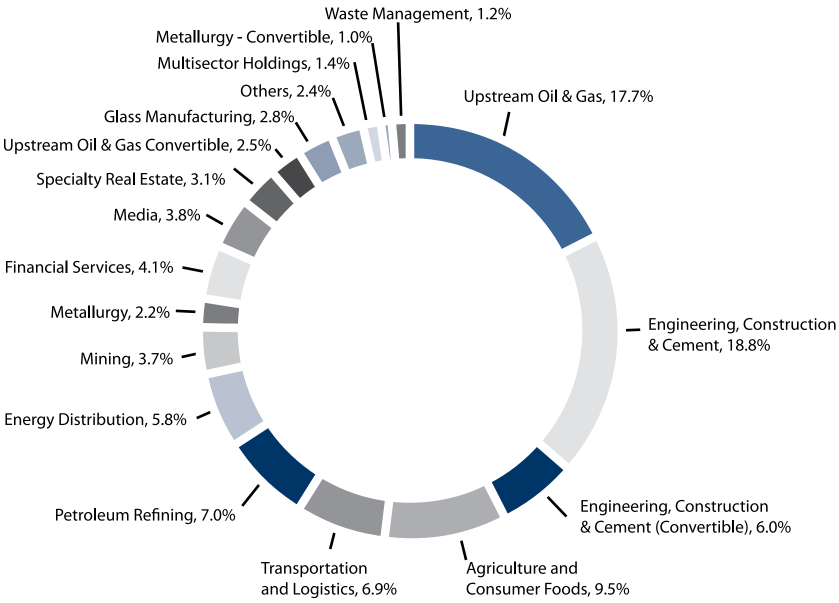
As it did in 2008-09 when the global financial crisis spilled over into the Middle East and Africa, Citadel Capital continues to extend loans to a number of platform and portfolio companies to bridge short-term funding gaps. Interest bearing loans accordingly represent a distinct form of Citadel Capital principal investment in its platform and portfolio companies.

Total interest bearing loans to platform and portfolio companies rose 95.6% quarter-on-quarter to US$ 82.0 million (EGP 492.6 million) as Citadel Capital deployed in 4Q11 fresh capital raised earlier in the year to support the growth of core platform and portfolio companies. On a full-year basis, total loans to platform and portfolio companies accordingly rose 125.4%.

8.7%

Total investments under control rose 8.7% year-on-year in FY11 to US$ 9.5 billion.

Breakdown of Principal Investments by Industry as at year-end 2011



Portfolio Net Asset Valuation

We disseminate a Portfolio Net Asset Valuation (PNAV) at the half- and full-year marks to provide an indicative valuation of our principal investments in our own transactions. The firm does not provide guidance on the value of its asset management franchise (AMV), leaving this calculation to the discretion of analysts.

The net asset value of Citadel Capital's principal investments in its OSFs stood at US$ 861.1 billion (EGP 5,172.7 million) as at 31 December 2011, with PNAV per share (PNAVPS) at US$ 0.99 (EGP 5.93).

Management notes that the FY11 PNAV has been calculated with a new methodology. Whereas previous valuations have been carried out by Citadel Capital itself, the firm has chosen to rely on RisCura Fundamentals as a credible, third-party provider of an independent valuation beginning with the FY11 Business Review.

Use of a RisCura-calculated PNAV has been approved by our lenders, as well as anchor investors in the MENA and Africa Joint Investment Funds. It is management's view that sourcing a single PNAV from a single, independent provider will provide shareholders, international LPs, regional co-investors and lenders alike with a common view of Citadel Capital's net asset valuation.

As part of Citadel Capital's decision to source its Portfolio Net Asset Valuation (PNAV) from an independent third party, management has opted henceforth to re-define slightly the classification of both its principal equity investments and the investments of its co-investors to better reflect reality. Accordingly, all equity investments discussed in this document represent the actual investment cost to Citadel Capital and its limited partners. It is management's view that this change in methodology ensures consistency across all of its information products (for lenders, limited partners and shareholders).

The firm will continue to circulate a PNAV at the half-year and full-year marks.

All platform companies are valued by RisCura with the exceptions of Wafra, NVPL, Other Assets and Loans to Platforms (all of which are held at cost) and Grandview, which is valued by that company's management.

RisCura is a leading provider of independent valuation, risk and performance analysis to investors in unlisted instruments in Africa. The company's clients include private equity, pension and credit funds, in addition to banks. RisCura has expertise in covering industries ranging from agriculture to retail, from manufacturing to extractive industries. The company's valuations are performed in accordance with International Private Equity and Venture Capital Valuation Guidelines, which apply the concept of fair value and are consistent with IFRS and US GAAP.

RisCura is remunerated by Citadel Capital for the production of the PNAV.

Citadel Capital Portfolio Net Asset Value as of 31 December 2011, as Valued by RisCura*

Platform Company		Investment Cost (EGP mn)	Ownership	Investment Value (EGP mn)	Multiple	% Valuation	Value/ Share (EGP)
ASEC Holding	Engineering, Construction & Cement	924.4	54.8%	930.4	1.0x	18.0%	1.07
ASCOM Mining & Geology	Mining	183.1	39.2%	104.0	0.6x	2.0%	0.12
Nile Logistics	Transportation and Logistics	186.5	34.2%	186.5	1.0x	3.6%	0.21
Africa Railways	Transportation and Logistics	152.4	35.3%	250.5	1.6x	4.8%	0.29
Gozour	Agriculture and Consumer Foods	229.2	19.5%	296.8	1.3x	5.7%	0.34
Gozour Real Estate	Real Estate	50.1	19.5%	159.4	3.2x	3.1%	0.18
National Petroleum Company	Upstream Oil & Gas	354.2	15.1%	70.8	0.2x	1.4%	0.08
NOPC / Rally Energy Group	Upstream Oil & Gas	359.1	14.9%	0	0.0x	0.0%	0.00
Egyptian Refining Company	Petroleum Refining	341.1	15.9%	341.1	1.0x	6.6%	0.39
TAQA Arabia	Energy Distribution	247.1	34.9%	655.2	2.7x	12.7%	0.75
Mashreq	Energy Distribution	39.4	24.5%	39.4	1.0x	0.8%	0.05
GlassWorks	Glass Manufacturing	136.8	21.0%	160.4	1.2x	3.1%	0.18
Finance Unlimited	Financial Services	202.6	100.0%	230.2	1.1x	4.5%	0.26
Bonyan	Specialty Real Estate	154.1	32.1%	154.1	1.0x	3.0%	0.18
Tawazon	Solid Waste Management	57.8	53.4%	57.8	1.0x	1.1%	0.07
United Foundries Company	Metallurgy	106.5	30.0%	144.1	1.4x	2.8%	0.17
Tanweer	Media	187.2	100.0%	491.7	2.6x	9.5%	0.56
Grandview	Mid-Cap / Multisector	69.9	13.0%	118.8	1.7x	2.3%	0.14
Wafra	Agriculture	186.2	100.0%	186.2	1.0x	3.6%	0.21
NVPL	Upstream Oil & Gas	152.8	15.0%	152.8	1.0x	3.0%	0.18
Other Assets		118.0	n/a	118.0	1.0x	2.3%	0.14
Total Equity Investments		**4,438.3**		**4,849.0**	**1.1x**	**93.7%**	**5.56**
ASEC Holding (Convertible)		294.6	49.7%	572.3	1.9x	11.1%	0.66
NPC (Convertible)		52.4	n/a	52.4	1.0x	1.0%	0.06
NOPC / Rally Energy Group (Convertible)		72.1	n/a	0	0.0x	0.0%	0.00
United Foundries (Convertible)		47.6	61.0%	86.5	1.8x	1.7%	0.10
Total Convertibles		**466.7**		**711.2**	**1.5x**	**13.7%**	**0.82**
Net Loans to Platforms		**492.6**		**492.6**	**1.0x**	**9.5%**	**0.57**
Total Citadel Capital Investments		**5,397.5**		**6,052.7**	**1.1x**	**117.0%**	**6.94**
Cash and Other Assets				249.6		4.8%	0.29
Due to CCP				(225.4)		(4.4%)	(0.26)
Due from Advisory Fees				128.8		2.5%	0.15
Bank Debt				(1,033.0)		(20.0%)	(1.19)
Total				**(880.0)**		**(17.0%)**	**(1.01)**
Portfolio Net Asset Valuation				**5,172.7**		**100.0%**	**5.93**

NOTES: Wafra, NVPL, Other Assets and Loans to Platforms are held at cost. Grandview is valued by that company's management. All other platforms are valued by RisCura.

* Please see page 88 for specific notes, limitations and disclaimers on the RisCura PNAV.

PNAV Methodology

Notes and qualifications on Citadel Capital's PNAV as valued by RisCura Fundamentals

a) Purpose of the Report

The purpose of the PNAV report is to present the valuation of Citadel Capital's principal investments in its own portfolio as at 31 December 2011.

b) Sources of Information

The principal sources of information used in preparing this valuation report include:

- Independent platform company valuation reports prepared by RisCura Fundamentals ("RisCura") as at 31 December 2011.
- Citadel Capital 3Q11 Business Review Final dated 24 October 2011.
- Meetings with Citadel Capital executives and portfolio management.

c) Scope of Work

Preparation of third party independent valuations of specified investments in accordance with the International Private Equity and Venture Capital Valuation Guidelines for use by Citadel Capital in its internal processes and reporting to investors. These Guidelines are consistent with both IFRS and US GAAP.

The valuation deliverables are a model and summary valuation report on each portfolio company, detailing for each company the valuation methodology, key assumptions and valuation result at 31 December 2011.

The valuation process is outlined in the RisCura Fundamentals Valuation Scope and Process Overview dated November 2011.

d) Outcome

Except as noted below, the independent valuation of Citadel Capital's unlisted investments was completed in line with the scope of work outlined above. Individual company valuation reports were completed for each investment in Citadel Capital's portfolio as at 31 December 2011, in support of the value displayed in the PNAV.

e) Scope Limitations

RisCura received limited and partially unaudited information for the portfolio companies and placed full reliance on such information without independent verification and without performing audit procedures that would enable RisCura to express an opinion on any of the financial data or other information on which the valuation was based.

Except where specifically stated, RisCura have not sought to establish the reliability of the information used by reference to independent information and, accordingly, express no opinion or make any representation concerning its accuracy or completeness.

For the below listed investments, no 31 December 2011 requisite update was made to the 31 June 2011 valuations. This is due to the fact that no requisite changes or updates have been applied to the respective business plans of the below investments since they were last submitted in January 2012: ASEC Holding, TAQA Arabia, National Petroleum Company, Mashreq, and Nile Logistics.

Analysis of Principal Investments in Balance Sheet vs. Investment Cost

This table is designed to link investments as recorded on Citadel Capital's balance sheet with a more accurate picture of the investment cost by company. In some instances, investments are recorded on the firm's balance sheet as Loans to Platform and Portfolio Companies for technical accounting reasons, while some investments made through SPVs were not counted as equity.

		Citadel Capital Principal Investments				
Platform Company	Industry	Investment as in Balance Sheet (EGP mn)	Adjustments (EGP mn)	Explanation of Adjustment	Total Investment Cost (EGP mn)	Total Investment Cost (USD mn)
ASEC Holding	Engineering, Construction and Cement	924.4	-		924.4	153.9
ASCOM Mining & Geology	Mining	183.1	-		183.1	30.5
Nile Logistics	Transportation & Logistics	172.7	13.8	US$ 2.5 million invested through other vehicle	186.5	33.8
Africa Railways	Transportation & Logistics	152.4	-		152.4	27.0
Gozour	Agriculture & Consumer Goods	260.9	18.5	US$ 3.2 million invested through other vehicle	279.3	50.7
NPC	Upstream Oil & Gas	323.2	31.0	US$ 5.4 million invested through other vehicle	354.2	63.4
NOPC / Rally Group	Upstream Oil & Gas	359.1	-		359.1	65.0
ERC	Petroleum Refining	277.9	63.2	US$ 10.2 million shareholder loan from other vehicle	341.1	61.3
TAQA Arabia	Energy Distribution	247.1	-		247.1	43.3
Mashreq Petroleum	Energy Distribution	39.4	-		39.4	6.8
GlassWorks	Glass Manufacturing	128.5	8.3	US$ 1.6 million Citadel Capital management fees	136.8	24.5
Bonyan	Specialty Real Estate	154.1	-		154.1	28.1
Tawazon	Waste Management	57.8	-		57.8	10.3
UCF	Metallurgy	106.6	-		106.6	17.7
Tanweer	Media	187.2	-		187.2	34.0
Finance Unlimited	Financial Services	202.6	-		202.6	36.7
Grandview	Multisector Holdings	69.9	-		69.9	12.4
Wafra	Agriculture & Consumer Goods	186.2	-		186.2	32.7
NVPL	Upstream Oil & Gas	152.8	-		152.8	27.5
Others	Others	118.0	-		118.0	19.6
ASEC Cement	Cement	1,139.0	-		1,139.0	189.6
Eliminations*		(1,139.0)	-		(1,139.0)	(189.6)
Total Equity Investments		**4,303.6**	**134.7**		**4,438.3**	**779.2**
ASEC Holding Convertible	Engineering, Construction and Cement - Convertibles	362.1	(67.5)	Removal of Convertible Interest from Investment Cost	294.6	49.0
UCF Convertible	Metallurgy - Convertible	58.1	(10.5)	Removal of Convertible Interest from Investment Cost	47.6	7.9
NPC Convertible	Upstream Oil & Gas - Convertible	52.4	-		52.4	9.8
NOPC / Rally Convertible	Upstream Oil & Gas - Convertible	72.1	-		72.1	13.1
Total Convertibles		**544.7**	**(78.0)**		**466.7**	**79.8**
Loans to Platforms		574.2	(81.7)	Reflecting reclassification of principal investments classified as Loans to Platforms due to technical accounting reasons	492.6	82.0
Total Investments		**5,422.5**	**56.7**		**5,397.5**	**941.0**

* Eliminates effect of cross-ownership of one Citadel Capital platform company by another.

Asset Management
Business

We generate revenues from advisory fees on the total invested AUM (drawn equity) we have under control, as well as from a carried interest over a hard hurdle on capital gains we make for the limited partners in our OSFs

Total Assets Under Management

Citadel Capital recorded total assets under management (committed by Citadel Capital and limited partners to the OSFs as well as the JIFs) of US$ 4.3 billion at 31 December 2011, a rise of 1.6% (US$ 68.7 million) from the previous quarter and 6.3% (US$ 256.2 million) year-on-year.

Including equity drawn into exited funds, Citadel Capital has raised a total of US$ 4.9 billion in equity since inception and has generated cash returns in excess of US$ 2.2 billion to shareholders and limited partners on investments of US$ 650 million.

Invested vs Uninvested AUM

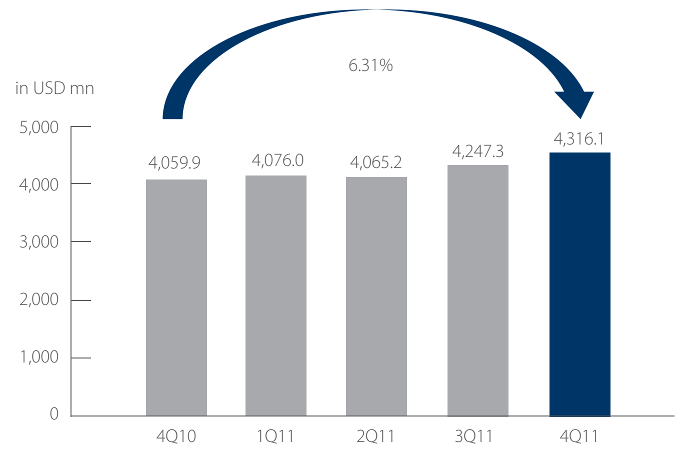
Total invested AUM (drawn equity) stood at US$ 3.3 billion (EGP 19.8 billion) at the end of FY11, a rise of US$ 90.5 million (2.8%) quarter-on-quarter and US$ 197.4 million (6.4%) since the end of FY10. Invested third-party AUM stood at US$ 2.3 billion (EGP 13.8 billion) at year-end, a rise of 3.7% from the end of 2010. On a full-year basis, new equity invested by limited partners and regional co-investors in Opportunity-Specific Funds was skewed toward Africa Railways (US$ 35.0 million), Nile Logistics (US$ 21.2 million), Nile Valley Petroleum Ltd. (US$ 10.6 million), Gozour ($3.3 million), and convertibles (US$ 5.1 million).

Limited partners also invested US$ 26.1 million in Egyptian Refining Company (ERC) in 4Q11 as momentum toward financial close grew, while on a full-year basis this sum was offset by a US$ 28.0 million temporary reduction in the MENA and Africa Joint Investment Funds' investment in ERC early in the year. This reduction is pending financial close, which is presently anticipated in 2Q12, at which time the Funds are expected to re-invest. Also in FY11, Citadel Capital drew US$ 2.8 million from the Joint Investment Funds for investment in solid-waste management platform Tawazon. LP investments in ASEC Holding and United Foundries declined in US dollar terms as they are held in Egyptian pounds; all other LP investments are held in USD.

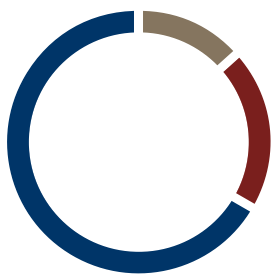
Gozour is part of the solution.

Introducing new levels of specialization and economies of scale to the market, Gozour's companies are keeping prices reasonable and quality high as Egypt's first made-in-Egypt regional foods group.

Total Assets Under Management (Committed)



Breakdown of Uninvested Equity as of 31 Dec. 2011



Uninvested AUM totalled US$ 1,032.3 million (EGP 6,201.0 million) at year's end, up 6.0% as funds previously drawn into ERC from the MENA and Africa Joint Investment Funds were reversed in 1Q11 when movement toward financial close was stalled. It is anticipated that the Joint Investment Funds (JIFs) will once more invest in ERC as equity closure approaches.

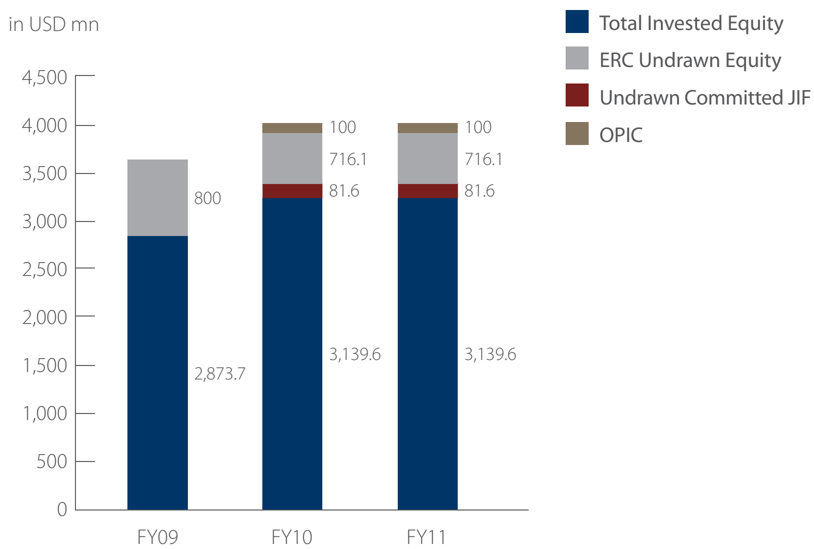
Uninvested AUM include US$ 792.0 million committed to the Egyptian Refining Company (non-fee-earning at drawdown), US$ 100 million in OPIC funding (non-fee-earning and distinct from the new US$ 150 million OPIC finance guarantee), US$ 105.3 million committed to the Africa and MENA JIFs, and US$ 35.0 million in funds committed to Africa Railways.

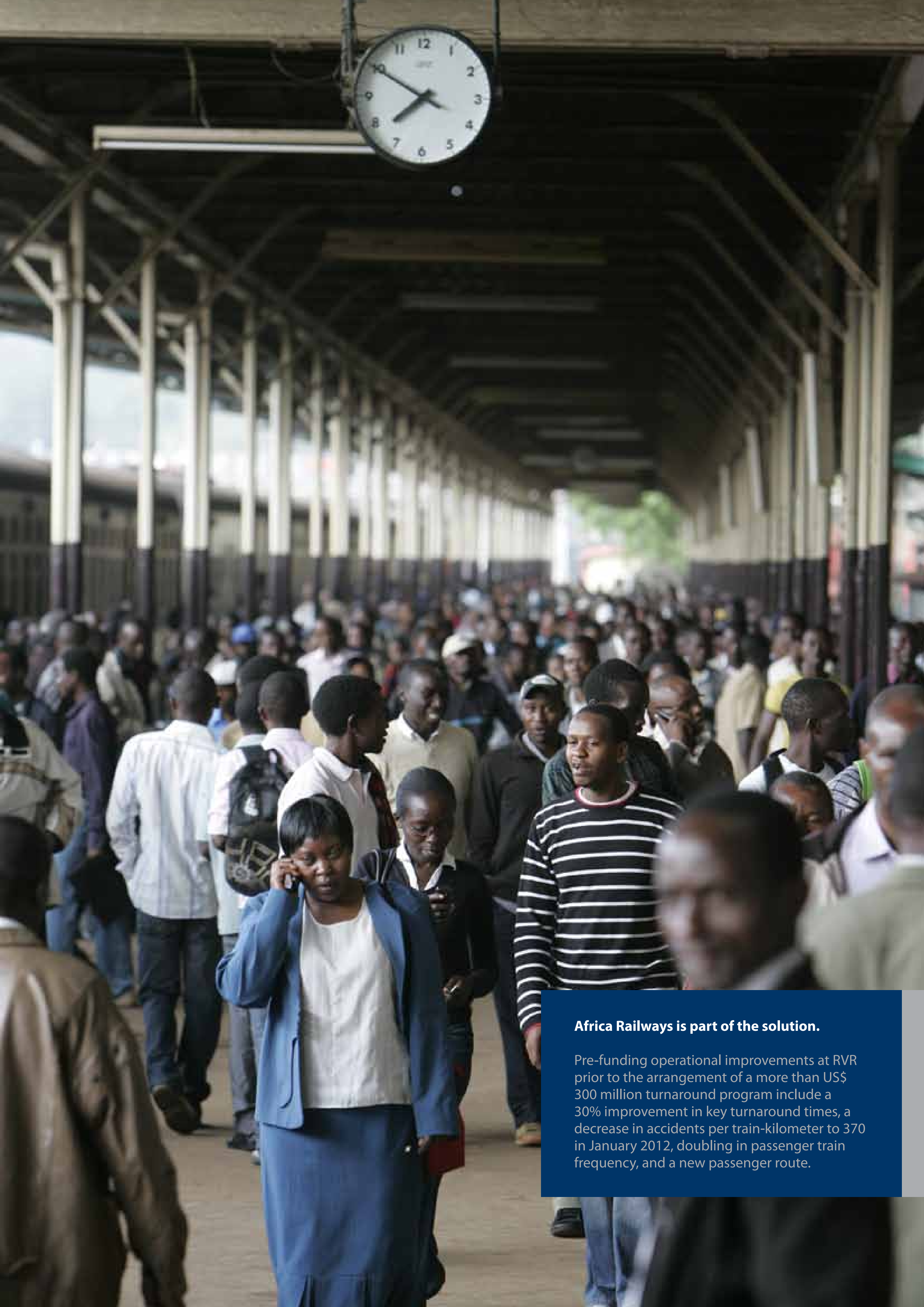
Fee-Earning AUM

Fee-earning assets under management rose 0.2% in 4Q11 and 1.2% year-on-year in FY11 to US$ 2.1 billion (EGP 12.6 billion).

Citadel Capital recorded revenues of US$ 11.6 million (EGP 69.5 million) in FY11 from the 1% advisory fee it earns on fee-earning assets under management. With no exits in the quarter, revenue from carried interest was nil.

Composition of Total AUM





Africa Railways is part of the solution.

Pre-funding operational improvements at RVR prior to the arrangement of a more than US$ 300 million turnaround program include a 30% improvement in key turnaround times, a decrease in accidents per train-kilometer to 370 in January 2012, doubling in passenger train frequency, and a new passenger route.

Summary of Investments in Citadel Capital Platform Companies as of 31 December 2011 (USD mn)

Platform	Industry	Citadel Capital	Change FY11	Co-investors	Change FY11	Africa Investment Fund				MENA Investment Fund				Total Citadel Capital*	Change FY11*	Total Co-investors*	Change FY11*
						Citadel Capital	New FY11	LPs	New FY11	Citadel Capital	New FY11	LP	New FY11				
ASEC Holding	Engineering, Construction and Cement	153.9	(5.7)	126.4	(4.7)	-	-	-	-	-	-	-	-	153.9	(5.7)	126.4	(4.7)
ASCOM Mining & Geology	Mining	30.5	(1.1)	-	-	-	-	-	-	-	-	-	-	30.5	(1.1)	-	-
Nile Logistics	Transportation & Logistics	33.8	-	98.4	21.2	-	-	-	-	-	-	-	-	33.8	-	98.4	21.2
Africa Railways	Transportation & Logistics	20.8	(5.4)	35.0	35.0	6.2	-	13.8	-	-	-	-	-	27.0	(5.4)	48.8	35.0
Gozour	Agriculture & Consumer Goods	50.7	15.3	206.9	3.3	-	-	-	-	-	-	-	-	50.7	15.3	206.9	3.3
NPC	Upstream Oil & Gas	63.4	-	357.7	-	-	-	-	-	-	-	-	-	63.4	-	357.7	-
NOPC / Rally Group	Upstream Oil & Gas	65.0	-	561.9	-	-	-	-	-	-	-	-	-	65.0	-	561.9	-
ERC	Petroleum Refining	61.3	8.0	292.7	26.1	-	-	-	(13.8)	-	-	-	(14.2)	61.3	8.0	292.7	(1.9)
TAQA Arabia	Energy Distribution	43.3	(0.6)	76.2	0.8	-	-	-	-	-	-	-	-	43.3	(0.6)	76.2	0.8
Mashreq Petroleum	Energy Distribution	6.8	-	20.1	-	-	-	-	-	-	-	-	-	6.8	-	20.1	-
GlassWorks	Glass Manufacturing	24.5	-	131.2	-	-	-	-	-	-	-	-	-	24.5	-	131.2	-
Bonyan	Specialty Real Estate	28.1	-	59.4	-	-	-	-	-	-	-	-	-	28.1	-	59.4	-
Tawazon	Waste Management	6.0	-	-	-	2.2	0.7	4.9	1.5	2.1	0.7	5.0	1.2	10.3	1.4	9.9	2.8
UCF	Metallurgy	17.7	(0.7)	32.6	(6.5)	-	-	-	-	-	-	-	-	17.7	(0.7)	32.6	(6.5)
Tanweer	Media	34.0	3.7	-	-	-	-	-	-	-	-	-	-	34.0	3.7	-	-
Finance Unlimited	Financial Services	36.7	3.9	-	-	-	-	-	-	-	-	-	-	36.7	3.9	-	-
Grandview	Multisector Holdings	12.4	-	82.8	-	-	-	-	-	-	-	-	-	12.4	-	82.8	-
Wafra	Agriculture & Consumer Goods	32.7	11.2	-	-	-	-	-	-	-	-	-	-	32.7	11.2	-	-
NVPL	Upstream Oil & Gas	27.5	0.5	55.1	10.6	-	-	-	-	-	-	-	-	27.5	0.5	55.1	10.6
Others	Others	19.6	5.7	-	-	-	-	-	-	-	-	-	-	19.6	5.7	-	-
ASEC Cement	Cement	189.6	-	360.6	-	-	-	-	-	-	-	-	-	189.6	-	360.6	-
Eliminations**		(189.6)	-	(325.6)	-	-	-	-	-	-	-	-	-	(189.6)	-	(325.6)	-
Total Equity Investments		**768.8**	**34.7**	**2,171.4**	**85.8**	**8.4**	**0.7**	**18.7**	**(12.3)**	**2.1**	**0.7**	**5.0**	**(12.9)**	**779.2**	**36.2**	**2,195.1**	**60.6**
ASEC Holding Convertible	Engineering, Construction and Cement - Convertibles	49.0	-	49.6	-	-	-	-	-	-	-	-	-	49.0	-	49.6	-
UCF Convertible	Metallurgy - Convertible	7.9	(3.6)	5.1	5.1	-	-	-	-	-	-	-	-	7.9	(3.6)	5.1	5.1
NPC Convertible	Upstream Oil & Gas - Convertible	9.8	-	35.7	-	-	-	-	-	-	-	-	-	9.8	-	35.7	-
NOPC / Rally Convertible	Upstream Oil & Gas - Convertible	13.1	-	57.3	-	-	-	-	-	-	-	-	-	13.1	-	57.3	-
Total Convertibles		**79.8**	**(3.6)**	**147.7**	**5.1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**79.8**	**(3.6)**	**147.7**	**5.1**
Loans to Platforms		82.0	42.5	-	-	-	-	-	-	-	-	-	-	82.0	42.5	-	-
Total Investments		**930.6**	**73.6**	**2,319.0**	**108.1**	**8.4**	**0.7**	**18.7**	**(12.3)**	**2.1**	**0.7**	**5.0**	**(12.9)**	**941.0**	**75.0**	**2,342.7**	**82.9**

* Including Joint Investment Funds (JIFs).

** Eliminates effect of cross-ownership of one Citadel Capital platform company by another.

United Foundries is part of the solution.

With a production capacity nearly four times larger than its nearest competitor in the Egyptian market, UCF supplies the domestic market with grinding media and is a leading exporter of automotive parts.

Standalone Results

Citadel Capital reports a net loss of US$ 18.3 million (EGP 110.1 million) on revenues of US$ 11.6 million (EGP 69.5 million) in FY11, narrowing from a net loss of US$ 49.7 million (EGP 298.3 million) the previous year.

As is the case with any private equity firm or investment company, Citadel Capital's financial performance is highly dependent on any exits from current investments the firm may execute in a given period. At exit, Citadel Capital may record both capital gains on its principal investments and a carried interest in the capital gains it makes for the limited partners in its funds.

Revenues

Citadel Capital revenues in FY11 stood at US$ 11.6 million (EGP 69.5 million), a 57.9% decline from the previous year. Revenues rose 22.3% quarter-on-quarter to US$ 3.4 million (EGP 20.5 million) on the back of advisory fees related to the National Petroleum Company, as the conservative approach taken by management at the end of FY10 to write-down intra-company balances on this platform was reversed in 4Q11 following the signing of a sale purchase agreement for the National Petroleum Company Egypt.

Accordingly, all FY11 advisory fees from the platform are recorded in the revenue line. Advisory fees and interest from the NPC convertible that had previously been impaired in the FY10 standalone results are reversed on the impairment of intercompany balances line of the income statement at a total of EGP 13.1 million. Accordingly, the total net positive effect of this decision is US$ 3.3 million (EGP 20 million) on the standalone income statement.

For comparative purposes, FY10 revenues included US$ 4.3 million (EGP 25.8 million) in gains from the sale of investments, US$ 6.0 million (EGP 36.2 million) in other operating income related to the recovery of pre-operating expenses defrayed on behalf of platform and portfolio companies, as well as costs associated with special purpose vehicles, and a further US$ 0.4 million (EGP 2.4 million) in dividend income. Citadel Capital's standalone revenues in FY11 include only advisory fees.

Further noteworthy in this respect is that FY10 advisory fee income included US$ 5.9 million (EGP 35.2 million) in fees related to NOPC / Rally Energy, while advisory fee income for FY11 does not include fees related to NOPC / Rally. It should be noted that advisory fees for FY11 for NOPC / Rally are equivalent to EGP 36.6 million and are recorded under contracted advisory fees in Note 23 in the statutory financial statements, but are not recorded on the revenues line.

As was the case with NPC, the disposition of fees related to NOPC / Rally will be decided (a) when and if the platform achieves a technical breakthrough allowing it to bring its substantial reserves into production, or (b) at exit.

Accordingly, the firm recorded a net standalone loss of US$ 18.3 million (EGP 110.1 million) in FY11 against a loss of US$ 49.7 million (EGP 298.3 million) the previous year. In 4Q11, the net loss stood at US$ 6.3 million (EGP 37.8 million), representing a quarter-on-quarter rise in net loss on the back of EGP 11.9 million in interest charges and EGP 16.3 million in general provisions, both of which were booked in 4Q11.

Operating Expenses

On a full-year basis, OPEX spending declined 11.7% to US$ 26.8 million (EGP 161.0 million) on the back of a program to control costs and

preserve cash. Notably, recurring OPEX costs declined 19.4% year-on-year in FY11 to EGP 147.0 million when non-recurrent consultancy fees related to the OPIC facility and capital increase, among others, are set aside.

Operating Expenses (in EGP mn)

Element	FY10	FY11
Salaries, Bonuses and Benefits	116.0	104.8
Travel	23.2	7.2
Consultancy Fees, Audit Fees, Publications and Events	24.1	37.2
Others	19.1	11.8
Total	**182.4**	**161.0**
Of which Non-Recurring	-	14.0
Total Recurring OPEX	**182.4**	**147.0**

EBITDA

EBITDA stood at a negative US$ 13.0 million (EGP 77.9 million) in FY11 in the absence of exits in the period, against negative US$ 23.6 million (EGP 141.8 million) the previous year. EBITDA improved in 4Q11 to negative EGP 8.6 million from negative EGP 21.1 million the previous quarter on the back of higher 4Q11 revenues and a reversal in previously booked impairments of inter-company balances related to FY10 advisory fees and interest on convertibles from National Petroleum Company (EGP 13.1 million) as well as foreign exchange gains (EGP 6.85 million).

Interest Income / Expenses

Citadel Capital recorded net interest expenses of US$ 1.9 million (EGP 11.6 million) in FY11 despite the recording of interest earned on convertibles related to NPC in FY11. This is due to a one-time breakup fee of EGP 19 million on the refinanced Citadel Capital facility.

Principal Investments

Discussion of own-balance sheet investments (including equity, convertibles and loans) appears starting on page 82 of this annual report.

Current Liabilities

Balances due to Citadel Capital Partners Ltd. (CCP, the lead shareholder in the firm and the vehicle through which the firm's senior management holds its equity) stood at US$ 37.5 million (EGP 225.4 million) as of December 2011, representing a decline of 75.8% quarter-on-quarter and 68.1% from 31 December 2010. Over the course of 9M11, CCP injected cash into Citadel Capital SAE prior to the capital increase completed early in 4Q11. Those funds were advanced by CCP to the firm until such a time as regulatory approvals were obtained for a rights issue at par. Balances due to CCP dropped significantly in 4Q11 to reflect the amount capitalized by CCP as part of its participation in the rights issue.

Debt Position

The total debt of Citadel Capital (as distinct from that of its platform companies) stood at US$ 172.0 million (EGP 1,033.0 million) as at 31 December 2011, with a debt-to-equity ratio of 24%, essentially unchanged from the previous quarter. Debt figures in this document do not reflect either the refinancing of Citadel Capital's debt or the OPIC facility, as actual drawdown took place in 1Q12.

Refinancing of Citadel Capital Debt, First Drawdown on OPIC Facility

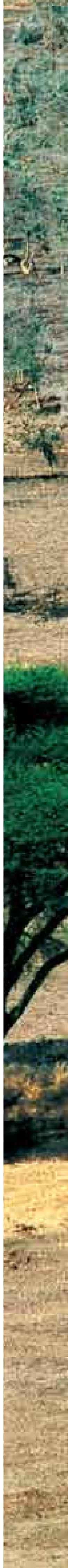
Citadel Capital completed in December 2011 the refinancing of the US$ 175 million balance of a pre-existing four-year Citibank debt facility. The firm had repaid

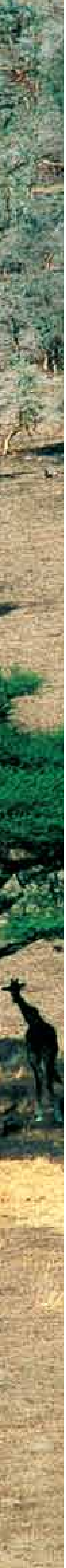
US$ 19.1 million of the original facility in May 2011. The refinanced dollar loan facility is repayable in equal installments over five years commencing 2012, a structure that better suits the planned pace and tenor of Citadel Capital's investments.

As part of the refinancing process, Citadel Capital obtained and has completed its first drawdown on a US$ 150 million financing facility guaranteed by the US Overseas Private Investment Corporation (OPIC), also held at Citibank. Repayment of the 10-year facility begins in 2013; fully US$ 125 million of OPIC guarantee is to support investments in Egypt.

Use of OPIC Proceeds

Egypt	(USD mn)	Investment Rationale
ASCOM for Geology & Mining	17.7	Support addition of two productions lines for ASCOM Carbonate and Chemicals Manufacturing in Upper Egypt; support installation of glasswool and rockwool reinforced pipe manufacturing lines for Glassrock Insulation Company in Sadat City; and finance purchase of heavy equipment used in ASCOM's mining operations.
Bonyan	14.4	Support Designopolis' Cairo real estate project; beginning transformation into lifestyle mall with fashion, food, beverage and specialty offerings.
Finance Unlimited	5.9	Expansion of microfinance portfolio company Tanmeyah.
Gozour	32.5	Support ICDP (Dina Farms fresh milk) construction of new bottling line and warehouse facility and expand delivery fleet; add new Tetra-Pak line and upgrade utilities for Enjoy; install new line at Rashidi El-Mizan; and improvements to production building at Misriyyeen.
Grandview	7.4	Support completion of El Shorouk's construction of Al-Motaheda Paper and Board Mill in Al-Sadat City.
Nile Logistics	19.6	Support Nile Cargo in completing construction of new barges; support NRPMC in developing terminal infrastructure and purchase of equipment to support terminal operations.
Tanweer	8.4	Launch television channel.
United Foundries	19.1	Expand Alexandria Automotive Casting's production lines 2 and 3 in Alexandria; support Amreya Metal Company's additional production line in Alexandria.
Subtotal	**125.0**	
South Sudan		
Wafra	25.0	Strong first harvest at Sabina (Sudan) and completion of early stage development work at Concord (South Sudan) have led to accelerated development programs and machinery purchases.
Total	**150.0**	





Consolidated Results

On a consolidated basis, Citadel Capital reports a net loss of US$ 133.3 million (EGP 800.5 million) in FY11, a narrowing from US$ 226.4 million (EGP 1,360.2 million) the previous year. However, FY11 losses were magnified by the net EGP 199.4 million (non-cash) effect of the decision taken to further impair the firm's principal investment in NPC and to write-up the full value of the NPC convertible, in addition to further cleaning at the portfolio company level at other platforms.

In 4Q11, the firm recorded a net loss of US$ 58.9 million (EGP 353.9 million) against a net loss of US$ 25.8 million (EGP 154.8 million) the previous quarter, with the rise owing principally to the above-mentioned impairments. Otherwise, portfolio and platform company performance was stable quarter-on-quarter.

Total consolidated revenues for FY11 stood at negative US$ 52.9 million (EGP 317.5 million) as US$ 64.3 million (EGP 386.0 million) in Share of Associates' Losses outweighed US$ 11.6 million (EGP 69.6 million) in revenue from advisory fees.

By comparison, FY10 total consolidated revenues of US$ 9.7 million (EGP 58.4 million) included US$ 15.7 million (EGP 94.1 million) in revenue from advisory fees, US$ 7.6 million (EGP 45.6 million) in gains from the sale of investments and US$ 1.1 million (EGP 6.6 million) in other income, offset by a comparatively modest US$ 14.6 million (EGP 87.8 million) in Share of Associates' Losses.

Associates include ASEC Holding, United Foundries, ASCOM, Tawazon, Finance Unlimited, TAQA Arabia and Nile Logistics, among others.

Share of Associates' Results

Citadel Capital recorded US$ 64.3 million (EGP 386.0 million) in losses from its Share of Associates' Results in FY11, compared with US$ 14.6 million (EGP 87.8 million) in losses the previous year. For 4Q11, the figure was stable quarter-on-quarter at US$ 15.9 million (EGP 95.3 million) against US$ 15.8 million (EGP 94.7 million) the previous quarter.

Management notes that the bulk of the losses incurred by Associates were largely non-cash items relating to FX losses or in some instances associated with the impact of the Revolution. Throughout the year, Citadel Capital has worked to ensure that its platform and portfolio companies — which include a very high proportion of greenfield and brownfield investments — had the liquidity and business plans they required to adapt to changing economic circumstances and return to a growth trajectory as rapidly as possible. Quarter-on-quarter stability in Share of Associates' Results between 3Q11 and 4Q11 is an encouraging sign.

Factors underpinning this contribution include:

i) ASEC Holding

Although total revenues at ASEC Holding (Citadel Capital's regional engineering, construction and cement platform) came in 2% higher in FY11 at US$ 350 million (EGP 2.1 billion), the company contributed losses of US$ 51.8 million (EGP 311.3 million) to Citadel Capital's Share of Associates' Results, up from a negative contribution of US$ 11.8 million (EGP 70.8 million) in 2010. Contributed losses stood at US$ 11.5 million (EGP 69.3 million) in 4Q10, a 28.3% narrowing from US$ 16.1 million (EGP 93.2 million) the previous quarter.

Within ASEC Holding, turnkey contractor ESACO contributed the lion's share of ASEC Holding's consolidated losses, with a total contribution of US$ 46.6 million (EGP 280 million) for the full year.

ii) ASCOM

Citadel Capital's share of geology and mining platform ASCOM's losses stood at US$ 3.5 million (EGP 32.2 million) in FY11 against a share of profits of US$ 0.7 million (EGP 4.0 million) the previous year. On a standalone basis, ASCOM reported a net loss of US$ 11.5 million (EGP 69.3 million) in FY11 compared with a net profit of US$ 5.0 million (EGP 30.1 million) the previous year on the back of the impairment of its long-term investment in the Emirates. A drop in revenues owing to the economic impact of the Egyptian Revolution was also a factor in performance last year.

iii) Nile Logistics

Nile Logistics' Egyptian and Sudanese operations contributed losses of US$ 4.5 million (EGP 26.8 million) to Citadel Capital's Share of Associates' Results in FY11, a slight improvement from contributed losses of US$ 4.8 million (EGP 29.1 million) the previous year.

iv) TAQA Arabia

TAQA Arabia's contribution to Citadel Capital's Share of Associates' Results eased 9.8% to US$ 5.5 million (EGP 32.9 million) in FY11.

v) Finance Unlimited

The three portfolio companies of Finance Unlimited are each held as individual Associates for the purpose of Citadel Capital's consolidated financials. Investment bank Pharos Holding contributed losses of US$ 0.6 million (EGP 3.3 million) in FY11 against a positive contribution of US$ 1.4 million (EGP 8.4 million) the previous year as the company was negatively impacted by the Revolution and its subsequent economic fallout. Sudan-based bank Sudanese Egyptian Bank (SEB) made a net contribution of US$ 1.4 million (EGP 8.3 million) to Citadel Capital's share of Associates' Results, a drop of 19.4% year-on-year on the back of a very challenging period at the economic (sanctions) and political (North-South conflict) levels. Egyptian microfinance firm Tanmeyah's contribution of losses to Citadel Capital's Share of Associates' Results deteriorated to negative US$ 1.9 million (EGP 11.3 million) in FY11 from US$ 1.0 million (EGP 5.8 million).

vi) GlassWorks

Glass manufacturing platform GlassWorks made a positive contribution of US$ 0.2 million (EGP 1.1 million) to Citadel Capital's Share of Associates' Results in FY11 after having contributed net losses of US$ 0.2 million (EGP 1.3 million) the previous year.

vii) Bonyan

Specialty real estate platform Bonyan's contribution to Citadel Capital's Share of Associates' Results improved slightly to a negative US$ 2.3 million (EGP 14.0 million) from negative US$ 3.0 million (EGP 17.9 million) the previous year.

28%

Consolidated OPEX declined 27.8% year-on-year in FY11 on the back of lower costs recorded by special purpose vehicles (SPVs).

viii) Tawazon

Tawazon, Citadel Capital's platform for investment in the regional solid waste management sector with portfolio companies ECARU (a solid waste management service provider) and ENTAG (solid waste management engineering and contracting company), contributed losses of US$ 0.3 million (EGP 1.6 million) to Citadel Capital's Share of Associates' Results in FY11 compared with contributed profits of US$ 0.4 million (EGP 2.6 million) the previous year.

ix) United Foundries Co.

United Foundries Company (UCF), Citadel Capital's platform company in the metallurgy and foundry sector with assets including Amreya Metal Company and Alexandria Automotive Casting, contributed losses of US$ 3.0 million (EGP 18.1 million) to Citadel Capital's Share of Associates' Results in FY11 against a contribution EGP 10.4 million in losses the previous year.

OPEX

Consolidated OPEX declined 27.8% year-on-year in FY11 to US$ 39.5 million (EGP 237.2 million), a more substantial reduction in spending than witnessed on the Citadel Capital SAE standalone level (see page 96) on the back of lower costs recorded by special purpose vehicles (SPVs). As noted in previous Business Reviews, expenditures made at the SPV level are to support underlying investments and may include legal and financial consultancies as well as research studies. These SPV costs relate primarily to greenfields and turnarounds.

Other Expenses

Other expenses of US$ 33.2 million (EGP 199.4 million) are non-cash and relate primarily the net effect of management's decision to extend the write down of the firm's investment in NPC and to reverse the impairment on the NPC convertible, reflecting the signature of a sale purchase agreement for the National Petroleum Company Egypt.

Net Financing Expenses

Net finance expenses rose substantially year-on-year to US$ 7.0 million (EGP 41.8 million) from US$ 1.4 million (EGP 8.2 million) in FY10, in part owing to the same EGP 19 million one-time breakup fee on the refinancing of Citadel Capital's Citibank facility. As is the case at the standalone level, the firm continues to pay and record interest on loans, but recorded no interest income on this line item from convertibles.

Financial Statements

Citadel Capital (S.A.E.) — Fiscal Year Ending December 31, 2011

Contents

Auditor's Report

To the shareholders of Citadel Capital S.A.E.

Report on the financial statements

We have audited the accompanying separate financial statements of Citadel Capital Company (Egyptian Joint Stock Company), which comprise the separate balance sheet as at December 31, 2011 and the separate statements of income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

These financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Citadel Capital Company as at December 31, 2011 and of its financial performance and its cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these financial statements.

Report on other legal and regulatory requirements

The Company maintains proper books of account, which include all that is required by law and by the statutes of the Company, and the financial statements are in agreement thereto.

The financial information included in the Board of Directors' report, prepared in accordance with Law no. 159 of 1981 and its executive regulations, is in agreement with the Company's books of account.

KPMG Hazem Hassan

Cairo May 3, 2012

Citadel Capital Company (Egyptian Joint Stock Company)
Separate balance sheet as at December 31, 2011

	Note	31/12/2011 LE	31/12/2010 LE
Current assets			
Cash and cash equivalents	(4)	151 689 302	148 664 361
Due from related parties (net)	(5)	746 057 128	419 990 782
Other debit balances	(6)	1 497 833	9 858 234
Total current assets		899 244 263	578 513 377
Current liabilities			
Due to related parties	(7)	225 371 867	705 947 717
Current portion of long-term loans	(17)	210 252 000	96 194 363
Other credit balances	(8)	65 457 489	38 423 716
Expected claims provision	(9)	191 264 884	187 868 554
Total current liabilities		692 346 240	1 028 434 350
Working capital		206 898 023	(449 920 973)
Non - current assets			
Available-for-sale investments	(10)	26 391 801	26 391 801
Investments in subsidiaries and associates	(11)	2 698 128 505	2 698 128 505
Payments for investments (net)	(12)	1 703 532 988	1 495 461 469
Fixed assets (net)	(13)	27 995 890	31 686 691
Other investments	(14)	420 201 318	384 588 746
Deferred tax	(15)	1 759 385	1 718 309
Total non - current assets		4 878 009 887	4 637 975 521
Total investment		5 084 907 910	4 188 054 548
Financed through:			
Equity			
Share capital	(16)	4 358 125 000	3 308 125 000
Legal reserve	(3.10)	89 578 478	89 578 478
Retained (loss) earnings		(75 398 197)	222 926 816
		4 372 305 281	3 620 630 294
Net loss for the year		(110 130 283)	(298 325 013)
Net equity		4 262 174 998	3 322 305 281
Non - current liabilities			
Long term loans	(17)	822 732 912	865 749 267
Total non - current liabilities		**822 732 912**	**865 749 267**
Total equity and non - current liabilities		**5 084 907 910**	**4 188 054 548**

The accompanying notes from pages 113 to 130 are an integral part of these financial statements and are to be read therewith.

Chairman	Managing Director	CFO / Board Member
Ahmed Heikal	**Hisham Hussein El Khazindar**	**Ahmed El Shamy**

Citadel Capital Company (Egyptian Joint Stock Company)
Separate income statement for the year ended December 31, 2011

	Note	For the year ended 31/12/2011 LE	31/12/2010 LE
Advisory fee	(23.1)	69 479 207	100 535 438
Gains on sale of investments	(18)	-	28 218 226
Other operating income	(23.3)	-	55 914 561
Total operating income		**69 479 207**	**184 668 225**
Administrative and general expenses	(25)	(161 011 672)	(182 416 564)
Fixed assets depreciation	(13)	(4 383 166)	(8 621 373)
Gains on sale of fixed assets	(23.4)	-	10 200 000
Impairment loss on assets	(5,20)	13 097 336	(115 675 532)
Expected claims provision	(9)	(16 300 000)	(173 556 329)
Net operating loss		**(99 118 295)**	**(285 401 573)**
Financing costs - (net)	(19)	(11 053 064)	(13 288 209)
Net loss before income tax		**(110 171 359)**	**(298 689 782)**
Income tax	(22)	-	(666 303)
Deferred tax	(15)	41 076	1 031 072
Net loss for the year		**(110 130 283)**	**(298 325 013)**
Earnings per share	**(21)**	**(0.16)**	**-0.45**

The accompanying notes from pages 113 to 130 are an integral part of these financial statements and are to be read therewith.

Citadel Capital Company (Egyptian Joint Stock Company)
Separate statement of changes in equity for the year ended December 31, 2011

	Note	Share capital LE	Legal reserve LE	Hedging reserve LE	Retained earnings (loss) LE	Net profit (loss) for the year LE	Total LE
Balance as at December 31, 2009		**3 308 125 000**	**79 011 015**	**(16 882 076)**	**22 145 027**	**211 349 252**	**3 603 748 218**
Profit appropriation for the year 2009	(3.10)	-	10 567 463	-	200 781 789	(211 349 252)	-
Hedges transferred to income statement	(17)	-	-	16 882 076	-	-	16 882 076
Net loss for year 2010		-	-	-	-	(298 325 013)	(298 325 013)
Balance as at December 31, 2010		**3 308 125 000**	**89 578 478**	**-**	**222 926 816**	**(298 325 013)**	**3 322 305 281**
Carrying 2010 loss forward		-	-	-	(298 325 013)	298 325 013	-
Share capital increase	(16)	1 050 000 000	-	-	-	-	1 050 000 000
Net loss for year 2011		-	-	-	-	(110 130 283)	(110 130 283)
Balance as at December 31, 2011		**4 358 125 000**	**89 578 478**	**-**	**(75 398 197)**	**(110 130 283)**	**4 262 174 998**

The accompanying notes from pages 113 to 130 are an integral part of these financial statements and are to be read therewith.

Citadel Capital Company (Egyptian Joint Stock Company)
Separate statement of cash flows for the year ended December 31, 2011

	For the year ended	
	31/12/2011	31/12/2010
	LE	LE
Cash flows from operating activities		
Net loss before tax	(110 171 359)	(298 689 782)
Adjustments to reconcile net loss to net cash (used in) provided from		
operating activities :		
Fixed assets depreciation	4 383 166	8 621 373
Unrealized foreign currency differences	24 928 412	20 138 605
Credit interest	(43 351 365)	(35 052 058)
Impairment loss on assets	(13 097 336)	115 675 532
Gains on sale of investments in subsidiaries and associates	-	(25 815 740)
Gains on sale of available-for-sale investments	-	(2 402 486)
Gains on sale of fixed assets	-	(10 200 000)
Hedging reserve	-	16 882 076
Expected claims provision	16 300 000	173 556 329
Expected claims provision used	(12 903 670)	-
Operating loss before changes in working capital	(133 912 152)	(37 286 151)
(Increase) decrease in assets		
Due from related parties	(311 440 130)	(11 952 271)
Other debit balances	8 360 401	14 195 641
(Decrease) increase in liabilities		
Due to related parties	(480 575 850)	400 818 774
Other credit balances	27 033 773	(2 165 860)
Net cash (used in) provided from operating activities	**(890 533 958)**	**363 610 133**
Cash flows from investing activities		
Payments for purchase of fixed assets	(692 365)	(590 702)
Payments for investments	(185 004 921)	(611 651 090)
Proceeds from sale of investments in subsidiaries and associates	-	29 434 477
Payments for purchasing of investments in subsidiaries and associates	-	(39 222 500)
Proceeds from sale of available-for-sale investments	-	6 696 628
Payments for / proceeds from other investments	(2 072 400)	47 058 265
Commissions paid for sale of fixed assets	-	(1 800 000)
Net cash used in investing activities	**(187 769 686)**	**(570 074 922)**
Cash flows from financing activities		
Proceeds from issuing of share capital	1 050 000 000	-
Proceeds from loans	31 328 585	106 700 717
Net cash provided from financing activities	**1 081 328 585**	**106 700 717**
Net change in cash and cash equivalents during the year	3 024 941	(99 764 072)
Cash and cash equivalents at the beginning of the year	148 664 361	248 428 433
Cash and cash equivalents at the end of the year	**151 689 302**	**148 664 361**

The accompanying notes from pages 113 to 130 are an integral part of these financial statements and are to be read therewith.

Translation of separate financial statements originally issued in Arabic

Citadel Capital Company (Egyptian Joint Stock Company) Notes to the separate financial statements for the year ended December 31, 2011

1. Company background

Citadel Capital Company – an Egyptian Joint Stock Company – was founded in accordance with the applicable Egyptian laws and in pursuance to law no.(159) of 1981 and its executive regulations. The Company has been registered in the commercial register at Giza under number 11121 on April 11, 2004. The purpose of the Company is represented as follows:

- Providing consultancy in financial and financing fields for different companies and preparing and presenting the feasibility studies in the economical, technological, engineering, marketing, financing, management, borrowing contracts arrangements fields and financing studies in addition to preparing and presenting studies and consultancy regarding projects' promotion and offering the necessary technical support in different fields except legal consultancy.
- Working as an agent in contracting and negotiation in different fields and steps especially negotiation in the management contracts, participation and technical support.
- Managing, executing and restructuring of projects.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Egyptian Accounting Standards and relevant Egyptian law and regulations.

The financial statements were approved by the board on May 3, 2012.

2.2 Basis of measurement

The financial statements are prepared on the historical cost basis, except for the following assets and liabilities which are measured at fair value.

- Financial instruments at fair value through income statement.
- Derivative financial instruments (hedging reserve).

2.3 Functional and presentation currency

These financial statements are presented in Egyptian pounds (LE), which is the Company's functional currency. All financial information presented in Egyptian pounds.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the following notes:

- Note no. (11) – measurement of the recoverable amount of investments in subsidiaries and associates.
- Note no. (15) – recognition of deferred tax.
- Note no. (9) – provisions.

2.5 Consolidated financial statements

The Company has subsidiaries and according to the Egyptian Accounting Standard No. 17 "Consolidated Financial Statements" and the article No. (188) of the executive regulation of law no. (159) of 1981, the Company is required to prepare consolidated financial statements which present fairly the financial position, the result of operations and cash flows for the group as a whole.

3. Significant accounting policies applied

The following accounting policies have been consistently applied by the Company to all periods presented in these financial statements.

3.1 Foreign currency translation

The Company maintains its accounts in Egyptian pounds. Transactions dominated in foreign currencies are translated at foreign exchange rate ruling at the date of transactions. Monetary assets and liabilities dominated in foreign currencies at the balance sheet date are translated at the foreign exchange rates ruling at that date. The foreign currency exchange differences arising on the translation at the balance sheet date are recognized in the income statement.

3.2 Fixed assets depreciation

Fixed assets are stated at historical cost and presented in the balance sheet net of accumulated depreciation and impairment note no. (3.6), and are depreciated using the straight line method and recognized in income statement over the estimated productive life for each type of asset. The following are the estimated productive lives, for each class of assets, for depreciation calculation purposes:

Assets depreciation	Estimated useful life
• Buildings & Constructions	20 years
• Computers	2-3 years
• Furniture , Fixtures, Electric Equipment & Tools	4 years
• Vehicles	4 years

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the property and equipment. All other expenditure is recognized in the income statement as an expense as incurred.

3.3 Projects under construction

Projects under construction are recognized initially at cost. Cost includes all expenditures directly attributable to bringing the asset to a working condition for its intended use. Property and equipment under construction are transferred to property and equipment caption when they are completed and are ready for their intended use.

3.4 Gains and losses from disposal of fixed assets

Gains and losses from disposal of fixed assets are determined by comparing net disposal proceeds of assets to its net book value, resulted gain and losses are recorded in the income statements.

3.5 Investments

3.5.1 Investments at fair value through income statement

An investment is classified as at fair value through income statement if it is held for trading or is designated as such upon initial recognition. Financial investments are designated at fair value through income statement if the Company manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognized in income statement when incurred. Financial instruments at fair value through income statement are measured at fair value, and changes therein are recognized in income statement.

3.5.2 Available-for-sale investments

Available-for-sale investments are valued at fair value, with any resultant gain or loss being recognized in equity, except for impairment losses which is recognized in the income statement. When these investments are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in the income statement. The fair value of investments available - for - sale identifies, based on quoted price of the exchange market at the balance sheet date, investments that are not quoted, and whose fair value cannot be measured reliably, are stated at cost less impairment loss.

3.5.3 Investments in subsidiaries and associates

Investments in subsidiaries and associates are stated at cost less impairment note no. (3.6). At each balance sheet date, management assesses the investments' recoverable amount and in case that the recoverable amount is less than the carrying amount then an impairment loss is recognized in the income statement.

3.6 Impairment of assets

3.6.1 Financial assets

- A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.
- An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.
- Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.
- All impairment losses are recognized in income statement. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to income statement.
- An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost and available-for-sale financial assets that are debt securities, the reversal is recognized in income statement. For available-for-sale financial assets that are equity securities, the reversal is recognized directly in equity.

3.6.2 Non-financial assets

The carrying amounts of the company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in income statement.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less cost to sell.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.7 Cash and cash equivalents

Cash and cash equivalent includes the balances, which maturity not exceeding three months from the date of acquisition and the balances represented in cash on hand and banks-current accounts.

3.8 Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction cost. Subsequent to initial recognition, Interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings on an effective interest basis.

3.9 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event and it's probable that a flow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Provisions are reviewed at the balance sheet date and amended (when necessary) to represent the best current estimate.

3.10 Legal reserve

The Company's Statutes provides for deduction of a sum equal to 5% of the annual net profit for formation of the legal reserve. Such deduction will be stopped when the total reserve reaches an amount equal to half of the company's issued capital and when the reserve falls below this limit, it shall be necessary to resume the deduction.

3.11 Issued capital

3.11.1 Repurchase of share capital

When share capital recognized as equity is repurchased, the amount of the consideration paid, including directly attributable cost, is recognized as a change in equity. Repurchased shares are classified as treasury stock and presented as a deduction from total equity.

3.11.2 Dividends

Dividends are recognized as a liability in the period in which they are declared.

3.12 Derivative financial instruments

The Company uses derivative financial instruments to hedge its exposure to interest rate risks arising from operational, financial and investment activities. Derivatives are recognized initially at fair value; attributable transaction costs are recognized in income statement when incurred.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires, sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in equity is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in equity is transferred to profit or loss in the same period that the hedged item affects profit or loss.

3.13 Lending

Loans are stated at cost less any impairment losses in its value and the Company revaluates the loans at each balance sheet date, in case of impairment in the redeemable value of the loan less than its book value the loan is impaired by the value of impairment loss and recognized in income statement.

3.14 Revenues

3.14.1 Gains (losses) on sale of investments

Gains (losses) resulted from sale of investments are recognized on transaction date and measured by the difference between cost and selling price less selling commission and expenses.

3.14.2 Dividends income

Dividends income is recognized in the income statement at the date that the Company has rights to receive dividends from investments and occurred after the acquisition date.

3.14.3 Management fee

Management fee is recognized upon rendering the service.

3.14.4 Advisory fee

Advisory fee is calculated based on agreed percentage in accordance with contract term with companies.

3.14.5 Interest income

Interest income is recognized on time proportion basis to take into account effective yield on the asset.

3.15 Expenses

3.15.1 Interest expense

Interest expense on interest - bearing borrowing is recognized in the income statement using the effective interest rate method.

3.15.2 Employees pension

The Company contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law. Under this law, the employees and the employers contribute into the system on a fixed percentage-of-salaries basis. The Company's liability is confined to the amount of its contribution. Contributions are charged to income statement using the accrual basis of accounting.

3.15.3 Income tax

- Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.
- Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is

based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

- A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.16 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

3.17 Profit sharing to employees

The Company pays 10% of its cash dividends as profit sharing to its employees provided that it will not exceed total employees annual salaries. Profit sharing is recognized as a dividend distribution through equity and as a liability when approved by the Company's shareholders.

4. Cash and cash equivalents

	31/12/2011 LE	31/12/2010 LE
Cash on hand	74 154	189 084
Banks – current accounts	146 706 893	141 254 699
Total	**146 781 047**	**141 443 783**
Effect of foreign exchange differences	4 908 255	7 220 578
Balance	**151 689 302**	**148 664 361**

Non cash transactions

For the purpose of preparing cash flows statement, the following transactions have been eliminated:

- LE 24 595 478 from proceeds from other investments and due from related parties (represents the transfer from other investments to one of the related parties).
- LE 23 066 598 from payments for investments and due from related parties (represents the transfer from related parties' current account to payments for investments).
- LE 43 351 365 from proceeds from credit interest and changes in other investments (represents the value of interest due on other investment during the year).

5. Due from related parties

	Nature of transaction		31/12/2011	31/12/2010
	Advisory fee	Finance		
	LE	LE	LE	LE
Mena Home Furnishings Mall	10 305 892	--	10 305 892	4 867 303
Falcon Agriculture Investments Ltd.	14 841 947	--	14 841 947	13 620 957
Golden Crescent Investments Ltd.*	21 175 667	--	21 175 667	13 695 108
Orient Investments Properties Ltd.	50 752 763	--	50 752 763	39 716 159
Citadel Capital Transportation Opportunities Ltd.	6 587 408	--	6 587 408	5 088 275
Logria Holding Ltd.*	33 063 034	--	33 063 034	31 881 898
Mena Glass Ltd.	4 547 451	--	4 547 451	4 315 533
Silverstone Capital Investment Ltd.	5 342 519	--	5 342 519	3 066 099
Sabina for Integrated Solutions	6 607 920	--	6 607 920	6 371 860
Sphinx Glass Ltd.	4 805 760	--	4 805 760	4 634 080
ASEC Cement Company	15 018 000	--	15 018 000	14 626 894
Citadel Capital Financing Corp.*	39 435 562	--	39 435 562	38 026 774
Valencia Trading Holding Ltd.	9 010 800	--	9 010 800	8 688 900
Citadel Capital Transportation Opportunities II Ltd.	5 961 449	--	5 961 449	741 725
Citadel Capital Holding for Financial Investments-Free Zone *	--	405 280 039	405 280 039	189 556 177
ASEC Company for Mining (ASCOM)	--	24 083 533	24 083 533	9 246 768
Citadel Capital for International Investments Ltd.*	--	58 161 464	58 161 464	66 921 097
National Company for Touristic and Property Investments	--	36 000 000	36 000 000	36 000 000
United Foundries Company	--	46 635 557	46 635 557	--
National Development and Trading Company	--	4 082 996	4 082 996	11 585 199
Total			**801 699 761**	**502 650 806**
Accumulated impairment *			(55 642 633)	(82 660 024)
Net			**746 057 128**	**419 990 782**

* Impairment on due from related parties are represented in:

	Balance as at 1/1/2011	Amount used during the year	Foreign currency translation differences	Impairment reversed during the year	Balance as at 31/12/2011
	LE	LE	LE	LE	LE
Logria Holding Ltd.	31 881 898	--	1 181 137	--	33 063 035
Citadel Capital Financing Corp.	27 554 865	--	1 020 832	(5 996 099)	22 579 598
Golden Crescent Investments Ltd.	6 847 554	--	253 683	(7 101 237)	--
Citadel Capital for International Investments Ltd.	11 375 707	(11 375 707)	--	--	--
Citadel Capital Holding for Financial Investments-Free Zone	5 000 000	(5 000 000)	--	--	--
Balance	**82 660 024**	**(16 375 707)**	**2 455 652**	**(13 097 336)**	**55 642 633**

6. Other debit balances

	31/12/2011 LE	31/12/2010 LE
Deposits with others	221 152	1 419 652
Imprest	515 793	252 777
Advances to suppliers	11 228	234 047
Prepaid expenses	146 940	146 940
Letters of guarantee's margin	602 720	579 260
Sundry debit balances	--	7 225 558
Balance	**1 497 833**	**9 858 234**

7. Due to related parties

	31/12/2011 LE	31/12/2010 LE
Citadel Capital Partners Ltd. *	225 371 867	705 947 717

* The principal shareholder of the Company – 28.23%.

8. Other credit balances

	31/12/2011 LE	31/12/2010 LE
Tax Authority	6 798 148	2 518 440
Accrued expenses	21 303 329	26 280 601
Accrued interest	25 632 722	3 274 852
Suppliers	8 586 639	3 307 561
Prior years dividends payable	2 893 919	2 893 919
National Authority for Social Insurance	200 489	106 100
Sundry credit balances	42 243	42 243
Balance	**65 457 489**	**38 423 716**

9. Expected claims provision

	31/12/2011 LE	31/12/2010 LE
Balance at the beginning of the year	187 868 554	14 312 225
Formed during the year	16 300 000	173 556 329
Provisions used during the year	(12 903 670)	--
Balance	**191 264 884**	**187 868 554**

This provision represents contingent claims from one of the parties regarding the Company's activities. The usual information related to provisions according to the Accounting Standards has not been disclosed because management believes that disclosing could seriously affect the outcome of negotiations with this party, and the management periodically reviews this provision and adjusts the provision amount according to the latest discussions with this party.

10. Available-for-sale investments

	31/12/2011 LE	31/12/2010 LE
Arab Swiss Engineering Company – ASEC	17 479	17 479
Modern Company for Isolating Materials	43 396	43 396
EFG Capital Partners Fund II (Horus Private Equity Fund II formerly)	10 360 126	10 360 126
EFG Capital Partners Fund III (Horus Private Equity Fund III formerly)	15 970 800	15 970 800
Balance	**26 391 801**	**26 391 801**

The available-for-sale investments are represented in unlisted investments in the Stock Exchange.

11. Investments in subsidiaries and associates

	Percentage %	31/12/2011 LE	Percentage %	31/12/2010 LE
11.1 Investments in subsidiaries				
Citadel Capital Holding for Financial Investments-Free Zone	99.99	1 345 352 547	99.99	1 345 352 547
Citadel Capital for International Investments Ltd.	100	397 854 569	100	397 854 569
Balance		**1 743 207 116**		**1 743 207 116**
11.2 Investments in associates				
National Development and Trading Company	44.47	668 170 587	44.47	668 170 587
ASEC Company for Mining (ASCOM)	39.22	183 051 762	39.22	183 051 762
United Foundries Company	29.29	103 699 040	29.29	103 699 040
Balance		**954 921 389**		**954 921 389**
Total		**2 698 128 505**		**2 698 128 505**

- Investments in subsidiaries and associates are represented in unlisted securities in the Stock Exchange except ASEC Company for Mining (ASCOM) which has market value of LE 104 880 942 as at December 31, 2011 versus LE 173 794 860 as at December 31, 2010.

12. Payments for investments

	31/12/2011 LE	31/12/2010 LE
Citadel Capital Holding for Financial Investments- Free Zone	1 525 277 171	1 243 021 253
Citadel Capital for International Investments Ltd.	176 219 906	250 208 876
Fund Project	2 035 911	25 188 018
Forestry Project	--	2 400 624
Mammoth Project	--	7 658 206
Total	**1 703 532 988**	**1 528 476 977**
Impairment	--	(33 015 508)
Net	**1 703 532 988**	**1 495 461 469**

13. Fixed assets

	Building and constructions LE	Computers LE	Furniture, fixture and equipments LE	Vehicles LE	Total LE
Cost as at 1/1/2011	33 742 368	7 511 251	22 396 002	539 800	64 189 421
Additions during the year	--	297 224	395 141	--	692 365
Total cost as at 31/12/2011	**33 742 368**	**7 808 475**	**22 791 143**	**539 800**	**64 881 786**
Accumulated depreciation as at 1/1/2011	6 748 473	6 036 592	19 324 061	393 604	32 502 730
Depreciation during the year	1 687 120	1 205 171	1 361 549	129 326	4 383 166
Accumulated depreciation as at 31/12/2011	8 435 593	7 241 763	20 685 610	522 930	36 885 896
Carrying amounts at 31/12/2011	**25 306 775**	**566 712**	**2 105 533**	**16 870**	**27 995 890**
Carrying amounts at 31/12/2010	**26 993 895**	**1 474 659**	**3 071 941**	**146 196**	**31 686 691**

14. Other investments

Other investments are represented in loans granted to subsidiaries and associates as follows:

	31/12/2011 LE	31/12/2010 LE
National Development and Trading Company *	--	313 082 482
Seqouia Willow Investments Ltd. *	362 094 225	--
United Foundries Company **	58 107 093	71 506 264
Balance	**420 201 318**	**384 588 746**

* The Company has granted two subordinating loans to National Development and Trading Company – (one of the associate companies – 44.47%) dated December 28, 2009 and September 21, 2010 with amounts of US.$ 40 968 630 and US.$ 8 064 887 respectively. The loans contracts period is five years, the principle of the two loans have to be paid with interest at the end of loans period, with 11.5% annual cumulative interest, according to loans contracts the Company has the right to convert the value of loans in addition to its interest due into capital increase in the capital of National Development and Trading Company with par value at the end of loans period.

The guarantees are represented in lien on part of National Development and Trading Company shares in the following subsidiaries companies:

ASEC Cement Company	41 050 000 shares
Arab Swiss Engineering Company (ASEC)	899 900 shares

The Company has transferred the total value of the two loans due from National Development and Trading Company in addition to the accrued interest on Seqouia Willow Investments Ltd. as at January 10, 2011 according to the original contacts terms granted to National Development and Trading Company. The value of the two loans is US.$ 60 276 705 (equivalent to LE 362 094 225 as at December 31, 2011) against US.$ 54 048 697 (equivalent to LE 313 082 482 as at December 31, 2010) including accrued interest from the beginning of loans period amounted to US.$ 11 243 186 (equivalent to LE 67 540 070 as at December 31, 2011) against US.$ 5 015 180 (equivalent to LE 29 050 932 as at December 31, 2010).

On February 1, 2012 the company has transferred the total value of the two loans due in addition to the accrued interest on Seqouia Willow Investments Ltd. to National Development and Trading Company according to the original contracts terms granted to National Development and Trading Company.

** The Company has concluded a subordinating loan contract with United Foundries Company (one of the associate companies - 29.29%) on June 2, 2010 with an amount of US.$ 11 563 187 for a period of three years, the principle of the loan has to be paid with interest at the end of the loan period, with 11.5% annual cumulative interest , according to the loan contract the Company has the right to convert the value of the loan in addition to its interest due into capital increase in the capital of United Foundries Company with par value at the end of loan period.

The guarantees are represented in a first degree lien of United Foundries Company shares in Ameryah Metal Company one of its subsidiaries with a percentage of 99.72%.

The Company has transferred an amount of US.$ 3 995 518 (equivalent to LE 23 254 510) from the loan's principle during the period in addition to an interest amounted to US.$ 230 407 (equivalent to LE 1 340 968) to Financial Holding International Company (one of United Foundries Company's shareholders) in addition to settle an amount of US.$ 357 406 (equivalent to LE 2 072 400) as additional contribution in this loan to become with an amount of US.$ 9 672 908 (equivalent to LE 58 107 093 as at December 31, 2011) against US.$ 12 344 416 (equivalent to LE 71 506 264 as at December 31, 2010) including accrued interest from the beginning of loan period amounted to US.$ 1 542 808 (equivalent to LE 9 267 956 as at December 31, 2011) against US.$ 781 229 (equivalent to LE 4 525 347 as at December 31, 2010).

On January 9, 2012 the board of directors of United Foundries Company decided to convert the convertible loan contract to current account as a subordinating loan that will be settled on 10 years with annual interest rate of 6%.

15. Deferred tax

	31/12/2011 LE	31/12/2010 LE
Fixed assets (depreciation)	1 759 385	1 718 309

The Company has carried over tax losses from previous years that were not recognized due to the lack of reasonable assurance of future taxable profit to benefit in the near future.

16. Share capital

- The Company's authorized capital is LE 6 Billion and the issued and paid-in capital is LE 3 308 125 000 represents 661 625 000 shares distributed to 496 218 750 ordinary shares and 165 406 250 preferred shares with par value LE 5 per share.
- The Company's extraordinary general assembly meeting held on August 3, 2011 decided to increase the issued capital from LE 3 308 125 000 to be LE 4 358 125 000 with an increase of LE 1 050 000 000 by issuing new 210 000 000 shares with par value LE 5 each and accordingly the total number of shares after increase is 871 625 000 shares distributed to 653 718 750 ordinary shares and 217 906 250 preferred shares. The share capital increase was paid in full during October 2011. The commercial register was updated on October 23, 2011.
- The preferred share has the advantage of triple voting right comparing with ordinary share on the decisions of the Company's extraordinary and ordinary general assembly meetings according to the decision of the Company's extraordinary general assembly meeting held on May 12, 2008 and also paragraph no.(3) of article no.(18) of the Company's article of associations. Those preferred shares are owned by Citadel Capital Partners Ltd. the principle shareholder of the Company.

The shareholders' structure is represented as follows:

Shareholders' name	Percentage %	No. of Shares	Value in LE
Citadel Capital Partners Ltd.	28.23	246 027 220	1 230 136 100
Soliman Abd Elmohsen Abd Allah Abnamy	15.16	132 100 000	660 500 000
Emirates International Investments Company	7.72	67 318 565	336 592 825
Others	48.89	426 179 215	2 130 896 075
	100	**871 625 000**	**4 358 125 000**

17. Long term loans

On May 15, 2008 the Company obtained a long-term loan from a group of banks (represented in Arab African International Bank, Suez Canal Bank, Misr bank , Piraeus Bank, Morgan & Stanely Bank and City Bank London "syndication manager") with an amount of US.$ 200 millions for a period of five years (US.$ 150 millions committed and US.$ 50 millions uncommitted) bearing variable interest rate (2.5 %+Libor rate) for the first 3 years and (2.75 % +Libor rate) for the last 2 years.

Loan is to be paid on three installments:

- The first stage 10% will be settled after three years.
- The second stage 20% will be settled at the end of the fourth year.
- The last stage 70% will be settled at the end of the loan period.

The Company has withdrawn an amount of US.$ 191 064 225 till March 31, 2011 and the Company paid the first stage installment on May 15, 2011 amounted to US.$ 19 106 422 , accordingly the balance of loan is US.$ 171 957 803 (equivalent to LE 1 032 984 912 as at December 31, 2011) against an amount of US.$ 166 064 225 (equivalent to LE 961 943 630 as at December 31, 2010), and the current stage installment on December 31,2011 is amounted to US.$ 35 million (equivalent to LE 210 252 000 as at December 31, 2011) against amounted to US.$ 16 606 423 (equivalent to LE 96 194 363 as at December 31, 2010).

The bank interest on loan recorded in the income statement during the year is LE 72 982 183 - note no. (19).

Hedging contract for risk of interest rate swap

On May 15, 2008 the Company signed a hedging contract with Citi Bank – London where by fixing the libor rate on the loan at an interest rate of 4.195 % on the value that equals 50 % of the amount used from the irrevocable portion the loan value in accordance with the terms of the loan granted.

Costs related to this contract are recognized in the item of financing costs – note no.(19) and that is mentioned in note no.(3-12).

On February 1, 2012 the Company has signed a long-term loan with an amount of US.$ 325 million with group of banks (represented in Arab African International Bank S.A.E, Arab International Bank, Banque du caire, Banque Misr S.A.E, Citybank London "syndication manager", Piraeus Bank) and guaranteed by Overseas private Investment Corporation (OPIC) for the purpose of refinancing the outstanding liabilities and expansion the Company's investments; provided that the loan amount is divided into three classes :

- First class : irrevocable amount of US.$ 175 million bearing variable interest rate (4.25 %+Libor rate) for 5 years begins from the date of the contract and payable on five equal annual installments
- Second class : irrevocable amount of US.$ 125 million bearing fixed interest rate (3.9 %+Libor rate on the date of withdrawal) for 10 years begins from the date of the contract and payable on nine equal annual installments with one year grace period.
- Third class : irrevocable amount of US.$ 25 million bearing fixed interest rate (3.9 %+Libor rate on the date of withdrawal) and the company has the right to use it within three years begins from the date of the contract and payable on nine equal annual installments begins from the date of withdrawal with one year grace period.

According to the loan contract, the loan installments would be paid on December 20th each year
The loan guarantees are as follows:

1. First degree lien contract of the shares owned by the Company in National Development and Trading Company.
2. First degree lien contract of the shares owned by the company on International Company for Mining Consulting.
3. First degree lien contract of the shares owned by the company on United Foundries Company.
4. First degree lien contract of the shares of Citadel Capital Ltd. (One of the subsidiaries of Citadel Capital Holding for Financial Investments-Free Zone).
5. First degree lien contract of Citadel Capital Ltd. (One of the subsidiaries of Citadel Capital Holding for Financial Investments-Free Zone) investments on the following companies:

- Orient Investments Properties Ltd.
- Logria Holding Ltd.
- Golden Crescent Investments Ltd.
- Falcon Agriculture Investments Ltd.
- Silverstone Capital Investment Ltd.
- Mena Glass Ltd.
- Mena Home Furnishings Mall.
- Valencia Trading Holding Ltd.
- Andalusia Trading Investments Ltd.
- Citadel Capital Transportation Opportunities Ltd.
- Lotus Alliance Limited.
- Citadel Capital Financing Corp.
- Grandview Investment Holding
- Africa Railways Holding
- Citadel Capital for Promotion Company

18. Gains on sale of investments

	For the year ended	
	31/12/2011	31/12/2010
	LE	LE
Gains on sale of investments in subsidiaries and associates	--	25 815 740
Gains on sale of available-for-sale investments	--	2 402 486
Total	**--**	**28 218 226**

19. Financing costs

	For the year ended	
	31/12/2011	31/12/2010
	LE	LE
Credit interest *	61 409 163	65 552 113
Debit interest **	(72 982 183)	(70 140 611)
Foreign currency differences	519 956	(8 699 711)
Net	**(11 053 064)**	**(13 288 209)**

* Note no.(23.2).
** Note no.(17).

20. Impairment loss on assets

	For the year ended	
	31/12/2011	31/12/2010
	LE	LE
Impairment loss on payments for investments		
Fund Project	--	(22 956 678)
Forestry Project	--	(2 400 624)
Mammoth Project	--	(7 658 206)
	--	(33 015 508)
Impairment loss on due from related parties		
Golden Crescent Investments Ltd.	7 101 237	(6 847 554)
Citadel Capital Financing Corp.	5 996 099	(27 554 865)
Citadel Capital Holding for Financial Investments- Free Zone	--	(5 000 000)
Citadel Capital for International Investments Ltd.	--	(11 375 707)
Logria Holding Ltd.	--	(31 881 898)
	13 097 336	(82 660 024)
Total	**13 097 336**	**(115 675 532)**

21. Earnings per share

	For the year ended	
	31/12/2011	31/12/2010
	LE	LE
Net loss for the year	(110 130 283)	(298 325 013)
The weighted average number of shares	702 474 315	661 625 000
Earnings per share	**(0.16)**	**(0.45)**

22. Reconciliations of effective tax rate

	31/12/2011	31/12/2010
	LE	LE
Net loss before tax	(110 171 359)	(298 689 782)
Tax reconciliations:		
Provisions	16 300 000	173 556 329
Impairment loss on assets	(13 097 336)	115 675 532
Fixed assets (taxable depreciation variances)	664 784	3 468 243
Tax exemptions	--	(9 575 740)
Hedging reserve	--	16 882 076
Non deductible expenses	--	2 014 855
Net tax exposure	**(106 303 911)**	**3 331 513**
Effective tax rate	20%	20%
Income tax according to the tax return	**--**	**666 303**

23. Related party transactions

The Company transact with related parties on the same basis of transacting with another parties and related parties transactions are presented as follows:

23.1 Advisory fee

Advisory fee presented in the income statement represents the advisory services rendered to the related parties according to signed contracts as follows:

	Accrued advisory fee according to contracts	Advisory fee Recognized	
	For the year ended	For the year ended	
	31/12/2011	31/12/2011	31/12/2010
Company's name	LE	LE	LE
Mena Glass Ltd.	4 495 274	4 495 274	4 188 534
Mena Home Furnishings Mall	5 197 938	5 197 938	4 727 139
Citadel Capital Transportation Opportunities Ltd.	1 295 589	1 295 589	4 931 759
Falcon Agriculture Investments Ltd.	14 673 039	14 673 039	13 218 466
Golden Crescent Investments Ltd.	6 933 189	6 933 189	6 523 485
Orient Investment properties Ltd.	9 455 941	9 455 941	10 558 922
Sphinx Glass Ltd.	4 750 620	4 750 620	4 495 820
ASEC Cement Company	14 643 157	14 643 157	14 197 114
Silverstone Capital Investment Ltd.	2 138 017	2 138 017	1 724 866
Citadel Capital Transportation Opportunities II Ltd.	5 896 443	5 896 443	738 666
Logria Holding Ltd.*	36 637 318	--	35 230 667
Total	**106 116 525**	**69 479 207**	**100 535 438**

* The Company did not recognize advisory fees related to those Companies according to signed contracts due to inadequate assurance concerning the revenue recognition and collection conditions.

23.2 Credit interest

Credit interest – finance costs note no.(19) includes an amount of LE 59 476 328 which represent the accrued interest income according to signed contracts with related parties as follows:

	For the year ended	
	31/12/2011	31/12/2010
Company's name	LE	LE
Seqouia Willow Investments Ltd.	36 987 665	--
National Development and Trading Company	--	30 626 472
United Foundries Company	7 853 151	4 425 586
Citadel Capital Holding for Financial Investments-Free Zone	11 682 874	25 235 222
Citadel Capital for International Investments Ltd.	2 952 638	4 231 010
Total	**59 476 328**	**64 518 290**

23.3 Other operating income

Other operating income presented in the income statement is represented in:

23.3.1 The amounts due from the subsidiaries due to bearing the Company all the direct and indirect pre-operation fees related to the following companies:

	For the year ended	
	31/12/2011	31/12/2010
Company's name	LE	LE
Citadel Capital Financing Corp.	--	17 626 600
Eco-Logic Ltd.	--	10 070 736
Valencia Trading Holding Ltd.	--	8 516 850
Total	**--**	**36 214 186**

23.3.2 The amounts due from Citadel Capital Financing Corp. as accrued management fees with an amount of LE 19 700 375 according to a signed contract for the year ended December 31, 2010.

23.4 Gains on sale of fixed assets represent revenues from sale of land owned by the Company to one of the subsidiaries – National Company for Touristic and Property Investments as follows:

	For the year ended	
	31/12/2011	31/12/2010
	LE	LE
Selling price	--	36 000 000
Cost	--	(24 000 000)
Sales commissions and expenses	--	(1 800 000)
Net	**--**	**10 200 000**

24. Tax Status

Corporate tax

- The Company submitted its tax returns on regular basis for the years from 2005 to 2010 according to tax law No. 91/2005. The Company's books have not been inspected yet.

The Supreme Council of the Armed Forces issued the Decree Law No. 51 of 2011 amending some provisions of the Income Tax Law promulgated by Law No. 91 of 2005 where the amendment of Article (49 / first paragraph) as follows: The tax base nearest ten pounds less is subject to tax in accordance with the following two tranches:

- First tranche: up to ten million pounds at 20%.
- Second tranche: more than ten million pounds at 25%.

instead of 20% of the entire tax base.

Salaries tax

The Company deducts the salaries tax according to tax law no. 91 / 2005 and the Company's books inspected for the period from launch till the date of 31/12/2009 but the authority did not inform the Company with results yet.

Stamp tax
The Company was inspected till July 31, 2006 and paid all the accrued amounts according to the Internal Committee decision and no tax inspection for the period from 1/8/2006 to 31/12/2010 has been inspected and the dispute has transferred to internal committee in the authority.

Withholding tax
The Company applies the withholding tax provisions on its transactions according to tax law No. 91/2005 and no tax inspection for withholding tax has been taken place yet.

25. Administrative and general expenses

	For the year ended	
	31/12/2011	31/12/2010
	LE	LE
Wages , salaries and similar items	102 805 520	113 739 692
Consultancy	26 745 795	5 595 814
Advertising and public relations	8 152 265	11 078 865
Travel , accommodation and transportation	7 277 626	23 393 259
Other expenses	16 030 466	28 608 934
Total	**161 011 672**	**182 416 564**

26. Management fees
The Company's extraordinary general assembly meeting held on May 12, 2008 approved the management contract with Citadel Capital Partners Ltd. (the principal shareholder of – 28.23 %) which states that Citadel Capital Partners Ltd. provides management duties for fees based on 10% of the net annual profit available for distribution. The total fees for the year ended December 31, 2011 and 2010 are nil.

27. Employees Stock Option Plan
- The Company's extraordinary meeting held on February 20, 2008 approved to add a new article to the Company Article of Association to adopt a plan or more to motivate employees, managers and executive board of directors – Employees Stock Option Plan (ESOP) in accordance with decision no.(282) for 2005 which modified executive regulation for the law No. 159 / 1981.
- On June 22, 2008 the Capital Market Authority approved the ESOP plan and the Company did not start to apply it.

28. Contingent liabilities and commitments
The Company guarantees some of its related parties against loans and credit facilities granted from banks.

29. Financial instruments and management of related risks:
The Company's financial instruments are represented in the financial assets and liabilities. Financial assets include cash balances and debtors while financial liabilities include creditors. Note no. (3) of notes to financial statements includes significant accounting policies applied regarding basis of recognition and measurement of the important financial instruments and related revenues and expenses by the Company to minimize the consequences of such risks.

29.1 Credit risk

Credit risk is the risk that one party will fail to discharge his obligation and cause the other party to incur financial loss. The financial assets representing amounts due from customers. Strict credit control is maintained and further appropriate level of impairment loss is made. The credit risk on financial instrument by ensuring that investments are made only after careful credit evaluation for these assets.

29.2 Liquidity risk

Liquidity risk is represented in the factors, which may affect the Company's ability to pay part of or full amount of its liabilities. According to the Company's policy, sufficient cash balances are retained to meet the Company's current liabilities which minimize the liquidity risk.

29.3 Foreign currencies risk

- The foreign currencies exchange risk represents the risk of fluctuation in exchange rates, which in turn affects the Company's cash inflows and outflows as well as the value of its assets and liabilities in foreign currencies. Assets and liabilities that have foreign currency position at the financial position date equivalent to LE 1 105 943 566 and LE 1 071 423 780 respectively, and net foreign currencies balances are as follows:

Foreign currencies	surplus LE
US.$	28 283 007
Euro	6 236 779

- As disclosed in note no. (3.1) the Company has used the prevailing exchange rates to revaluate monetary assets and liabilities at the balance sheet date.

29.4 Financial instruments' fair values

According to the valuation bases used to evaluate the assets and liabilities of the Company which have been stated in the accompanying notes to the financial position, the financial instruments' fair value does not substantially deviate from their book values at the balance sheet date .

29.5 Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. As the market dictates, the Company sometimes borrows at variable rates leaving certain exposure to changes in interest rate risk.

This page has been intentionally left blank.

This page has been intentionally left blank.

East Africa Contact
Karim Sadek
Managing Director

Algeria Contact
Alaa El-Afifi
Managing Director

Regional Investor Contact
Mohammed Abdellah
Managing Director

International Institutional Investor Contact
Stephen Murphy
Managing Director

Shareholder Contact
Amr M. El-Kadi
Head of Investor Relations

Corporate Communications Contact
Ghada Hammouda
Head of Corporate Communications

Government Relations Contact
Hazem Dakroury
Head of Government Relations

Human Resources Contact
Ihab Rizk
Head of Human Resources

Legal Affairs Contact
Amr Namek
Legal Counsel

www.citadelcapital.com

Citadel Capital (S.A.E.)
1089 Corniche El-Nil
Four Seasons Nile Plaza Office Building
Garden City • Cairo • Egypt • 11519

Tel: +20 (2) 2791-4440
Fax: +20 (2) 2791-4448

Citadel Capital Algérie
1 Amar Souiki St.,
El-Biar, Algiers 1600
Algeria

Tel: +213 (21) 92 96 98
Fax: +213 (21) 92 96 74

Citadel Capital East Africa
Railway Complex, Station Road
Off Haile Selassie Avenue
(P.O. Box 62502 00200)
Nairobi, Kenya

Tel: +254 (0) 20 20 444 76-9

citadelcapital.com

Citadel Capital (S.A.E.)
1089 Corniche El-Nil
Four Seasons Nile Plaza Office Building
Garden City • Cairo • Egypt • 11519

Tel: +20 (2) 2791-4440
Fax: +20 (2) 2791-4448

Citadel Capital Algérie
1 Amar Souiki St.,
El-Biar, Algiers 1600
Algeria

Tel: +213 (21) 92 96 98
Fax: +213 (21) 92 96 74

Citadel Capital East Africa
Railway Complex, Station Road
Off Haile Selassie Avenue
(P.O. Box 62502 00200)
Nairobi, Kenya

Tel: +254 (0) 20 20 444 76-9